

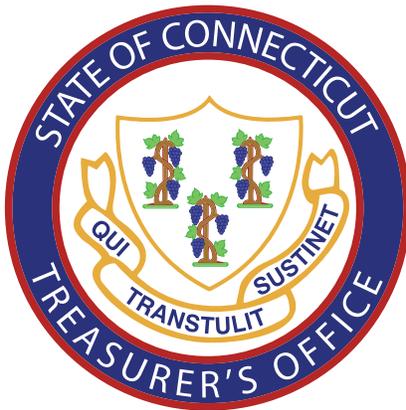


STATE OF CONNECTICUT

2019 ANNUAL REPORT OF THE TREASURER

The Office of
Treasurer Shawn T. Wooden





The State Motto,
“Qui Transtulit Sustinet”
(He Who Transplanted Still Sustains)

CONTENTS

INTRODUCTION	2
Treasurer’s Letter to the Governor	6
Investment Advisory Council Letter	8
Treasurer’s Biography	13
DIVISION OPERATIONS	
2019 Pension Funds Management Division	14
Debt Management Division	24
Cash Management Division	29
Unclaimed Property Division	36
Second Injury Fund Division	39
Connecticut Higher Education Trust	41
Able Program	44
Financial Statements	45
Independent Auditors Report	46
Management’s Discussion and Analysis	50
Deputy Treasurer’s letter	57
SUPPLEMENTAL INFORMATION	130
Glossary of Terms	165
Executive Office	185
Statutory Appendix	190

Introduction

MISSION STATEMENT

The Connecticut State Treasurer's Office's mission is to perform in the highest professional and ethical manner to safeguard the state's public resources. Our office policy, investment, and borrowing decisions encourage greater financial literacy, education, job and economic growth, and equal opportunity for all who call Connecticut home, a place to do business, and invest.

Duties of the Office of the Treasurer

The duties and authority of the Office of the Treasurer are set out in Article Four, Section 22 of the Connecticut State Constitution and in Title 3 of the Connecticut General Statutes. In general, the Treasurer is responsible for the safe custody of the property and money belonging to the State.

The Treasurer receives all money belonging to the State, makes disbursements as directed by statute, and manages, borrows, and invests all funds for the State.

The Treasurer, as chief elected financial officer for the State, oversees the prudent preservation and management of State funds, including the investment of a \$36 billion portfolio of pension and trust fund net assets, \$9.9 billion in total state and local short-term investments, and \$3.97 billion of assets in the Connecticut Higher Education Trust. The Treasurer maintains an accurate account of all funds through sophisticated security measures and procedures.

Boards, Committees, and Commissions

Connecticut state statutes provide that the State Treasurer serves as a member, ex-officio member, or can designate a representative, on several State boards and commissions. The Treasurer serves on the following boards, commissions and legislatively-mandated committees: Banking Commission, State Bond Commission, Connecticut Airport Authority, Connecticut Data Analysis Technology Advisory Board, Connecticut Green Bank, Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Higher Education Trust Advisory Committee, Connecticut Housing Finance Authority, Connecticut Innovations, Connecticut Lottery Corporation, Connecticut Port Authority, Connecticut Retirement Security Authority, Family and Medical Leave Insurance Trust Fund, Finance Advisory Committee, Investment Advisory Council, Municipal Accountability Review Board, Nitrogen Credit Advisory Board, Pension Sustainability Commission, Standardization Committee, State Employees' Retire-

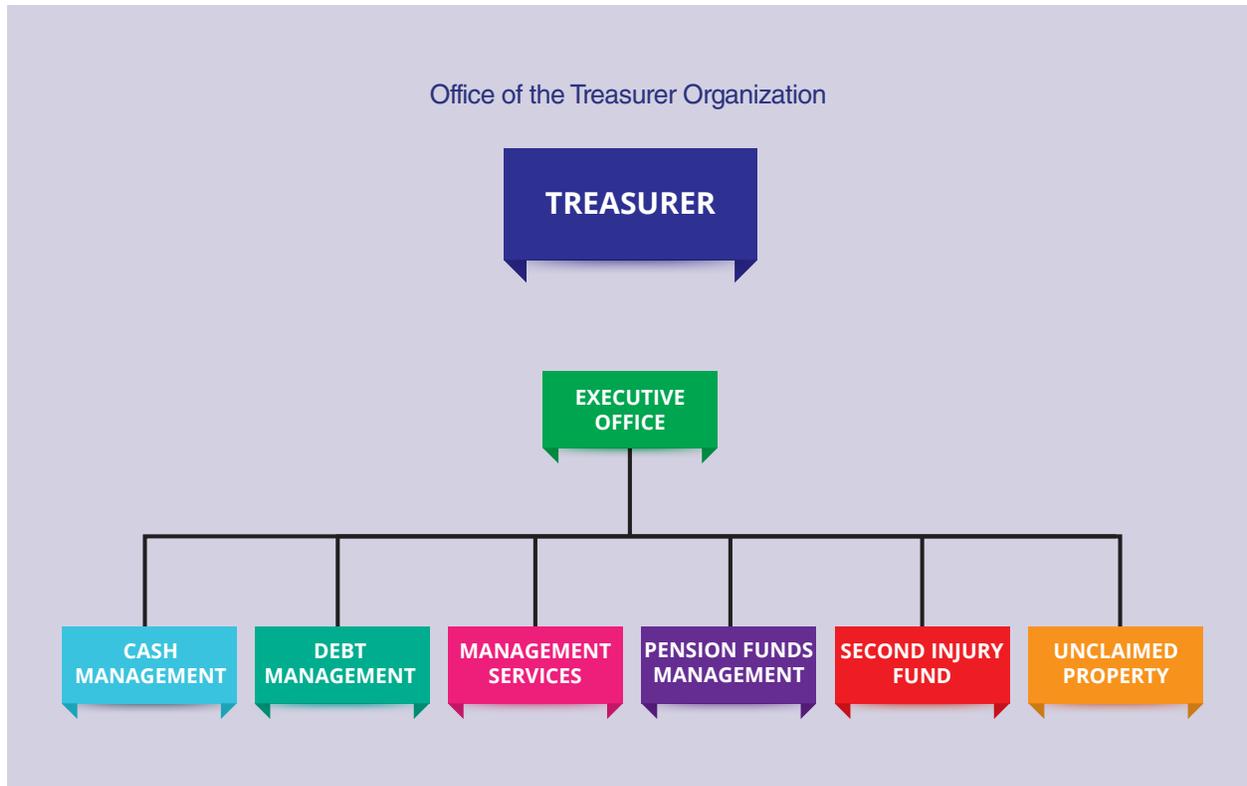
ment Commission, and Teachers' Retirement Board. Newly established during Fiscal Year 19 (FY 19), is the Governor's Council on Women and Girls. Additional information on the responsibilities of each is provided on Supplemental pages.

Office of the Treasurer Organization

The Treasurer is the chief elected financial officer of the State. The Office of the Treasurer includes an Executive Office and six divisions, each with specific responsibilities: Cash Management, Debt Management, Management Services, Pension Funds Management, Second Injury Fund, and Unclaimed Property. The Treasurer is responsible for the safe custody of the property and money belonging to the State by receiving all money, making disbursements as directed by statute, and managing, borrowing, and investing funds. The Treasurer is principal fiduciary of each of the Connecticut Retirement Plans and Trust Funds ("CRPTF") and, as such, is responsible for prudently investing the State's pension and trust fund assets. The Cash Management Division manages the Short-Term Investment Fund, which serves as an investment vehicle for the operating cash of the State Treasury, state agencies and authorities, municipalities, and other political subdivisions of the State. As the public finance arm of state government, the Treasury is responsible

for issuing and managing the State's debt in a vigilant and cost-effective manner.

The Executive Office is responsible for overall policy, planning and general administration to enhance the financial integrity and soundness of Treasury operations within each division, providing direction and leadership in carrying out Treasury functions and fostering economic well-being of the State and its citizens and businesses within the confines of fiduciary standards. The Executive Office also administers the Treasury's corporate governance program, which was developed in accordance with its fiduciary duty to protect and grow the value of the State's pension and trust fund investments; promotes, in accordance with state law, environmental, social and governance best practices among the companies in which it invests and with its financial service providers; and serves as a catalyst and advocate for the financial fitness of residents across the State. Other specific activities include legislative affairs, public information and community outreach, legal services, compliance, and financial reporting. The Treasurer is Trustee of the Connecticut Higher Education Trust, the State's 529 college savings program. The Executive Office provides overall supervision of this savings program as managed by financial service providers.



A Record of Accomplishments

During FY 19 achievements by the Office of the Treasurer that will benefit state residents and businesses included:

Short-Term Investment Fund Outperforms Benchmark —

The Short-Term Investment Fund (“STIF”) earned 2.3 percent in FY 19, while its benchmark returned 2.15 percent. Consequently, STIF investors earned an additional \$11.6 million in interest income. The Fund’s superior performance has earned the State and local governments and their taxpayers an additional \$73 million over the last ten years.

Connecticut’s Pension Funds Hit All-Time High in Market Value —

The CRPTF posted an unaudited net asset value of \$36.0 billion as of June 30, 2019, an all-time fiscal year-end record. Accounting for fees and expenses, including \$249 million of benefit payments in excess of total contribution receipts, the value grew by more than \$1.8 billion during the fiscal year. Connecticut’s three largest pension plans; Teachers’ Retirement System, State Employees’ Retirement System and Municipal Employees’ Retirement System had assets of \$18.4 billion, \$13.2 billion and \$2.7 billion respectively.

Unclaimed Property Division Added \$63 Million to General Fund, Returned \$56 Million to Rightful Owners —

Unclaimed property receipts topped \$138 million during FY 19, exceeding the \$117 million projection by \$21 million, or 18 percent. Of the total, the Office deposited \$63 million into the State’s General Fund — \$15 million, or 32 percent, more than was projected — and transferred \$11.9 million to the Citizens’ Election Fund. The Office returned \$56 million in unclaimed assets to 16,954 rightful owners.

Second Injury Fund Assessment Rates Remain Unchanged —

The Second Injury Fund continues to maintain the assessment rates for Connecticut businesses at the lowest levels in the history of the Fund. As a result, Connecticut businesses have realized an estimated \$6.26 million in savings during FY 19 and \$5.96 million in projected savings for FY 20.

Unfunded Liabilities for Injured Workers Continue to Decline —

Unfunded liabilities in the Second Injury Fund for injured workers during FY 19 decreased 8 percent from \$307 million to \$283 million. The Fund’s open claim inventory dropped from 2,762 to 2,578 as of June 30, 2019.

Assets Recovered from Claims and Litigation —

During FY 19, the Treasury recovered \$3.4 million in class action lawsuits. The Office has regained \$56.2 million since 2000 by closely monitoring and participating in class action settlements.

Connecticut’s College Savings Plan Surpassed \$3.9 Billion in Assets —

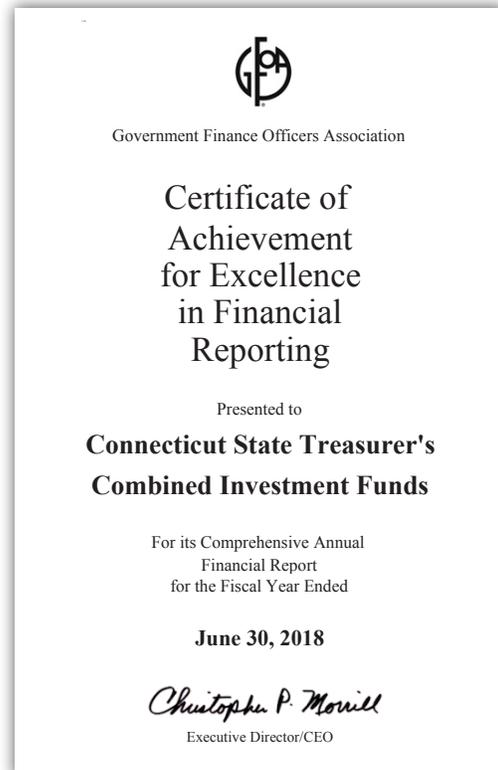
The Connecticut Higher Education Trust (“CHET”) continued its steady growth, surpassing \$3.98 billion in assets under management and more than 157,000 accounts. Since CHET’s inception, more than \$1.8 billion in qualified withdrawals have been used to cover college costs for approximately 51,000 students attending nearly every public and private college in Connecticut and several out-of-state schools.

College Scholarships Awarded —

During FY 19, 100 high school freshmen and 100 high school seniors won scholarships of up to \$2,500 in the fifth year of the CHET Advance Scholarship program. The winners hail from all eight counties in Connecticut. Since 2013, the Treasury has awarded \$3.0 million in scholarships to 1,200 students through the CHET Advance Scholarship program, at no cost to the State.

Financial Reports Receive Excellence Awards —

The Government Finance Officers Association (“GFOA”) of the United States and Canada awarded the Treasury Certificates of Achievement for Excellence in Financial Reporting for two comprehensive annual financial reports for the fiscal year that ended June 30, 2018. The Treasury received the GFOA’s annual award each year for its financial reports for STIF and the Combined Investment Funds. The FY18 certificates mark the 19th consecutive year of this distinction.



A RECORD OF ACCOMPLISHMENTS

Connecticut's Pension Funds Hit All-Time High in Market Value

Total Assets Managed
(as of June 30, 2019)

\$45.8B

CRPTF Net Asset Value
(as of June 30, 2019)

\$36.0B

FY19 CRPTF Value
Grew by More than

\$1.8B

TERF and SERF
both generated
net investments of

5.9%

Assets Recovered from Claims and Litigation During FY 19



Unclaimed Property Division Added \$63 Million to General Fund



Connecticut's Higher Education Trust (CHET) Surpasses \$3.9 Billion in Assets

Total assets managed
\$3.98B

Qualified withdrawals
\$1.8B

Student's College costs covered
51K

Short-Term Investment Fund Outperforms Benchmark



STIF earnings in FY19

2.3%

STIF investors earned

\$11.6M

State, local governments and taxpayers earned an additional \$73 million

Treasury Sets Record GO Bond Sale in FY19

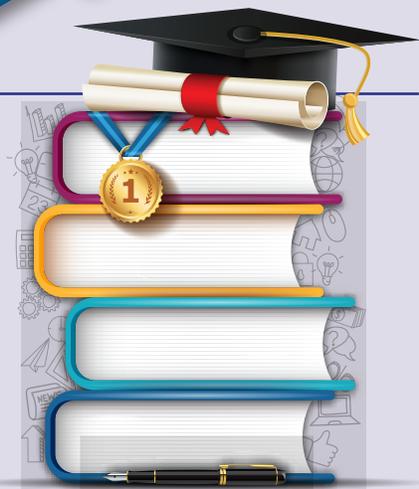


Total retail orders received

\$828M

Exceeded last record by

\$464M





SHAWN T. WOODEN
TREASURER

State of Connecticut
Office of the Treasurer

December 31, 2019

The Honorable Ned L. Lamont
Governor
State of Connecticut
210 Capitol Avenue
Hartford, CT 06106

Dear Governor Lamont:

It is indeed an honor to submit this annual report—in accordance with Section 3-37 of the Connecticut General Statutes—the first since I assumed office on January 9, 2019, for the fiscal year ending June 30, 2019.

Substantial changes have occurred in the state during the first six months of my term as Treasurer, some of which are reflected in this report.

As Treasurer, top priorities of my office have been to be a strong fiscal steward for our state and to protect taxpayer dollars. We've worked hard to restore investor confidence in Connecticut and we are seeing the results of this work. This report consists of the overall summary of the Treasury's activities, and an account of the discharge of its responsibilities during the fiscal year ending June 30, 2019.

In January 2019, we set out to help correct the state's economy by quickly addressing the state's unfunded pension liabilities and restructuring the Teachers' Retirement Fund ("TERF"). Within weeks we proposed a restructuring of the underfunded TERF in order to create a more sustainable funding plan to protect the pension system for teacher and saved taxpayers nearly \$900 million over the next five years.

Under the previous framework, the state's required annual payments into the fund were projected to increase to an unsustainable level—peaking in 2032 at roughly \$3.4 billion. Our proposal, outlined in Senate Bill 873, "An Act Stabilizing the Teachers' Retirement Fund," created in concert with Office of Policy and Management (OPM) Secretary Melissa McCaw and presented in your proposed budget, reamortized the unfunded liability over 30 years, reducing required contributions to a more predictable level. Approved by the General Assembly, the Act also required the adoption of a more realistic investment return assumption of 6.9 percent in line with capital market expectations—instead of the current 8 percent—and a more sound actuarial funding method that will stabilize the fund going forward.

55 ELM STREET, HARTFORD, CONNECTICUT 06106-1773, TELEPHONE: (860) 702-3000
AN EQUAL OPPORTUNITY EMPLOYER

These measures, along with presentations to all four national credit agencies, highlighted the state's improving economy, fiscal controls on bonding, and increases in the Budget Reserve Fund, and the Common Cash Pool. In March, Standard & Poor's elevated its outlook on Connecticut's General Obligation (GO) bond credit rating from "stable" to "positive," the first positive outlook or credit rating upgrade on the State's GO bonds in 18 years.

In April, the Treasury completed a record-setting sale of state General Obligation Bonds ("GO Bonds"), used for projects such as school construction, economic development programs and grants to municipalities. Total retail orders received for the bond sale were \$828 million, the highest amount of any GO bond sale in Connecticut history. It exceeded the last record for a GO bond sale of \$364 million in retail orders. Total orders from both retail and institutional investors were \$5.5 billion, more than five times the amount of bonds issued. Because orders significantly surpassed bonds available, the state was able to lower the interest rates it pays to purchasers of the bonds, saving taxpayers approximately \$46 million.

We also garnered near-record results with a \$240 million UConn GO bond sale that achieved the second-highest level of retail orders of any UConn 2000 Bond sale in the 23-year history of the program. The bonds sold will fund a range of University projects including academic and research facilities; improvements to the Fine Arts complex; residential life facilities; library collections; and telecom, equipment and infrastructure improvements at the Storrs and UConn Health campuses.

We have also taken a leadership role in working with state treasurers across the nation in focusing on corporate governance initiatives to enhance shareholder value of the companies in which our pension funds have an interest. As a result of greater collaboration with pension funds across the country, Connecticut secured enhanced disclosure on pay equity, board diversity and claw back policies—issues that bear on the profitability of the companies in which the pension funds invest.

The Treasury also continued its advocacy on climate-related issues. I was pleased to join as a signatory to an investor statement sent to the 20 largest generators of greenhouse gas emissions among electric utilities, calling for a commitment to work toward achieving net zero emissions by 2050.

I believe that together we're leading the charge to make Connecticut a great place to live, work, and invest, while ensuring our tax dollars are spent wisely and prudently.

Respectfully submitted,



Shawn T. Wooden
State Treasurer



State of Connecticut Office of the Treasurer

SHAWN T. WOODEN
TREASURER

December 29, 2019

The Honorable Ned Lamont
Governor of Connecticut
State Capitol
210 Capitol Avenue
Hartford, Connecticut

Dear Governor Lamont:

As Chair of the Investment Advisory Council (IAC), I am pleased to present this report on the activities of the IAC for the fiscal year ending June 30, 2019.

In Fiscal Year 2019, the IAC and the Office of the Treasurer (OTT) completed a comprehensive asset liability study. The study thoroughly assessed the assets and liabilities of each plan and trust fund within the Connecticut Retirement Plans and Trust Funds (CRPTF) taking into consideration liquidity needs as well as forecasted future capital market investment returns and risk. Several scenarios were reviewed in light of statutory changes made during the year that resulted in the reduction of the rate of return assumption for the pension plans from 8.0% to 6.9%.

Throughout the fiscal year, the IAC reviewed and rendered advice on a number of public and private market investments. Within the public emerging market equity allocation, the IAC reviewed and advised on the investment of \$2.8 billion into five active investment manager strategies. After a thorough review of pacing plans for private market investments, the IAC advised on \$590 million in commitments within the Private Investment Fund and \$290 million in commitments within the Real Estate Fund. Additionally, the IAC screened and questioned candidate firms for real estate and alternative investment consulting services.

The IAC worked alongside the Treasurer and the Executive Search Consultant in vetting candidates for the Chief Investment Officer (CIO) position. Consistent with its statutory requirement to consent to the Treasurer's recommended appointment and salary range of a CIO, the IAC approved the Treasurer's recommendation to appoint Laurie Martin as CIO, who began her assignment in June 2019. Martin had been Interim CIO since May 2018.

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AN EQUAL OPPORTUNITY EMPLOYER

The IAC continued its practice of reviewing fund performance at each meeting and conducted extensive reviews of fund performance on a quarterly basis. Furthermore, the IAC maintained its review of corporate governance activities quarterly.

There were also notable changes to the membership comprising the IAC over the course of the fiscal year. Richard Ross joined the Council on November 19, 2018 and long term Council member David B. Himmelreich retired on March 31, 2019, after over fifteen years, replaced by Michael Knight.

Having served as a member of the IAC for over twenty years, I am privileged to work with my fellow council members on the oversight of Connecticut's pension and trust assets. Providing advice to the Treasurer is a contribution that we are very proud of in light of increased pressure on pension funding and the current capital market environment. It is with this sense of duty that I submit this summary on behalf of the IAC.

Sincerely,



Carol M. Thomas, Interim Chair
Investment Advisory Council

2019 Annual Report Year at a Glance, as of June 30

COMBINED INVESTMENT FUNDS

Investments in Securities, at Fair Value	\$ 36,357,550,590
Net Position Held in Trust for Participants	\$ 36,114,678,672
Total Net Return	\$ 5.92
Total Investment Returns for the Fiscal Year	\$ 1,978,924,824
Total Management Fees for the Fiscal Year	\$ 145,687,973
Total Numbers of Advisors	116

CONNECTICUT HIGHER EDUCATION TRUST

Direct Plan Number of Participant Accounts	128,837
Direct Plan Net Position	\$ 3,345,735,614
Advisor Plan Number of Participant Accounts	28,174
Advisor Plan Net Position	\$ 634,813,462

DEBT MANAGEMENT

Total Debt Outstanding	\$ 25,590,803,556
General Obligation Debt included above	\$ 16,723,148,556
General Obligation Debt issued included above	\$ 1,889,200,000
Total Debt Retired and Defeased During the Fiscal Year	\$ 2,710,456,471
General Obligation Debt Retired and Defeased included above	\$ 1,957,261,471
Total Debt Service Paid on Outstanding Debt During the Fiscal Year	\$ 3,394,303,469
General Obligation Debt Service Paid included above	\$ 2,442,707,940

CASH MANAGEMENT

Total Cash Inflows During the Fiscal Year	\$ 152,376,931,149
Total Cash Outflows During the Fiscal Year	\$ 152,332,704,148

SHORT-TERM INVESTMENT FUND

Total Net Position of the Fund	\$ 8,095,757,035
One-Year Total Return	2.30%
Five Year Compounded Annual Total Return	0.9449%
Ten Year Compounded Annual Total Return	0.5741%
Weighted Average Maturity	43
Number of Participant Accounts	953

SECOND INJURY FUND

Second Injury Fund Estimated Unfunded Liability (expressed as reserves)	\$ 283,222,512
Number of Claims Outstanding	2,578
Number of Claims Settled During the Fiscal Year	206
Total Cost of Claims Settled and Paid	\$ 5,531,512

UNCLAIMED PROPERTY

Dollar Value of Gross Unclaimed Property Receipts	\$ 137,783,574
Dollar Value of Claims Paid	\$ 56,005,570
Number of Property Claims Paid	16,954

Investment Advisory Council

The Investment Advisory Council (IAC) consists of the State Treasurer and the Secretary of the Office of Policy and Management (as ex-officio members of the Council); five public members, all of whom shall be experienced in matters relating to investments, appointed by the Governor and legislative leadership; three representatives of the State teachers' unions and two representatives of the State employees' unions (CGS Sec. 3-13b).

Pursuant to CGS Sec.3-13b, the IAC annually reviews the Investment Policy Statement (IPS) recommended by the Treasurer, which outlines the standards governing investment of the Connecticut Retirement Plans and Trust Funds (CRPTF) assets by the Treasurer. The IPS includes, with respect to each plan and trust fund, (A) investment objectives; (B) asset allocation policies and risk tolerances; (C) asset class definitions, including specific types of permissible investments within each asset class and any specific limitations or other considerations governing the investment of any funds; (D) investment and money manager guidelines; (E) investment performance evaluation guidelines; (F) guidelines for the selection and termination of providers of investment related services, which shall include, but not be limited to, external investment and money managers, investment consultants, custodians, broker-dealers, legal counsel, and similar investment industry professionals; and (G) proxy voting guidelines. The Treasurer shall thereafter adopt the IPS, including any such changes recommended by the IAC the Treasurer deems appropriate, with the approval of a majority of the

members appointed to the IAC. The latest IPS was adopted by the Treasurer and approved by the IAC in August 2012, and amended four times, reflecting revisions including the projected capital market returns, the liquidity needs of each plan and trust fund and other financial scenarios for the CRPTF, emanating from the 2012 Asset Liability Study that the Treasurer led, with the assistance of IAC members.

All plan and trust fund investments by the State Treasurer shall be reviewed by the IAC along with all information regarding such investments provided to the IAC which the Treasurer deems relevant to the Council's review and such other information as may be requested by the Council. The IAC shall also review the report provided by the Treasurer at each regularly scheduled meeting of the IAC as to the status of the plan and trust funds and any significant changes which may have occurred or which may be pending with regard to the funds. The Council shall promptly notify the Auditors of Public Accounts and the Comptroller of any unauthorized, illegal, irregular or unsafe handling or expenditure of plan and trust funds or breakdown in the safekeeping of plan and trust fund assets or contemplated action to do the same within their knowledge.

At the close of the fiscal year, the IAC shall make a complete examination of the security investments of the State and determine as of June thirtieth, the value of such investments in the custody of the Treasurer and report thereon to the Governor, the General Assembly and beneficiaries of plan and trust fund assets administered, held or invested by the Treasurer (CGS Sec. 3-13b(c) (2)).

Council members who contributed their time and knowledge to the IAC during Fiscal Year 2019 include:

CAROL M. THOMAS:	Interim Chairperson, as appointed by the Governor; Representative of State Employees' unions; Retiree, Department of Developmental Services
MELISSA McCRAW:	Secretary, State Office of Policy and Management (Ex officio member)
JOSHUA HALL:	Representative of State Teachers' unions; Hartford Federation of Teachers
MICHAEL KNIGHT:	Representative of the public, appointed by the House Minority Leader, Accountant
MICHAEL LeCLAIR:	Senior Vice President/Investments, Stifel, appointed by the Senate Minority Leader
STEVEN MUENCH:	Representative of State Teachers' unions; Conn. Education Association
WILLIAM MURRAY:	Representative of State Teachers' unions; NEA, Danbury
RICHARD ROSS:	Representative of the public, appointed by Governor Malloy, Software entrepreneur
PATRICK SAMPSON:	Representative of State Employees' unions; AFSCME
SHAWN T. WOODEN:	Council Secretary, State Treasurer (Ex Officio member)

THE BOND BUYER

ton Published March 08, 2019

State treasurer's vision for Connecticut

Connecticut Treasurer Shawn Wooden generated a buzz with his proposal to restructure the state teachers' pension system. He expects the initiative to kick-start a busy year at his seventh-floor office overlooking Bushnell Park in downtown Hartford.



Connecticut to boost diversification with Europe and secondaries

The state's treasurer will add an additional \$200m per year in a transition plan to increase private equity allocation.

March 2019 - By Preeti Singh



Connecticut's new treasurer Shawn Wooden has unveiled a transition plan that will add an additional \$200 million per year for the \$31.2 billion Connecticut Retirement Plans and Trust Funds' private equity programme through fiscal year 2021.

Hartford Courant

State treasurer: The reckoning has come to restructure the debt

By Shawn T. Wooden



The state budget issues unveiled at the Capitol are not so

Connecticut

Dan Haar. Celebrating debt



Connecticut State Treasurer Shawn Wooden Pushes Diversification, Risk Management

The newly elected Connecticut state treasurer sees maximizing returns and managing risk as the top priorities for the overall pension portfolio and the state's



HARTFORD BUSINESS

News

NATIONAL/STATEWIDE REAL ESTATE HEALTH CARE

MARCH 29, 2019

Investors flock to CT's \$1B debt issue

Gregory Seay



Connecticut's new state treasurer Shawn Wooden is expected to announce a \$1 billion bond issue to help fund the state's

WSJ PRO



Pensions & Investments

The international newspaper of money management

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Hartford Courant

For the first time in 18 years, Connecticut's bond outlook upgraded



Pensions & Investments

PENSION FUNDS · FEBRUARY 19, 2019 | 05:00 PM

Connecticut governor proposes reforms to state teachers fund in conjunction with treasurer

Connecticut Gov. Ned Lamont proposed legislation to reform the \$18.7 billion

Treasurer Biography



Shawn T. Wooden was sworn in as Connecticut's 83rd State Treasurer on January 9th, 2019. In October, he was unanimously elected by his peers as Secretary-Treasurer of the National Association of State Treasurers. He previously spent 21-years as an investment attorney focused on public pension plans.

Born and raised in Hartford, Treasurer Wooden graduated from Trinity College and holds a law degree from NYU School of Law. Early in his career, he worked in key roles for the Mayor of Hartford, state Commissioner of Social Services, and the AFL-CIO's Office of Investment in Washington, D.C. Treasurer Wooden also served previously as the president of the Hartford City Council and as a member of the oversight board for the Connecticut Office of State Ethics.

The Connecticut NAACP named him one of the '100 Most Influential Blacks' in Connecticut, *Savoy Magazine* identified him one of the most influential black lawyers in the country, and *Pensions and Investments* international money management magazine named him one of the "25 Investment Professionals to Watch."

He is the father of two teenage sons.

2019 Pension Funds

MANAGEMENT DIVISION OVERVIEW



Introduction

As principal fiduciary of six state pension funds and nine trust funds (known collectively as the Connecticut Retirement Plans and Trust Funds (CRPTF)), the Treasurer is responsible for managing investment assets for retirement plans serving approximately 219,000 state and municipal employees, teachers, retirees and survivorships, as well as trust funds that support academic programs, grants, and initiatives throughout the state.

Prudent investment management requires the proper safeguard of the CRPTF assets to ensure the retirement security of the beneficiaries and to support the spending policies of the trust funds. Funding of the pension benefit liability is dependent upon state contributions, investment returns and the contribution requirements of eligible retirement plan participants. The spending requirements of the trust funds are met through the generation of investment income and capital gains with a focus on the preservation of capital.

The Combined Investment Funds (CIF) were established pursuant to Connecticut General Statutes Section 3-31b as a means to invest pension and other trust fund assets in a variety of investment classes. The CIF is comprised of the following separate pooled investment funds: Liquidity Fund; Domestic Equity Fund; Core Fixed Income Fund; Emerging Markets Debt Fund; High Yield Debt Fund; Inflation Linked Bond Fund; Developed Markets International Stock Fund; Emerging Markets International Stock Fund; Real Estate Fund; Private Investment Fund; and Alternative Investment Fund.

Over the last year, the net asset value of the CRPTF investments under Treasury management has grown from \$34.4 billion to approximately \$36.1 billion. The Teachers' Retirement Fund, with approximately \$18.4 billion of assets under management at June 30,

2019, is the largest participating plan. The State Employees' Retirement Fund and the Connecticut Municipal Employees' Retirement Fund have approximately \$13.2 billion and \$2.7 billion of assets, respectively. For the fiscal year ended June 30, 2019, total investment income (comprised of interest income, dividends, securities lending income, and net realized and unrealized capital gains, net of operating expenses) before allocation of administrative expenses, was approximately \$2.0 billion.

Fund Management

Under the supervision of a Chief Investment Officer, appointed by the Treasurer with the approval of the Investment Advisory Council (IAC), the Pension Funds Management Division (PFM) executes and manages the investment programs of the pension and trust funds with a 13 member professional staff. Internal resources are augmented by several outside consulting firms that provide research and analytical expertise to the Treasurer, the Chief Investment Officer and PFM professionals. During Fiscal Year 2019, The Bank of New York Mellon (BNY Mellon) served as the custodian of record for the CRPTF, maintaining physical custody of and safeguarding plan assets. BNY Mellon also provided recordkeeping services under the supervision of PFM, and Deutsche Bank was the provider of securities lending services.

The Treasurer employs external investment managers to manage the portfolios underlying each CIF. Investment managers are selected based upon asset class expertise, investment performance and style. Investment managers are expected to comply with the parameters, guidelines, and restrictions set forth in the CRPTF Investment Policy Statement (IPS). As of June 30, 2019, 116 external investment managers were employed by the Treasury to invest the pension and trust assets (See Figure 1-5).

SUMMARY OF THE TOTAL INVESTMENT IN THE CIF AS OF JUNE 30, 2019		
Liquidity Fund (LF) (2)	\$ 336,354,280	0.93%
Domestic Equity Fund (DEF)	8,269,411,950	22.74%
Developed Markets International Stock Fund (DMISF)	6,967,711,311	19.16%
Emerging Markets International Stock Fund (EMISF)	3,283,464,289	9.03%
Real Estate Fund (REF)	2,436,096,320	6.70%
Core Fixed Income Fund (CFIF)	3,685,679,215	10.14%
Inflation Linked Bond Fund (ILBF)	1,468,543,197	4.04%
Emerging Market Debt Fund (EMDF)	2,108,797,847	5.80%
High Yield Debt Fund (HYDF)	2,190,692,080	6.03%
Alternative Investment Fund (AIF)	2,902,985,114	7.98%
Private Investment Fund (PIF)	2,707,814,987	7.45%
Total Fund	\$36,357,550,590	100.00%

- * "Fair value" includes securities and cash invested in the Liquidity Fund (LF), and excludes receivables (FX contracts, interest, dividends due from brokers, foreign tax, securities lending receivables, reserve for doubtful accounts, invested securities lending collateral and prepaid expenses), payables (FX contracts, due to brokers, income distribution, securities lending collateral and accrued expenses), and cash not invested in the LF.
- * The fair value of the LF represents the pension and trust assets allocated to the LF (excluding receivables and payables); the LF balances of the other combined investment funds are shown in the fair value of each fund.
- * Fair Value (\$36.4 billion) differs slightly from net assets (\$36.1 billion) as net assets include additional balance sheet items.

All operating overhead is allocated directly to the earnings of the pension and trust fund assets under management. The Treasury manages assets in a cost-effective manner, consistent with the maximization of long-term returns.

Investment Policy

One of the immutable principles of investment management is that asset allocation decisions are responsible for as much as 90 percent of investment returns. In September 2012, the IAC approved the Treasurer's adopted IPS, including the asset allocation plan, which governs the CRPTF investment portfolios and each of the CIFs. Subsequently, in December 2012, January 2013, April 2013, July 2013, December 2017 and May 2019 the IAC approved the Treasurer's adopted modifications.

The asset allocation plan is customized for each plan and trust with the main objective being the maximization of investment returns over the long term at an acceptable level of risk, primarily through asset diversification. Risk, in this context, is defined as volatility of investment returns. (See Understanding Investment Performance under Supplemental Information.)

Diversification across asset classes is a critical component in structuring portfolios to maximize return at a given level of risk. In developing an asset allocation strategy, there is thorough analysis of the expected risk/return tradeoffs under different economic scenarios predicated on established correlations of investment returns and the diversification benefits of the available asset classes (i.e., those not restricted by statute).

As shown in Figure 1-4, the number and complexity of asset classes comprising the asset allocation policy have fluctuated during the last ten years. As of June 30, 2019, multiple asset classes were integrated in the IPS, including global public market equities and fixed income, as well as alternative investments such as real estate, private equity, hedge fund and real asset investment strategies. At fiscal year-end, domestic, international developed and emerging-markets equities (stocks) comprised the largest percentage of the total CRPTF, at approximately 53 percent. Publicly traded equities have an established record of maximizing investment returns over the long term. Fixed income, real estate and alternative investments were also included to enhance portfolio returns during highly inflationary or deflationary environments, to mitigate the effects of volatility in the stock market and to provide current income.

Figure 1-5

PENSION AND TRUST FUNDS (Advisor Breakdown)		
Fund	June 30, 2019	June 30, 2018
DEF	5	6
DMISF(1)	10	8
EMISF	5	1
PIF	43	39
CFIF	7	8
ILBF	3	3
EMDF	4	4
HYDF	6	7
REF	22	21
LF	1	1
AIF	10	13
Total(2)	116	111

(1) Does not include the Currency Overlay Manager.

(2) Actual total advisors was 150 and 145, respectively when factoring in advisors across multiple funds. Private Investment Partnerships with nonmaterial balances are not included.

ASSET CLASSES

Asset Classes

To realize the asset allocations set forth in the IPS for each plan and trust, the Treasurer administers the CIFs as a series of combined investment funds in which the various retirement plans and trusts may invest through the purchase of ownership interests. The asset mix for each of the 15 plans and trusts is established by the Treasurer, with approval of the independent IAC, based upon (1) capital market theory, (2) financial and fiduciary requirements and (3) liquidity needs. However, there are instances in which the asset mix for a trust is set by the trust's governing document.

The Asset Classes That Make Up The CRPTF Portfolio Include:

Domestic Equity

The Domestic Equity Fund (DEF) assets are allocated across the broad U.S. stock market to ensure diversification by market capitalization and investment style, such as value and growth. The DEF may opportunistically invest up to 30 percent of assets to take advantage of shifts in the investment landscape or opportunities that offer diversification and/or risk-return benefits, and may include investments in any market capitalization and/or investment style as well as an allocation to stocks outside the US. As of June 30, 2019, the DEF structure was approximately 85.1 percent invested in large-cap stocks, 9.7 percent in small/ mid-cap stocks, 4.9 percent in all-cap, and 0.30 percent in cash equivalents and other net assets. The DEF's ten largest holdings, aggregating 18.24 percent of Fund investments, included a variety of blue chip companies and were broadly diversified, with the largest holding of 3.54 percent in Microsoft Corp. Performance of the DEF is measured against the Russell 3000 Index (R3000).

Management of the DEF includes the use of pure indexing, enhanced indexing, active management, and opportunistic strategies executed by external investment managers. Index and enhanced index strategies are referred to as passive strategies since their investment portfolios are similar to the index. The goal of enhanced indexing is to generate a return slightly in excess of the selected index. Indexing is particularly appropriate for the "large-cap" segment of the equity markets, which is defined as the securities of the largest capitalized public companies. Given the overall efficiency of the domestic equity market, approximately 85 percent of the portfolio is invested in passive strategies. The balance of the portfolio is actively managed, primarily in the less efficient small and mid-capitalization sectors of the equity markets. These securities are issued by companies that

are smaller and not as closely monitored, researched or analyzed as the larger capitalization companies. As a result of this relative inefficiency, active investment managers have the potential to outperform these markets over the long term, while earning an acceptable level of return per unit of risk. Based on returns over the last five years, DEF has exhibited a similar degree of risk as that of its benchmark, the Russell 3000 Index. With a relative volatility of 1.00, the DEF's volatility is approximately the same as the market.

International Equity

Exposure to international equities is provided through two funds: the Developed Markets International Stock Fund (DMISF) and the Emerging Markets International Stock Fund (EMISF), each of which has distinct risk/return profiles. Stocks from developed market countries tend to offer lower risk and return potential compared to emerging market securities as a result of generally more stable economic and political environments and the depth and liquidity of their financial markets. The foreign currency exposure in the DMISF is partially hedged back to the U.S. dollar. DMISF and EMISF assets are allocated across foreign markets so that there is diversification by country, sector, capitalization and style, in a mix that is structured to replicate the characteristics of the comparable non-U.S. developed and emerging stock market indices to which each combined investment fund is benchmarked.

External investment managers invest DMISF assets primarily in common stocks issued by companies in developed market countries domiciled outside of the U.S. The benchmark for DMISF is the Morgan Stanley Capital International Europe Australasia and Far East Investable Market Index (MSCI EAFE IMI) 50 percent hedged. The DMISF is comprised of passive indexing, core developed markets and opportunistic strategies. As of June 30, 2019, the DMISF structure was approximately 82 percent invested in large-cap stocks, 17 percent in small-cap stocks, and a remainder in cash equivalents and other net assets. Mandates for active growth/value and small cap developed market strategies represent roughly 28 percent and 17 percent of the DMISF, respectively. The currency exposure of the DMISF investments is managed through a currency hedging overlay strategy. Given the DMISF's investment policies and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, political and economic risk, currency risk, market risk, and individual company risk. A 50 percent currency hedging strategy is employed to reduce the portfolio's currency risk over time. The Fund's volatility over a five year period is only slightly lower than the market at 0.97.

The EMISF invests primarily in the common stocks of non-U.S. corporations domiciled in countries included in the EMISF benchmark, which is the Morgan Stanley Capital International Emerging Markets Investable Market Index (MSCI EM IMI). EMISF investments are made through portfolios managed by external investment managers. The EMISF is invested 100 percent in active, unhedged emerging markets strategies. Given the EMISF's investment policies and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, political and economic risk, currency risk, market risk, and individual company risk. Based on returns over the last five years, the Fund's risk profile closely resembles that of the benchmark as evidenced by a relative volatility of 0.97.

Fixed Income

Fixed income assets are diversified across four funds: the Core Fixed Income Fund (CFIF), the Inflation Linked Bond Fund (ILBF), the Emerging Markets Debt Fund (EMDF), and the High Yield Debt Fund (HYDF). Investments in the various fixed income CIFs serve to reduce the overall volatility of CRPTF returns under numerous economic scenarios. Further, the fixed income CIFs provide cash flow to the CRPTF in the form of interest and principal payments.

The CFIF consists of externally managed, primarily investment grade, fixed income portfolios that include debt instruments issued by the U.S. Government and its agencies, quasi-government agencies, U.S. corporations and any other public or private U.S. corporation whose debt security is regulated by the Securities and Exchange Commission (including Eurobonds and quasi or sovereign debt). Assets are diversified across sectors, industries, credit quality and duration, and up to 30 percent may be opportunistically invested based on changes in the investment landscape that may improve diversification, reduce risk or enhance return. As of June 30, 2019, the CFIF structure approximated 32 percent invested in Treasury/agency securities, 36 percent in corporate securities, 25 percent in mortgage-backed securities, 6 percent in asset-backed securities, and a remainder in cash equivalents and other net assets. The benchmark for CFIF is the Barclays U.S. Aggregate Bond Index. Given the CFIF's investment policies and objectives, the Fund is exposed to several forms of risk, such as credit default risk, interest rate risk, liquidity risk, inflation risk, reinvestment risk, counter party risk and geopolitical risk. These risks are monitored on an ongoing basis, and actions are taken to mitigate identified risks. External rating agencies assign credit ratings to individual securities reflecting their views of the underlying firm's credit worthiness or the underlying assets in the case of securitized debt. As of fiscal year end, over half of the CFIF was rated AAA.

The ILBF consists of externally managed fixed income portfolios containing domestic and foreign developed market sovereign bonds. These government bonds are primarily inflation-linked securities. Inflation linked bonds offer protection against inflation and contrib-

ute to overall portfolio diversification. As of June 30, 2019, the ILBF structure was comprised of securities from the following countries or regions: 41 percent in the U.S., 21 percent in the U.K., 17 percent in the Eurozone, 8 percent in Australia and New Zealand, 4 percent in Mexico and a remainder in other countries and cash equivalents. The benchmark for ILBF is the Barclays World Government Inflation-Linked Bond Index. Given the ILBF's investment policies and objectives, the Fund is exposed to various risks such as interest rate risk, deflation risk, currency risk, geopolitical risk, and credit risk. Based on returns over the last five years, the Fund's risk profile closely resembles that of the benchmark as evidenced by a relative volatility of 0.99.

The EMDF consists of externally managed fixed income portfolios that contain debt instruments issued by governments and companies located in emerging countries as defined by the benchmark and The World Bank. The benchmark for EMDF is the J.P. Morgan Emerging Markets Bond Index Global Diversified/J.P. Morgan Government Bond Index - Emerging Markets Global Diversified (50 percent/50 percent). As of June 30, 2019, the EMDF structure approximated 37 percent invested in Latin America, 23 percent in Europe, 16 percent in Asia, 10 percent in Africa, 9 percent in the Middle East and 4 percent in cash equivalents, foreign currency, and other markets and net assets. The benchmark accounts for U.S. dollar-denominated debt and for debt issued in local currencies. The local currency debt is not hedged as the foreign currency is considered an additional source of alpha, or return in excess of that predicted by its benchmark. Given the EMDF's investment policies and objectives, the Fund is exposed to multiple types of risk. These risks include, but are not limited to, credit risk, currency risk, interest rate risk, liquidity risk, inflation risk and geopolitical risk. Based on returns over the last five years, the Fund's risk profile closely resembles that of the benchmark as evidenced by a relative volatility of 1.01.

The HYDF consists of externally managed fixed income portfolios that include debt instruments rated below investment grade by a nationally recognized rating agency service. The assets are diversified by sector, industry, credit quality and duration. The majority of the bonds are U.S. dollar-denominated. As of June 30, 2019, the HYDF structure approximated 95 percent invested in corporate securities, 1 percent in Treasury securities, and a remainder in cash equivalents and other assets. The benchmark for HYDF is the Citigroup U.S. High Yield Market Capped Index. Given the HYDF's investment policies and objective, the Fund is exposed to several forms of risk. These risks include, but are not limited to, credit default risk, interest rate risk, liquidity risk, pre-payment risk, reinvestment risk and inflation risk. In addition, the Fund is occasionally exposed to political, economic and currency risk resulting from investments in international high yield securities. The average quality of the Fund is B-1, which matches the benchmark. Funds beta or measure of volatility stands at 0.94.

Liquidity Fund

The Liquidity Fund (LF) consists of externally managed fixed income portfolio intended to provide a liquid source of funds for investment operations and earn a return greater than money market funds, with minimal exposure to risk of principal. As of June 30, 2019, nearly 100 percent of the LF assets are invested in money market instruments. The benchmark for the LF is the one month London Interbank Offered Rate (LIBOR) Index.

Real Estate

The Real Estate Fund (REF) is the vehicle by which the CRPTF invests in the real estate asset class and may consist of a number of different investment strategies and investment vehicles, including externally managed commingled funds, open-end funds, separate accounts, and publicly traded real estate securities. The REF invests in real estate properties and mortgages and is designed to dampen the volatility of overall returns through diversification and to generate attractive risk-adjusted rates of return. The REF will invest in the following: core strategies; value added strategies (investments involving efforts to increase property value through repositioning, development and redevelopment); opportunistic strategies (strategies that target niche opportunities, market inefficiencies, or special purpose markets); and publicly traded securities (primarily Real Estate Investment Trusts and Real Estate Operating Companies). Leverage at the aggregate of the REF is limited to 60 percent of REF's total valuation. These investments also adhere to the Responsible Contractor Policy. As of June 30, 2019, the REF structure was approximately 66 percent invested in core, 21 percent in value-added, 11 percent in opportunistic and a remainder in cash equivalents and other net assets. The benchmark for REF is the Open End Diversified Core Equity (NFI-ODCE Index), lagged by one quarter.

The REF takes both a total portfolio and asset class specific approach to risk management. Risk is managed at the portfolio level through diversification and strategic asset allocation and the implementation of strategy. Risks attendant to alternative investments, such as management, operations, local/regional property markets, and liquidity risk, are managed at the asset class level with additional risk management focused on financing, geography, and property type risks specific to a fund manager's portfolio investments.

The REF has lower volatility than its benchmark largely due to allocations to core funds, which generally have lower leverage than value-add and opportunistic strategies and have reduced risk. The REF volatility is typical and not excessive relative to a benchmark comprised of unlevered core properties.

Private Investments

The Private Investment Fund (PIF) is the vehicle used to invest in private equity. PIF investments generally are made in externally managed limited partnerships or through separate accounts that focus on private investments. These vehicles include investments in both

venture capital and corporate finance investment strategies. Venture capital typically involves equity capital invested in young or development stage companies, and may include start-up, early, mid or late-stage companies. Corporate finance typically involves equity and debt capital invested in growth, mature or distressed stage companies, often through the financing of acquisitions, spin-offs, mergers or changes in capitalization. As of June 30, 2019, the PIF structure was approximately 77 percent invested in Corporate Finance and 23 percent in Venture Capital. The benchmark for PIF is the Russell 3000 Index plus 250 basis points, lagged by one quarter. PIF's risk profile is complex given the valuation judgments and liquidity constraints placed on it consistent with an alternative investment strategy. Longer term (e.g., 10 years) returns are more meaningful in evaluating private equity portfolio risk adjusted performance. Long term horizons better reflect the illiquid nature of PIF's holdings and the time it takes for investments to realize their potential.

Alternative Investments

The Alternative Investment Fund (AIF) invests in strategies that offer the potential to enhance return and/or reduce risk. The AIF provides a vehicle for investment in portfolio strategies which are not easily classified, categorized, or described in other CIFs. Hybrid strategies which contain multiple asset classes are also considered part of the opportunity set. As of June 30, 2019, the AIF structure was approximately 90 percent invested in hedge funds, of funds 5 percent in real assets, 4 percent in opportunistic strategies, and a remainder in cash equivalents and other net assets. AIF's benchmark is the 90-day Treasury Bill plus 300 basis points. Given the AIF's investment policy and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, risks attendant with alternative investments, such as management, operations and product risk, overall liquidity risk, leverage, short selling, derivative use, and transparency. Assuming these risks as part of a prudent, total portfolio strategy assists the AIF in achieving its investment objectives.

Securities Lending

The CRPTF maintains a securities lending program designed to provide incremental risk adjusted returns. This program involves the lending of portfolio securities to broker/dealers in return for payment. Each loan is secured by collateral valued slightly in excess of the market value of the loaned securities. To further mitigate the risks of securities lending transactions, the CRPTF's securities lending bank carefully monitors the credit ratings of each counter-party and overall collateral levels.

Deutsche Bank was responsible for marketing the program, lending the securities, and obtaining adequate collateral during Fiscal Year 2019. As of June 30, 2019, securities with a market value of approximately \$2.1 billion had been loaned against collateral of approximately \$2.1 billion. Income generated by securities lending totaled \$12.8 million for the fiscal year.

THE YEAR IN REVIEW

Total Fund Performance

For the fiscal year ending June 30, 2019, the CRPTF achieved an annual total return of 5.92 percent, net of all fees and expenses. The three largest pension plans, the Teachers' Retirement Fund, the State Employees' Retirement Fund, and the Connecticut Municipal Employees' Retirement Fund -- which represent approximately 95 percent of total assets -- returned 5.85 percent, 5.88 percent and 6.23 percent respectively. The CIFs' investment performance for Fiscal Year 2019 added \$1.7 billion of market value to pension assets.

After paying fees and expenses, including \$249 million of benefit payments in excess of contribution receipts, the CIFs ended the fiscal year with assets of \$36.1 billion.

The DMISF returned 0.33 percent, trailing its benchmark return of 1.79 percent. Overall performance was relatively tame for developed international markets attributed to geopolitical risks which drove changes in sentiment on a quarterly basis. For the trailing three-, five- and seven-year periods, the DMISF compounded returns, net of all fees and expenses, were 10.08 percent, 4.53 percent and 9.37 percent, respectively.

The EMISF returned 2.90 percent, outperforming its benchmark return of 0.47 percent. Overall performance for the fiscal year was positive for emerging markets. Similar to developed international markets, emerging equities experienced increased volatility during the year driven by escalating global trade tensions. For the trailing three-, five- and seven-year periods, the EMISF compounded returns, net of all fees and expenses, were 9.82 percent, 2.74 percent and 4.03 percent, respectively.

The DEF returned 8.40 percent, underperforming its benchmark return of 8.98 percent. Domestic equity was the second best performer for the year across all asset classes. Strong corporate earnings and stable economic growth contributed to the propel returns in fiscal year 2019. For the trailing three-, five- and seven-year periods, the DEF compounded returns, net of all fees and expenses, were 14.05 percent, 10.13 percent and 13.71 percent, respectively.

The HYDF returned 5.82 percent, underperforming its benchmark return of 7.10 percent. An overweight to risk especially in energy, combined with lower duration than the benchmark, were key drivers

of the Fund underperforming the benchmark. For the trailing three-, five- and seven-year periods, the HYDF compounded returns, net of all fees and expenses, were 6.92 percent, 3.76 percent and 5.61 percent, respectively.

The PIF returned 15.53 percent, outperforming its benchmark return of 11.27 percent. PIF was the best performer for the year across all asset classes. Utilizing the institutional standard for measuring private equity performance,

Internal Rate of Return (IRR), PIF generated a net IRR of 13.9 percent. The PIF portfolio continued to generate positive cash flow with investment distributions exceeding contributions by approximately \$338 million for the year. For the trailing three-, five- and seven-year periods, the PIF compounded returns, net of all fees and expenses, were 13.98 percent, 12.95 percent and 12.89 percent, respectively.

The EMDF returned 10.13 percent, underperforming its blended benchmark return of 10.77 percent. US dollar strength continued in a world of geopolitical risks. For the trailing three-, five- and seven-year periods, the EMDF compounded returns, net of all fees and expenses, were 5.68 percent, 2.95 percent and 3.34 percent, respectively.

The AIF, which invests in hedge funds, real assets and other opportunistic investments, returned 3.73 percent, underperforming its benchmark return of 5.31 percent. For the trailing three-, five- and seven-year periods, the AIF compounded returns, net of all fees and expenses, were 5.62 percent, 3.01 percent and 4.00 percent, respectively.

The REF returned 6.38 percent, slightly underperforming its benchmark return of 6.43 percent. Market fundamentals in most real estate sectors were strong during the fiscal year led by industrial and multi-family sectors. For the trailing three-, five- and seven-year periods, the REF compounded returns, net of all fees and expenses, were 7.48 percent, 9.35 percent and 9.67 percent, respectively.

The CFIF returned 6.69 percent, underperforming its benchmark return of 7.87 percent. The Fund's underweight to duration relative to the benchmark was the primary cause of relative under performance. For the trailing three-, five- and seven-year periods, the CFIF compounded returns, net of all fees and expenses, were 2.52 percent, 2.57 percent and 2.41 percent, respectively.

The LF returned 2.46 percent, outperforming its benchmark return of 2.35 percent benefiting from rising interest rates environment resulting from Federal Reserves' rate hikes. For the trailing three-, five- and seven-year periods, the LF compounded returns, net of all fees and expenses, were 1.68 percent, 0.92 percent and 0.83 percent, respectively. The LF returned 2.46 percent, outperforming its benchmark return of 2.35 percent benefiting from rising interest rates environment resulting from Federal Reserves' rate hikes.

For the trailing three-, five- and seven-year periods, the LF compounded returns, net of all fees and expenses, were 1.68 percent, 0.92 percent and 0.83 percent, respectively.

The ILBF returned 3.48 percent, underperforming its benchmark return of 3.70 percent. Lack of global inflation pushed inflation breakevens lower resulting in slight relative underperformance of the Fund on an after-fee basis. For the trailing three-, five- and seven-year periods, the ILBF compounded returns, net of all fees and expenses, were 2.44 percent, 1.33 percent and 0.91 percent, respectively.

2019 Management Initiatives

The two largest pension funds among the Connecticut Retirement Plans and Trust Funds ("CRPTF"), the Teachers' Retirement Fund ("TERF") and the State Employees' Retirement Fund ("SERF"), both generated net investment results of 5.9 percent for Fiscal Year 2019. For the longer term period of fifteen years, ending June 30, 2019, TERF and SERF generated net investment results of 6.7 percent and 6.6 percent, in line with the funds' composite benchmark returns of 6.7 percent.

While all asset classes contributed positively to overall results, the strongest investment performances at the asset class level were realized in both the public and private equity investment portfolios, and the emerging markets debt portfolios. For Fiscal Year 2019, returns were: Private Investment Fund, 15.5 percent, Domestic Equity Fund, 8.4 percent while the Emerging Markets Debt Fund 10.1 percent. Developed Markets Equities which faced both geopolitical and global economic headwinds throughout the year were the weakest performer, returning a positive 0.3 percent in 2019.

Over the course of the fiscal year, the CRPTF made significant new investment commitments to private markets totaling \$880 million representing 12 opportunities: Eight in the Private Investment Fund totaling \$590 million, and four in the Real Estate Fund totaling \$290 million, including the launch of the real estate allocation within the Connecticut Horizon Fund.

Corporate Governance

The Treasury's corporate governance activities are guided by the core principle that the exercise of shareholder rights, either through

the voting of proxies or the filing of shareholder resolutions, is central to the fiduciary obligation to enhance the value of the CRPTF's investments.

The CRPTF's domestic and global proxy voting policies, as approved by the Investment Advisory Council, are set forth in its Investment Policy Statement. They include guidelines for how proxies are to be voted on an array of issues, including election of directors, executive compensation, labor standards and other environmental, social and governance issues. The CRPTF's domestic and international proxy votes are posted on the Treasury's website at http://www.ott.ct.gov/pension_votingsummary.html

In addition to the voting of proxies, the Treasury also actively engages directly with companies on corporate governance best practices in an effort to positively impact shareholder value. Toward these ends, the CRPTF coiled shareholder resolutions with thirteen (13) portfolio companies on matters related to board diversity, pay equity, board oversight of opioid distribution and risks, and climate change-related disclosure. Of these, nine (9) proposals were withdrawn following successful engagement with companies, and three (3) went to a shareholder vote.

During Fiscal Year 2019, the Treasury also worked with other public pension plans and institutional investors in advocating for best practices in corporate governance and risk oversight, including:

- A coalition of investors representing nearly \$5 trillion in assets under management in support of the Principles for a Responsible Civilian Firearms Industry, a set of standards aimed at urging gun manufacturers and distributors to support gun control measures;
- A coalition of investors representing roughly \$2.1 trillion in assets under management in support of a Joint Investor Statement on Corporate Disability Inclusion, calling on companies to develop best practices for setting goals and tracking progress in employing people with disabilities;
- A coalition of investors representing roughly \$1.7 trillion in assets under management in support the Institutional Investor Statement Regarding Decarbonization of Electric Utilities, urging 20 of the largest generators of greenhouse gas emissions among electric utilities to commit to work toward achieving net zero emissions by 2050; and
- A coalition of investors representing nearly \$1.7 trillion in assets under management, advocating for improved disclosure of workplace equity policies and practices across gender, race, ethnicity, sexual orientation, and other diversity types.

Investment Restrictions

The Treasury is charged with administering three laws that authorize investment restrictions on companies doing business in Northern Ireland, Sudan and Iran. Connecticut's MacBride law, set forth in Section 3-13h of the Connecticut General Statutes, is based on the MacBride Principles, which are a corporate code of conduct for companies doing business in Northern Ireland designed to address religious discrimination in the workplace. During FY 2019, the CRPTF restricted its managers from investing in two companies for failure to adopt these principles: Domino's Pizza Inc. and Yum Brands, Inc.

The Treasury monitored companies doing business in Sudan pursuant to Section 3-21e of the Connecticut General Statutes. The Sudan law, adopted in 2006, authorizes the Treasurer to engage companies doing business in Sudan and potentially divest holdings in those companies if their business contributes to the government's perpetuation of genocide in Sudan. As of the conclusion of FY 2019, the Treasury prohibited direct investment in 18 companies: Bharat Heavy Electricals Ltd.; China North Industries Group; China North Industries Corporation a.k.a. NORINCO; NORINCO International Cooperation Ltd.; North Huajin Chemical Industries Co. Ltd.; North Navigation Control Technology Co. Ltd.; China Petroleum and Chemical Corp.; CNPC (Hong Kong); Dongfeng Motor Corporation; Jiangxi Hongdu Aviation Industry Ltd.; Oil and Natural Gas Corp.; Mangalore Refinery and Petrochemicals Ltd.; ONGC Nile Ganga BV, Amsterdam; ONGC Videsh Limited; ONGC Videsh Vankorneft; PetroChina Co. Ltd.; Petronas Capital Ltd.; and Sinopec Shanghai Petrochemical Corp.

Connecticut's Iran law, set forth in Connecticut General Statutes Section 3-13g, authorizes the Treasurer to engage with companies doing business in Iran, and potentially divest holdings in such companies if such companies, by their business activities, may be contributing to the Iranian government's development of its nuclear program and its support of global terrorism. As of the conclusion of FY 2019, the Treasury prohibited direct investment in 14 companies: Bongaigaon Refinery & Petrochemicals; Ca La Electricidad de Caracas; Chennai Petroleum Corp.; China Bluechemical; China National Offshore Oil Corporation; China Oilfield Services Ltd.; CNOOC; Daelim Industrial Co. Ltd.; IBP Co. Ltd.; Indian Oil Corporation Ltd.; Lanka Ioc Plc; Offshore Oil Engineering Co.; Oil India Ltd.; and Petroleos de Venezuela S.A.

Asset Recovery and Loss Prevention

The Treasurer's Legal Unit works to manage risk by limiting opportunities for loss due to the malfeasance of others. Extensive pre-contracting due diligence helps the Office of the Treasurer select

the best available vendors and suitable products to meet the needs of the Office. Careful contract negotiation, coupled with periodic review, development and implementation of best practice contract language, helps to ensure clarity with respect to the obligations of the Office of the Treasurer and its vendors and investment partners. The Office maintains regular contact with other similar governmental offices and institutional investors, sharing ideas for enhancement of contract language, frequently sharing advice with counterparts in other states. The Office of the Treasurer deters malfeasance with its reputation for active and diligent pursuit of all opportunities to recover assets lost due to the misfeasance or malfeasance of others. The Office of the Treasurer believes that most disputes can be resolved through dialogue designed to enforce contract terms or clarify misunderstanding. The Office is however prepared, when necessary, to pursue judicial solutions where negotiation is unsuccessful. Although very limited as a percentage of all investments, the Office, like all other investors, experiences losses due to corporate malfeasance. In these instances, the Office believes that litigation managed by investors is more effectively negotiated, efficiently litigated and achieves larger settlements for the benefit of all investors. As such, the Office is committed to taking on its fair share of the management responsibility of such litigation and will consider making application to serve as lead plaintiff in class action litigation where appropriate. From time to time, the Office has used litigation to encourage corporate governance enhancements. The Office has filed individual and group actions to pursue specific rights where disputing parties are unwilling or unable to reach an extrajudicial conclusion. Since the U.S. Supreme Court's 2010 decision in *Morrison v. National Australia Bank*, the Office has experienced an increase in its participation in group actions as a means of seeking recovery of lost assets. The Office works with other institutional investors to collaborate and monitor Morrison-related matters.

Class Action Securities Litigation

The Combined Investment Funds recovered approximately \$1.9 million from class action settlements in the fiscal year ended June 30, 2019. The Office continues to closely monitor opportunities to recover lost assets through participation in class action litigation.

The Office of the Treasurer, as the Trustee for the CRPTF, served as lead plaintiff in the matter known as *In Re Amgen, Inc. Securities Litigation*, filed in the federal district court for the Southern District of California. The case, settled for \$95 million prior to the commencement of the trial. The court has approved the terms of the settlement and the claims filing process is underway.

Corporate Governance Related Litigation

The Combined Investment Funds recovered \$3.38 million from class action settlements in the fiscal year ended June 30, 2019. The Office continues to closely monitor opportunities to recover lost assets through participation in class action litigation. As of the close of the fiscal year, the class action filing portion of the asset recovery program has exceeded \$56 million since inception.

Other Litigation

In appropriate circumstances, the OTT will participate in foreign litigation on a group basis. Examples are the following cases: Novo Nordisk, Steinhoff, OW Bunker and Volkswagen. Further, the OTT may opt out of U.S. related class actions and file separate litigation in these cases where the likelihood of recovery is greater than remaining as passive class member.

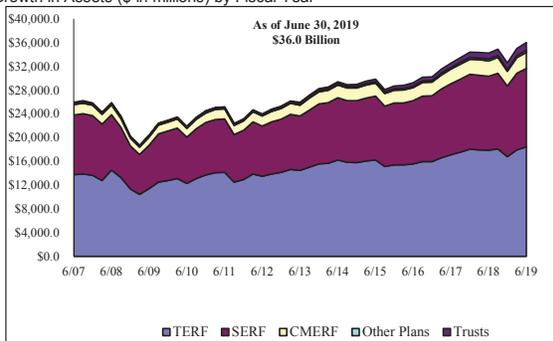
Figure 1-1

PENSION AND TRUST FUNDS ASSET ALLOCATION (Actual vs Policy as of June 30, 2019)	TERF				SERF				CMERF			
	Actual	Target Policy	Lower Range	Upper Range	Actual	Target Policy	Lower Range	Upper Range	Actual	Target Policy	Lower Range	Upper Range
U.S. EQUITY												
Domestic Equity Fund (DEF)	23.5%	20.0%	15.0%	25.0%	23.6%	20.0%	15.0%	25.0%	17.8%	20.0%	15.0%	25.0%
INTERNATIONAL EQUITY												
Developed Market International Stock Fund (DMISF)	20.6%	11.0%	6.0%	16.0%	19.8%	11.0%	6.0%	16.0%	14.8%	11.0%	6.0%	16.0%
Emerging Market International Stock Fund (EMISF)	9.4%	9.0%	4.0%	14.0%	9.0%	9.0%	4.0%	14.0%	7.6%	9.0%	4.0%	14.0%
REAL ESTATE												
Real Estate Fund (REF)	6.5%	10.0%	5.0%	15.0%	6.4%	10.0%	5.0%	15.0%	6.4%	10.0%	5.0%	15.0%
FIXED INCOME												
Core Fixed Income Fund (CFIF)	7.7%	16.0%	11.0%	21.0%	9.6%	16.0%	11.0%	21.0%	12.4%	16.0%	11.0%	21.0%
Inflation Linked Bond Fund (ILBF)	3.3%	5.0%	0.0%	10.0%	4.8%	5.0%	0.0%	10.0%	5.2%	5.0%	0.0%	10.0%
Emerging Market Debt Fund (EMDF)	6.1%	5.0%	0.0%	10.0%	5.0%	5.0%	0.0%	10.0%	8.6%	5.0%	0.0%	10.0%
High Yield Debt Fund (HYDF)	6.0%	6.0%	1.0%	11.0%	5.3%	6.0%	1.0%	11.0%	10.5%	6.0%	1.0%	11.0%
Liquidity Fund (LF)	1.7%	1.0%	0.0%	3.0%	1.6%	1.0%	0.0%	3.0%	1.8%	1.0%	0.0%	3.0%
PRIVATE EQUITY												
Private Investment Fund (PIF)	7.0%	10.0%	5.0%	15.0%	6.9%	10.0%	5.0%	15.0%	6.9%	10.0%	5.0%	15.0%
Alternative Investment												
Alternative Investment Fund (AIF)	8.2%	7.0%	2.0%	12.0%	8.0%	7.0%	2.0%	12.0%	8.0%	7.0%	2.0%	12.0%
TOTAL	100.0%	100.0%			100.0%	100.0%			100.0%	100.0%		

Figure 1-2

PENSION AND TRUST FUNDS

Growth in Assets (\$ in millions) by Fiscal Year

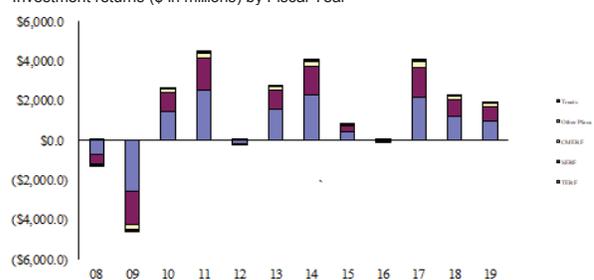


TERF - Teachers' Retirement Fund
SERF - State Employees' Retirement Fund
CMERF - Connecticut Municipal Employees' Retirement Fund

Figure 1-3

PENSION AND TRUST FUNDS

Investment returns (\$ in millions) by Fiscal Year



TERF - Teachers' Retirement Fund
SERF - State Employees' Retirement Fund
CMERF - Connecticut Municipal Employees' Retirement Fund

PENSION FUNDS MANAGEMENT DIVISION

Figure 1-4
PENSION AND TRUST FUNDS
Asset Class Diversification by Fiscal Year

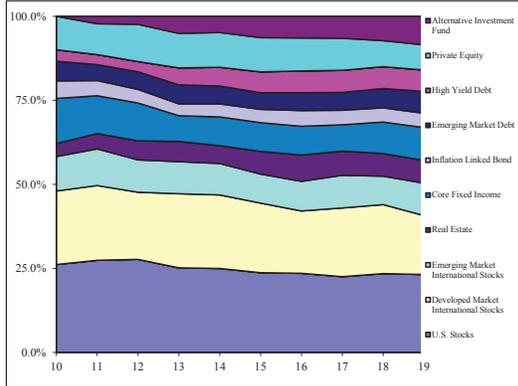
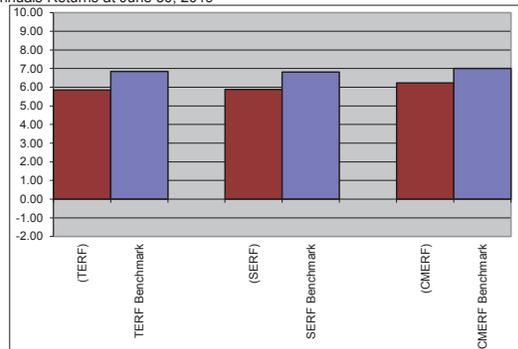


Figure 1-5
PENSION AND TRUST FUNDS
Advisor Breakdown

Fund	June 30, 2019	June 30, 2018
DEF	5	6
DMISF ⁽¹⁾	10	8
EMISF	5	1
PIF	43	39
CFIF	7	8
ILBF	3	3
EMDF	4	4
HYDF	6	7
REF	22	21
LF	1	1
AIF	10	13
Total⁽²⁾	116	111

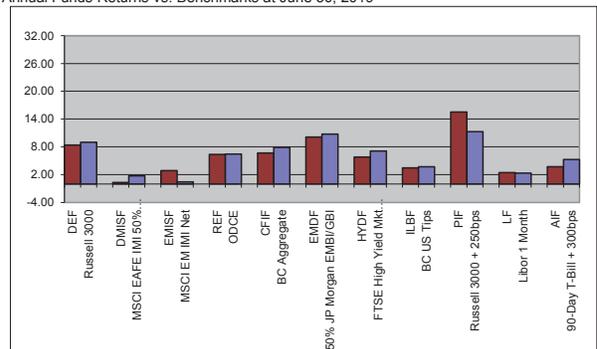
(1) Does not include the Currency Overlay Manager.
(2) Actual total advisors was 150 and 145, respectively when factoring in advisors across multiple funds.
Private Investment Partnerships with nonmaterial balances are not included.

Figure 1-6
PENSION AND TRUST FUNDS
Annuals Returns at June 30, 2019⁽¹⁾



⁽¹⁾ Each Plan benchmark composite represents the Plan's policy allocation weights times each investment Fund's return

Figure 1-7
PENSION AND TRUST FUNDS
Annual Funds Returns vs. Benchmarks at June 30, 2019



Debt Management Division



Division Overview

The Office of the Treasurer, through its Debt Management Division, is responsible for the cost-effective issuance and management of the State of Connecticut's bonded debt. The State's strategic investments in local school construction, roads, bridges, airports, higher education, clean water, and economic development are the foundation of Connecticut's physical and social infrastructure.

Key to obtaining the lowest cost of funds for the State is continual contact with the investment community and credit rating agencies: Moody's Investors Service, S&P Global Ratings, Fitch Ratings, and Kroll Bond Ratings. The latest financial instruments available in the public financing market are utilized when issuing new debt in order to attain the lowest interest rates possible. Relationships were maintained and expanded with institutional and retail investors who have demonstrated confidence in the State's economy by purchasing bonds and notes at attractive interest rates.

The Office of the Treasurer is also a critical resource in the drafting of new laws, working with the executive and legislative branches on proposed legislative initiatives. This has resulted in the design of new bonding programs that have been well received in the financial markets, while maintaining exemption from federal and State taxes where appropriate. Specific examples include: the authorization of bonding backed by future federal transportation funds; a program

to eliminate the State's accumulated GAAP deficit; a transportation lockbox; legislation to allow the State to access certain federal loans; a new alternative taxsecured bonding program to fund projects and purposes authorized for funding with general obligation bonds; and most recently, approval of a plan to restructure the funding of the Teachers' Retirement Fund to make it more sustainable over time and the passage by the General Assembly of a Joint Resolution regarding its intention to exclude refunding and certain other bonds from the new bond issuance caps, which reaffirmed an Attorney General opinion on the matter.

The Debt Management Division manages the State's four public financing programs: General Obligation Bonds, Special Tax Obligation Bonds (Transportation Infrastructure), University of Connecticut Bonds, and State Revolving Fund Bonds, and coordinates the issuance of bonds with State quasi-public authorities including Capital Region Development Authority, Connecticut Airport Authority, Connecticut Green Bank, Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Innovations, and Materials Innovation and Recycling Authority.

The Debt Management Division consists of ten professionals under the direction of an Assistant Treasurer. During Fiscal Year 2019, the

THE YEAR IN REVIEW

Debt Management Division actively managed the State's \$25.6 billion debt portfolio, and significant accomplishments included:

- **New Money Bonds** - A total of \$2.2 billion of new money bonds were issued to continue funding of the State's capital programs including local school construction grants, economic development initiatives, transportation infrastructure, improvements at the University of Connecticut and other state universities and colleges, and Clean Water and Drinking Water grants and loans. These projects help bolster the local economy and improve the lives of Connecticut citizens. In addition, the Division issued \$400 million of General Obligation bonds to repay maturing bond anticipation notes.
- **Refunding Bonds** - As interest rates continue to remain low, bonds were refunded through the issuance of \$435.4 million of refunding bonds across several of the State's bond programs to capture the lower interest rates in the current marketplace thereby providing aggregate debt service savings of \$51.7 million over the life of the bonds.
- **Investor Roadshow** - In March 2019, an extensive and highly successful investor roadshow was executed to introduce Governor Lamont, Treasurer Wooden, and OPM Secretary McCaw to major bond investors in four cities nationwide. The new administration shared their vision and plans for Connecticut with these investors.
- **Improved Rating Outlooks and Bond Price Performance** - Both S&P Global Ratings and Kroll Bond Ratings elevated their credit outlooks on Connecticut's General Obligation bonds to "positive" and "stable," respectively, the first credit rating upgrade or positive outlook of the State's General Obligation bonds in 18 years. These improved credit outlooks, together with the Administration's outreach to investors, led to some record high levels of investor demand in a market already buoyed by federal tax reform, resulting in much improved pricing across the State's bonding programs.
- **Teachers' Retirement Fund Restructuring** - The Division played a key role in the General Assembly's adoption of a major proposal advanced by the Governor and Treasurer to restructure the funding of the Teachers' Retirement Fund. The adopted proposal puts funding on a more sustainable path and includes the lowering of the investment return assumption to a more achievable level. This was accomplished by creating a Special Capital Reserve Fund, using a portion of the current year budget surplus, to provide adequate provision for the State's outstanding 2008 pension obligation bonds.
- **Joint Resolution** - Working with bond counsel, the Division was instrumental in the General Assembly's passage of a Joint Resolution confirming its intention in the prior regular legislative session to exclude refunding bonds and certain other bonds from the new General Obligation bond issuance caps, reaffirming the Attorney General's previous opinion on the matter.
- **Transportation Bonding Program** - The Division issued \$850 million of new Special Tax Obligation bonds, \$750 million to fund new and ongoing transportation infrastructure improvements and \$100 million to refund outstanding bonds. In addition, the Division continued to consult with the State's Department of Transportation and the Office of Policy and Management on bonding matters including the transportation lockbox and planning for the possible incorporation of toll revenue into the transportation bonding program.
- **State Revolving Fund (SRF) (Clean Water and Drinking Water Fund) Bonds** - The Division worked closely with the State's Department of Energy and Environmental Protection and the Department of Public Health to successfully commit low-cost funding for program participants throughout the State. The SRF program brought to market and sold \$280 million of bonds, which closed at the beginning of the 2020 fiscal year. The sale generated \$240 million of orders from retail investors, the highest number on any

bond sale in the 28-year history of the program. The bonds issued to fund new loans were sold at a 2.69% yield, the lowest on any such bond sale in the 28-year history of the program.

- Green Bonds - Continuing its market leadership, Connecticut priced its sixth issue of Green Bonds, this time for the State Revolving Fund for Clean Water and Drinking Water projects, which generated \$57 million in bond orders from Green investors. The bonds closed in the beginning of the 2020 fiscal year.
- University of Connecticut - The Division worked in conjunction with the University of Connecticut on issuing

new money UConn 2000 bonds totaling \$174.8 million as well as \$64.7 million of refunding bonds. The bond sale attracted \$175 million of retail orders, the second highest level of retail orders in the 23-year history of the program.

- Quasi-Public Agencies - Interfaces with the State's quasi-public agencies continued as the Division worked with the Connecticut Green Bank on the financing of solar panels for the State University system, with the Connecticut Airport Authority on the financing of its intermodal transportation center, and with the State's student loan agencies on utilizing available funding to assist Connecticut students.

Active public financing programs for the State of Connecticut, as of June 30, 2019, include:

	Amount Outstanding June 30, 2019
GENERAL OBLIGATION BONDS	\$ 16,723,148,556
<p>General Obligation bonds are paid out of the revenues of the State General Fund and are supported by the full faith and credit of the State of Connecticut. General Obligation bonds are issued for construction of State buildings, municipal grants, local school construction, economic development, State parks, and open space. Outstanding amount includes \$2,208,066,524 of Teachers' Retirement Fund bonds issued in April 2008 pursuant to Public Act 07-186 and \$423,260,000 of GAAP Conversion bonds issued in October 2013, which were used to fund half of the State's accumulated General Fund GAAP Deficit at the time.</p>	
UConn 2000 BONDS	1,700,180,000
<p>The University of Connecticut pays debt service on UConn 2000 bonds from a debt service commitment appropriated from the State General Fund originally established under P.A. 95-230 and extended in 2010, 2013, and 2018. Up to \$4.3 billion of Debt Service Commitment bonds will be issued under a 32-year \$4.6 billion capital program to rebuild and refurbish the University of Connecticut.</p>	
OTHER GENERAL FUND APPROPRIATION DEBT	162,635,000
<p>The State has committed to pay interest and principal on these bonds by appropriation from the State's General Fund. This debt consists of the following programs: Connecticut Health and Educational Facilities Authority (CHEFA) Revenue Bonds, Child Care Facilities Program for a childcare facilities program assumed by the State in July 1999 (\$48,600,000), Connecticut Housing Finance Authority (CHFA) Special Needs Housing Mortgage Finance Program bonds that funded a supportive housing program (\$48,565,000), and CHFA Emergency Mortgage Assistance Program bonds that were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program (\$33,745,000). The State is required to make all debt service payments on these bonds pursuant to a contract assistance agreement between CHFA, the State Treasurer, and the Office of Policy and Management. Other appropriation debt includes Connecticut Innovations, Inc. (CI) Tax Increment Financing (\$20,630,000) and a Certificate of Participation issue for the Connecticut Juvenile Training School Energy Center Project (\$11,095,000). This figure does not include \$510,275,000 in outstanding City of Hartford General Obligation debt that the State is obligated to pay under a contract assistance agreement entered into in April 2018.</p>	
SPECIAL TAX OBLIGATION BONDS	5,957,640,000
<p>Special Tax Obligation Bonds are special obligations of the State payable solely from the revenues of the State pledged in the State's Special Transportation Fund. The bonds are issued for the construction and maintenance of the State's highway and bridge system and mass transportation and transit facilities. The bonds are secured by transportation-related taxes, fees and charges, and a portion of the State's general retail sales tax. Additional security for the bonds is provided by a debt service reserve fund that totaled \$637.8 million on June 30, 2019.</p>	

STATE REVOLVING FUND (SRF) (CLEAN WATER AND DRINKING WATER FUND) BONDS	848,470,000
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The Clean Water Fund and the Drinking Water Fund constitute the SRF program. Revenue bonds provide below-market-rate loans to Connecticut municipalities for the planning, design, and construction of wastewater treatment projects and to Connecticut municipalities and private water companies for drinking water quality improvement projects. The bonds are secured by loan repayments from Connecticut municipalities, private borrowers, and general revenues of the program. The State also provides grants and some loans for the program through its General Obligation bond program.

CAPITAL REGION DEVELOPMENT AUTHORITY BONDS	74,295,000
--	------------

Capital Region Development Authority (CRDA) bonds were issued to provide funding for the Adriaen's Landing Development project in Hartford. The State is required to make all debt service payments on the bonds up to a maximum annual amount of \$9 million pursuant to a contract assistance agreement between CRDA, the State Treasurer, and the Office of Policy and Management. CRDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

BRADLEY INTERNATIONAL AIRPORT GENERAL AIRPORT REVENUE BONDS	102,105,000
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Airport revenue bonds are payable solely from gross operating revenues of Bradley International Airport, and proceeds are used for capital improvements at the airport.

BRADLEY INTERNATIONAL AIRPORT PARKING GARAGE REVENUE BONDS	22,330,000
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Parking garage bonds are payable from parking garage revenues and by a guarantee from the project developer/ lessee. The bonds financed the design and construction of a parking garage at Bradley International Airport.

TOTAL DEBT OUTSTANDING AT JUNE 30, 2019	\$ 25,590,803,556
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Bonds Issued During Fiscal Year 2019, include:

Bond Type	Par Amount	TRUE Interest Cost (1)	Average Life (Years)	Issue Date
NEW MONEY BONDS:				
GENERAL OBLIGATION				
2018 Series E BAN Retirement	\$ 400,000,000	3.64%	9.60	09/13/2018
2018 Series A Taxable	250,000,000	3.76%	5.50	09/13/2018
2019 Series A	750,000,000	3.12%	10.50	04/11/2019
2019 Series A Taxable	250,000,000	3.28%	5.50	04/11/2019
SPECIAL TAX OBLIGATION				
2018 Series B	750,000,000	3.97%	12.00	10/25/2018
UCONN 2000				
2019 Series A	174,785,000	3.03%	10.00	05/08/2019
Fiscal Year 2019 Subtotal New Money Issues	\$ 2,574,785,000			
REFUNDING BONDS:				
General Obligation 2018 Series F Refunding	\$ 239,200,000	2.99%	5.40	09/13/2018
Special Tax Obligation 2018 Series C Refunding	100,105,000	3.02%	5.50	10/25/2018
UConn 2019 Series A Refunding	64,680,000	2.23%	5.00	05/08/2019
CRDA 2018 Refunding	16,365,000	3.58%	9.20	09/13/2018
CHFA Supportive Housing Refunding Series 25	15,090,000	3.18%	5.00	08/28/2018
Fiscal Year 2019 Subtotal Refunding Issues	\$ 435,440,000			
TOTAL	\$ 3,010,225,000			

(1) An industry-defined term representing a composite overall present-value based interest rate for an entire bond issue excluding cost of issuance and other costs.

Debt Management Division

Figure 14-1

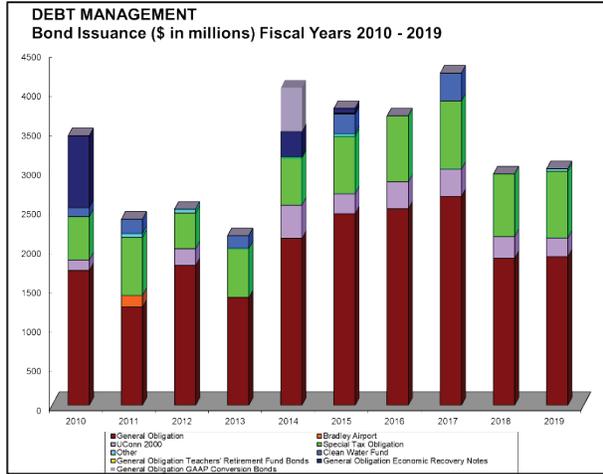


Figure 14-2

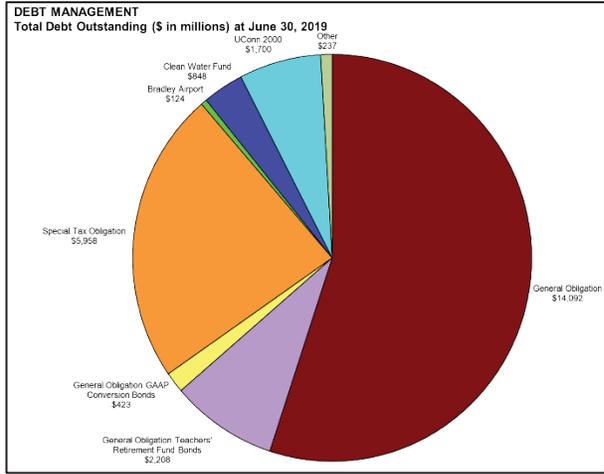
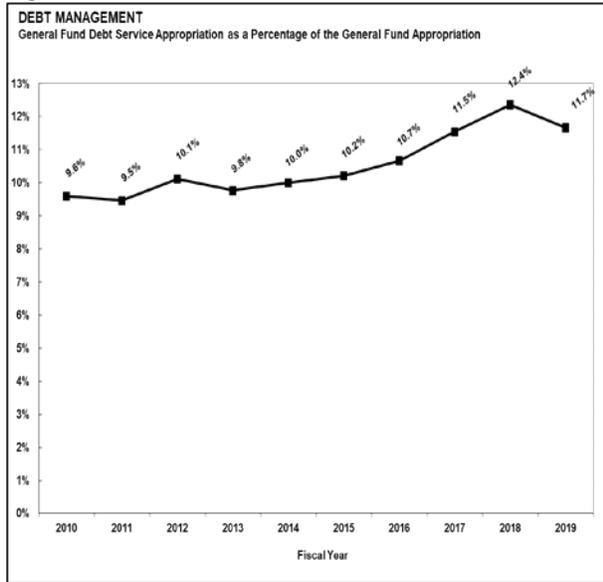
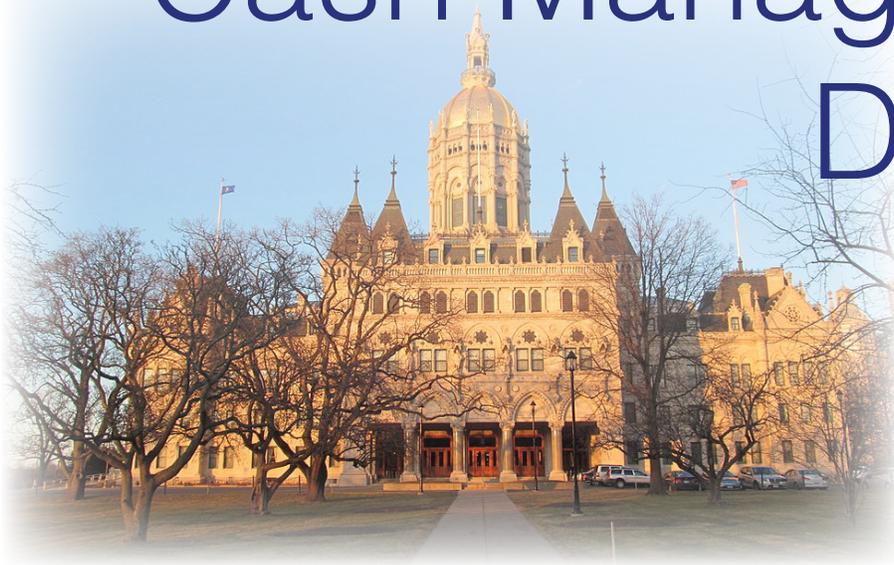


Figure 14-3



Cash Management Division



Division Overview

The Office of the Treasurer, through its Cash Management Division, is responsible for managing the state's cash movements, banking relationships and short-term investments, including:

- Maintaining maximum investment balances by ensuring more timely deposits, controlling disbursements, minimizing bank balances and banking costs, and providing accurate cash forecasts;
- Earning the highest current income level in the Short-Term Investment Fund (STIF), providing for the safety of principal, first, and the provision of liquidity, second;
- Providing responsive services to STIF investors;
- Prudently investing more stable fund balances for longer periods and higher yields, including banks that meet standards for financial strength and community support;
- Protecting State deposits through well-controlled internal operations and use of banks that meet standards for financial strength;
- Improving operating efficiency by increased use of electronic data communication and funds processing; and
- Providing State agencies with technical assistance on cash management and banking issues.

The Cash Management Division consists of 18 employees under the direction of an Assistant Treasurer, organized into three areas of specific responsibility:

The Bank Control and Reconciliation unit maintains accountability

for the State's internal and external cash flow. The unit tracks the flow of funds through 19 Treasury bank accounts and authorizes the release of State payroll, retirement and vendor checks. More than three million transactions are accounted for and reconciled annually. The unit also processes stop payments and check reissues. In addition, the unit works with state agencies to speed the deposit of funds and identify mechanisms to reduce banking costs, reviews state agencies' requests to open new bank accounts, maintains records of the State's bank accounts held by individual banks, reviews bank invoices and compensation, and manages the Division's procurement efforts for new bank services. The unit also manages the insurance collateral program in conjunction with the Department of Insurance, which requires companies writing insurance policies in the State to deposit securities and funds totaling a fixed percentage of the policies' value. At June 30, 2019, approximately \$345 million in securities were pledged to the program.

The Cash Control unit, on a daily basis, forecasts available cash, funds disbursement accounts, concentrates cash from depository banks, sweeps available cash into short-term investment vehicles to maximize investment balances, and executes electronic transfers. The unit also prepares annual cash flow projections for various State and bond rating credit agencies, monitors actual cash receipts and disbursements, and prepares the monthly cash report for the legislature. During Fiscal Year 2019, the unit controlled the movement of \$35.0 billion to and from state bank accounts and investment vehicles.

The Short-Term Investments unit invests STIF assets, monitors custodian activity, and prepares quarterly and annual performance reports on the Fund. During Fiscal Year 2019, the unit managed an

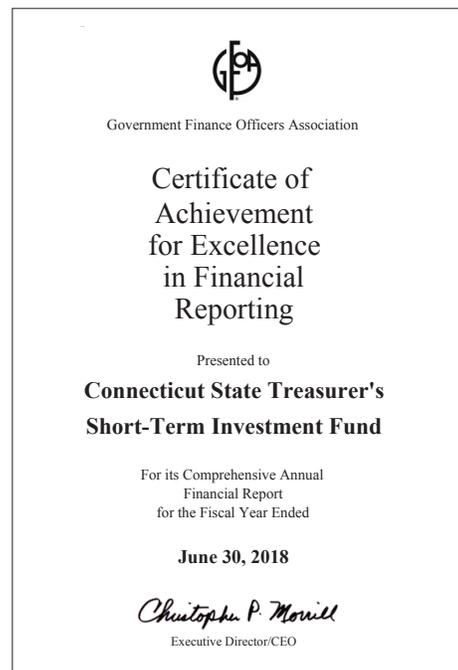
average of \$75 billion in short-term money market instruments. As of June 30, 2019, the unit administered 920 active STIF accounts for 72 State agencies and authorities and 234 municipalities and local entities. In addition, the unit manages the Grant Express program that enables municipalities to deposit certain grant payments directly into their STIF accounts, and the Debt Express and Clean Water Fund Express programs that allow towns to make debt payments automatically from their STIF accounts. The unit makes

longer-term investments for balances that are expected to be available on a more stable basis in the Extended Investment Portfolio program, and, pursuant to CGS 3-24k, the Community Bank and Credit Union Initiative, in which the Office of the Treasurer supports Connecticut-based banks and credit unions with assets not exceeding \$1 billion by allowing them to compete for the investment of State funds in certificates of deposit at the qualifying institutions.

THE YEAR IN REVIEW

During Fiscal Year 2019, the Cash Management Division's noteworthy accomplishments included:

- Total annual return of 2.30 percent in STIF exceeded its primary benchmark by 0.15 percent, resulting in \$11.6 million in additional interest income for Connecticut governments and their taxpayers, while adding \$7 million to its reserves. During the past 10 years, STIF has earned an additional \$73 million, while increasing the designated surplus reserve by \$34.5 million
- STIF's credit rating of AAAm, the highest available, was reaffirmed by S & P Global Ratings.
- Twenty nine local government accounts were added to STIF, bringing the total number of municipal accounts to 537.
- STIF's Comprehensive Annual Financial Report (CAFR) was awarded the Certificate of Achievement for Excellence in Financial Reporting for 2018 by the Government Finance Officers Association.
- Investments of \$32.5 million were made with community financial institutions under the Connecticut Community Bank and Credit Union initiative at an average annualized interest rate of 2.52 percent. Since inception, program investments have totaled \$551.5 million.
- A total of \$44,000 in annualized bank overcharges was identified and recaptured, for a total of \$5.1 million over the past 10 years.
- The Division expanded electronic payments to municipalities and vendors, working in collaboration with the Office of the State Comptroller, with payments totaling \$ 14.0 billion during the year.
- The 24th annual meeting of Short-Term Investment Fund investors in concert with the 14th Public Finance Outlook Conference was attended by over 200 state, local government, and private finance professionals.
- The division worked with state agencies to speed the receipt of funds through remote deposits and online credit card, electronic check, and Automated Clearing House payments, and to expand the use of payee positive pay services to protect against check fraud.



SHORT-TERM INVESTMENT FUND

Fun facts at June 30, 2019

DATE OF INCEPTION: 1972

TOTAL NET POSITION: \$ 8.1 BILLION

INTERNALLY MANAGED

EXTERNAL MANAGEMENT FEES: NONE

INVESTMENT STRATEGY/GOALS:

To provide a safe, liquid and effective investment vehicle for the operating cash of the State, municipalities and other Connecticut political subdivisions.

PERFORMANCE OBJECTIVE:

As high a level of current income as is consistent with, first, the safety of principal and, second, the provision of liquidity.

BENCHMARKS:

iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index, Three-Month Treasury Bills.

EXPENSE RATIO:

Approximately 2-4 basis points (includes all costs associated with the management and operations of the fund)

Basis of presentation: amortized cost

Description of the Fund

The Treasurer's Short-Term Investment Fund (STIF or the Fund) is an AAAM rated investment pool of high-quality, short-term money market instruments managed by the Treasurer's Cash Management Division. Created in 1972, it serves as an investment vehicle for the operating cash of the State Treasury, State agencies and authorities, municipalities, and other political subdivisions of the State (See Figure 1-1). STIF's objective is to provide as high a level of current income as is consistent with, first, the safety of principal and, second, the provision of liquidity to meet participants' daily cash flow requirements. During the 2019 fiscal year, STIF's portfolio averaged \$7.5 billion.

STIF employs a top-down approach to developing its investment strategy for the management of its assets. Starting with the objectives of the Fund, STIF considers constraints outlined in its investment policy, which include among other parameters: liquidity management, limitations on the portfolio's weighted average maturity and permissible investment types. Next, an asset allocation is developed to identify securities that are expected to perform well in the current market environment. Over the long-term, STIF continually analyzes expectations of future interest rate movements and changes in the shape of the yield curve to ensure the most prudent and effective short-term money management for its clients. Ongoing credit analysis enables STIF to enhance its yield by identifying high-quality credits in undervalued sectors of the economy.

STIF pays interest monthly based on the daily earnings of the Fund less Fund expenses and an allocation to the Fund's designated surplus reserve. The daily reserve allocations equal one-tenth of one percent of the Fund's daily balances divided by the number of days in the year, until the reserve totals one percent of the Fund's daily balance. The reserve at June 30, 2019, totaled \$68.3 million.

To help the Fund and its investors evaluate performance, STIF compares its returns to various benchmarks. The primary benchmark is the iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index. This index represents an average of institutional money market mutual funds rated AAAM that invest primarily in first-tier (securities rated A-1, P-1) taxable securities. While STIF's investment policy allows for somewhat greater flexibility than these SEC-registered funds, the MFR Index is the most appropriate benchmark against which to judge STIF's performance. During the past year, STIF's actual investment strategy has been considerably more conservative than most private money funds and its own investment policy would permit. (See Figure 1-3)

STIF's yields also are compared to the average three-month Treasury Bills rate and a three-month certificate of deposit (CD) rate. The former benchmark is used to measure STIF's effectiveness in

achieving yields in excess of a "risk-free" investment. The latter is discussed for the benefit of STIF investors, many of whom invest in bank certificates of deposit. In viewing these benchmarks, it is important to keep in mind that yields of CD's will exceed those of the T-Bill index due to a CD's slightly higher risk profile and comparatively lower liquidity. Additionally, it is important to note that the 90-day benchmarks exceed STIF's shorter average maturity. In order to maintain its AAAM rating, the STIF cannot exceed a 60-day weighted average maturity (WAM) limit. Furthermore, these benchmarks are "unmanaged" and are not affected by management fees or operating expenses.

Among the Fund's several achievements during the 2019 fiscal year was the reaffirmation and continuation of its AAAM rating by S&P Global Ratings (S&P). In S&P's view, "a fund rated 'AAAM' demonstrates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk."

Portfolio Characteristics

During Fiscal Year 2019, the STIF portfolio continued its conservative investment approach of balancing liquidity and stability while maximizing yield for investors. STIF's conservative investment practices include maintaining abundant liquidity, a well-diversified portfolio, and significant holdings of securities issued, guaranteed or insured by the U.S. government and federal agencies.

Accordingly, at year-end STIF held 41 percent of Fund assets in overnight investments or investments that are available on a same-day basis. During the fiscal year, the Fund's WAM fluctuated between a low of 27 days and a high of 44 days, and ended the year at 43 days. Fifty-four percent of the Fund's assets were invested in securities with maturities, or interest rate reset dates for adjustable rate securities, of less than 30 days. (See Figure 1-2)

The Fund ended the year with a 42% percent concentration in securities issued, guaranteed or insured by the U.S. government or federal agencies (including deposit instruments backed by irrevocable Federal Home Loan Bank letters of credit) or in repurchase agreements backed by such securities. In total, 91 percent of STIF's assets are rated A-1+ or have some form of government support. The Fund's three largest security weightings included bank deposits (45 percent), non-financial credit instruments (23 percent), and government agency securities (24 percent). (See Figure 1-5)

Market Review

Fiscal Year 2019 was a transitional year in the markets. During the course of the fiscal year, the Federal Reserve Bank (Fed) tightened monetary policy, paused, and then set their sights on switching to a more accommodative stance.

While changes in Fed monetary policy is typically the result of

changes in the domestic economy, or, better put, expected changes in the domestic economy, the current transitional state is due more to uncertainty than economic stress. The uncertainty being considered is a function of many issues, among these are:

- Weak global economic growth;
- Stubbornly low global inflation; and
- Domestic trade policies

Economic growth in the United States, as measured by Gross Domestic Product (GDP), averaged 2.7 percent during the fiscal year, down from the prior fiscal year average of 2.8 percent. While 2.7 percent is not considered robust, it is still indicative of a resilient economy. In contrast, Eurozone economic growth averaged 1.3 percent during the fiscal year. While growth in the U.S. economy slowed during the second half of the fiscal year (2.5 percent versus 2.8 percent in the first half), it continued to be strong relative to the developed world.

Domestic inflation during the fiscal year, as measured by the change in the consumer price index, averaged 2.1 percent during the fiscal year, which was lower than the 2.3 percent recorded during fiscal 2018. More troubling is the fact that inflation in the first half of fiscal 2019 averaged 2.4 percent and in the second half of the fiscal year, inflation only averaged 1.7 percent, which was below the Fed's target of two percent. Similarly, Eurozone inflation was below the European Central Bank's (ECB) target of two percent as well. Eurozone inflation averaged 1.7 percent for fiscal 2019, which was also stronger in the first half (2 percent) and weaker in the second half (1.4 percent).

Going into the second half of the fiscal year, the United States continued its use of tariffs to re-negotiate foreign trade agreements and policies. In particular, the government ramped up its focus on the trade imbalance with China through multiple tariff adjustments on a wide range of goods. In retaliation of these measures, China implemented its own tariffs on American goods. Dueling tariffs, otherwise known as a trade war, typically constrain commerce, result in higher prices and reduce demand and consumer spending. Consumer spending, according to the Bureau of Economic Analysis, accounts for approximately two thirds of the U.S. economy and any reduction in spending can have a significant impact on economic growth. Despite the implementation of tariffs, and the threat for further tariffs, real consumer spending increased by 4.3 percent in the fourth fiscal quarter, a rate which reinforces the resiliency of the U.S. consumer.

The global environment of slower growth and low inflation has caused yields in many countries to become negative. There is currently over fifteen trillion dollars of negative yielding debt globally and due to the slow growth, many countries have shifted to a more

accommodative monetary policy, which further exacerbates the low yield environment. The United States, despite its enviable economic environment has some of the highest yielding debt in the industrialized world, which attracts capital and results in dollar strength. The strength of the dollar negatively impacts trade as U.S. goods become more expensive and imported goods become cheaper. A stronger dollar also negatively impacts those countries that tend to fund in dollars, such as many emerging markets. The currency movement, therefore, has the effect of slowing global growth and increasing trade imbalances.

The Fed has predicted that real GDP (GDP adjusted for inflation) will increase by an average of 2.1 percent in calendar year 2019 and 2.0 percent in calendar year 2020. Similarly, the Fed has forecasted that inflation (as measured by the personal consumption expenditure inflation, or PCE inflation) will average 1.5 percent in calendar year 2019 and 1.9 percent in 2020. These growth rates are expected to occur while the unemployment rate is below 4 percent.

The Federal Reserve has a "dual mandate" of maximizing employment and stabilizing prices, and implements monetary policy with the goal of achieving both mandates. The economic forecasts of the Fed do not reveal an economy that is dramatically slowing or an economy that warrants an accommodative monetary policy as employment, growth and prices are expected to be stable. If the objective of monetary policy is to achieve price stability and maximize employment, and both of these factors are projected to be consistent with that mandate, any further policy adjustment is designed to offset potential forecast error or uncertainty. The current trajectory of monetary policy, and the resultant market expectations, are a result of uncertainty. This uncertainty is a result of the unknown duration and impact of trade tariffs, the global yield environment and the effect of foreign exchange rates on global growth.

Performance Summary

For the one-year period ending June 30, 2019 STIF reported an annual total return of 2.30 percent, net of all expenses and \$7 million in allocations to Fund reserves. Annual total return measures the total investment income a participant would earn with monthly compounding at the Fund's monthly net earned rate during the year. This figure exceeded that achieved by its benchmark, the MFR Index, which equaled 2.15 percent, by 15 basis points. STIF's performance bested that of three-month T-Bills by three basis points, which yielded 2.27 percent. The Fund's performance also fell short of three-month CD's, which yielded, on average, 2.42 percent but lack STIF's daily liquidity and exceed STIF's average maturity. STIF's relative performance was limited by the Fund's more cautious investment strategy that is focused on safety and liquidity.

The principal reasons for STIF's continued strong performance, despite its cautious strategy, was the selective addition of more bank deposit instruments and the active management of maturities within the portfolio, as well as the low overall expense rate.

Over the long-term, STIF has performed exceptionally well. For the trailing three-, five-, seven-, and ten-year periods, STIF's compounded annual total return was 1.43 percent, 0.94 percent, 0.72 percent, and 0.57 percent, net of all expenses and contributions to reserves, exceeding returns of its primary benchmark for all time periods. Viewed on a dollar-for-dollar basis, had one invested \$10 million in STIF ten years ago, that investment would have been worth \$10.6 million at June 30, 2019, versus \$10.4 million for a hypothetical investment in the MFR Index (See Figure 1-6). During the past ten years, STIF has earned \$73 million above its benchmark while adding \$34.5 million to its reserves

Risk Profile

STIF is considered extremely low risk for several reasons. First, its portfolio is comprised of high-quality, highly liquid securities, which insulate the Fund from default and liquidity risk. (See Figure 1-4)

Second, its relatively short average maturity reduces the Fund's price sensitivity to changes in market interest rates. Third, STIF has a strong degree of asset diversification by security type and issuer, as required by its investment policy, strengthening its overall risk profile. And finally, STIF's reserves are available to protect against security defaults or the erosion of security values due to dramatic and unforeseen market changes. As the primary short-term investment vehicle for the operating cash of the State, STIF has the ultimate confidence of the State government.

While STIF is managed diligently to protect against losses from credit and market changes, the Fund is not insured or guaranteed by any government. Therefore, the maintenance of capital cannot be fully assured.

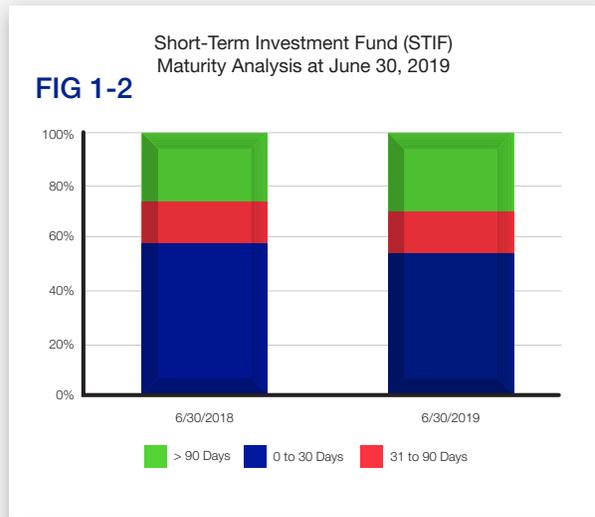
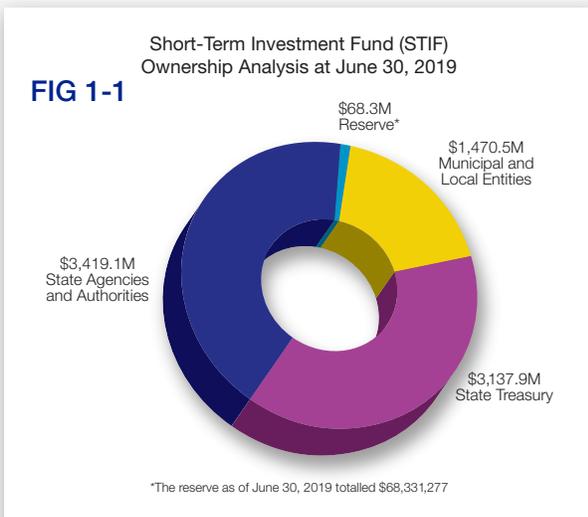
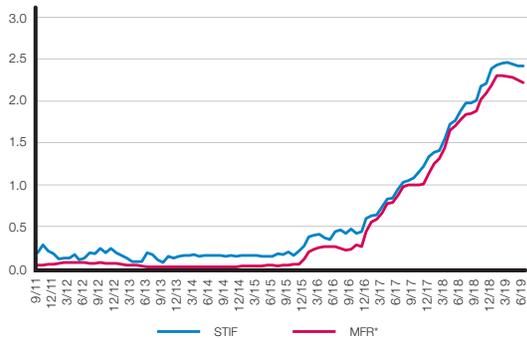
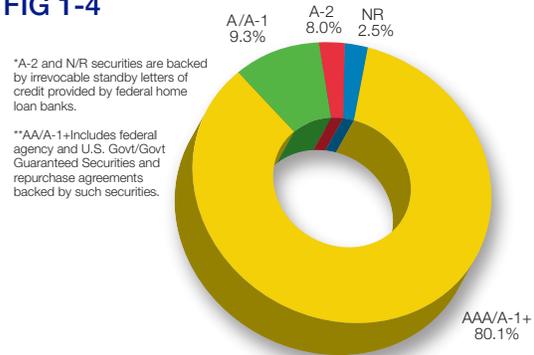


FIG 1-3
Short-Term Investment Fund (STIF)
vs MFR Index at June 30, 2019



*Represents iMoneyNet Money Fund Average — Rated First Tier Institutional Average (MFR)

FIG 1-4
Short-Term Investment Fund (STIF)
Distribution by Quality Rating at June 30, 2019



*A-2 and NR securities are backed by irrevocable standby letters of credit provided by federal home loan banks.

**AAA/A-1+ includes federal agency and U.S. Govt/Govt Guaranteed Securities and repurchase agreements backed by such securities.

FIG 1-5
Short-Term Investment Fund (STIF)
Need Title at June 30, 2019

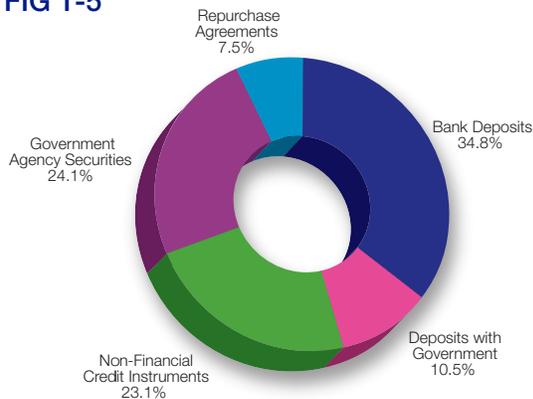


FIG 1-6
Short-Term Investment Fund (STIF)
vs MFR Index at June 30, 2019

	Compounded Annual Total Return (%)				
	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
STIF	2.30	1.43	0.94	0.72	0.57
MFR Index*	2.15	1.30	0.82	0.59	0.44
Fed. Three-Month T-Bill	2.27	1.43	0.90	0.66	0.49

	Cumulative Total Return (%)				
	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
STIF	2.30	4.35	4.81	5.13	5.89
MFR Index*	2.15	3.97	4.15	4.23	4.45
Fed. Three-Month T-Bill	2.27	4.36	4.58	4.72	5.02

STIF uses a time-weighted interest rate of return formula to calculate rates

*Represents iMoneyNet Money Fund Average — Rated First Tier Institutional Average (MFR)

Unclaimed Property



Division Overview

The Office of the Treasurer's Unclaimed Property Division is responsible for safeguarding assets turned over to the Office in accordance with state law, until the rightful owners are located. The primary objective of the unclaimed property program is to reunite rightful owners or heirs with their unclaimed property, which is remitted to the Office of the Treasurer by business entities after the business loses contact with a customer for a period of three to five years. Unclaimed assets include, but are not limited to: deposits in savings or checking accounts, uncashed checks, matured certificates of deposit, stocks, bonds or mutual funds, travelers' checks or money orders and proceeds of life insurance policies.

A permanent record of reports of unclaimed property filed annually by holders of such property is maintained by the Division. Unclaimed property holders include banks, credit unions, insurance companies, brokerage firms, utility companies, and businesses. The Division prescribes holder report forms and monitors reporting by holders.

Assets must be reported and remitted within 90 days following the close of each calendar year. These assets are held in the custody of the Treasurer until claimants come forward to claim the property. Rightful owners or their heirs always have the right to claim funds held by the Treasury. There is no time limit to claim funds.

To determine whether a holder is complying with its duties under the law, the Division is permitted to conduct examinations of company records. Upon receipt of unclaimed securities (stocks and mutual funds), the Treasurer may proceed with the sale of the securities and retains the proceeds for the benefit of the owner of the property.

Efforts to locate the owners of unclaimed property include the biannual publication of abandoned property reported and transferred to the Treasurer. The Division also maintains a user friendly website that is updated with new names weekly, called CT Big List at www.ctbiglist.com.

All unclaimed property receipts are deposited into the General Fund until rightful owners come forward to claim the property.

The Unclaimed Property Division consists of twenty one employees under the direction of an Assistant Treasurer.

THE YEAR IN REVIEW

- As of June 30, 2019 the unclaimed property website contained \$912 million in escheated property held for 1,632,361 owners.
- There are 9.1 million shares (estimated value of \$1.2 million) (Figure 16-1) in the custodian account as of June 30, 2019.
- Holder reports received through June 30, 2019 were loaded to the database.

2019 Division Performance

During Fiscal Year 2019, the Unclaimed Property Division:

- Returned \$56 million (Figure 16-2) to 16,954 rightful owners (Figure 16-3).
- Received \$138 million in unclaimed property (Figure 16-4) of which \$81 million was voluntarily reported by businesses,

\$17 million came from examinations of company records and \$40 million from the sale of 5.5 million shares of securities.

- Over the past 10 years, the Unclaimed Property Division has received a total of \$767 million in unclaimed property voluntarily reported by holders, an additional \$119 million from examinations, and \$441 million from the sale of stocks, bonds or mutual funds, or \$1.3 billion in total. During the same period, it returned \$573 million to rightful owners.
- In accordance with Connecticut General Statute section 3-69a (a) (2), \$11,901,953 of unclaimed property receipts was deposited into the Citizen's Election Fund and the balance into the General Fund for Fiscal Year 2019.

Figure 16-1

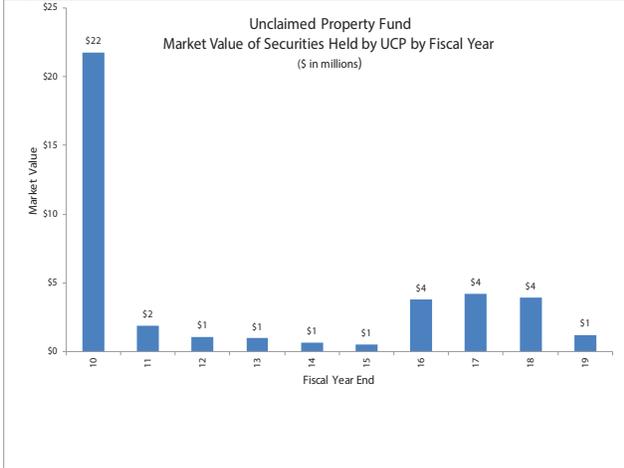


Figure 16-2

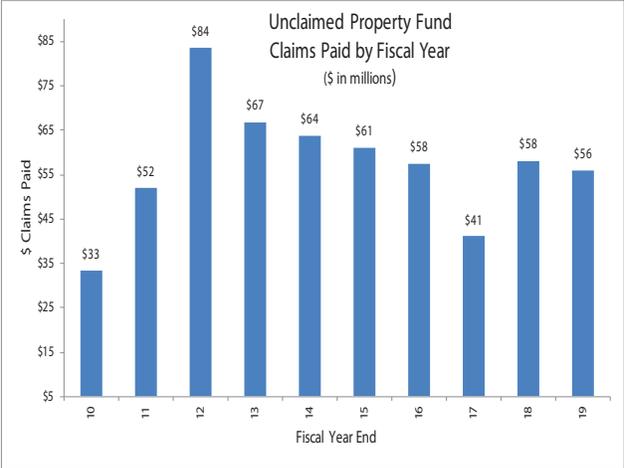


Figure 16-3

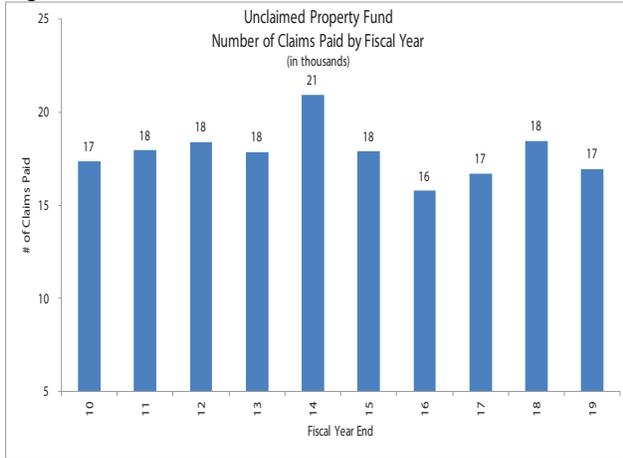
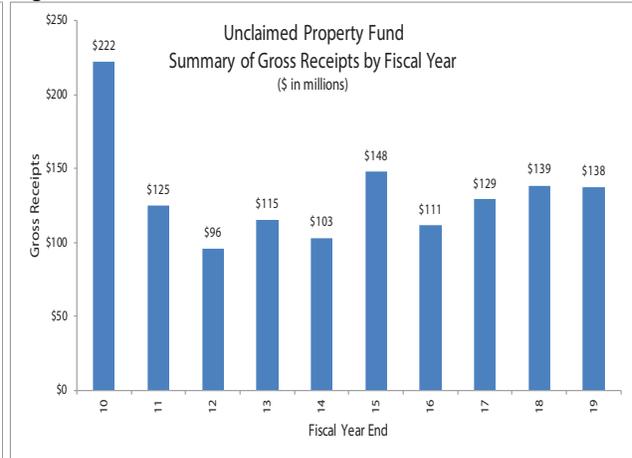


Figure 16-4



Second Injury Fund



Division Overview

The Second Injury Fund (SIF or the Fund) is a state operated workers' compensation insurance fund established in 1945 to discourage discrimination against veterans and encourage the assimilation of workers with a pre-existing injury into the workforce. Public Act 95-277 closed the Fund to new "second injury" claims for injuries sustained on or after July 1, 1995 and expanded enforcement, fines and penalties against employers who fail to provide workers' compensation coverage. Prior to July 1, 1995, the Fund provided relief to employers where a worker, who already had a pre-existing injury or condition, was hurt on the job and that second injury was made "materially and substantially" worse by the first injury. Such employers transferred liability for these workers' compensation claims to the Fund if certain criteria were met under the Connecticut Workers' Compensation Act (thus the term "Second Injury Fund").

Today the Fund continues to be liable for those claims transferred prior to the closing of the Fund as well as claims involving uninsured employers, reimbursement of cost of living adjustments for certain injuries involving payment of benefits or dependent spouse's benefits and, on a pro rata basis, reimbursement claims to employers of any worker who had more than one employer at the time of the injury.

The Fund is responsible for adjudicating qualifying workers' compensation claims fairly and in accordance with applicable law, indus-

try standards and best practices. Where possible, the Fund seeks to return injured workers to gainful employment or seeks settlement of claims, which will ultimately reduce the burden of Fund liabilities on Connecticut businesses.

The Second Injury Fund is financed by assessments on all Connecticut employers. The State Treasurer, as Custodian of the Fund, establishes the assessment rate on or before May 1st of each year.

Insured employers pay a surcharge on their workers' compensation insurance policies based on "standard premiums" calculated and issued by insurance companies who also collect and remit this assessment to the Fund. The assessment for self-insured employers is based on "paid losses" for medical and indemnity benefits incurred in the prior calendar year.

Under the administration of an Assistant Treasurer, the division employed 32 employees.

THE YEAR IN REVIEW

- There were four assessments made on insured employers totaling \$26.4 million and self-insured employers were assessed four times totaling \$5.1 million, for a combined assessment on all Connecticut employers of \$31.5 million for Fiscal Year 2019. The assessment rate for insured employers is 2.25 percent and 2.75 percent for self-insured employers in Fiscal Year 2019.
- Reserves (estimated unfunded liability) for all open claims total \$283 million, a decrease of \$24 million from a year ago. The Fund expects the unfunded liabilities will continue to decline in Fiscal Year 2020. (See Figure 17-1).

2019 Division Performance

During fiscal year 2019 the Second Injury Fund:

- Maintained assessment rates at historic low levels for Connecticut;
- Provided \$22.9 million in indemnity, medical and settlement payments to injured workers;
- Saw the number of injured workers receiving bi-weekly benefits (indemnity payments only) decreased from 225 a year ago to 202;
- Participated in 206 settlements at a cost of \$5.5 million. The Fund's caseload is at a low of 2,578 as of June 30, 2019 (See Figure 17-2);
- Realized a total savings of \$3.2 million in medical costs

using a Preferred Provider Organization Network offered by contracted medical vendors;

- Worked with the Second Injury Fund Advisory Board to help the Fund carry out its mission.

Second Injury Fund Advisory Board

Two meetings were held during Fiscal Year 2019 – October 10, 2018 and June 13, 2019.

As of July 1, 2019 the Advisory Board members were:

- **State Senator Julie Kushner, Chair**, Labor & Public Employees Committee of the General Assembly
- **State Representative Robyn Porter, Chair**, Labor & Public Employees Committee of the General

Assembly

- **Sal Luciano, Connecticut AFL-CIO, Chair**, Advisory Board
- **Clifford G. Leach**, The Hartford Financial Services Group, Inc.
- **Louise DiCocco**, Connecticut Business and Industry Association
- **Marko Kaar**, Connecticut Construction Industries Association
- **Brian Anderson**, Council 4 AFSCME
- **Kimberly Harrison**, Hartford Healthcare

Figure 17-1

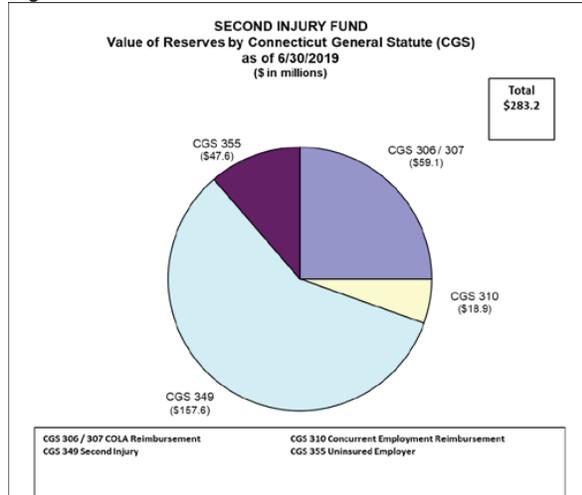
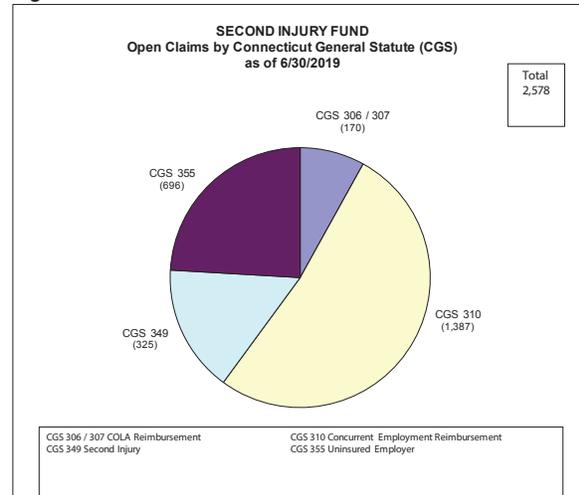


Figure 17-2



Connecticut Higher Education Trust



TRUST OVERVIEW

Establishment of the Trust

The Connecticut Higher Education Trust (CHET or Trust) is a Qualified State Tuition Program established pursuant to Section 529 of the Internal Revenue Code. CHET was unanimously approved by the Connecticut General Assembly in Public Act No. 97-224 (the Act) and signed into law by the Governor in July 1997. The program began operating on January 1, 1998. While the Trust is considered an instrumentality of the State, the assets of the Trust do not constitute property of the State and the Trust is not a department, institution or agency of the State.

CHET is a trust, available for families to save and invest for higher education expenses. It is privately managed under the supervision of the State Treasurer as Trustee. Current Internal Revenue Service regulations provide that total contributions to an individual account may not exceed the amount determined by actuarial estimates as necessary to pay qualified higher education expenses of the designated beneficiary for five years of undergraduate enrollment at the highest cost institution allowed by the program. CHET's account balance limit for contributions is \$300,000 per beneficiary, whether held in CHET Direct, CHET Advisor, or both.

While money is invested in CHET, there are no federal or state taxes on investment earnings. Amounts may be withdrawn to pay for tuition, room and board, fees, books, supplies and equipment required by the beneficiary for enrollment or attendance at any eligible public or private educational institution. Investment earnings withdrawn for qualified education expenses are exempt from federal and Connecticut State income taxes. Earnings withdrawn for non-qualified expenses are taxable income to the account owner and incur an additional federal tax penalty of 10 percent.

State Income Tax Deduction

The state income tax deduction for CHET, which became effective July 1, 2006, provides Connecticut taxpayers with the ability to deduct program contributions of up to \$5,000 for single filers or \$10,000 for joint filers per year from their Connecticut adjusted gross income.

Direct-Sold Program

Since 1999, TIAA-CREF Tuition Financing, Inc. (TFI), a wholly-owned subsidiary of Teachers Insurance and Annuity Association of America (TIAA), has served as program manager. In 2014, the Treasurer extended the agreement with TFI for the CHET Direct program for a contract period ending in August 2020.

Under CHET Direct, an individual opens the account directly, names a beneficiary (e.g., a child), and selects the investment option(s) in which the individual wants to invest contributions. Contributions may be allocated among fourteen investment options: the Moderate Managed Allocation Option, the Aggressive Managed Allocation Option, the Conservative Managed Allocation Option, the High Equity Balanced Option, the International Equity Index Option, the Global Equity Index Option, the U.S. Equity Index Option, the Index Fixed-Income Option, the Social Choice Option, the Active Fixed-Income Option, the Money Market Option, the Principal Plus Interest Option, the Active Global Equity Option, and the Global Tactical Asset Allocation Option. These options provide Connecticut families the opportunity to save for future college expenses, with the flexibility to choose investment vehicles that meet their particular risk tolerances and financial need. Program features of CHET Direct include a low minimum account opening balance of \$25, and the con-

venience of automated payroll and bank Electronic Funds Transfers (EFT) for contributions, which can be as low as \$15 a pay period if using payroll deduction. The program allows for transferability of account funds to other eligible members of the original beneficiary's family without penalty. In addition, more than 575 Connecticut employers currently offer payroll deduction.

Advisor-Sold Program

In 2017, the Treasurer extended the management agreement with The Hartford Life Insurance Company to serve as program manager for CHET Advisor through August 30, 2019. Due to the sale of Hartford Life, the contract was assigned to Hartford Funds Management, a division of The Hartford in 2018. CHET Advisor commenced operation in October 2010. The program is operated in a manner such that it is exempt from registration as an investment company under the Investment Company Act of 1940.

CHET Advisor is not marketed directly to individuals. The Hartford has developed a network of financial advisors through the state that

now offers CHET Advisor to clients as an investment option.

Under CHET Advisor there are 18 investment options, including one age-based option, five static portfolios, and 12 individual portfolios. The static portfolios are CHET Advisor Aggressive Growth, Growth, Balanced, Conservative, and a Checks & Balances Portfolio. The 12 Individual Portfolios are Hartford Small Cap Growth, Growth Opportunities, International Opportunities, Core Equity, MidCap, Dividend & Growth, Balanced Income, Equity Income, Inflation Plus, Total Return Bond, World Bond and the CHET Advisor Stable Value 529 Portfolio. The Advisor-Sold plan has three investment classes: A, C, and E. Class A has an up-front sales charge, Class C has no up-front sales charge but has a contingent deferred sales charge for withdrawals made within one year of deposit, and Class E, which is only available to certain groups associated with The Hartford, has no sales charge or deferred sales charge. There are annual management fees for both CHET Direct and CHET Advisor, which vary based on investment options chosen.

THE YEAR IN REVIEW

CHET continued initiatives aimed at increasing public education and awareness of the importance of saving for college and the advantages of the official state-sponsored 529 college plan for Connecticut families.

Both the CHET Direct program and the CHET Advisor program provide means of accumulating assets to pay for educational opportunities. Each program works to increase the number of new accounts and beneficiaries, even as existing CHET account holders begin to use accumulated savings to pay for the costs of higher education.

As a low-cost, direct-sold 529 college saving plan, CHET Direct annual fees are among the lowest in the country. The fee structure includes a plan manager fee of 0.12 percent plus underlying mutual fund expenses that vary depending on the investment option chosen. There is also a state oversight fee to pay for the administrative expenses of the Trustee which is 0.01 percent for CHET Direct and 0.01 percent for CHET Advisor, which was reduced on September 15, 2017.

The CHET Direct program received high marks during the fiscal year from Morningstar, a leading independent investment research firm that monitors college savings plans across the country. In October 2018 CHET Direct was one of 20 direct-sold plans that received a "Bronze" medal rating, placing it among the top plans in the country.

CHET Advisor

The Hartford Funds (formerly known as Hartford Financial Services Group, Inc.) manages the CHET Advisor plan, which began operating in 2010. As of June 30, 2019, there were 29,174 accounts. During the year, total assets grew from \$564.8 million to \$635 million, with qualified withdrawals of \$53.3 million.

CHET Direct

During Fiscal Year 2019, the number of accounts in the CHET Direct program grew from 122,885 to 128,837. During the same period, total assets grew from \$3.1 billion to \$3.3 billion, while supporting

over \$1.47 billion in qualified withdrawals. Considerable progress has been achieved since 1999 when former Treasurer Nappier began to supervise the management of CHET Direct. At that time there were just over 4,000 accounts and \$18.5 million in total assets.

In addition, the CHET Baby Scholars partnership with the Connecticut Department of Public Health continued to generate new accounts. Connecticut's birth certificate applications include information about CHET Baby Scholars, and resulted in 2,972 new accounts opened during Fiscal Year 2019. Since the program's inception in 2014, over 11,316 CHET Baby Scholars accounts have been opened, representing a total investment of \$90.5 million by Connecticut families who have started saving early for future college costs. CHET also continued the annual Dream Big! essay and drawing competition for elementary and middle school students, rounding out CHET's major initiatives and ensuring that the programs reach families with children of all ages from birth to college-age. Integrated advertising and direct marketing campaigns ran throughout the year, focusing on tax time, graduation time, back-to-school and year-end contributions. CHET's advertising and direct marketing efforts served to increase CHET's brand awareness among state residents. The campaigns focused on the value of saving for college and the specific benefits of Connecticut's 529 college savings program.

CHET Advisory Committee

State law created the CHET Advisory Committee, which meets annually pursuant to section 3-22e of the Connecticut General Statutes.

The Committee consists of the State Treasurer; the Executive Director of the Office of Higher Education; the Secretary of the Office of Policy and Management; the co-chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to education and finance, revenue and bonding (or their designees); one student financial aid officer and one finance officer at a public institution of higher education in the state, each appointed by the Board of Regents for Higher Education; and one student financial aid officer and one finance officer at an independent institution of higher education in the state, each appointed by the Connecticut Conference of Independent Colleges.

One meeting of the Advisory Committee was held in Fiscal Year 2019: on April 12, 2019. At this meeting, both The Hartford and TIAA

presented proposed changes to investment options for CHET, and there were discussions around fee savings and the marketing of each program. Minutes of this meeting are available on the Treasurer's website.

Members of the Advisory Committee as of the meeting held on April 12, 2019 were as follows:

STATE TREASURER, SHAWN T. WOODEN, Chairperson

MELISSA MCCAW, Secretary, Office of Policy and Management

KEITH M. NORTON, Acting Executive Director, Office of Higher Education

STATE REP. ROBERT SANCHEZ, House Chair, Education Committee

STATE SEN. DOUGLAS MCCRORY, Senate Co-Chair, Education Committee

STATE SEN. ERIC C. BERTHEL, Senate Co-Chair, Education Committee

STATE REP. KATHLEEN M MCCARTY, Ranking Member, Education Committee

STATE SEN. KEVIN D WITKOS, Ranking Member, Finance, Revenue and Bonding Committee

STATE REP. CHRISTOPHER DAVIS, Ranking Member, Finance, Revenue and Bonding Committee

STATE SEN. JOHN FONFARA, Senate Co-Chair, Finance, Revenue and Bonding Committee

STATE REP. JASON ROJAS, House Chair, Finance, Revenue and Bonding Committee

PATRICK TORRE, Vice President of Finance, University of New Haven

MARGARET A. MALASPINA, Director of Financial Aid, Capital Community College

JULIE SAVINO, Executive Director, University Financial Assistance, Sacred Heart University

ROSE ELLIS, Dean of Administration, Norwalk Community College

ABLE Program



Achieving A Better Life Experience (ABLE) Trust

Pursuant to Section 3-39k(e) of the Connecticut General Statutes, set forth below is the annual report of the Achieving a Better Life Experience (ABLE) Trust for the fiscal year ending June 30, 2019.

Background

In 2014, the U.S. Congress passed the ABLE Act, a framework that would allow persons with disabilities who are on Supplemental Security Income (SSI) to amass assets without putting benefits at risk. The Act created 529(a) accounts as a subset of the 529 college savings program. Many of the tax advantages offered through 529 accounts are available in ABLE 529(a) accounts, including exempting investment earnings from federal and state income taxes. This federal legislation required states to enact their own statutory frameworks for establishing programs for their respective state residents.

Accordingly, in 2015 Connecticut passed Public Act 15-80, An Act Implementing the Recommendations of the Program Review and Investigations Committee Concerning the Federal Achieving a Better Life Experience Act (Public Act). Mirroring the federal legislation, it allows families to accumulate assets for expenses without affecting state and federally mandated maximums to qualify for governmental services. The Public Act designated the State Treasurer as Trustee of the ABLE program with the responsibility to establish a federally qualified ABLE program and administer individual ABLE accounts. The Public Act was passed without an appropriation of funds for implementation.

In an effort to implement an ABLE Program in Connecticut that meets the objectives of the federal mandate, the Office of the Treasurer formed an advisory committee comprised of 20 individuals

with relevant experience, including those who have served as disability advocates, representatives of key constituencies and organizations for persons with disabilities, and leaders of state agencies with purview over disability issues.

Status of Connecticut's ABLE Program

Connecticut's ABLE Trust has not yet been formally established. There are no ABLE accounts within the Trust, and there have been no contributions made or accepted and, as a result, no distributions. The Treasurer was successful in receiving budgeted resources for FY 20 to finally establish the Trust. During Fiscal Year 2018, the Office of the Treasurer and the ABLE Advisory Committee met to consider various options for structuring Connecticut's program, including an evaluation of responses to a request for information issued in April of 2017 for partnership with another state-sponsored plan. In October of 2017, the State of Oregon was named the preferred partner, and the Office of the Treasurer commenced contract negotiations soon thereafter.

Connecticut sought to negotiate agreements with Oregon's ABLE program administrator, a challenging endeavor given that no funds have been appropriated by the General Assembly to establish a Connecticut ABLE program. This funding challenge proved insurmountable, given that the Treasurer, as trustee of ABLE, bears a fiduciary responsibility to evaluate the program's investment options on behalf of Connecticut residents and would need resources in order to conduct this evaluation.

Under the direction of the Treasurer Wooden, a competitive bid process will be completed and the Able trust will be established in fiscal year 2020.

Financial Statements



STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

State Capitol
210 Capitol Avenue
Hartford, Connecticut 06106-1559

ROBERT J. KANE

INDEPENDENT AUDITORS' REPORT AND STATUTORY CERTIFICATION

Governor Ned Lamont
Members of the General Assembly:

Report on the Financial Statements and Schedules included in the Treasurer's Annual Report

We have audited the accompanying financial statements of the Combined Investment Funds, which comprise the statement of net position as of June 30, 2019, the statement of changes in net position for the fiscal year ended June 30, 2019, and the related notes to the financial statements. We have audited the accompanying financial statements of the Short-Term Investment Fund, which comprise the statement of net position, including the list of investments as of June 30, 2019, the statement of changes in net position for the fiscal year ended June 30, 2019, and the related notes to the financial statements. We have audited the accompanying financial statements of the Second Injury Fund, which comprise the statement of net position as of June 30, 2019, and the related statement of revenues, expenses and changes in net position and the statement of cash flows for the fiscal year ended June 30, 2019, and the related notes to the financial statements. We have audited the accompanying statement of net position of the other Non-Civil List Trust Funds as of June 30, 2019, together with the related statement of revenue and expenditures, and statement of changes in net position and the statement of cash flows for the other Non-Civil List Trust Funds and the related notes to the financial statements for the fiscal year ended June 30, 2019. We have audited the accompanying schedule of Civil List Funds investments and the summary schedule of cash receipts and disbursements of the Civil List Funds for the fiscal year ended June 30, 2019. We have audited the accompanying schedule of debt outstanding and the changes in debt outstanding for the fiscal year ended June 30, 2019.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial

statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

As described in the notes to the financial schedules, management has prepared the schedules of Civil List Funds investments and the summary schedule of cash receipts and disbursements of the Civil List Funds as well as the schedule of debt outstanding and the changes in debt outstanding using accounting practices prescribed by the State Comptroller, which practices differ from accounting principles generally accepted in the United States of America. Management has not included accrued interest earned in the presentation of the Civil List Funds. Management has not presented the current portion of long-term debt obligations in accordance with Generally Accepted Accounting Principles. The effects on the financial schedules of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Opinion

Debt Outstanding and Changes in Debt Outstanding and Civil List Funds

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the schedule of the Civil List Fund investments, the summary schedule of cash receipts and disbursements of the Civil List Funds, the schedule of debt outstanding, and the changes in debt outstanding as of and for the fiscal year ended June 30, 2019, do not present fairly in conformity with accounting principles generally accepted in the United States of America the financial position or changes in financial position for the fiscal year ended June 30, 2019. In our opinion, the schedule of the Civil List Fund investments, the summary schedule of cash receipts and disbursements of the Civil List Funds, the schedule of debt outstanding and the changes in debt outstanding as of and for the fiscal year ended June 30, 2019, are presented fairly in all material respects, in accordance with the financial and budgetary requirements referred to as the statutory basis of accounting and described within the related notes to those schedules.

Combined Investment, Short-Term Investment Funds, Second Injury Fund and the Other Non-Civil List Trust Funds

In our opinion, the financial statements the statement of net position of the Combined Investment Funds as of June 30, 2019, and the related statement of changes in net position for the fiscal year ended June 30, 2019, the statement of net position of the Short-Term Investment Fund, including the list of investments, as of June 30, 2019, and the related statement of changes in net position for the fiscal year ended June 30, 2019, the statement of net position of the Second Injury Fund as of June 30, 2019, and the related statement of revenues, expenses and changes in net position and the statement of cash flows for the fiscal year then ended, and the statement of net position of other Non-Civil List Trust Funds as of June 30, 2019, and the related statement of revenue and expenditures, statement of changes in net position and the statement of cash flows for the fiscal year then ended, are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles.

Emphasis of Matter

As explained in Note 1B to the financial statements of the Combined Investment Funds, the Real Estate, Private Investment, and Alternative Investment Funds include investments that are carried at the investment advisors' June 30, 2019 fair value, or net asset value equivalent. The Treasurer's staff reviews the estimated fair values provided by the investment advisors for reasonableness. In instances in which an advisor's value appears to be overstated, the Treasurer's staff adjusts this estimated fair value accordingly. We reviewed the Treasury's documentation and procedures used to determine the fair values, and found them to be appropriate and reasonable; however, because of the inherent uncertainty in valuing these investments, determination of the estimated fair value market values may differ from the actual values had a ready market existed for these investments. Our opinion is not modified with respect to this matter.

As discussed in the notes to the financial statements and schedules, the financial statements or schedules of the Combined Investment Funds, Short-Term Investment Fund, Second Injury Fund, Non-Civil List Trust Funds, and Civil List Funds referred to in the first paragraph are intended to present only the funds and accounts administered by the Office of the State Treasurer. They do not purport to, and do not, present fairly the financial position of the State of Connecticut as of June 30, 2019, and the changes in financial position for the fiscal year end June 30, 2019, or where applicable, its cash flows for the fiscal year ended June 30, 2019, in conformity with generally accepted accounting principles in the United States of America. Our opinion is not modified with respect to this matter.

Report of Other Auditors

We did not audit the accompanying financial statements of the Connecticut Higher Education Trust. These financial statements were audited by other auditors whose reports thereon have been included with the accompanying financial statements.

Other Matters

Required Supplementary Information

Management's Discussion and Analysis, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements of the Combined Investment Funds as a whole. Certain other financial information, which includes the Schedule of Net Position by Investment Fund, Schedules of Changes in Net Position by Investment Fund, Total Net Position Value by Pension Plans and Trust Funds and the Schedules of Investment Activity by Pension Plan and by Trust contained within the supplemental section of this document, is presented for purposes of additional analysis and is not a required part of the financial statements of the combined investment funds. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements of the combined investment funds and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Information

The introduction, division operations, supplemental information and the statutory appendix sections include information presented for purposes of additional analysis that is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, except as specifically noted in this audit opinion. Accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2019,

on our consideration of the State Treasury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report will be issued under separate cover in the *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and other matters based on an audit of Financial Statements Performed in Accordance with Government Auditing Standards for the fiscal year ended June 30, 2019*, and is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit. This particular certification is issued by the Auditors of Public Accounts and the State Comptroller in accordance with Section 2-90 of the Connecticut General Statutes.



John C. Geragosian
State Auditor



Robert J. Kane
State Auditor



Kevin Lembo
State Comptroller

December 31, 2019
State Capitol
Hartford, Connecticut

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) provides an overview of the Annual Report of the Office of the Treasurer's financial performance for the fiscal year ended June 30, 2019.

FINANCIAL STATEMENTS PRESENTED IN THIS REPORT

The State Treasurer is the chief elected financial officer of the State of Connecticut, overseeing a wide variety of activities regarding the prudent conservation and management of State funds. These include as of June 30, 2019 the asset investment administration of a \$36 billion portfolio for the Connecticut Retirement Plans and Trust Funds, the \$8 billion Short-Term Investment Fund, and the \$4 billion Connecticut Higher Education Trust (Direct Plan and Advisor Plan), a qualified state tuition program designed to promote and enhance affordability and accessibility of higher education to State residents.

The organizational structure of the Treasury comprises an Executive Office, which coordinates all financial reporting, administration and support functions within the Treasury, and oversees administration of the Connecticut Higher Education Trust, and six divisions including: Pension Funds Management, responsible for managing the assets of active and retired teachers, state, and municipal employees as well as trust funds financing academic programs, grants, and initiatives throughout the state; Debt Management, the public finance department for the State, responsible for issuing and managing the State's debt including issuing bonds to finance State capital projects and managing debt service payments and cash flow borrowing, administering the Clean Water Fund and maintaining the State's rating agency relationships; Management Services, responsible for the central management and operations of the Office of the Treasurer including financial reporting, administrative, and support functions. Cash Management, responsible for all the State's cash inflows and outflows and managing the State's cash transactions, banking relationships and short-term investments; Unclaimed Property responsible for returning unclaimed property to rightful owners or heirs; and the Second Injury Fund, responsible for managing the workers' compensation claim operation in Connecticut, serving injured workers whose claims are paid by the Fund.

The financial statements include: the Combined Investment Funds (which includes Civil and Non-Civil List Trust Funds), Short-Term Investment Fund, Connecticut Higher Education Trust, Unclaimed Property, and the Second Injury Fund.

Combined Investment Funds and Short-Term Investment Funds:

The Statement of Net Position and the Statement of Changes in Net Position are two financial statements that report information about the Funds as a whole, and about its activities that should help explain how the Funds are performing as a result of this year's activities. These statements include all assets and liabilities using the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents assets and liabilities, with the difference between the two reported as "net position held in trust for participants."

The Statement of Changes in Net Position presents information showing how the net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Civil and Non-Civil List Trust Funds:

The Civil List Pension and Trust Funds schedule includes all cash and investment balances, and activity for the fiscal year. The Non-Civil List Trust Funds Financial Statements include all assets and liabilities, revenues and expenditures, and changes in fund balances using the accrual basis of accounting. The Notes to the Civil and Non-Civil List Trust Funds Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Connecticut Higher Education Trust (Direct Plan and Advisor Plan):

The Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position are two financial statements that report information about the Connecticut Higher Education Trust Program.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Connecticut Higher Education Trust Program financial statements.

The Second Injury Fund:

The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position are financial statements that report information about the Second Injury Fund.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Second Injury Fund's financial statements.

FINANCIAL HIGHLIGHTS OF FISCAL YEAR 2019

At June 30, 2019, the Combined Investment Funds reported net position of \$36.1 billion. The Short-Term Investment Fund reported a fund balance of \$8.1 billion. These two funds account for 99 percent of the investments in the fiduciary funds managed by the Office of the Treasurer.

The Connecticut Retirement Plans and Trust Funds (CRPTF) Fiscal Year 2019 performance resulted in a net position of \$36 billion at June 30, 2019 increasing from \$34.4 billion at June 30, 2018. The two largest pension funds among the CRPTF, the Teachers' Retirement Fund and the State Employees' Retirement Fund, both generated a net investment result of 5.9 percent for Fiscal Year 2019. Total returns are calculated after reflecting management fees, other pension fund operating expenses and distributions primarily for benefit payments.

The Short-Term Investment Fund, at June 30, 2019, achieved an annual return of 2.3 percent, exceeding its primary benchmark by

15 basis points, thereby earning an additional \$11.6 million in interest income for the state, state agencies and municipalities and their taxpayers while also adding \$7 million to its reserves. At the end of the 2019 Fiscal Year, the Short-Term Investment Fund had \$8.1 billion in assets under management.

The Treasury refunded outstanding debt through the issuance of \$435.4 million of refunding bonds across several of the State's bond programs to capture the lower interest rates in the current marketplace thereby providing aggregate debt service savings of \$51.7 million over the life of the bonds.

The Connecticut Higher Education Trust (CHET) Direct Plan held 128,837 accounts with total assets of \$3.3 billion at the end of the 2019 Fiscal Year compared to over 122,885 accounts and \$3.1 billion in assets in the prior fiscal year. The Connecticut Higher Education Trust (CHET) Advisor plan held 29,174 accounts with total assets of \$635 million at the end of the 2019 Fiscal Year compared to 29,824 accounts and \$564 million in assets in the prior fiscal year.

The Office of the Treasurer recovered \$3.4 million in the fiscal year from class action lawsuits and \$56.2 million since 2000 when the Treasury asset recovery and loss prevention program was initiated.

Condensed Financial Information

Combined Investment Funds represent investments available to the pension funds of the State employees and teachers, municipal employees, as well as academic programs, grants and initiatives throughout the State.

Net Position and Changes in Net Position

The net position of the Combined Investment Funds at the close of the 2019 Fiscal Year was \$36.1 billion, an increase of \$1.7 billion from the previous year. The change in net position resulted from a \$2.0 billion increase from operations (realized and unrealized gains and investment income) partly offset by \$0.2 billion of net redemptions from the Combined Investment Funds.

Table 1 – Net Position

Assets	2019	Increase/(Decrease)	2018
Investments in Securities, at Fair Value	\$ 36,357,550,590	\$ 1,988,874,303	\$ 34,368,676,287
Cash, Receivables and Other	10,955,660,166	(1,531,405,241)	12,487,065,407
Total Assets	47,313,210,756	457,469,062	46,855,741,694
Liabilities	(11,198,532,084)	1,265,151,814	(12,463,683,898)
Net Position	\$ 36,114,678,672	\$ 1,722,620,876	\$ 34,392,057,796

Table 2 – Changes in Net Position

	2019	Increase/(Decrease)	2018
Additions			
Dividends	\$ 562,545,957	\$ 20,906,417	\$ 541,639,540
Interest	410,781,263	45,027,195	365,754,068
Securities Lending & Other Income	74,704,860	25,406,697	49,298,163
Total Investment Income	1,048,032,080	91,340,309	956,691,771
Total Investment Expenses	(186,182,222)	(58,227,852)	(127,954,370)
Net Investment Income	\$ 861,849,858	\$ 33,112,457	\$ 828,737,401
Net Increase (Decrease) in Fair Value of Investments and Foreign Currency	\$ 1,117,074,966	\$ (367,584,484)	\$ 1,484,659,450
Net Increase (Decrease) in Net Position resulting from Operations	1,978,924,824	(334,472,027)	2,313,396,851
Purchase of Units by Participants	5,916,433,727	(1,386,584,727)	7,303,018,454
Total Additions	\$ 7,895,358,551	\$ (1,721,056,754)	\$ 9,616,415,305
Deductions			
Administrative Expense	\$ (4,744,546)	\$ (422,544)	\$ (4,322,002)
Distributions of Income to Unit Owners	(20,518,820)	4,924,176	(25,442,996)
Redemption of Units by Participants	(6,147,474,309)	1,594,988,218	(7,742,462,527)
Total Deductions	\$ (6,172,737,675)	\$ 1,599,489,850	\$ (7,772,227,525)
Change in Net Position	1,722,620,876	(121,566,904)	1,844,187,780
Net Position-Beginning of year	34,392,057,796	1,844,187,780	32,547,870,016
Net Position-End of year	\$ 36,114,678,672	\$ 1,722,620,876	\$ 34,392,057,796

Short-Term Investment Fund represents an investment pool of short-term money market instruments serving the State and State agencies, authorities, municipalities and other public subdivisions of the State.

Net Position and Change in Net Position

The net position in the Short-Term Investment Fund at the close of the 2019 Fiscal Year was \$8.1 billion, versus \$6.8 billion the previous

year. General financial market conditions produced an annual total return of 2.30 percent, net of operating expenses and allocations to Fund reserves. The annual total return exceeded that achieved by its benchmark by 15 basis points, resulting in \$11.6 million in additional interest income for Connecticut governments and their taxpayers while also adding \$7 million to its reserves.

Table 3 – Net Position

	2019	Increase/(Decrease)	2018
Assets			
Investments in Securities at Amortized Cost	\$ 8,097,478,206	\$ 1,301,059,907	\$ 6,796,418,299
Receivables and Other	14,851,695	3,914,471	10,937,224
Total Assets	8,112,329,901	1,304,974,378	6,807,355,523
Liabilities	(16,572,866)	(5,870,718)	(10,702,148)
Net Position	\$ 8,095,757,035	\$ 1,299,103,660	\$ 6,796,653,375

Table 4 – Changes in Net Position

	2019	Increase/(Decrease)	2018
Additions			
Interest Income	\$ 178,327,882	\$ 81,306,017	\$ 97,021,865
Net Realized Gains	13,013	12,013	1,000
Total Increase from Operations	178,340,895	81,318,030	97,022,865
Purchase of Units by			
Participants	20,313,109,280	3,081,715,049	17,231,394,231
Total Additions	\$ 20,491,450,175	\$ 3,163,033,079	\$ 17,328,417,096
Deductions			
Distributions of Income to			
Participants	\$ (169,346,185)	\$ (79,416,458)	\$ (89,929,727)
Redemption of Units by			
Participants	(19,020,993,205)	(2,110,937,631)	(16,910,055,574)
Operating Expenses	(2,007,125)	(140,361)	(1,866,764)
Total Deductions	\$ (19,192,346,515)	\$ (2,190,494,450)	\$ (17,001,852,065)
Change in Net Position	1,299,103,660	972,538,629	326,565,031
Net Position-Beginning of year	6,796,653,375	326,565,031	6,470,088,344
Net Position-End of year	\$ 8,095,757,035	\$ 1,299,103,660	\$ 6,796,653,375

Connecticut Higher Education Trust

Fiduciary Net Position and Changes in Fiduciary Net Position (Direct Plan)

Fiduciary Net Position of the Direct Plan at the close of the current fiscal year was \$3.3 billion, an increase of \$242 million from

the previous year. Change in Fiduciary Net Position in Fiscal Year 2019 resulted from \$75.6 million of contributions to active accounts, net of redemptions, in addition to net investment income of \$78 million and by an increase in the fair value of assets by \$88.4 million.

Table 5 – Fiduciary Net Position

	2019	Increase/(Decrease)	2018
Assets			
Investments , at Fair Value	\$ 3,347,779,228	\$ 243,127,715	\$ 3,104,651,513
Cash, Receivables and Other	6,056,505	(80,704)	6,137,209
Total Assets	3,353,835,733	243,047,011	3,110,788,722
Liabilities	(8,100,119)	(1,057,599)	(7,042,520)
Net Position	\$ 3,345,735,614	\$ 241,989,412	\$ 3,103,746,202

Table 6 – Fiduciary Changes in Net Position

	2019	Increase/(Decrease)	2018
Additions			
Subscriptions	\$ 1,544,821,170	\$ (1,607,273,844)	\$ 3,152,095,014
Total Investment Income	81,592,081	10,058,699	71,533,382
Net Increase (Decrease) in Fair Value of investments	88,386,170	(1,592,764)	89,978,934
Total Additions (Deductions)	\$ 1,714,799,421	\$ (1,598,807,909)	\$ 3,313,607,330
Redemptions	\$ (1,469,255,804)	\$ 1,580,401,717	\$ (3,049,657,521)
Plan manager fee	(3,270,391)	(16,084)	(3,254,307)
Administration fee	(283,814)	(12,622)	(271,192)
Total Deductions	\$ (1,472,810,009)	\$ 1,580,373,011	\$ (3,053,183,020)
Change in Net Position	241,989,412	(18,434,898)	260,424,310
Net Position-Beginning of year	3,103,746,202	260,424,310	2,843,321,892
Net Position-End of year	\$ 3,345,735,614	\$ 241,989,412	\$ 3,103,746,202

Fiduciary Net Position and Changes in Fiduciary Net Position (Advisor Plan)

Fiduciary Net Position of the Advisor Plan at the close of the current fiscal year was \$634.8 million, an increase of \$70 million from the

previous year. Change in Fiduciary Net Position in Fiscal Year 2019 resulted from \$36 million of contributions to active accounts, net of redemptions, in addition to net investment income of \$8.9 million and by an increase in the fair value of assets by \$25 million.

Table 7 – Fiduciary Net Position

	2019	Increase/(Decrease)	2018
Assets			
Investments, at Fair Value	\$ 528,526,475	\$ 52,346,754	\$ 476,179,721
Investments, at Contract Value	106,373,733	17,655,368	88,718,365
Cash, Receivables and Other	900,093	110,242	789,851
Total Assets	635,800,301	70,112,364	565,687,937
Liabilities	(986,839)	(121,139)	(865,700)
Net Position	\$ 634,813,462	\$ 69,991,225	\$ 564,822,237

Table 8 – Changes in Fiduciary Net Position

	2019	Increase/(Decrease)	2018
Additions			
Contributions	\$ 89,347,936	\$ (3,009,713)	\$ 92,357,649
Transfers	221,598,924	(151,072,290)	372,671,214
Total Investment Income	11,923,605	1,731,847	10,191,758
Net Increase (Decrease) in Fair Value of investments	25,051,906	(1,594,887)	26,646,793
Total additions	\$ 347,922,371	\$ (153,945,043)	\$ 501,867,414
Deductions			
Withdrawals	\$ (53,304,453)	\$ (10,443,413)	\$ (42,861,040)
Transfers	(221,609,963)	151,061,251	(372,671,214)
Plan manager fees	(929,973)	(2,386)	(927,587)
Administrative fees	(58,121)	5,107	(63,228)
Distribution fees	(2,028,636)	34,355	(2,062,991)
Total waivers		(23,029)	23,029
Total deductions	\$ (277,931,146)	\$ 140,631,885	\$ (418,563,031)
Change in Net Position	69,991,225	(13,313,158)	83,304,383
Net Position-Beginning of year	564,822,237	83,304,383	481,517,854
Net Position-End of year	\$ 634,813,462	\$ 69,991,225	\$ 564,822,237

Fiduciary Net Position and Change in Fiduciary Net Position (Consolidated)

Fiduciary Net Position of the CHET Direct and Advisor Plans at the close of the current fiscal year was \$4 billion, an increase of \$312 million from the previous year. Change in Fiduciary Net Position in

Fiscal Year 2019 resulted from \$111.6 million of contributions to active accounts, net of redemptions, in addition to net investment income of \$86.9 million and by an increase in the fair value of assets by \$113.4 million.

Table 9 - Fiduciary Net Position

Assets	2019	Increase/(Decrease)	2018
Investments , at Fair Value	\$ 3,876,305,703	\$ 206,756,104	\$ 3,669,549,599
Cash, Receivables and Other	113,330,331	106,403,271	6,927,060
Total Assets	3,989,636,034	313,159,375	3,676,476,659
Liabilities	(9,086,958)	(1,178,738)	(7,908,220)
Net Position	\$ 3,980,549,076	\$ 311,980,637	\$ 3,668,568,439

Table 10 - Change in Fiduciary Net Position

Additions	2019	Increase/(Decrease)	2018
Contributions	\$ 1,634,169,106	\$ (1,610,283,557)	\$ 3,244,452,663
Transfers	221,598,924	(151,072,290)	372,671,214
Total Investment Income	93,515,686	11,790,546	81,725,140
Net Increase (Decrease) in Fair Value of investments	113,438,076	(3,187,651)	116,625,727
Total additions	\$ 2,062,721,792	\$ (1,752,752,952)	\$ 3,815,474,744
Deductions			
Withdrawals	\$ (1,522,560,257)	\$ 1,569,958,304	\$ (3,092,518,561)
Transfers	(221,609,963)	151,061,251	(372,671,214)
Plan manager fees	(4,200,364)	(18,470)	(4,181,894)
Administrative fees	(341,935)	(7,515)	(334,420)
Distribution fees	(2,028,636)	34,355	(2,062,991)
Total waivers		(23,029)	23,029
Total deductions	\$ (1,750,741,155)	\$ 1,721,004,896	\$ (3,471,746,051)
Change in Net Position	311,980,637	(31,748,056)	343,728,693
Net Position-Beginning of year	3,668,568,439	343,728,693	3,324,839,746
Net Position-End of year	\$ 3,980,549,076	\$ 311,980,637	\$ 3,668,568,439

Second Injury Fund

The Net Position of the Second Injury Fund (SIF) at the close of Fiscal Year 2019 was \$48.7 million, an increase of \$2.7 million from the previous year net position balance of \$46.0 million. The Change in Net Position was an increase of \$2.7 million mainly resulting from operating income.

Required Supplementary Information

Following the Financial Statements section of this annual report is a Supplemental Information section that further explains and supports the financial information and includes additional schedules for the Combined Investment Funds, debt schedules, cash management activities including Civil List Funds, and information on Unclaimed Property and fiscal year division expenses for the Office of

the Treasurer.

Debt Administration

Long-term debt obligations of the State consist of General Obligation bonds and revenue dedicated bonded debt. General obligation bonds, issued by the State, are backed by the full faith and credit of the State. Dedicated revenue debt payments are made from legally restricted revenues.

At June 30, 2019, the State had \$25.6 billion in bonds and notes outstanding, approximately \$0.3 billion greater than the end of June 30, 2018, issued to fund local school construction projects, state grants and economic development initiatives, Clean Water and Drinking Water Fund loans and grants, improvements to state universities and transportation projects.

Table 11 - Outstanding Debt as of June 30, 2019

Bond Type	2019	Increase/(Decrease)	2018
General Obligation - Tax Supported	\$ 14,091,822,032	\$ (31,631,471)	\$ 14,123,453,503
Teachers Retirement Fund	2,208,066,524	-	2,208,066,524
GAAP Conversion Bonds	423,260,000	(36,430,000)	459,690,000
Special Tax Obligation	5,957,640,000	417,145,000	5,540,495,000
Bradley International Airport	102,105,000	(7,225,000)	109,330,000
Clean Water Fund	848,470,000	(60,950,000)	909,420,000
Uconn 2000	1,700,180,000	38,395,000	1,661,785,000
CI Incremental Financing	20,630,000	(1,980,000)	22,610,000
CHEFA Childcare Facilities Program	48,600,000	(2,540,000)	51,140,000
CT Juvenile Training School	11,095,000	(670,000)	11,765,000
Bradley International Parking Operations	22,330,000	(2,935,000)	25,265,000
CHFA Special Needs Housing Bonds	48,565,000	(4,180,000)	52,745,000
CHFA Emergency Mortgage Assistance Program	33,745,000	(2,210,000)	35,955,000
CRDA Bonds	74,295,000	(5,020,000)	79,315,000
Total	\$ 25,590,803,556	\$ 299,768,529	\$ 25,291,035,027

During Fiscal Year 2019, the State issued \$3 billion of bonds for capital projects, refundings and other purposes. The issued bonds were offset by bonds retired of \$2.2 billion and bonds refunded of \$0.5 billion, resulting in a net increase of \$0.3 billion in bonds outstanding. Since 1999, debt refunding and defeasances have produced \$1.3 billion in debt savings to taxpayers.

More detailed information about outstanding bonds and other long-term debt can be found in the Supplemental and Statistical Sections of this report.

Economic Conditions And Outlook

Economic growth in the United States, as measured by Gross Domestic Product (GDP), averaged 2.7 percent during the fiscal year, down from the prior fiscal year average of 2.8 percent. While 2.7 percent is not considered robust, it is still indicative of a resilient economy. In contrast, Eurozone economic growth averaged 1.3 percent during the fiscal year. While growth in the US economy slowed during the second half of the fiscal year (2.5 percent versus 2.8 percent in the first half), it continued to be strong relative to the developed world.

Domestic inflation during the fiscal year, as measured by the change in the consumer price index, averaged 2.1 percent during the fiscal year, which was lower than the 2.3 percent recorded during fiscal 2018. More troubling is the fact that inflation in the first half of fiscal 2019 averaged 2.4 percent and in the second half of the fiscal year, inflation only averaged 1.7 percent, which was below the Fed's target of two percent. Similarly, Eurozone inflation was below the European Central Bank's (ECB) target of two percent as well. Eurozone inflation averaged 1.7 percent for fiscal 2019, which was also stronger in the first half (2 percent) and weaker in the second half (1.4 percent).

Contacting the Office of the Treasurer

This financial report is designed to provide a general overview of the Office of the Treasurer's finances and to show the Office's accountability for the money it receives.

Questions about this report or requests for additional information should be addressed to:

Connecticut Office of the Treasurer
55 Elm Street
Hartford, CT 06106-1773
Telephone (860) 702-3000
www.ott.ct.gov



State of Connecticut
Office of the Treasurer

SHAWN T. WOODEN
TREASURER

DARRELL V. HILL
DEPUTY TREASURER

December 31, 2019

The Honorable Ned L. Lamont, Governor of Connecticut
The Honorable Shawn T. Wooden, Treasurer of Connecticut
The Honorable Members of the Connecticut General Assembly
Residents of the State of Connecticut

This Annual Report was prepared by the Office of the Treasurer, which is responsible for the accuracy of the data contained herein, the completeness and fairness of the presentation, and all disclosures. We present the financial statements and data as accurate in all material respects and prepared in conformity with generally accepted accounting principles. The financial statements are audited annually by Connecticut's Auditors of Public Accounts.

To successfully meet our responsibilities, the Office of the Treasurer maintains financial policies, procedures, accounting systems and internal controls that management believes provide reasonable, but not absolute, assurance that accurate financial records are maintained and investments and other assets are safeguarded.

It is our belief that the contents of this Annual Report, including Management's Discussion & Analysis, make evident the Office of the Treasurer's commitment to its fiduciary responsibility for the safe custody and conscientious stewardship of the State's property and money, including Trusts and Custodial accounts held by the State Treasurer. In addition, the Office of the Treasurer has sought to maximize earnings on the assets held by the State Treasurer within the boundaries of the reasonable and prudent investment guidelines authorized by Article Fourth, Section 22 of the Connecticut Constitution and by Title 3 of the Connecticut General Statutes. Treasury's work contributes to the stabilization of taxpayer costs and secures the safety of benefit commitments established by various general statutes covering the State retirement systems and other retirement systems administered by the State.

The State of Connecticut also issues a Comprehensive Annual Financial Report ("CAFR") available from the State Comptroller's Office. The information presented herein is intended to complement and expand on the State's CAFR.

It is management's opinion that the internal control structure of the Office of the Treasurer is adequate to ensure that the financial information in this Annual Report fairly presents the financial condition and results of operations of the funds for the reporting period.

Sincerely,

A handwritten signature in black ink, appearing to read "Darrell V. Hill".

Darrell V. Hill
Deputy Treasurer
State of Connecticut

55 ELM STREET, HARTFORD, CONNECTICUT 06106-1773, TELEPHONE: (860) 702-3000
AN EQUAL OPPORTUNITY EMPLOYER

COMBINED INVESTMENT FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2019

	TOTAL
ASSETS	
Investments in Securities , at Fair Value	
Cash Equivalents	\$ 547,505,992
Asset Backed Securities	139,085,548
Government Securities	4,195,365,767
Government Agency Securities	923,626,057
Mortgage Backed Securities	240,812,624
Corporate Debt	4,538,294,042
Convertible Securities	27,070,088
Common Stock	16,561,338,955
Preferred Stock	61,977,158
Real Estate Investment Trust	420,638,784
Mutual Fund	809,576,034
Limited Liability Corporation	1,156,486
Limited Partnerships	7,891,103,055
Total Investments in Securities, at Fair Value	36,357,550,590
Cash	63,775,792
Receivables	
Foreign Exchange Contracts	8,205,500,408
Interest Receivable	101,553,693
Dividends Receivable	34,676,014
Due from Brokers	436,344,288
Foreign Taxes	24,492,449
Securities Lending Receivable	862,617
Reserve for Doubtful Receivables	(4,124,425)
Total Receivables	8,799,305,044
Invested Securities Lending Collateral	2,092,390,611
Prepaid Expenses	188,719
Total Assets	47,313,210,756
LIABILITIES	
Payables	
Foreign Exchange Contracts	8,212,332,163
Due to Brokers	871,416,602
Income Distribution	1,071,158
Other Payable	5,149
Total Payables	9,084,825,072
Securities Lending Collateral	2,092,390,611
Accrued Expenses	21,316,401
Total Liabilities	11,198,532,084
NET POSITION HELD IN TRUST FOR PARTICIPANTS	\$ 36,114,678,672

The accompanying notes are an integral part of these financial statements

**COMBINED INVESTMENT FUNDS
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ADDITIONS	TOTAL
OPERATIONS	
Investment Income	
Dividends	\$ 562,545,957
Interest	410,781,263
Other Income	6,266,711
Securities Lending	68,438,149
Total Income	<u>1,048,032,080</u>
Expenses	
Investment Advisory Fees	78,350,270
Custody and Transfer Agent Fees	3,110,461
Professional Fees	3,348,185
Security Lending Fees	1,417,830
Security Lending Rebates	54,259,837
Investment Expenses	45,695,639
Total Expenses	<u>186,182,222</u>
Net Investment Income	<u>861,849,858</u>
Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency	1,117,074,966
Net Increase (Decrease) in Net Position Resulting from Operations	<u>1,978,924,824</u>
Unit Transactions	
Purchase of Units by Participants	<u>5,916,433,727</u>
TOTAL ADDITIONS	<u>7,895,358,551</u>
DEDUCTIONS	
Administrative Expenses:	
Salary and Fringe Benefits	(4,744,546)
Distributions to Unit Owners:	
Income Distributed	(20,518,820)
Unit Transactions	
Redemption of Units by Participants	<u>(6,147,474,309)</u>
TOTAL DEDUCTIONS	<u>(6,172,737,675)</u>
Change in Net Position Held in Trust for Participants	<u>1,722,620,876</u>
Net Position- Beginning of Period	<u>34,392,057,796</u>
Net Position- End of Period	<u>\$ 36,114,678,672</u>

The accompanying notes are an integral part of these financial statements

COMBINED INVESTMENT FUNDS

NOTES TO FINANCIAL STATEMENTS

Note 1: Summary Of Significant Accounting Policies

The Combined Investment Funds (CIF) are separate legally defined funds, which have been created by the Treasurer of the State of Connecticut (the "Treasurer") under the authority of the Connecticut General Statutes (CGS) Section 3-31b. The CIF are open-end, unitized portfolios consisting of the Liquidity Fund, Alternative Investment Fund, Domestic Equity Fund, Core Fixed Income Fund, Inflation Linked Bond Fund, Emerging Market Debt Fund, High Yield Debt Fund, Developed Market International Stock Fund, Emerging Market International Stock Fund, Real Estate Fund, and the Private Investment Fund. The CIF were established to provide a means for investing pension and other trust fund assets entrusted to the Treasurer in a variety of investment classes. The units of the CIF are owned by these pension and trust funds. For financial reporting purposes of the State of Connecticut, the CIF are considered to be external investment pools and are not reported in the State's combined financial statements. Instead, each fund type's investment in the CIF is reported as "equity in combined investment funds" in the State's combined balance sheet.

The Treasurer, as sole fiduciary of the CIF, is authorized to invest in a broad range of fixed income and equity securities, as well as real estate properties, mortgages and private equity. This authority is restricted only by statute. Such limitations include prohibitions against investment in companies doing business in Iran and those doing business in Northern Ireland, but who have failed to implement the MacBride Principles (CGS Section 3-13h). Other legislation restricts the maximum aggregate investment in equity securities to 60% of the fair value of the Trust Funds.

The CIF are not subject to regulatory oversight and are not registered with the Securities and Exchange Commission as an investment company.

The following is a summary of significant accounting policies consistently followed by the CIF in the preparation of their financial statements.

A. NEW PRONOUNCEMENTS

There were no new pronouncements for the fiscal year ending June 30, 2019.

B. SECURITY VALUATION

Investments are stated at fair value for each of the CIF as described below. For the Alternative Investment, Real Estate and Private Investment Funds substantially all of the investments, other than those in the Liquidity Fund, are shown at values that are carried at the general partner's June 30, 2019 fair value, or net asset value ("NAV") equivalent. The CIF's assets are fair valued quarterly by the General Partner and at such other times as determined by the General Partner and are based on Accounting Standards Codification ("ASC") 820 "Fair Value Measurements and Disclosures." The fair value the General Partner assigned to these investments is based upon available information and does not represent necessarily the amount that ultimately might be realized upon sale or maturity. Because of the inherent uncertainty of the fair valuation process, this estimated fair value presented by the General Partner may differ significantly from the fair value that would have been used had a ready market for the security existed, and the difference could be material. The General Partner is responsible for coordination and oversight of all investment valuations.

The Treasurer's staff reviews the valuations for all investments in these alternative asset classes to see that they are reasonable and consistent. Due to the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed and the differences could be material.

Liquidity Fund - Existing money market vehicles are valued at amortized cost on a daily basis, which approximates fair value. A standard price hierarchy is utilized in the daily valuation of the Liquidity Fund.

Repurchase agreements held in the fund are collateralized at 100 percent of the securities' value. Such transactions are only entered into with primary government securities dealers who report directly to the Federal Reserve Bank of New York. When-issued" securities held in the fund are fully collateralized by U.S Government securities and such collateral is in the possession of the CIF's custodial bank. The collateral is evaluated daily to ensure its fair value exceeds the current fair value of the repurchase agreements including accrued interest. The collateral is evaluated daily to ensure its fair

value exceeds the current fair value of the repurchase agreements including accrued interest.

Alternative Investment Fund - Investments in securities not listed on security exchanges and investments in limited partnerships, which comprise substantially all of the CIF's investments, are carried at the general partner's June 30, 2019 fair value, or net asset value ("NAV") equivalent. The Treasurer's staff reviews the estimated fair values provided by the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, this estimated fair value is adjusted accordingly. The Alternative Investment Fund invests in hedge fund strategies that offer the potential to enhance return and/or reduce risk. Limited Partnerships in the CIF are considered long-term holdings often taking many years to realize their potential.

Domestic Equity Fund - Securities traded on securities exchanges are valued at the last reported sales price on the last business day of the fiscal year. Corporate bonds and certain over-the-counter stocks are valued at the mean of bid and asked prices as furnished by broker-dealers.

Core Fixed Income Fund - Investments are valued based on quoted market prices when available. For securities that have no quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings and maturities.

"When-issued" securities held in the CIF are fully collateralized by U.S. Government securities and such collateral is in the possession of the CIF's custodial bank. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

The Core Fixed Income Fund invests in Mortgage Backed Securities (MBSs) and Asset Backed Securities (ABSs), which are included in the Statement of Net Position. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity. Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates but is generally prior to the stated maturity date. At June 30, 2019, the CIF held MBSs of \$240,049,992 and ABSs of \$138,598,545.

Interest-only stripped mortgage backed securities (IOs), a specialized type of Collateralized Mortgage Obligation (CMO), are included as Mortgage Backed Securities on the Statement of Net Position. The cash flow on these investments is derived from the interest payments on the underlying mortgage loans. Prepayments on the underlying loans curtail these interest payments, reducing the value of the IOs and, as such, these instruments are sensitive to changes in interest rates, which encourage or discourage such prepayments. At June 30, 2019 the CIF's holdings had a fair value of \$2,316,569. The valuations were provided by the custodian.

Investments in non-U.S. fixed income securities are utilized on an opportunistic basis. Certain advisors within the Core Fixed Income Fund are authorized to invest in global fixed income securities.

Inflation Linked Bond Fund - Investments are valued based on quoted market prices when available. For securities that have no quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings and maturities.

"When-issued" securities held in the CIF are fully collateralized by U.S. Government securities and such collateral is in the possession of the CIF's custodial bank. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

Investments in non-U.S. fixed income securities are utilized on an opportunistic basis. Certain advisors within the Inflation Linked Bond Fund are authorized to invest in global fixed income securities.

The Inflation Linked Bond Fund sometimes invests in Asset Backed Securities (ABSs), which are included in the Statement of Net Position. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity. Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates but is generally prior to the stated maturity date. At June 30, 2019, the CIF held ABSs, consisting of swaps and resulting in a fair value of (\$2,924,236).

Emerging Market Debt Fund - Investments are valued based on quoted market prices when available. For securities that have no

quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings.

The Emerging Market Debt Fund invests in securities in emerging market countries that are either U.S. dollar-denominated or issued in the local currency of the country. In addition to bond interest rate sensitivity, the local currency bonds' values will fluctuate with exchange rates.

"When-issued" securities held in the CIF are fully collateralized by U.S. Government securities and such collateral is in the possession of the CIF's custodian. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

The Emerging Market Debt Fund sometimes invests in Asset Backed Securities (ABSs), which are included in the Statement of Net Position. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity. Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates but is generally prior to the stated maturity date. At June 30, 2019, the CIF held ABSs, consisting of swaps and resulting in a fair value of \$1,764,320.

High Yield Debt Fund - Investments are valued based on quoted market prices when available. For securities that have no quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings and maturities.

"When-issued" securities held in the fund are fully collateralized by U.S. Government securities and such collateral is in the possession of the CIF's custodial bank. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

Investments in non-U.S. fixed income securities are utilized on an opportunistic basis. Certain advisors within the High Yield Debt Fund are authorized to invest in global fixed income securities.

The High Yield Debt Fund invests in Mortgage Backed Securities (MBSs) and Asset Backed Securities (ABSs), which are included

in the Statement of Net Position. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity.

Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates but is generally prior to the stated maturity date. At June 30, 2019, the CIF held MBSs of \$762,632 and ABSs, consisting of swaps and resulting in a fair value of \$1,646,919.

Developed Market International Stock Fund - The Developed Market International Stock Fund at times may utilize foreign currency contracts to facilitate transactions in foreign securities and to manage the CIF's currency exposure. Contracts to buy are used to acquire exposure to foreign currencies, while contracts to sell are used to hedge the CIF's investments against currency fluctuations. Also, a contract to buy or sell can offset a previous contract. Losses may arise from changes in the value of the foreign currency or failure of the counterparties to perform under the contracts' terms.

Investing in forward currency contracts may increase the volatility of the CIF's performance. Price movements of currency contracts are influenced by, among other things, international trade, fiscal, monetary, and exchange control programs and policies; national and international political and economic events; and changes in worldwide interest rates. Governments from time to time intervene in the currency markets with the specific intent of influencing currency prices. Such intervention may cause certain currency prices to move rapidly. Additionally, the currency markets may be particularly sensitive to interest rate fluctuations.

The U. S. dollar value of forward foreign currency contracts is determined using forward currency exchange rates supplied by a quotation service

Investments in securities listed on security exchanges are valued at the last reported sales price on the last business day of the fiscal year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean of the last reported bid and asked prices.

Certain cash held in non-U.S. dollar denominated trading accounts is non-interest bearing.

Emerging Market International Stock Fund - The Emerging Market International Stock Fund at times may utilize foreign currency contracts to facilitate transactions in foreign securities and to manage the CIF's' currency exposure. Contracts to buy are used to acquire exposure to foreign currencies, while contracts to sell are used to hedge the CIF's' investments against currency fluctuations. Also, a contract to buy or sell can offset a previous contract. Losses may arise from changes in the value of the foreign currency or failure of the counterparties to perform under the contracts' terms.

Investing in forward currency contracts may increase the volatility of the CIF's' performance. Price movements of currency contracts are influenced by, among other things, international trade, fiscal, monetary, and exchange control programs and policies; national and international political and economic events; and changes in worldwide interest rates. Governments from time to time intervene in the currency markets with the specific intent of influencing currency prices. Such intervention may cause certain currency prices to move rapidly. Additionally, the currency markets may be particularly sensitive to interest rate fluctuations.

The U. S. dollar value of forward foreign currency contracts is determined using forward currency exchange rates supplied by a quotation service.

Investments in securities listed on security exchanges are valued at the last reported sales price on the last business day of the fiscal year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean of the last reported bid and asked prices.

Certain cash held in non-U.S. dollar denominated trading accounts is non-interest bearing.

Real Estate Fund - Investments in securities not listed on security exchanges and investments in trusts, limited partnerships, and annuities, which comprise substantially all of the CIF's' investments, are carried at the general partner's June 30, 2019 fair value, or net asset value ("NAV") equivalent. The Treasurer's staff reviews estimated fair values provided by the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, this estimated fair value is adjusted accordingly. The Real Estate Fund invests in core strategies, value added strategies, opportunistic strategies and publicly traded securities (REITs). Limited Partnerships in the CIF are considered long-term holdings often taking many years to realize their potential.

Private Investment Fund - Investments in securities not listed on security exchanges and investments in limited partnerships and limited liability corporations, which comprise substantially all of the CIF's' investments, are carried at the general partner's June 30, 2019 fair

value, or net asset value ("NAV") equivalent. The Treasurer's staff reviews estimated fair values provided by the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, this estimated fair value is adjusted accordingly. The Private Investment Fund invests in both venture capital and corporate finance investment strategies. Limited Partnerships in the CIF are considered long-term holdings often taking many years to realize their potential.

C. INVESTMENT TRANSACTIONS AND RELATED INCOME

Investment transactions are accounted for on a trade date basis. Dividend income is recognized as earned on the ex-dividend date. Interest income is recorded on the accrual basis as earned. Realized gains and losses are computed on the basis of the average cost of investments sold. Such amounts are calculated independent of and are presented as part of the Net Increase (Decrease) in Fair value of Investments on the Statement of Changes in Net Position. Realized gains and losses on investments held more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior year(s) and the current year. Unrealized gains and losses represent the difference between the fair value and the cost of investments. The increase (decrease) in such difference is also accounted for in the Net Increase (Decrease) in Fair Value of Investments. In the CIF's' cost basis records, premiums are amortized using the straight-line method that approximates the interest method.

Dividends earned by the Private Investment, Real Estate and Alternative Investment Funds relate to investments that are not listed on security exchanges. Such dividends are recognized as income when earned, generally net of advisory fees.

D. FOREIGN CURRENCY TRANSLATION

The value of investments, assets and liabilities denominated in currencies other than U.S. dollars are translated into U.S. dollars based upon appropriate fiscal year end foreign exchange rates. Purchases and sales of foreign investments and income and expenses are converted into U.S. dollars based on currency exchange rates prevailing on the respective dates of such transactions. The CIF do not isolate that portion of the results of operations arising from changes in the exchange rates from that portion arising from changes in the market prices of securities.

E. SHARE TRANSACTIONS AND PRICING

All unit prices are determined at the end of each month based on the net asset value of each CIF divided by the number of units outstanding. Purchases and redemptions of units are based on the prior month end price and are generally processed on the first business day of the month.

F. EXPENSES

Expenses of the CIF, excluding certain management fees as discussed in more detail in note 1J, are recognized on the accrual basis and are deducted in calculating net investment income and net asset value on a monthly basis. Each of the CIF bears its direct expenses, such as investment advisory fees, and, in addition, each of the CIF is allocated a portion of the overhead expenses of the Pension Funds Management Division of the Office of the State Treasurer, which services the CIF. These expenses include salary and fringe benefit costs and other administrative expenses. Certain of these costs are allocated among the CIF based on relative net asset values. Other costs are charged directly based on the specific duties of personnel.

G. DISTRIBUTIONS

Distributions to unit holders of the CIF were discontinued after September 30, 2013.

H. DERIVATIVE FINANCIAL INSTRUMENTS

GASB Statement Number 53 Accounting and Financial Reporting for Derivative Instruments, requires that the fair value of financial arrangements called derivatives or derivative instruments be reported in the financial statements. GASB defines a derivative instrument as a financial instrument or other contract with all of the following characteristics: a) It has (1) one or more reference rates and (2) one or more notional amounts or payment provisions or both. b) It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors. c) Its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement.

For the fiscal year ended June 30, 2019, the CIF maintained positions in a variety of such securities that are all reported at fair value on the Statement of Net Position. The following is a listing of such securities:

Adjustable Rate Securities:

CIF	Fair Value
Liquidity	\$10,975,260
Core Fixed Income	293,576,936
Inflation Linked Bond	24,106,205
Emerging Market Debt	4,458,557
High Yield Debt	23,887,207

Asset Backed Securities:

CIF	Fair Value
Core Fixed Income	\$138,598,545
Emerging Market Debt	3,329,211
High Yield Debt	906,883

Mortgage Backed Securities, Net of CMO's:

CIF	Fair Value
Core Fixed Income	\$163,323,974
High Yield Debt	762,632

CMO's:

CIF	Fair Value
Core Fixed Income	\$76,726,018

TBA's:

CIF	Fair Value
Core Fixed Income	\$306,358,987

Interest Only:

CIF	Fair Value
Core Fixed Income	\$2,316,569

Options:

CIF	Fair Value
Inflation Linked Bond	(\$1,163,329)

The Inflation Linked Bond Fund held futures with a notional cost of \$4,224,778 and an unrealized loss of (\$607,978) reported in the Due from Brokers in the Statement of Net Position. The Core Fixed Income Fund held futures with a notional cost of \$74,891,135 and an unrealized loss of (\$1,024,974) reported in the Due from Brokers in the Statement of Net Position. The High Yield Debt Fund held futures with a negative notional cost of (\$2,727,173) and an unrealized loss of (\$43,730) reported in the Due from Brokers in the Statement of Net Position. The Developed Market International Stock also held futures with a notional cost of \$88,301,250 and an unrealized gain of \$748,011 reported in the Due from Brokers in the Statement of Net Position.

The Liquidity, Core Fixed Income, Inflation Linked, Emerging Market Debt, High Yield Debt, Developed Market International Stock and Emerging Market International Stock Funds were invested in foreign exchange contracts. The specific nature of these investments is discussed more fully in the foreign exchange contract note for each respective fund, where appropriate. These financial instruments are utilized for trading and other purposes. Those that are used for other than trading purposes are foreign exchange contracts, which can be used to facilitate trade settlements, and may serve as foreign currency hedges. The currency exposure is managed through a currency hedging overlay strategy. The credit exposure resulting from such contracts is limited to the recorded fair value of the contracts on the Statement of Net Position.

The remaining such securities are utilized for trading purposes and are intended to enhance investment returns. All positions are reported at fair value and changes in fair value are reflected in income as they occur. The CIF's' credit exposure resulting from such investments is limited to the recorded fair value of the derivative financial instruments.

The Liquidity, Domestic Equity, Emerging Market Debt, and the Emerging Market International Stock Funds also utilize derivatives

indirectly through participation in mutual funds. These mutual funds may hold derivatives from time to time. Such derivatives may be used for hedging, investment and risk management purposes. These transactions subject the investor to credit and market risk.

I. COMBINATION/ELIMINATION ENTRY

The financial statements depict a full presentation of each of the CIF. However, one of these funds, the Liquidity Fund, is owned both directly by the pension plans and trust funds which have accounts in the Liquidity Fund, and also indirectly because each of the other CIF has an account with the Liquidity Fund. As a result, elimination entries are presented for the purpose of netting out balances and transactions relating to the ownership of the Liquidity Fund by the other CIF. The combined presentation totals to the overall net assets owned by the pension plans and trust funds. In order to help the Liquidity Fund managers better manage their cash balances, realized gains (losses) are no longer included in the Liquidity Fund income sweep.

J. FEES

Investment advisory fees incurred for certain investments in the Alternative Investment, Private Investment and Real Estate Funds are generally charged to the entity in which the CIF has been invested. In such cases, these amounts are either capitalized in the cost basis of the investment on a cash basis and become a component of unrealized gain (loss) or are netted against the corresponding income generated. Certain other fees are incurred directly by the CIF and are expensed. These expensed amounts are accrued, and the expense is reflected as Investment Advisory Fees on the Statement of Changes in Net Position. The appropriate treatment is determined depending on the terms of the investment agreement. Capitalized fees are not separately presented on the Statement of Changes in Net Position. These fees are borne by the partners in their respective shares. The following is a listing of the Funds total fees for the fiscal year ended June 30, 2019:

CIF	Netted	Capitalized	Expensed	Total
Alternative Investment	\$ 11,076,245	\$ 1,993,513	\$ -	\$ 13,069,758
Private Investment	10,877,591	22,334,754	1,957,509	35,169,854
Real Estate	10,660,722	10,394,878	3,723,807	24,779,407

Periodically the Private Investment and Real Estate Funds may receive security distributions in lieu of cash.

These securities are included as Common Stock and Real Estate Investment Trust, respectively on the Statement of Net Position. When one of these individual securities is sold the realized gain or loss is included in the Net Increase (Decrease) in the Fair Value of Investments presented on the Statement of Changes in Net Position.

Fees incurred from investments in mutual funds are deducted from the operations and are not separately presented on the Statement of Changes in Net Position.

Investment advisory fees for the Liquidity, Domestic Equity, Core Fixed Income, Inflation Linked Bond, Emerging Market Debt, High Yield Debt, Developed Market International Stock and the Emerging Market International Stock Funds, except those noted above are estimated monthly based on periodic reviews of asset values. Accordingly, the amounts listed as Investment Advisory Fees on the Statement of Changes in Net Position represent estimates of annual management fee expenses.

K. RELATED PARTY AND OTHER TRANSACTIONS

There were no related party transactions during the fiscal year. Additionally, there were no “soft dollar” transactions. Soft dollar transactions result from arrangements whereby firms doing business with organizations such as the Treasury arrange for third parties to provide other services in lieu of cash payment. These arrangements tend to obscure the true cost of operations and can result in potential overpayment for services. Such transactions have been prohibited by the Treasurer.

L. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: DEPOSITS, INVESTMENTS AND SECURITIES LENDING PROGRAM

Deposits: The CIF minimize custodial credit risk by maintaining certain restrictions set forth in the Investment Policy Statement. Custodial credit risk is risk associated with the failure of a depository financial institution. In the event of a depository financial institution's failure the CIF would not be able to recover its deposits or collateralized securities that are in the possession of the outside parties. The CIF utilize a Liquidity Account that is a cash management pool investing primarily in highly liquid money market securities such as commercial paper, certificates of deposit, bank notes and other cash equivalents, asset backed securities, and floating rate corporate bonds. Deposits shall consist of cash instruments generally maturing in less than one year and having a quality rating, by at least one widely recognized rating agency, of A-1 or P-1 and earn interest at a rate equal to or better than the International Business Communications (“IBC”) First Tier Institutions-Only Rated Money Fund

Report Index.

At June 30, 2019, the reported amount of Funds deposits was \$63,775,792 and the bank balance was \$63,775,792. Of the bank amount, \$63,775,792 was uncollateralized and uninsured. Through the Securities Lending Program, \$2,094,736,943 was collateralized with securities held by the counterparty's trust department or agent in the State's name.

Investments: The CIF measure and record their investments using fair value measurement guidelines established by GAAP. The guidelines recognize a three tiered fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active market;

Level 2: Observable inputs other than quoted market price; and,

Level 3 Unobservable inputs. At June 30, 2019 the CIF have the following recurring fair value measurements.

**COMBINED INVESTMENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)**

	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Investments by Fair Value Level				
Liquidity Fund	-	-	-	-
Cash Equivalents	\$ 547,505,992	\$ 10,019,091	\$ 537,486,901	-
Asset Backed Securities	139,085,548	-	139,085,548	-
Government Securities	4,195,365,767	1,670,609,687	2,524,756,080	-
Government Agency Securities	923,626,057	-	923,626,057	-
Mortgage Backed Securities	240,812,624	-	240,812,624	-
Corporate Debt	4,538,294,042	-	4,380,265,584	158,028,458
Convertible Securities	27,070,088	-	27,070,088	-
Common Stock	16,561,338,955	16,551,371,770	(318,141)	10,285,326
Preferred Stock	61,977,158	47,520,949	14,456,209	-
Real Estate Investment Trust	420,638,784	335,697,122	84,941,662	-
Mutual Fund	809,576,034	809,576,034	-	-
Limited Partnerships (publicly traded)	530,849	530,849	-	-
Total	\$ 28,465,821,898	\$ 19,425,325,502	\$ 8,872,182,612	\$ 168,313,784

Investments Measured at the Net Asset value (NAV)		Unfunded Commitments	Redemption Frequency	Redemption Notice
				Period
Limited Liability Corporation	\$ 1,156,486	-	Illiquid	N/A
Limited Partnerships	7,890,572,206	2,513,490,355	Illiquid	N/A
Total	7,891,728,692	2,513,490,355		

Total Investments in Securities at Fair Value \$ 36,357,550,590

Pursuant to the Connecticut General Statutes, the Treasurer is the principal fiduciary of the plans and trusts, authorized to invest in a broad range of equity and fixed income securities, as well as real estate properties, mortgages and private equity. The CIF minimize credit risk, the risk of loss due to the failure of the security issuer or backer, in accordance with a comprehensive Investment Policy Statement (IPS), as developed by The Office of the Treasurer and the State's Investment Advisory Council (IAC), that provides policy guidelines for the plans and trusts and the CIF and includes an asset allocation plan. The asset allocation plan's main objective is to maximize investment returns over the long term at an acceptable

level of risk. There have been no violations of these investment restrictions during the 2019 fiscal year.

The CIF's concentration of credit risk is the risk attributed to the magnitude of an investment in a single issuer.

There are no restrictions in the amount that can be invested in Government Securities and Government Agency Securities.

The following table provides average credit quality and exposure levels information on the credit ratings associated with Funds' investments in debt securities.

COMBINED INVESTMENT FUND NOTES TO FINANCIAL STATEMENTS (Continued)

	Fair Value	Percentage of Fair Value
Aaa	\$ 2,723,104,174	25.66%
Aa	524,071,220	4.94
A	756,333,083	7.13
Baa	1,158,028,757	10.91
Ba	863,446,449	8.14
B	1,131,465,493	10.66
Caa	433,392,813	4.08
Ca	6,241,204	0.06
C	360,985	0.01
Prime 1	737,805,605	6.95
Prime 2	67,160,910	0.63
Prime 3	6,137,289	0.06
U.S. Government fixed income securities (not rated)	328,809,509	3.10
Non-US Government fixed income securities (not rated)	419,240,763	3.95
Not Rated	1,456,161,864	13.72
	\$ 10,611,760,118	100.00%

The investments in the Private Equity, Real Estate and Alternative Investment Funds generally utilize investment vehicles such as annuity contracts, common stocks, limited partnerships and trusts to comply with investment guidelines.

The investments of the Domestic Equity, Core Fixed Income, Inflation Linked Bond, Emerging Market Debt, High Yield Debt, Developed Market International Stock and the Emerging Market International Stock Funds have securities registered under the Bank of New York Mellon's nominee name MAC & Co. and held by a designated agency of the Pension Plans and Trust Funds of the State of Connecticut, or bearer and held by a designated agency of the Pension Plans and Trust Funds of the State of Connecticut.

Investments of cash collateral received and invested under securities lending arrangements are registered and maintained by a third-party administrator exclusively for the CIF. In circumstances where securities or letters of credit are received as collateral under securities lending arrangements, the collateral is held by the master custodian in a commingled pool in the third-party administrator's name as trustee. Securities Lending collateral of \$2,094,736,943

is invested in various short term repurchase agreements classified which is classified as cash equivalents.

The following table provides information about the interest rate risks associated with the CIF investments. Interest rate risk is the risk that the value of fixed income securities will decline because of rising interest rates. The prices of fixed income securities with a longer time to maturity tend to be more sensitive to changes in interest rates and therefore, more volatile than those with shorter maturities. Investment Managers that manage the CRPTF portfolio are given full discretion to manage their portion of CRPTF assets within their respective guidelines and constraints. The guidelines and constraints require each manager to maintain a diversified portfolio at all times. In addition, each core manager is required to maintain a target duration that is similar to its respective benchmark which is typically the Barclay's Aggregate – an intermediate duration index.

The investments include certain short-term cash equivalents which include certificate of deposits and collateral, various long-term items, and restricted assets by maturity in years.

**COMBINED INVESTMENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)**

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More Than 10</u>
Cash Equivalents	\$ 547,505,992	\$ 547,505,992	-	-	-
Asset Backed Securities	139,085,548	(1,362,081)	48,735,001	58,115,302	33,597,326
Government Securities	4,195,365,767	144,857,117	1,384,281,586	1,356,583,107	1,309,643,957
Government Agency Securities	923,626,057	10,844,718	18,843,783	41,043,214	852,894,342
Mortgage Backed Securities	240,812,624	-	9,623,104	10,621,994	220,567,526
Corporate Debt	4,538,294,042	1,332,935,866	1,615,671,616	1,130,128,972	459,557,588
Convertible Debt	27,070,088	3,898,004	3,937,722	9,546,434	9,687,928
	<u>\$ 10,611,760,118</u>	<u>\$ 2,038,679,616</u>	<u>\$ 3,081,092,812</u>	<u>\$ 2,606,039,023</u>	<u>\$ 2,885,948,667</u>

Exposure to foreign currency risk results from investments in foreign currency-denominated equity or fixed income securities. As a means of limiting its exposure, the CIF utilize a strategic hedge ratio of 50% for the Developed Market International Stock Fund ("DM-ISF"). This strategic hedge ratio represents the neutral stance or desired long-term exposure to currency for the DMISF. To implement this policy, currency specialists actively manage the currency portfolio as an overlay strategy to the equity investment managers.

These specialists may manage the portfolio passively or actively depending on opportunities in the market place. While managers within the fixed income portion of the portfolio are allowed to invest in non-U.S. dollar denominated securities, managers are required to limit that investment to a portion of their respective portfolios. The following table provides information on deposits and investments held in various foreign currencies, which are stated in U.S. dollars. Negative amounts are reflective of short positions.

COMBINED INVESTMENT FUND NOTES TO FINANCIAL STATEMENTS (Continued)

Foreign Currency	Total	Cash	Cash Equity Collateral	Fixed Income Securities				Equities		
				Government Securities	Corporate Debt	Asset Backed	Mortgage Backed	Common Stock	Preferred Stock	Real Estate Investment Trust
Argentine Peso	\$ 7,639,171	\$ 4,401	\$ -	\$ 7,264,164	\$ 370,606	\$ -	\$ -	\$ -	\$ -	\$ -
Australian Dollar	385,255,590	881,981	-	39,291,658	-	-	-	323,792,630	-	21,289,321
Brazilian Real	304,698,391	4,239	(55)	123,000,206	-	-	-	166,984,282	14,709,719	-
Canadian Dollar	121,409,341	897,228	(62,114)	16,632,977	-	-	-	103,185,496	-	755,754
Chilean Peso	17,361,728	-	-	17,361,728	-	-	-	-	-	-
Chinese Yuan Renminbi	49,484	-	38,135	-	-	11,349	-	-	-	-
Colombian Peso	75,589,270	251,874	-	73,784,941	1,460,000	-	-	92,455	-	-
Czech Koruna	3,423,781	130	-	1,296,433	-	-	-	2,127,218	-	-
Danish Krone	119,935,200	13,637	-	1,038,438	-	-	-	118,883,125	-	-
Dominican Rep Peso	11,491,728	-	-	11,491,728	-	-	-	-	-	-
Egyptian Pound	15,228,677	(647)	-	6,590,833	-	-	-	8,638,491	-	-
Euro Currency	2,351,557,922	3,171,654	755,636	256,837,370	21,906,525	(525,346)	-	2,043,301,202	11,991,585	14,119,296
Hong Dollar	937,082,210	2,172,637	-	-	-	-	-	906,878,101	-	28,031,472
Hungarian Forint	62,232,008	467,365	-	27,416,364	-	-	-	34,348,279	-	-
Indian Rupee	4,111,483	-	-	286,768	3,824,715	-	-	-	-	-
Indonesian Rupiah	208,293,535	146,200	-	62,091,192	59,724,391	-	-	86,331,752	-	-
Israeli Shekel	58,170,846	238,528	-	-	-	-	-	57,932,318	-	-
Japanese Yen	1,352,691,173	7,796,230	27,022	32,106,305	-	30,878	-	1,304,646,670	-	8,084,068
Kazakhstan Tenge	5,317,532	-	-	-	5,317,532	-	-	-	-	-
Georgian Lari	1,415,493	-	-	-	1,415,493	-	-	-	-	-
Malaysian Ringgit	73,082,670	1,070,107	-	66,192,989	-	96,672	-	5,722,902	-	-
Mexican Peso	195,458,645	825,410	232,199	157,252,808	6,639,293	-	-	30,508,935	-	-
New Zealand Dollar	107,556,019	692,080	1,009,908	83,746,650	-	(1,164,543)	-	23,271,924	-	-
Nigerian Naira	5,242,970	-	-	1,018,632	4,104,833	-	-	119,505	-	-
Norwegian Krone	47,760,082	721,745	-	1,702,744	-	-	-	45,335,593	-	-
Peruvian Nuevo Sol	43,629,097	37,545	-	37,662,305	5,929,247	-	-	-	-	-
Philippine Peso	21,140,012	-	-	6,088,383	-	-	-	15,051,629	-	-
Polish Zloty	133,210,129	50,185	(6,966)	91,765,145	-	109,924	-	41,291,841	-	-
Pound Sterling	1,391,328,634	2,780,089	448,863	308,805,312	4,716,843	(339,487)	-	1,057,614,895	-	17,302,119
Romanian Leu	14,098,672	44,263	-	14,054,409	-	-	-	-	-	-
Russian Ruble	95,470,604	274,700	-	82,803,402	-	-	-	12,392,502	-	-
Singapore Dollar	138,761,609	179,029	-	-	-	-	-	125,584,523	-	12,998,057
South African Rand	218,626,662	153,807	-	89,956,752	-	-	-	128,516,103	-	-
South Korean Won	328,998,151	1,042	-	-	-	-	-	320,074,795	8,922,314	-
Sri Lanka Rupee	3,537,730	-	-	-	3,537,730	-	-	-	-	-
Swedish Krona	179,019,552	453,015	-	3,404,629	-	-	-	175,161,908	-	-
Swiss Franc	537,090,571	217,827	-	-	-	-	-	536,872,744	-	-
Thailand Baht	166,290,069	12,453	-	61,503,769	-	-	-	104,773,847	-	-
Turkish Lira	47,085,741	24,444	-	30,666,267	-	-	-	16,395,030	-	-
Ukraine Hryvana	6,235,423	-	-	-	6,235,423	-	-	-	-	-
Uruguayan Peso	4,596,384	-	-	4,596,384	-	-	-	-	-	-
	<u>\$ 9,801,173,989</u>	<u>\$ 23,583,198</u>	<u>\$ 2,442,628</u>	<u>\$ 1,717,711,685</u>	<u>\$ 125,182,631</u>	<u>\$ (1,780,553)</u>	<u>\$ -</u>	<u>\$ 7,795,830,695</u>	<u>\$ 35,623,618</u>	<u>\$ 102,580,087</u>

Securities Lending - Certain of the CIF engage in securities lending transactions to provide incremental returns.

The CIF are permitted to enter into securities lending transactions pursuant to Section 3-13d of the Connecticut General Statutes. The CIF's third-party securities lending administrator is authorized to lend available securities in designated accounts to authorized broker-dealers and banks subject to a formal loan agreement.

During the period ended June 30, 2019, the Agent lent certain securities and received cash or other collateral as indicated on the Agency Securities Lending Agreement. The Agent did not have the ability to pledge or sell collateral securities delivered therefore absent a borrower default. Borrowers were required to deliver collateral for each loan equal to at least 102% of the fair value of domestic loaned securities or 105% of the fair value of foreign loaned securities.

Pursuant to the Agency Securities Lending Agreement, the Agent has an obligation to indemnify the CIFs in the event any borrower failed to return the loaned securities or pay distributions thereon. There were no such failures by any borrowers to return loaned securities or pay distributions thereon during the fiscal year that resulted in a declaration or notice of default by a borrower. During the fiscal year, the CIF and the borrowers maintained the right to terminate all securities lending transactions upon notice. The cash collateral received on each loan is eligible for investment in cash, securities guaranteed by the U. S. government or any agency of the U. S. government, securities guaranteed by a sovereign government that participates in the General Arrangements to Borrow (Group of 10 or G10) and rated AA or better, or reverse transactions on an overnight or term basis. On June 30, 2019, the CIF had no

COMBINED INVESTMENT FUND NOTES TO FINANCIAL STATEMENTS (Continued)

credit risk exposure to borrowers. The fair value of collateral held for the CIF as of June 30, 2019 was \$2,092,390,611 as cash. The fair value of securities on loan for the CIF as of June 30, 2019 was \$2,049,631,750 as cash.

Under ordinary circumstances, the net weighted average maturity (weighted average maturity of assets less the weighted average

maturities of liabilities) will not exceed 60 days. As of June 30, 2019, the cash collateral investment pool had an average duration of 5.79 days and an average weighted final maturity 38.99 days.

The fair value of collateral held and the fair value of securities on loan including \$20,027,203 pending loans within DMISF and EMISF (to be collateralized) are as follows for the CIF as of June 30, 2019:

CIF	Fair Value of Collateral	Fair Value of Securities Lent
Domestic Equity	\$532,162,379	\$520,414,792
Core Fixed Income	438,809,950	430,718,957
Inflation Linked Bond	228,469,792	225,203,021
Emerging Market Debt	40,592,165	39,900,176
High Yield Debt	626,150,617	615,957,702
Developed Market International Stock	152,320,976	147,308,783
Emerging Market International Stock	93,159,917	90,155,519
Total	\$2,111,665,796	\$2,069,658,950

Investments made using the cash collateral received from security loans were included in the Statement of Net Position. The fair value of these amounts is as follows:

CIF	Cash Equivalents
Domestic Equity	\$531,678,748
Core Fixed Income	439,302,017
Inflation Linked Bond	228,725,990
Emerging Market Debt	40,637,683
High Yield Debt	626,852,768
Developed Market International Stock	134,676,644
Emerging Market International Stock	92,863,093
Total	\$2,094,736,943

These investments are held in a separate accounting consisting of individual securities custodied by the Agent in the name of the CIF. The above total amounts were included on the Statement of Net Position in "Invested Securities Lending Collateral."

NOTE 3: FOREIGN EXCHANGE CONTRACTS

From time to time the Inflation Linked Bond Fund, Emerging Market Debt, High Yield Debt Fund, Developed Market International Stock, Emerging Market International Funds utilize foreign currency contracts to facilitate transactions in foreign securities and to manage the CIF's currency exposure. Contracts to buy are used to acquire exposure to foreign currencies, while contracts to sell are used to hedge the CIF's investments against currency fluctuations. Also, a contract to buy or sell can offset a previous contract. Losses may arise from changes in the value of the foreign currency or failure of the counterparties to perform under the contracts' terms.

The U. S. dollar value of forward foreign currency contracts is determined using forward currency exchange rates supplied by a quotation service.

Investing in forward currency contracts may increase the volatility of the CIF's performance. Price movements of currency contracts are influenced by, among other things, international trade, fiscal, monetary, and exchange control programs and policies; national and international political and economic events; and changes in worldwide interest rates. Governments from time to time intervene in the currency markets with the specific intent of influencing currency prices. Such intervention may cause certain currency prices to move rapidly. Additionally, the currency markets may be particularly sensitive to interest rate fluctuations.

COMBINED INVESTMENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)

At June 30, 2019, the CIF had recorded unrealized gains (losses) from open forward currency contracts as follows:

Inflation Linked Bond Fund:

Local Currency Proper Name	Value	Unrealized Gain/Loss
Contracts to Buy:		
Australian Dollar	\$ 2,607,005	\$ 8,411
Canadian Dollar	14,325,980	231,941
Colombian Peso	10,494,472	(30,891)
Danish Krone	920,778	5,516
Euro Currency Unit	39,595,071	35,056
Japanese Yen	61,186,184	199,607
New Zealand Dollar	11,650,491	29,104
Norwegian Krone	16,977,468	163,140
Pound Sterling	164,570,977	343,067
Swedish Krona	47,206,217	418,936
	<u>369,534,643</u>	<u>1,403,887</u>
Contracts to Sell:		
Australian Dollar	26,449,334	(230,684)
Canadian Dollar	2,637,065	(75,348)
Colombian Peso	10,219,576	(230,665)
Euro Currency Unit	105,024,040	(656,920)
Japanese Yen	33,061,782	(143,350)
Mexican Peso	18,814,921	(497,103)
New Zealand Dollar	80,964,341	(1,541,483)
Polish Zloty	8,160,105	(48,393)
Pound Sterling	22,378,920	(90,614)
South African Rand	1,656,939	(22,264)
	<u>309,367,023</u>	<u>(3,536,824)</u>
Grand total	<u>\$ 678,901,666</u>	<u>\$ (2,132,937)</u>

Financial Statement Amounts:

	Receivable	Payable	Net
FX Value	\$ 678,901,666	\$ 678,901,666	\$ -
Unrealized Gain/Loss	1,403,887	(3,536,824)	(2,132,937)
Net	<u>\$ 680,305,553</u>	<u>\$ 682,438,490</u>	<u>\$ (2,132,937)</u>

COMBINED INVESTMENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)

Emerging Market Debt Fund:

Local Currency Proper Name	Value	Unrealized Gain/Loss
Contracts to Buy:		
Argentina Peso	\$ 6,565,512	\$ 524,417
Australian Dollar	2,902,893	22,607
Brazil Real	41,532,101	358,359
Chilean Peso	22,429,846	332,286
Chinese Yuan Renminbi	6,685,560	(12,149)
Colombian Peso	24,173,971	550,025
Czech Koruna	51,095,598	1,386,293
Egyptian Pound	7,500,000	130,884
Ghanaian Cedi	1,500,000	(4,292)
Hungarian Forint	24,898,080	110,843
Indian Rupee	7,124,476	57,115
Indonesian Rupiah	8,936,599	187,968
Israeli Shekel	3,837,486	16,841
Kazakhstan Tenge	4,529,000	66,494
Kenyan Shilling	600,000	(1,334)
Malaysian Ringgit	7,923,367	292
Mexican Peso	15,941,480	(65,723)
Peruvian Sol	13,651,630	212,693
Philippines Peso	1,581,000	4,637
Polish Zloty	37,823,728	600,647
Romanian Leu	7,303,661	108,368
Russian Ruble (New)	12,598,483	275,589
Singapore Dollar	4,024,738	57,136
South African Rand	28,695,627	539,557
Thailand Baht	17,150,094	597,504
Turkish Lira	7,329,124	366,565
Uganda Shilling	1,494,580	44,026
Ukraine Hryvana	1,703,980	8,828
Uruguayan Peso	4,059,000	25,851
	\$ 375,591,614	\$ 6,502,327

**COMBINED INVESTMENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)**

Contracts to Sell:

Argentina Peso	\$ 1,295,225	\$ (20,440)
Australian Dollar	6,073,793	(73,129)
Brazil Real	35,072,799	(92,556)
Chilean Peso	16,521,608	(96,645)
Chinese Yuan Renminbi	3,318,060	(2,873)
Colombian Peso	12,903,867	(95,708)
Czech Koruna	5,957,262	(121,679)
Egyptian Pound	3,700,000	(7,863)
Euro Currency Unit	5,604,338	(49,997)
Ghanaian Cedi	729,368	16,882
Hungarian Forint	5,590,412	(69,168)
Indian Rupee	1,480,000	(8,184)
Indonesian Rupiah	32,981,502	(382,223)
Israeli Shekel	2,519,287	(14,253)
Kazakhstan Tenge	2,300,000	7,136
Malaysian Ringgit	12,705,622	(90,146)
Mexican Peso	28,492,745	40,429
Peruvian Sol	7,574,420	(138,514)
Philippines Peso	1,277,829	(32,735)
Polish Zloty	10,436,631	(196,693)
Romanian Leu	1,735,090	(47,523)
Russian Ruble (New)	15,770,184	(544,981)
Singapore Dollar	1,974,590	(729)
South African Rand	32,528,717	(490,668)
Thailand Baht	10,966,049	(100,982)
Turkish Lira	9,146,542	(384,120)
Uruguayan Peso	2,000,000	(24,979)
	<u>270,655,940</u>	<u>(3,022,341)</u>
Grand total	<u>\$ 646,247,554</u>	<u>\$ 3,479,986</u>

Financial Statement Amounts:

	Receivable	Payable	Net
FX Value	\$ 646,247,554	\$ 646,247,554	\$ -
Unrealized Gain/Loss	6,502,327	(3,022,341)	3,479,986
Net	<u>\$ 652,749,881</u>	<u>\$ 649,269,895</u>	<u>\$ 3,479,986</u>

**COMBINED INVESTMENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)**

High Yield Debt Fund:		
Local Currency Proper Name	Value	Unrealized Gain/Loss
Contracts to Buy:		
Euro Currency Unit	\$ 3,669,765	\$ 35,781
	<u>3,669,765</u>	<u>35,781</u>
Contracts to Sell:		
Euro Currency Unit	26,326,760	(103,721)
Pound Sterling	2,576,030	(4,323)
	<u>28,902,790</u>	<u>(108,044)</u>
Grand total	<u>\$ 32,572,555</u>	<u>\$ (72,263)</u>

Financial Statement Amounts:	Receivable	Payable	Net
FX Value	\$32,572,555	\$32,572,555	\$ -
Unrealized Gain/Loss	35,781	(108,044)	(72,263)
Net	\$32,608,336	\$32,680,599	\$(72,263)

Developed Market International Stock Fund:		
Local Currency Proper Name	Value	Unrealized Gain/Loss
Contracts to Buy:		
Australian Dollar	\$ 147,584,779	\$ 1,731,795
Canadian Dollar	179,264,894	4,510,526
Danish Krone	852,409	5,587
Euro Currency Unit	539,713,229	3,786,479
Hong Kong Dollar	26,322,908	57,209
Israeli Shekel	4,734,104	44,014
Japanese Yen	165,732,013	64,093
New Zealand Dollar	845,542,924	24,087,066
Norwegian Krone	113,226,483	1,881,402
Pound Sterling	143,776,564	212,717
Singapore Dollar	24,009,958	116,695
South Korean Won	22,591	8
Swedish Krona	123,526,265	2,346,148
Swiss Franc	2,196,879	54,258
	<u>2,316,506,000</u>	<u>38,897,997</u>
Contracts to Sell:		
Australian Dollar	210,235,668	(1,393,971)
Brazil Real	81,836	(106)
Canadian Dollar	422,705,319	(8,236,365)
Danish Krone	56,176,917	(1,109,679)
Euro Currency Unit	695,995,753	(2,677,347)
Hong Kong Dollar	103,629,410	(265,425)
Israeli Shekel	40,903,624	(592,345)
Japanese Yen	513,898,121	(3,892,190)
New Zealand Dollar	194,879,692	(2,880,728)
Norwegian Krone	595,632,604	(10,127,330)
Pound Sterling	638,601,367	(689,982)
Singapore Dollar	435,792,012	(5,925,805)
South African Rand	24,373	(143)
Swedish Krona	280,049,247	(2,425,255)
Swiss Franc	277,573,748	(8,029,519)
Turkish Lira	74,838	(148)
	<u>4,466,254,529</u>	<u>(48,246,338)</u>
Grand total	<u>\$ 6,782,760,529</u>	<u>\$ (9,348,341)</u>

**COMBINED INVESTMENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)**

Financial Statement Amounts:

	Receivable	Payable	Net
FX Value	\$ 6,782,760,529	\$ 6,782,760,529	\$ -
Unrealized Gain/Loss	38,897,997	(48,246,338)	(9,348,341)
Net	<u>\$ 6,821,658,526</u>	<u>\$ 6,831,006,867</u>	<u>\$ (9,348,341)</u>

Emerging Market International Stock Fund:

Local Currency Proper Name	Value	Unrealized Gain/Loss
Contracts to Buy:		
Brazil Real	\$ 36,632	\$ (67)
Hong Kong Dollar	2,925,411	(324)
Polish Zloty	587,992	929
Pound Sterling	1,434,623	6,343
South Korean Won	2,686,820	1,495
Thailand Baht	1,290,794	(279)
	<u>8,962,272</u>	<u>8,097</u>
Contracts to Sell:		
Brazil Real	295,914	(635)
Hong Kong Dollar	3,171,785	(504)
Indonesian Rupiah	146,592	(145)
Mexican Peso	109,730	91
Pound Sterling	1,398,077	(5,133)
South African Rand	28,174	(165)
South Korean Won	529,122	(1,520)
Thailand Baht	1,681,529	(5,469)
Turkish Lira	7,583	(3)
	<u>7,368,506</u>	<u>(13,483)</u>
Grand total	<u>\$ 16,330,778</u>	<u>\$ (5,386)</u>

Financial Statement Amounts:

	Receivable	Payable	Net
FX Value	\$ 16,330,778	\$ 16,330,778	\$ -
Unrealized Gain/Loss	8,097	(13,483)	(5,386)
Net	<u>\$ 16,338,875</u>	<u>\$ 16,344,261</u>	<u>\$ (5,386)</u>

The net unrealized gain has been included in the Statement of Changes in Net Position as a component of Net Change in Unrealized Gain (Loss) on Investments and Foreign Currency.

COMBINED INVESTMENT FUND NOTES TO FINANCIAL STATEMENTS (Continued)

Note 4: Commitments

In accordance with the terms of the individual investment agreements, the Private Investment, Real Estate, Alternative Investment Funds and Core Fixed Income Fund have outstanding commit-

ments to make additional investments. These commitments will be fulfilled as suitable investment opportunities become available.

Commitments at June 30, 2019 were as follows:

Fund	Total Commitment	Cumulative Amounts Funded	Unfunded Commitment
Real Estate	\$ 3,402,562,518	\$ 2,841,857,734	\$ 560,704,784
Private Investment	6,702,288,149	4,909,476,432	1,792,811,717
Alternative Investments	3,377,054,932	3,217,081,078	159,973,854

Certain Private Investment Funds allow the General Partner to recycle distributions without a reduction in unfunded commitments and accordingly have no impact upon the above amounts. Capital recycling is a tool frequently used by investment managers to fully invest the committed capital in portfolio investments. Since fees and expenses are a component of a General Partner's total capital commitments, capital recycling generally allows managers to: (i) mitigate the impact of fees and expenses and (ii) increase the possibility that limited partner capital is invested in portfolio companies. Recycling provisions allow managers to recall capital distributions if certain cri-

teria are met. The use of recycling provisions varies by manager but generally limits capital recycling to a range between 0% and 20% of total commitments. As a result, the actual commitment could be as much as 120% of the stated commitment amount.

Note 5: Subsequent Event

The CRPTF has performed an evaluation of subsequent events through December 31, 2019, the date the basic financial statements were available to be issued. No material events were identified.

**COMBINED INVESTMENT FUNDS
SUPPLEMENTAL SCHEDULE OF FINANCIAL HIGHLIGHTS**

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	LIQUIDITY FUND					ALTERNATIVE INVESTMENT FUND				
	2019	2018	2017	2016	2015	2019	2018	2017	2016	2015
Net Position- Beginning of Period	\$ 0.99	\$ 0.98	\$ 0.98	\$ 0.98	\$ 1.00	\$ 1.27	\$ 1.21	\$ 1.12	\$ 1.19	\$ 1.13
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	\$ -	\$ -	\$ -
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 0.01	\$ 0.01	\$ -	\$ -	\$ (0.02)	\$ 0.04	\$ 0.05	\$ 0.09	\$ (0.07)	\$ 0.06
Total from Investment Operations	\$ 0.03	\$ 0.03	\$ 0.02	\$ 0.01	\$ (0.01)	\$ 0.04	\$ 0.06	\$ 0.09	\$ (0.07)	\$ 0.06
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ -	\$ -	\$ -	\$ -	\$ -
Net Position - End of Period	\$ 1.00	\$ 0.99	\$ 0.98	\$ 0.98	\$ 0.98	\$ 1.31	\$ 1.27	\$ 1.21	\$ 1.12	\$ 1.19
TOTAL RETURN	2.46%	1.63%	0.96%	0.68%	-1.07%	3.73%	4.69%	8.51%	-5.32%	3.98%
RATIOS										
Net Position - End of Period (\$000,000 Omitted)	\$ 1,794	\$ 2,003	\$ 2,919	\$ 1,980	\$ 2,194	\$ 2,903	\$ 2,423	\$ 2,028	\$ 1,804	\$ 1,821
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.03%	0.13%	0.12%	0.09%	0.25%	0.07%	0.06%	0.05%	0.06%	0.08%
Ratio of Expenses to Average Net Position	0.03%	0.13%	0.12%	0.09%	0.25%	0.07%	0.06%	0.05%	0.06%	0.08%
Ratio of Net Investment Income (Loss) to Average Net Position	2.32%	2.05%	1.81%	1.18%	0.83%	0.35%	0.41%	0.29%	0.24%	0.19%
FISCAL YEAR ENDED JUNE 30, PER SHARE DATA										
	DOMESTIC FUND					CORE FIXED INCOME				
	2019	2018	2017	2016	2015	2019	2018	2017	2016	2015
Net Position- Beginning of Period	\$ 2,122.89	\$ 1,849.99	\$ 1,551.24	\$ 1,524.55	\$ 1,420.60	\$ 130.45	\$ 131.77	\$ 129.52	\$ 125.17	\$ 122.59
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	\$ 37.52	\$ 31.14	\$ 30.79	\$ 28.23	\$ 24.23	\$ 3.82	\$ 3.02	\$ 2.80	\$ 2.86	\$ 2.63
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 140.74	\$ 241.76	\$ 267.96	\$ (1.54)	\$ 79.72	\$ 4.91	\$ (4.34)	\$ (0.55)	\$ 1.49	\$ (0.05)
Total from Investment Operations	\$ 178.26	\$ 272.90	\$ 298.75	\$ 26.69	\$ 103.95	\$ 8.73	\$ (1.32)	\$ 2.25	\$ 4.35	\$ 2.58
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 2,301.15	\$ 2,122.89	\$ 1,849.99	\$ 1,551.24	\$ 1,524.55	\$ 139.18	\$ 130.45	\$ 131.77	\$ 129.52	\$ 125.17
TOTAL RETURN	8.40%	14.74%	19.26%	1.75%	7.32%	6.69%	-0.89%	1.89%	3.46%	1.85%
RATIOS										
Net Position - End of Period (\$000,000 Omitted)	\$ 8,268	\$ 7,755	\$ 7,022	\$ 6,642	\$ 6,771	\$ 3,363	\$ 3,118	\$ 2,452	\$ 2,407	\$ 2,437
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.22%	0.24%	0.22%	0.23%	0.22%	0.16%	0.14%	0.13%	0.14%	0.15%
Ratio of Expenses to Average Net Position	0.46%	0.39%	0.31%	0.29%	0.23%	0.37%	0.27%	0.17%	0.16%	0.16%
Ratio of Net Investment Income (Loss) to Average Net Position	1.70%	1.57%	1.82%	1.84%	1.65%	2.84%	2.30%	2.14%	2.25%	2.12%
FISCAL YEAR ENDED JUNE 30, PER SHARE DATA										
	INFLATION LINKED BOND					EMERGING MARKET DEBT				
	2019	2018	2017	2016	2015	2019	2018	2017	2016	2015
Net Position- Beginning of Period	\$ 161.03	\$ 156.02	\$ 155.00	\$ 151.53	\$ 155.97	\$ 171.13	\$ 174.23	\$ 159.68	\$ 150.63	\$ 162.98
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	\$ 0.08	\$ 0.13	\$ (0.17)	\$ (0.11)	\$ (0.76)	\$ 11.16	\$ 11.21	\$ 11.96	\$ 15.30	\$ 10.11
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 5.52	\$ 4.88	\$ 1.19	\$ 3.58	\$ (3.68)	\$ 6.17	\$ (14.31)	\$ 2.59	\$ (6.25)	\$ (22.46)
Total from Investment Operations	\$ 5.60	\$ 5.01	\$ 1.02	\$ 3.47	\$ (4.44)	\$ 17.33	\$ (3.10)	\$ 14.55	\$ 9.05	\$ (12.35)
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 166.63	\$ 161.03	\$ 156.02	\$ 155.00	\$ 151.53	\$ 188.46	\$ 171.13	\$ 174.23	\$ 159.68	\$ 150.63
TOTAL RETURN	3.48%	3.21%	0.66%	2.29%	-2.85%	10.13%	-1.78%	9.11%	6.01%	-7.57%
RATIOS										
Net Position - End of Period (\$000,000 Omitted)	\$ 1,481	\$ 1,399	\$ 1,344	\$ 1,322	\$ 1,131	\$ 2,107	\$ 1,902	\$ 1,637	\$ 1,498	\$ 1,415
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.25%	0.26%	0.23%	0.27%	0.23%	0.43%	0.46%	0.39%	0.30%	0.33%
Ratio of Expenses to Average Net Position	0.69%	0.56%	0.39%	0.36%	0.27%	0.47%	0.49%	0.39%	0.30%	0.33%
Ratio of Net Investment Income (Loss) to Average Net Position	0.05%	0.08%	-0.11%	-0.07%	-0.50%	6.20%	6.50%	7.16%	9.86%	6.45%

Source: Amounts were derived from custodial records.

**COMBINED INVESTMENT FUNDS
SUPPLEMENTAL SCHEDULE OF FINANCIAL HIGHLIGHTS (Continued)**

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	HIGH YIELD INVESTMENT					DEVELOPED MARKET INTERNATIONAL STOCK				
	2019	2018	2017	2016	2015	2019	2018	2017	2016	2015
Net Position- Beginning of Period	\$ 158.88	\$ 154.86	\$ 137.81	\$ 138.05	\$ 139.80	\$ 572.25	\$ 537.14	\$ 430.35	\$ 463.22	\$ 460.14
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	\$ 11.13	\$ 10.09	\$ 9.35	\$ 8.72	\$ 8.06	\$ 14.95	\$ 13.96	\$ 13.00	\$ 11.50	\$ 11.36
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ (1.86)	\$ (6.07)	\$ 7.70	\$ (8.96)	\$ (9.81)	\$ (13.05)	\$ 21.15	\$ 93.79	\$ (44.37)	\$ (8.28)
Total from Investment Operations	\$ 9.27	\$ 4.02	\$ 17.05	\$ (0.24)	\$ (1.75)	\$ 1.90	\$ 35.11	\$ 106.79	\$ (32.87)	\$ 3.08
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 168.15	\$ 158.88	\$ 154.86	\$ 137.81	\$ 138.05	\$ 574.15	\$ 572.25	\$ 537.14	\$ 430.35	\$ 463.22
TOTAL RETURN	5.82%	2.58%	12.59%	-0.31%	-1.31%	0.33%	6.53%	24.81%	-7.09%	0.67%
RATIOS										
Net Position - End of Period (\$000,000 Omitted)	\$ 2,206	\$ 2,132	\$ 2,044	\$ 1,823	\$ 1,774	\$ 6,999	\$ 7,153	\$ 6,381	\$ 5,224	\$ 5,909
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.36%	0.38%	0.29%	0.35%	0.33%	0.37%	0.38%	0.40%	0.43%	0.40%
Ratio of Expenses to Average Net Position	0.89%	0.65%	0.41%	0.39%	0.34%	0.41%	0.42%	0.41%	0.43%	0.41%
Ratio of Net Investment Income (Loss) to Average Net Position	6.81%	6.43%	6.39%	6.32%	5.80%	2.61%	2.52%	2.69%	2.57%	2.46%

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	Emerging Market International Stock					Real Estate				
	2019	2018	2017	2016	2015	2019	2018	2017	2016	2015
Net Position- Beginning of Period	\$ 441.68	\$ 422.00	\$ 343.19	\$ 369.61	\$ 397.12	\$ 58.02	\$ 53.40	\$ 50.62	\$ 46.27	\$ 39.48
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	\$ 9.63	\$ 8.60	\$ 6.16	\$ 6.59	\$ 8.22	\$ 1.94	\$ 2.10	\$ 1.79	\$ 1.66	\$ 1.59
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 3.14	\$ 11.08	\$ 72.65	\$ (33.01)	\$ (35.73)	\$ 2.43	\$ 2.52	\$ 0.99	\$ 2.69	\$ 5.20
Total from Investment Operations	\$ 12.77	\$ 19.68	\$ 78.81	\$ (26.42)	\$ (27.51)	\$ 4.37	\$ 4.62	\$ 2.78	\$ 4.35	\$ 6.79
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 454.45	\$ 441.68	\$ 422.00	\$ 343.19	\$ 369.61	\$ 62.39	\$ 58.02	\$ 53.40	\$ 50.62	\$ 46.27
TOTAL RETURN	2.90%	4.66%	23.00%	-7.15%	-6.93%	6.38%	8.69%	7.38%	11.51%	12.93%
RATIOS										
Net Position - End of Period (\$000,000 Omitted)	\$ 3,303	\$ 2,791	\$ 3,015	\$ 2,483	\$ 2,473	\$ 2,438	\$ 2,285	\$ 2,248	\$ 2,207	\$ 1,918
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.42%	0.50%	0.59%	0.64%	0.70%	0.38%	0.38%	0.47%	0.42%	0.39%
Ratio of Expenses to Average Net Position	0.68%	0.60%	0.63%	0.66%	0.71%	0.38%	0.38%	0.47%	0.42%	0.39%
Ratio of Net Investment Income (Loss) to Average Net Position	2.15%	2.00%	1.61%	1.85%	2.15%	3.20%	3.76%	3.44%	3.42%	3.69%

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	PRIVATE INVESTMENT				
	2019	2018	2017	2016	2015
Net Position- Beginning of Period	\$ 87.07	\$ 78.60	\$ 69.80	\$ 65.13	\$ 54.72
INCOME FROM INVESTMENT OPERATIONS					
Net Investment Income (Loss)	\$ 0.04	\$ 1.36	\$ 1.18	\$ 0.46	\$ 1.31
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 16.27	\$ 7.11	\$ 7.62	\$ 4.21	\$ 9.10
Total from Investment Operations	\$ 16.31	\$ 8.47	\$ 8.80	\$ 4.67	\$ 10.41
LESS DISTRIBUTIONS					
Dividends from Net Investment Income	-	-	-	-	-
Net Position - End of Period	\$ 103.38	\$ 87.07	\$ 78.60	\$ 69.80	\$ 65.13
TOTAL RETURN	15.53%	15.50%	10.97%	8.87%	14.04%
RATIOS					
Net Position - End of Period (\$000,000 Omitted)	\$ 2,711	\$ 2,726	\$ 2,990	\$ 2,770	\$ 2,895
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	1.57%	0.30%	0.17%	0.19%	0.17%
Ratio of Expenses to Average Net Position	1.57%	0.30%	0.17%	0.19%	0.17%
Ratio of Net Investment Income (Loss) to Average Net Position	0.05%	1.61%	1.60%	0.68%	2.20%

Source: Amounts were derived from custodial records.

**SHORT-TERM INVESTMENT FUND
STATEMENT OF NET POSITION
JUNE 30, 2019**

	<u>2019</u>
ASSETS	
Investments in securities, at amortized cost (Note 7)	\$ 8,097,478,206
Accrued interest and other receivables	14,789,399
Prepaid assets	62,296
Total assets	<u>8,112,329,901</u>
LIABILITIES	
Distribution payable	<u>16,572,866</u>
NET POSITION - Held in trust for participants (includes reserves)	<u><u>\$ 8,095,757,035</u></u>

The accompanying notes are an integral part of the financial statements

**SHORT-TERM INVESTMENT FUND
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>2019</u>
ADDITIONS	
Operations:	
Interest income	\$ 178,327,882
Net investment income	178,327,882
Net realized gains	13,013
Net increase in net position resulting from operations	178,340,895
Share transactions at net asset value of \$1.00 per share	
Purchase of units	20,313,109,280
 Total additions	 <u>20,491,450,175</u>
DEDUCTIONS	
Distribution to participants (Notes 2 & 6)	
Distributions to participants *	(169,346,185)
Total distributions paid and payable	(169,346,185)
Share transactions at fair value of \$1.00 per share	
Redemption of Units	(19,020,993,205)
Operations:	
Operating expense	(2,007,125)
 Total deductions	 <u>(19,192,346,515)</u>
* Net of designated reserve transfer contributions and expenses	
 Change in Net Position	 1,299,103,660
Net Position Held in Trust for Participants	
Net Position - Beginning of Year	<u>6,796,653,375</u>
 Net Position - End of Year	 <u>\$ 8,095,757,035</u>

The accompanying notes are an integral part of the financial statements

Note 1: Introduction and Basis of Presentation

The Short-Term Investment Fund (STIF or the Fund) is a money market investment pool managed by the Treasurer of the State of Connecticut. Section 3-27 of the Connecticut General Statutes (CGS) created STIF. Pursuant to CGS 3-27a - 3-27f, the State, municipal entities, and political subdivisions of the State are eligible to invest in the Fund. Securities in which the State Treasurer is authorized to invest monies of STIF include United States government and agency obligations, certificates of deposit, commercial paper, corporate bonds, saving accounts, bankers' acceptances, repurchase agreements, and asset-backed securities. STIF is authorized to issue an unlimited number of units.

For State of Connecticut financial reporting purposes, STIF is considered to be a mixed investment pool – a pool having external and internal portions. The internal portion (i.e., the portion that belongs to investors that are part of the State's financial reporting entity) is not displayed in the State's basic financial statements. Instead, each fund type's investment in STIF is reported as "cash equivalents" in the Statement of Net Position. The external portion (i.e., the portion that belongs to investors which are not part of the State's financial reporting entity) is recorded in an investment trust fund in the basic financial statements.

The fund is considered a "2a7-like" pool and reports the investments at amortized cost (which approximates fair value). A 2a7-like pool is not necessarily registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that is similar to the SEC's requirements of rule 2a7 of the Investment Company Act of 1940. The Fund reports net assets at amortized cost for financial reporting purposes and the determination of net asset value, consistent with Government Accounting Standards Board (GASB) financial reporting standards, while SEC rule 2a7 requires a floating rate, market price-based valuation for institutional prime money market funds.

Related Party Transactions.

STIF had no related party transactions during the fiscal year with the State of Connecticut and its component units including leasing arrangements, the performance of administrative services and the execution of securities transactions.

Note 2: Summary of Significant Accounting Policies

Financial Reporting Entity.

The Fund is a Fiduciary Investment Trust Fund. A fiduciary fund is used to account for governmental activities that are similar to those found in the private sector where the determination of net income is

necessary or useful to sound financial administration. The generally accepted accounting principles (GAAP) used for fiduciary funds are generally those applicable to similar businesses in the private sector. The Fund uses the accrual basis of accounting.

Security Valuation of Financial Instruments.

The assets of the Fund are carried at amortized cost (which approximates fair value). All premiums and discounts on securities are amortized or accreted on a straight line basis. The Fund's custodian calculates the fair value of investments daily and the Fund calculates a fair value shadow price once a month (at a minimum) in compliance with GASB 79.

As of June 30, 2019, the shadow price of the Fund was \$1.0087 and the ratio of fair value to amortized cost was 99.9863%.

Security Transactions.

Purchases and sales of investments are recorded on a trade date basis. Gains and losses on investments are realized at the time of the sales and are calculated on the basis of an identified block or blocks of securities having an identified amortized cost. Bond cost is determined by identified lot.

Interest Income.

Interest income, which includes amortization of premiums and accretion of discounts, is accrued as earned.

Expenses.

Operating and interest expenses are accounted for on an accrual basis.

Fiscal Year.

The fiscal year of STIF ends on June 30.

Distributions to Investors.

Distributions to investors are earned on units outstanding from date of purchase to date of redemption. Income is calculated daily based upon the actual earnings of the Fund net of administrative expenses and, if applicable, an allocation to the designated surplus reserve. Distributions are paid monthly within two business days of the end of the month, and are based upon actual number of days in a year. Shares are sold and redeemed at a constant \$1.00 net asset value per share, which is consistent with the per share net asset value of the Fund, excluding the designated surplus reserve.

Designated Surplus Reserve.

While STIF is managed prudently to protect against losses from credit and market changes, the Fund is not insured or guaranteed by any government. Therefore, the maintenance of capital cannot be fully assured. In order to provide some protection to the share-

holders of STIF from potential credit and market risks, the Treasurer has designated that a portion of each day's net earnings be transferred to the designated surplus reserve (reserve). Such amounts are restricted in nature and are not available for current distribution to shareholders. The amount transferred daily to the designated surplus reserve is equal to 0.1 percent of end-of-day investment balance divided by the actual number of days in the year until the reserve account is equal to or greater than 1.0 percent of the daily investment balance. If net losses significant to the aggregate portfolio are realized, the Treasurer is authorized to transfer funds from the reserve to Participants with Units Outstanding.

As of June 30, 2019, the balance in the designated surplus reserve was \$68,331,277, which reflects \$7 million in contributions during the year.

Estimates.

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities in the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3: Deposit and Investment Disclosures

A formal investment policy (as adopted August 21, 1996 and revised June 16, 2008 and April 17, 2009) specifies policies and

guidelines that provide for the systematic management of STIF and prudent and productive investment of funds. All securities of STIF are registered under the Bank of New York Mellon nominee name, MAC & Co.

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, the STIF's deposits may not be recovered. The STIF follows policy parameters that limit deposits in any one entity to a maximum of ten percent of total assets with a ten-business-day cure period. Further, the certificates of deposits must be issued from commercial banks whose short-term debt is rated at least A -1 by S&P Global Ratings and F-1 by Fitch and whose long-term debt is rated at least A- by S&P and Fitch, or backed by a letter of credit issued by a Federal Home Loan Bank.

Deposits in FDIC insured banks are insured up to \$250,000 (as of June 30, 2019); any amount above this limit is considered uninsured. Additionally, state banking regulation requires all Connecticut public depositories to segregate collateral against public deposits in an amount equal to at least ten percent of the outstanding deposit.

As of fiscal year-end, deposit instruments in STIF totaled \$3,664,972,559. Of that amount, \$ 2,779,247,559 was exposed to custodial credit risk representing the portion that was uninsured, uncollateralized or not backed by a letter of credit.

Uninsured Bank Accounts

Bank	Amortized Cost	Uninsured/Uncollateralized
ANZ BANK	\$ 350,000,000	\$ 350,000,000
BRANCH BANKING & TRUST CO.	250,000,000	249,750,000
BERKSHIRE BANK	50,000,000	
CITIZENS BANK NA	250,000,000	
DEXIA CREDIT LOCAL	75,000,000	75,000,000
DZ BANK	350,000,000	350,000,000
FED INSURED CUSTODIAL ACCT	50,000,000	
FIRST REPUBLIC BANK	200,000,000	
NATIONAL BANK OF CANADA	200,000,000	200,000,000
NORDEA BANK	275,000,000	275,000,000
PEOPLE'S UNITED BANK	50,000,000	
ROYAL BANK CANADA	175,024,559	175,024,559
SANTANDER BANK	150,000,000	
SCOTIA BANK	300,000,000	300,000,000
SVENSKA HANDELSBANKEN	339,948,000	339,948,000
TD BANK NA	350,000,000	314,775,000
UNITED BANK	100,000,000	
US BANK, NA, DTC CD	150,000,000	149,750,000
TOTAL	\$ 3,664,972,559.00	\$ 2,779,247,559

*Dexia Credit Local deposit guaranteed by the local governments of France, Belgium and Luxembourg

Interest Rate Risk – Investments

Interest rate risk is the risk that changes in the general level of interest rates will adversely affect the fair value of an investment. The STIF's policy for managing interest rate risk is to limit investments to a very short weighted average maturity, not to exceed 90 days, and to comply with S&P Global Ratings' requirement that the weighted

average maturity not exceed 60 days. The weighted-average maturity is calculated daily and reported to S&P Global Ratings weekly to ensure compliance. As of June 30, 2019 the weighted average maturity of STIF was 43 days. The breakdown of STIF's maturity profile is outlined below.

Investment Maturity in years			
Investment Type	Amortized Cost	Less than one	One - five
Deposit Instruments			
Fixed	\$ 2,939,948,000	\$ 2,939,948,000	\$ -
Floater	725,024,559	725,024,559	-
Federal Agency Securities			
Fixed	1,039,270,496	1,039,270,496	-
Floater	909,016,020	644,953,474	264,062,546
Corporate & Bank Commercial Paper			
Fixed	1,598,824,130	1,598,824,130	-
Floater	275,000,000	275,000,000	-
Repurchase Agreements	610,395,000	610,395,000	-
Total	\$ 8,097,478,206	\$ 7,833,415,659	\$ 264,062,546

Additionally, STIF is allowed by policy to invest in floating-rate debt securities. Further, investment in floating rate securities with maturities greater than two years is limited to no more than 20 percent of the overall portfolio. For purposes of the weighted average maturity calculation and classification in the chart above, variable-rate securities are calculated using their interest rate reset dates. Because these securities reset frequently to prevailing market rates, interest rate risk is substantially reduced. As of fiscal year-end, the STIF portfolio held \$1,909 million in variable rate securities.

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer.

Investment credit risk and concentration of credit risk of debt securities will be managed as follows:

- The STIF will purchase short-term, high-quality fixed income securities as allowed by CGS 3-27c - 3-27e and further defined within Connecticut State Treasurer's Short-Term Investment Fund Investment Policy, S&P Global Ratings' AAAM Principal Stability Fund Guidelines and the Governmental Accounting Standards Board Statement

Number 79. To be considered high-quality, a security must be rated in the highest short-term rating category by one or more Nationally Recognized Statistical Rating Organizations ("NRSRO").

- STIF will perform a fundamental credit analysis to develop and approve a database of issuers that meet the Fund's standard for minimal credit risk. STIF will monitor the credit risks of all portfolio securities on an ongoing basis by reviewing the financial data, issuer news and developments, and ratings of designated NRSROs.
- STIF generally will comply with the following diversification limitations that are additional to those set forth in SEC Rule 2a-7, GASB Statement Number 79 and S&P Global Ratings' AAAM Principal Stability Fund Guidelines. First, at least 75 percent of fund assets will be invested in securities rated "A-1+" or equivalent. Second, exposure to any single non-governmental issuer's securities will not exceed 5 percent (at the time a security is purchased), exposure to any single money market mutual fund (rated AAAM) will not exceed 5 percent of fund assets and exposure to money market mutual funds in total will not exceed 10 percent.

STIF's credit quality ratings were as follows at June 30, 2019:

Credit Quality Rating	Amortized Cost	Percentage of Amortized Cost
AA / A-1+	\$ 5,977,848,820	73.8%
A / A-1	750,000,000	9.3%
A-2	650,000,000	8.0%
U.S Government Securities	519,629,386	6.4%
N/R	200,000,000	2.5%
Total	\$ 8,097,478,206	100%

*A-2 and N/R investments are backed by irrevocable standby letters of credit provided by Federal Home Loan Banks

**Investments with implicit government guarantees such as government sponsored enterprises and repurchase agreements backed by the collateral and carried under their respective credit rating of AA/A-1+. Investments with explicit government guarantees are carried under U.S. Government Securities.

As of June 30, 2019, the table below lists issuers with concentrations of greater than 5 percent.

Issuer	Fair Value	Percent of Total Portfolio
FEDERAL FARM CREDIT	\$ 721,895,814	8.9%
FEDERAL HOME LOAN BANK	790,785,481	9.8%
ROYAL BANK CANADA	625,064,276	7.7%

*Royal Bank of Canada includes investments in RBC and repurchase agreements with RBC.

Investments, Fair Value Hierarchy

STIF investments are carried at amortized cost, but fair value is reported in certain note disclosures as required by GAAP. STIF investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs for an asset. The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a pricing methodology that uses evaluation models, such as matrix pricing, to value securities based on a security's relationship to benchmark quoted prices. Debt securities classified in Level 3 of the fair value hierarchy are subject to being priced by an alternative pricing source utilizing discounted cash flow models and broker bids, or may have an estimated fair value equal to cost, due to the absence of an independent pricing source.

Certain investments, such as bank deposit instruments, money market funds and repurchase agreements, are not included in the following tables because they are not negotiable instruments and are valued at cost.

STIF has the following fair value measurements as of June 30, 2019:

Fair Market Value by Input Level	June 30, 2019	Quoted Prices in Active Market	Significant Other	Significant
		for Identical Assets Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3
Investments by fair value level:				
Federal Agency Securities	\$1,949,422,303	--	\$1,949,422,303	--
Corporate & Bank Commercial Paper	1,873,736,845	--	1,873,736,845	--
Total debt securities measured at fair value	\$3,823,159,147	--	\$3,823,159,147	--

Note 4: Custodian

BNY Mellon was appointed as custodian for STIF effective December 9, 2013. STIF pays an approximately \$282,000 annual custodial fee for the Short-Term Investment Unit.

Note 5: Administration

STIF is managed and administered by employees of the State of Connecticut Treasury. Salaries and fringe benefit costs as well as operating expenses are charged directly to the Fund.

Note 6: Distributions To Investors

The components of the distributions to investors are as follows for the income earned during the twelve months ended:

Distributions:	2019	2018
July	\$ 10,982,199	\$ 5,374,620
August	12,104,100	5,998,212
September	11,599,059	5,605,317
October	12,616,522	5,668,566
November	12,274,971	5,474,579
December	12,680,419	5,834,846
January	14,272,953	7,124,016
February	14,538,418	7,840,017
March	15,864,106	9,233,470
April	16,883,025	10,052,118
May	18,957,547	11,021,818
June (Payable at June 30)	16,572,865	10,702,148
Total Distribution Paid & Payable	\$ 169,346,185	\$ 89,929,727

Note 7: Investments In Securities

The following is a summary of investments in securities, at amortized cost and fair value as of June 30, 2019:

Investment Type	Amortized Cost	Fair Value
Bank Deposits	\$ 2,814,972,559	\$ 2,815,037,337
Deposits with Government Backing	850,000,000	850,000,000
Non-Financial Credit Instruments	1,873,824,130	1,873,736,845
Government Agency Securities	1,948,286,516	1,949,422,303
Repurchase Agreements	610,395,000	610,395,000
Total	\$ 8,097,478,206	\$ 8,098,591,484

Repurchase agreements are agreements to purchase securities from an entity for a specified amount of cash and to resell the securities to the entity at an agreed upon price and time. They are used to enhance returns with minimal risk on overnight cash deposits of the Fund. Such transactions are only entered into with primary government securities dealers who report directly to the Federal Reserve Bank of New York and commercial banks that meet certain quality standards. All repurchase agreements are collateralized at between 100 percent and 102 percent of the securities' value. As of fiscal year end, STIF held \$610 million in repurchase agreements.

In response to changes to SEC rule 2a-7 and in an effort to enhance comparability of financial statements among governments the Government Accounting Standards Board (GASB) issued GASB Statement No. 79, Certain External Investment Pools and Pool Participants, effective December 15, 2015. Statement 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance would prevent the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. If an external investment pool meets the criteria in this Statement and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes. STIF is in compliance with GASB Statement No. 79 and has elected to measure its investments on an amortized cost basis.

In an effort to improve disclosures associated with derivative contracts, the Government Accounting Standards Board (GASB) issued GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, effective for the fiscal years beginning after June 15, 2009. Statement No. 53 requires that all derivatives be reported on the Statement of Net Position and defines a derivative instrument as a financial instrument or other contract that has all of the following characteristics: a) Settlement factors. It has (1) one or more reference rates and (2) one or more notional amounts or payment provisions or both, b) Leverage. It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors, and c) Net settle-

ment. Its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement.

For the fiscal year ended June 30, 2019, STIF held adjustable-rate U.S. government agency securities whose interest rates vary directly with short-term money market indices and are reset either daily, weekly, monthly or quarterly. Such securities allow the Fund to earn higher interest rates as market rates increase, thereby increasing fund yields and protecting against the erosion of market values from rising interest rates. These adjustable rate securities have similar risks as fixed-rate securities from the same issuers.

Note 8: Credit Rating of the Fund

Throughout the year ended June 30, 2019, STIF was rated AAAM, its highest rating, by S&P Global Ratings (S&P). In November 2018, following a review of the portfolio and STIF's investment policies, management and procedures, S&P reaffirmed STIF's AAAM rating and has continued to maintain this high rating throughout the current fiscal year. In order to maintain an AAAM rating, STIF adheres to the following guidelines:

- Weekly portfolio and market value calculations;
- Maintenance of credit quality standards for portfolio securities with at least 50% of such securities rated A-1+ or invested in overnight repurchase agreements with dealers or banks rated A-1;
- Ensuring adequate portfolio diversification standards with no more than 5% of the portfolio invested in an individual security and no more than 10% invested in an individual issuer, with a ten-business day cure period, excluding one and two day repurchase agreements and U.S. government agency securities; and
- A limit on the overall portfolio weighted average maturity (currently no more than 60 days).

It is the Treasurer's intention to take any and all such actions as are needed from time to time to maintain the AAAM rating.

Note 9: Subsequent Events

The Fund management has evaluated the events and transactions that have occurred through December 31, 2019, the date the basic financial statements were available to be issued. There were no subsequent events identified related to STIF that could have a material impact on STIF's financial statements.

CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND
LIST OF INVESTMENTS AT JUNE 30, 2019

Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Fair Market Value	Rating
BANK DEPOSIT INSTRUMENTS (34.8% OF TOTAL INVESTMENTS)						
\$ 100,000,000	ANZ Bank	2.39%	7/1/2019	\$ 100,000,000	\$ 100,000,000	A-1+
25,000,000	ANZ Bank	2.65%	10/1/2019	25,000,000	25,000,000	A-1+
25,000,000	ANZ Bank	2.60%	11/4/2019	25,000,000	25,000,000	A-1+
25,000,000	ANZ Bank	2.58%	11/8/2019	25,000,000	25,000,000	A-1+
50,000,000	ANZ Bank	2.32%	12/17/2019	50,000,000	50,000,000	A-1+
50,000,000	ANZ Bank	2.32%	12/18/2019	50,000,000	50,000,000	A-1+
25,000,000	ANZ Bank	2.62%	11/1/2019	25,000,000	25,000,000	A-1+
25,000,000	ANZ Bank	2.60%	11/19/2019	25,000,000	25,000,000	A-1+
25,000,000	ANZ Bank	2.61%	10/23/2019	25,000,000	25,000,000	A-1+
-	BANK OF NEW YORK	0.01%	7/1/2019	-	-	A-1+
125,000,000	BB&T CO. (2)	2.60%	7/1/2019	125,000,000	125,000,000	A-1
100,000,000	BB&T CO. (2)	2.60%	7/1/2019	100,000,000	100,000,000	A-1
25,000,000	BB&T CO. (2)	2.60%	7/1/2019	25,000,000	25,000,000	A-1
25,000,000	DEXIA CREDIT LOCAL SA NY	2.74%	7/12/2019	25,000,000	25,003,000	A-1+
50,000,000	DEXIA CREDIT LOCAL SA NY	2.59%	7/1/2019	50,000,000	50,000,000	A-1+
250,000,000	DZ BANK	2.38%	7/1/2019	250,000,000	250,000,000	A-1+
100,000,000	DZ BANK	2.40%	8/1/2019	100,000,000	100,000,000	A-1+
150,000,000	NATIONAL BANK OF CANADA (2)	2.73%	7/1/2019	150,000,000	150,000,000	A-1
50,000,000	NATIONAL BANK OF CANADA (2)	2.73%	7/1/2019	50,000,000	50,000,000	A-1
25,000,000	NORDEA BANK CD	2.59%	7/18/2019	25,000,000	24,999,938	A-1+
50,000,000	NORDEA BANK CD	2.46%	7/12/2019	50,000,000	49,983,500	A-1+
25,000,000	NORDEA BANK CD	2.60%	8/16/2019	25,000,000	25,000,000	A-1+
25,000,000	NORDEA BANK CD	2.57%	10/11/2019	25,000,000	25,000,000	A-1+
25,000,000	NORDEA BANK CD	2.57%	10/15/2019	25,000,000	25,000,000	A-1+
25,000,000	NORDEA BANK CD	2.56%	10/18/2019	25,000,000	25,000,000	A-1+
25,000,000	NORDEA BANK CD	2.57%	10/23/2019	25,000,000	25,000,000	A-1+
50,000,000	NORDEA BANK CD	2.54%	11/4/2019	50,000,000	50,000,000	A-1+
25,000,000	NORDEA BANK CD	2.48%	11/15/2019	25,000,000	25,000,000	A-1+
25,000,000	ROYAL BANK OF CANADA NY	2.61%	9/3/2019	25,000,000	25,012,250	A-1+
25,000,000	ROYAL BANK OF CANADA NY	2.53%	9/3/2019	25,000,000	25,009,500	A-1+
25,000,000	ROYAL BANK OF CANADA NY	2.77%	7/8/2019	25,012,076	25,016,966	A-1+
50,000,000	ROYAL BANK OF CANADA NY	2.49%	9/20/2019	50,012,484	50,013,061	A-1+
50,000,000	ROYAL BANK OF CANADA NY	2.47%	7/18/2019	50,000,000	50,012,500	A-1+
250,000,000	SCOTIA BANK (2)	2.60%	7/1/2019	250,000,000	250,000,000	A-1
50,000,000	SCOTIA BANK (2)	2.60%	7/1/2019	50,000,000	50,000,000	A-1
25,000,000	SVENSKA HANDELSBANKEN NY	2.61%	8/30/2019	25,000,000	25,008,750	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	2.46%	12/17/2019	50,000,000	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	2.48%	7/22/2019	50,000,000	49,954,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	2.51%	7/8/2019	50,000,000	50,010,580	A-1+
25,000,000	SVENSKA HANDELSBANKEN NY	2.62%	7/12/2019	25,000,000	25,000,263	A-1+
25,000,000	SVENSKA HANDELSBANKEN NY	2.61%	7/19/2019	25,000,000	25,000,467	A-1+
25,000,000	SVENSKA HANDELSBANKEN NY	2.50%	7/29/2019	25,000,000	25,004,230	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	2.50%	7/26/2019	50,000,000	50,012,334	A-1+
39,948,000	SVENSKA HANDELSBANKEN NY	2.32%	7/1/2019	39,948,000	39,948,000	A-1+
100,000,000	TORONTO DOMINION BANK(2)	2.52%	7/1/2019	100,000,000	100,000,000	A-1+
25,000,000	TORONTO DOMINION BANK(2)	2.52%	7/1/2019	25,000,000	25,000,000	A-1+
50,000,000	TORONTO DOMINION BANK(2)	2.52%	7/1/2019	50,000,000	50,000,000	A-1+
50,000,000	TORONTO DOMINION BANK(2)	2.52%	7/1/2019	50,000,000	50,000,000	A-1+
25,000,000	TORONTO DOMINION BANK(2)	2.52%	7/1/2019	25,000,000	25,000,000	A-1+
25,000,000	TORONTO DOMINION BANK(2)	2.52%	7/1/2019	25,000,000	25,000,000	A-1+
75,000,000	TORONTO DOMINION BANK(2)	2.52%	7/1/2019	75,000,000	75,000,000	A-1+
25,000,000	US BANK	2.51%	11/4/2019	25,000,000	25,028,000	A-1+
25,000,000	US BANK	2.51%	7/22/2019	25,000,000	25,000,000	A-1+
25,000,000	US BANK	2.73%	7/22/2019	25,000,000	25,006,750	A-1+
25,000,000	US BANK	2.49%	7/22/2019	25,000,000	25,000,000	A-1+
25,000,000	US BANK	2.62%	8/21/2019	25,000,000	25,013,250	A-1+
25,000,000	US BANK	2.58%	7/22/2019	25,000,000	25,000,000	A-1+
<u>\$ 2,814,948,000</u>				<u>\$ 2,814,972,560</u>	<u>\$ 2,815,037,337</u>	

CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND
LIST OF INVESTMENTS AT JUNE 30, 2019 (Continued)

Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Fair Market Value	Rating
BANK DEPOSIT INSTRUMENTS WITH GOVERNMENT BACKING (10.5% OF TOTAL INVESTMENTS)						
\$ 50,000,000	BERKSHIRE BANK (2,3)	2.53%	7/1/2019	\$ 50,000,000	\$ 50,000,000	N/A
75,000,000	CITIZENS BANK (2,3)	2.55%	7/1/2019	75,000,000	75,000,000	A-2
50,000,000	CITIZENS BANK (2,3)	2.55%	7/1/2019	50,000,000	50,000,000	A-2
100,000,000	CITIZENS BANK (2,3)	2.55%	7/1/2019	100,000,000	100,000,000	A-2
25,000,000	CITIZENS BANK (2,3)	2.55%	7/1/2019	25,000,000	25,000,000	A-2
50,000,000	FICA C/D (2)	2.37%	7/1/2019	50,000,000	50,000,000	N/A
200,000,000	FIRST REPUBLIC BANK (2,3)	2.50%	7/1/2019	200,000,000	200,000,000	A-2
50,000,000	PEOPLE'S UNITED BANK (2,3)	2.55%	7/1/2019	50,000,000	50,000,000	A-2
100,000,000	SANTANDER BANK (2,3)	2.53%	7/1/2019	100,000,000	100,000,000	A-2
50,000,000	SANTANDER BANK (2,3)	2.53%	7/1/2019	50,000,000	50,000,000	A-2
50,000,000	UNITED BANK (2,3)	2.43%	7/1/2019	50,000,000	50,000,000	N/A
50,000,000	UNITED BANK (2,3)	2.43%	7/1/2019	50,000,000	50,000,000	N/A
<u>\$ 850,000,000</u>				<u>\$ 850,000,000</u>	<u>\$ 850,000,000</u>	
CORPORATE AND BANK COMMERCIAL PAPER (23.1% OF TOTAL INVESTMENT)						
\$ 25,000,000	APPLE INC	2.57%	10/8/2019	\$ 24,828,125	\$ 24,842,750	A-1+
25,000,000	APPLE INC	2.57%	10/8/2019	24,828,125	24,842,750	A-1+
15,000,000	APPLE INC	2.28%	9/13/2019	14,930,933	14,927,850	A-1+
25,000,000	APPLE INC	2.28%	9/13/2019	24,884,889	24,879,750	A-1+
10,200,000	APPLE INC	2.55%	7/15/2019	10,190,083	10,188,780	A-1+
50,000,000	APPLE INC	2.73%	7/22/2019	49,922,417	49,922,500	A-1+
14,900,000	APPLE INC	2.70%	7/22/2019	14,877,141	14,876,905	A-1+
25,000,000	APPLE INC	2.64%	7/23/2019	24,960,736	24,959,500	A-1+
25,000,000	APPLE INC	2.63%	8/5/2019	24,937,656	24,938,500	A-1+
50,000,000	APPLE INC	2.62%	9/3/2019	49,773,333	49,787,500	A-1+
30,000,000	APPLE INC	2.51%	11/4/2019	29,742,750	29,758,500	A-1+
200,000,000	BANK OF NEW YORK MELLON	2.41%	7/2/2019	199,986,778	199,948,000	A-1+
150,000,000	BANK OF NEW YORK MELLON	2.38%	7/1/2019	150,000,000	149,970,000	A-1+
50,000,000	EXXON MOBIL CORP	2.38%	9/5/2019	49,786,417	49,780,000	A-1+
25,000,000	EXXON MOBIL CORP	2.42%	9/30/2019	24,850,229	24,852,250	A-1+
25,000,000	EXXON MOBIL CORP	2.54%	7/1/2019	25,000,000	24,995,250	A-1+
25,000,000	EXXON MOBIL CORP	2.32%	10/15/2019	24,832,903	24,828,000	A-1+
24,800,000	EXXON MOBIL CORP	2.30%	10/15/2019	24,635,700	24,629,376	A-1+
25,000,000	EXXON MOBIL CORP	2.54%	7/5/2019	24,993,083	24,988,750	A-1+
25,000,000	EXXON MOBIL CORP	2.53%	7/10/2019	24,984,500	24,980,750	A-1+
50,000,000	EXXON MOBIL CORP	2.30%	10/22/2019	49,646,875	49,633,000	A-1+
50,000,000	EXXON MOBIL CORP	2.27%	10/25/2019	49,642,333	49,623,500	A-1+
14,550,000	NATL SEC CLEARING CORP	2.52%	8/1/2019	14,519,053	14,517,554	A-1+
15,000,000	NATL SEC CLEARING CORP	2.53%	8/1/2019	14,967,967	14,966,550	A-1+
25,000,000	NATL SEC CLEARING CORP	2.45%	7/30/2019	24,951,465	24,947,500	A-1+
23,000,000	NATL SEC CLEARING CORP	2.40%	8/5/2019	22,947,340	22,942,730	A-1+
25,000,000	NATL SEC CLEARING CORP	2.52%	7/31/2019	24,948,542	24,946,000	A-1+
25,000,000	NATL SEC CLEARING CORP	2.88%	7/2/2019	24,998,056	24,993,500	A-1+
25,000,000	NATL SEC CLEARING CORP	2.88%	7/3/2019	24,996,111	24,991,750	A-1+
50,000,000	NATL SEC CLEARING CORP	2.54%	7/9/2019	49,972,333	49,964,000	A-1+
25,000,000	NATL SEC CLEARING CORP	2.52%	7/25/2019	24,958,833	24,955,750	A-1+
15,000,000	NATL SEC CLEARING CORP	2.52%	8/2/2019	14,967,067	14,965,500	A-1+
35,000,000	NATL SEC CLEARING CORP	2.53%	8/6/2019	34,913,200	34,910,400	A-1+
25,000,000	NATL SEC CLEARING CORP	2.55%	7/1/2019	25,000,000	24,995,000	A-1+
25,000,000	NATL SEC CLEARING CORP	2.55%	7/8/2019	24,987,847	24,983,750	A-1+
25,000,000	NATL SEC CLEARING CORP	2.54%	7/15/2019	24,975,792	24,972,250	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	2.62%	8/13/2019	24,923,854	24,925,500	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	2.64%	9/4/2019	49,767,986	49,780,500	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	2.59%	7/8/2019	25,000,000	25,001,500	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	2.65%	7/9/2019	25,000,000	25,002,250	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	2.61%	7/9/2019	25,000,000	25,001,750	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	2.63%	7/12/2019	25,000,000	25,002,500	A-1+

CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND
LIST OF INVESTMENTS AT JUNE 30, 2019 (Continued)

Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Fair Market Value	Rating
\$ 25,000,000	TOYOTA MOTOR CREDIT CORP	2.45%	8/12/2019	\$ 25,000,000	\$ 25,003,500	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	2.50%	7/15/2019	25,000,000	25,012,750	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	2.38%	9/16/2019	50,000,000	50,011,500	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	2.48%	7/22/2019	50,000,000	50,023,500	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	2.52%	8/14/2019	25,000,000	25,012,500	A-1+
50,000,000	WALMART INC	2.37%	7/31/2019	49,902,917	49,893,000	A-1+
50,000,000	WALMART INC	2.42%	7/1/2019	50,000,000	49,990,500	A-1+
75,000,000	WALMART INC	2.39%	7/1/2019	75,000,000	74,985,750	A-1+
25,000,000	WALMART INC	2.33%	7/5/2019	24,993,611	24,988,750	A-1+
30,000,000	WALMART INC	2.47%	8/21/2019	29,897,150	29,894,700	A-1+
\$ 1,877,450,000				\$ 1,873,824,130	\$ 1,873,736,845	

FEDERAL AGENCY SECURITIES (24.1% OF TOTAL INVESTMENT)

\$ 8,000,000	FANNIE MAE	2.38%	11/15/2019	\$ 7,929,181	\$ 7,918,843	AA+
1,964,000	FANNIE MAE	2.51%	8/28/2019	1,959,387	1,960,272	AA+
7,095,000	FANNIE MAE	2.57%	8/28/2019	7,077,475	7,081,533	AA+
20,000,000	FANNIE MAE	2.59%	7/5/2019	19,996,871	19,997,451	AA+
2,000,000	FANNIE MAE	2.55%	10/28/2019	1,996,968	1,992,624	AA+
2,500,000	FANNIE MAE	2.50%	8/2/2019	2,500,000	2,497,840	AA+
1,000,000	FANNIE MAE	2.57%	11/26/2019	995,138	996,776	AA+
10,000,000	FANNIE MAE	2.59%	10/28/2019	9,961,944	9,977,972	AA+
13,200,000	FANNIE MAE	2.57%	2/28/2020	13,108,543	13,149,278	AA+
15,000,000	FANNIE MAE	2.56%	2/28/2020	14,896,692	14,942,362	AA+
3,060,000	FANNIE MAE	2.46%	2/28/2020	3,040,821	3,048,242	AA+
2,050,000	FANNIE MAE	2.58%	8/28/2019	2,046,513	2,047,478	AA+
20,000,000	FANNIE MAE	2.56%	1/21/2020	19,897,761	19,948,286	AA+
4,997,000	FANNIE MAE	2.42%	1/21/2020	4,975,277	4,984,079	AA+
20,000,000	FANNIE MAE	2.54%	7/1/2019	20,000,000	20,001,922	AA+
1,055,000	FEDERAL FARM CREDIT BANK	2.11%	6/29/2020	1,044,956	1,044,972	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.30%	6/19/2020	25,000,000	25,002,644	AA+
20,000,000	FEDERAL FARM CREDIT BANK	2.40%	6/5/2020	20,000,000	20,004,778	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.45%	7/1/2019	24,999,342	24,993,190	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.26%	7/2/2019	24,996,156	25,008,818	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.46%	7/19/2019	24,998,193	24,976,619	AA+
30,000,000	FEDERAL FARM CREDIT BANK	2.44%	7/1/2019	29,975,614	29,990,662	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.44%	7/1/2019	24,999,390	24,993,118	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.36%	7/25/2019	24,999,434	24,992,382	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.35%	7/27/2019	24,999,924	24,990,643	AA+
50,000,000	FEDERAL FARM CREDIT BANK	2.51%	7/1/2019	50,000,000	49,997,751	AA+
10,000,000	FEDERAL FARM CREDIT BANK	2.51%	7/1/2019	9,994,061	9,999,550	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.54%	7/1/2019	24,998,253	25,003,403	AA+
15,000,000	FEDERAL FARM CREDIT BANK	2.54%	7/1/2019	14,995,820	15,002,042	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.50%	7/1/2019	24,995,644	24,986,688	AA+
20,000,000	FEDERAL FARM CREDIT BANK	2.24%	7/2/2019	20,000,000	19,990,115	AA+
10,000,000	FEDERAL FARM CREDIT BANK	2.52%	7/1/2019	10,000,000	10,012,719	AA+
9,475,000	FEDERAL FARM CREDIT BANK	2.45%	7/13/2019	9,473,355	9,465,337	AA+
10,000,000	FEDERAL FARM CREDIT BANK	2.24%	7/2/2019	9,998,553	9,979,197	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.61%	7/1/2019	24,998,793	25,036,770	AA+
10,000,000	FEDERAL FARM CREDIT BANK	2.49%	7/1/2019	10,003,771	10,001,861	AA+
5,600,000	FEDERAL FARM CREDIT BANK	2.58%	7/1/2019	5,609,769	5,599,994	AA+
10,000,000	FEDERAL FARM CREDIT BANK	2.41%	7/28/2019	9,991,286	9,982,820	AA+
30,000,000	FEDERAL FARM CREDIT BANK	2.42%	7/1/2019	29,999,868	29,999,383	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.36%	7/16/2019	24,998,688	24,981,428	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.42%	7/1/2019	25,000,000	25,000,403	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.57%	7/1/2019	24,997,130	25,025,857	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.43%	7/1/2019	24,999,774	24,997,854	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.43%	7/1/2019	24,999,774	24,997,854	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.42%	7/1/2019	24,999,613	24,999,286	AA+
21,000,000	FEDERAL FARM CREDIT BANK	2.46%	7/10/2019	21,000,000	20,999,667	AA+
20,000,000	FEDERAL FARM CREDIT BANK	2.66%	11/8/2019	19,814,389	19,848,333	AA+

CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND
LIST OF INVESTMENTS AT JUNE 30, 2019 (Continued)

Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Fair Market Value	Rating
\$ 25,000,000	FEDERAL FARM CREDIT BANK	2.43%	7/1/2019	\$ 24,998,920	\$ 24,995,171	AA+
25,000,000	FEDERAL FARM CREDIT BANK	2.33%	7/19/2019	24,995,100	24,994,508	AA+
3,000,000	FEDERAL HOME LOAN BANK	2.59%	12/13/2019	2,997,131	3,001,796	AA+
2,000,000	FEDERAL HOME LOAN BANK	2.60%	12/13/2019	1,998,028	2,001,197	AA+
20,000,000	FEDERAL HOME LOAN BANK	2.72%	10/18/2019	19,994,432	20,019,126	AA+
9,610,000	FEDERAL HOME LOAN BANK	2.76%	10/29/2019	9,605,854	9,623,532	AA+
1,000,000	FEDERAL HOME LOAN BANK	2.58%	12/13/2019	994,516	996,873	AA+
8,030,000	FEDERAL HOME LOAN BANK	2.57%	2/11/2020	8,008,514	8,033,336	AA+
10,000,000	FEDERAL HOME LOAN BANK	2.56%	2/11/2020	9,973,579	10,004,154	AA+
8,000,000	FEDERAL HOME LOAN BANK	2.50%	8/9/2019	7,998,957	8,000,944	AA+
20,000,000	FEDERAL HOME LOAN BANK	2.50%	5/28/2020	20,000,000	20,010,716	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.55%	12/19/2019	25,000,000	25,024,800	AA+
17,960,000	FEDERAL HOME LOAN BANK	2.73%	10/24/2019	17,961,188	17,988,048	AA+
10,000,000	FEDERAL HOME LOAN BANK	2.73%	10/21/2019	9,962,951	9,978,418	AA+
10,000,000	FEDERAL HOME LOAN BANK	2.73%	10/21/2019	9,962,951	9,978,418	AA+
10,000,000	FEDERAL HOME LOAN BANK	2.75%	10/21/2019	9,962,497	9,978,418	AA+
15,000,000	FEDERAL HOME LOAN BANK	2.73%	10/21/2019	14,944,267	14,967,628	AA+
4,475,000	FEDERAL HOME LOAN BANK	2.09%	6/12/2020	4,460,601	4,463,723	AA+
15,000,000	FEDERAL HOME LOAN BANK	2.57%	1/23/2020	14,960,425	14,996,430	AA+
15,000,000	FEDERAL HOME LOAN BANK	2.57%	2/14/2020	14,961,159	14,990,321	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.55%	4/3/2020	25,000,000	25,000,133	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.58%	3/20/2020	25,000,000	25,017,666	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.45%	7/1/2019	25,000,000	24,997,811	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.40%	7/26/2019	25,000,000	24,993,513	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.33%	7/13/2019	24,999,728	24,992,638	AA+
1,180,000	FEDERAL HOME LOAN BANK	2.12%	6/11/2020	1,178,734	1,180,067	AA+
10,000,000	FEDERAL HOME LOAN BANK	2.58%	9/13/2019	9,988,542	9,994,491	AA+
20,000,000	FEDERAL HOME LOAN BANK	2.40%	6/17/2020	20,000,000	20,001,452	AA+
24,000,000	FEDERAL HOME LOAN BANK	2.59%	1/22/2020	23,988,209	24,045,535	AA+
13,025,000	FEDERAL HOME LOAN BANK	2.59%	1/28/2020	13,018,442	13,052,106	AA+
6,250,000	FEDERAL HOME LOAN BANK	2.56%	2/4/2020	6,247,636	6,264,726	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.34%	7/22/2019	25,000,000	24,989,604	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.45%	7/1/2019	25,000,000	24,992,644	AA+
5,000,000	FEDERAL HOME LOAN BANK	2.50%	7/1/2019	5,000,000	4,997,085	AA+
13,000,000	FEDERAL HOME LOAN BANK	2.50%	7/1/2019	13,000,000	12,992,422	AA+
15,000,000	FEDERAL HOME LOAN BANK	2.32%	7/19/2019	15,000,004	14,999,534	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.37%	8/1/2019	25,000,000	24,998,682	AA+
25,000,000	FEDERAL HOME LOAN BANK	2.36%	7/7/2019	25,000,062	25,001,246	AA+
5,000,000	FED HOME LN DISCOUNT NT	2.65%	1/29/2020	4,924,917	4,939,933	AA+
10,000,000	FED HOME LN DISCOUNT NT	2.69%	9/26/2019	9,937,650	9,947,800	AA+
12,000,000	FED HOME LN DISCOUNT NT	2.65%	1/24/2020	11,824,050	11,859,240	AA+
7,000,000	FED HOME LN DISCOUNT NT	2.62%	10/15/2019	6,947,854	6,956,098	AA+
25,000,000	FED HOME LN DISCOUNT NT	2.43%	10/23/2019	24,811,979	24,831,375	AA+
25,000,000	FED HOME LN DISCOUNT NT	2.59%	3/11/2020	24,562,556	24,648,986	AA+
25,000,000	FED HOME LN DISCOUNT NT	2.49%	7/26/2019	24,957,813	24,961,806	AA+
20,000,000	FED HOME LN DISCOUNT NT	2.42%	8/6/2019	19,952,600	19,955,800	AA+
25,000,000	FED HOME LN DISCOUNT NT	2.38%	8/16/2019	24,925,410	24,929,403	AA+
10,000,000	FED HOME LN DISCOUNT NT	2.49%	8/27/2019	9,962,000	9,965,008	AA+
25,000,000	FED HOME LN DISCOUNT NT	2.40%	2/20/2020	24,623,000	24,671,750	AA+
50,000,000	FED HOME LN DISCOUNT NT	2.44%	7/1/2019	50,000,000	50,000,000	AA+
16,600,000	FED HOME LN DISCOUNT NT	2.49%	8/20/2019	16,544,667	16,549,047	AA+
1,000,000	FREDDIE MAC	2.67%	12/30/2019	992,337	994,126	AA+
10,000,000	FREDDIE MAC	2.59%	10/2/2019	9,966,455	9,975,749	AA+
10,000,000	FREDDIE MAC	2.47%	7/26/2019	9,991,755	9,993,055	AA+
10,000,000	FREDDIE MAC	2.47%	7/26/2019	9,991,752	9,993,055	AA+
12,812,000	FREDDIE MAC	2.45%	8/28/2019	12,788,659	12,791,691	AA+
30,000,000	FREDDIE MAC	2.60%	8/15/2019	29,955,462	29,968,034	AA+
3,920,000	FREDDIE MAC	2.57%	1/17/2020	3,897,483	3,906,103	AA+
7,024,000	FREDDIE MAC	2.42%	1/17/2020	6,989,054	6,999,098	AA+

CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND
LIST OF INVESTMENTS AT JUNE 30, 2019 (Continued)

Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Fair Market Value	Rating
\$ 5,000,000	FREDDIE MAC	2.74%	10/25/2019	\$ 4,982,555	\$ 4,990,993	AA+
4,500,000	FREDDIE MAC	2.59%	10/25/2019	4,486,500	4,491,894	AA+
20,000,000	FREDDIE MAC	2.47%	6/4/2020	20,002,857	20,003,361	AA+
20,000,000	FREDDIE MAC	2.46%	4/23/2020	20,006,545	20,087,535	AA+
12,200,000	FREDDIE MAC	2.47%	4/23/2020	12,203,002	12,253,396	AA+
25,000,000	FREDDIE MAC	2.51%	4/15/2020	25,001,086	25,029,784	AA+
20,000,000	FREDDIE MAC	2.51%	4/15/2020	20,000,582	20,023,827	AA+
20,000,000	FREDDIE MAC	2.54%	4/22/2020	20,000,000	20,004,622	AA+
25,000,000	FREDDIE MAC	2.45%	7/1/2019	25,000,000	24,998,096	AA+
10,000,000	US TREASURY N/B	2.08%	5/21/2020	9,818,542	9,827,321	A-1+
20,000,000	US TREASURY N/B	2.59%	10/31/2019	19,912,374	19,940,625	A-1+
25,000,000	US TREASURY N/B	2.46%	7/31/2019	24,983,166	24,986,968	A-1+
15,000,000	US TREASURY N/B	2.53%	11/15/2019	14,915,304	14,936,719	A-1+
<u>\$ 1,951,582,000</u>				<u>\$ 1,948,286,516</u>	<u>\$ 1,949,422,303</u>	
REPURCHASE AGREEMENTS (7.5 OF TOTAL INVESTMENT)						
160,395,000	BoA Securities	2.47%	7/1/2019	160,395,000	160,395,000	A-1
450,000,000	RBC SECURITIES	2.45%	7/1/2019	450,000,000	450,000,000	A-1+
<u>\$ 610,395,000</u>				<u>\$ 610,395,000</u>	<u>\$ 610,395,000</u>	
<u>\$ 8,104,375,000</u>				<u>\$ 8,097,478,206</u>	<u>\$ 8,098,591,484</u>	

FUND SUMMARY STATISTICS AND NOTES

Amortized Cost	\$8,097,478,206
Fair market value	\$8,098,591,484
Shares Outstanding	\$8,027,425,759
Fund Net Asset Value (4)	\$1.01
Effective 7-Day Net Yield (5)	2.41%
Effective 7-Day Gross Yield (5)	2.43%
WAM(R) (6)	43 Days
WAM(F) (7)	74 Days
Ratio of Amortized Cost to Fair Market Value	1.0001

(1) Securities rounded to the nearest dollar.

(2) Issues have a daily put option, and thus is calculated as 1 day for WAL and WAM purposes.

(3) Santander Bank, Berkshire Bank, People's United Bank, Citizens Bank N.A., First Republic Bank and United Bank deposits are backed by irrevocable standby letter of credit provided by the Federal Home Loan Bank of Pittsburgh, Boston and San Francisco guaranteeing principal amount.

(4) Includes designated surplus reserve. NAV is calculated as the total amortized cost / participant shares.

(5) Includes approximately 2-4 basis points of expenses and a 10 basis point contribution to the designated surplus reserve each day the size of the reserve is less than one percent of the size of the Short-Term Investment Fund.

Gross Yield is prior to reserve transfers, after operating expenses.

(6) Weighted average maturity to the next reset date.

(7) Weighted average maturity to final maturity date.

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND
SCHEDULE OF ANNUAL RATES OF RETURN**

	Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
STIF Total Rate of Return (%)	2.30	1.39	0.61	0.29	0.15	0.14	0.16	0.16	0.23	0.34
First Tier Institutional-only Rated Money Fund Report Averages™ (MFR) Index (%) (1)	2.15	1.27	0.49	0.15	0.03	0.02	0.05	0.05	0.08	0.09
Total Assets in STIF, End of Period (\$ - Millions)	8,096	6,797	6,470	4,903	5,037	4,211	4,427	4,894	4,495	4,582
Percent of State Assets in Fund	82%	81%	82%	82%	84%	83%	83%	83%	84%	84%
Number of Participant Accounts in Composite, End of Year (2)										
State Treasury	55	55	54	52	53	58	67	52	52	51
Municipal and Local Entities	537	523	546	541	551	475	685	671	660	656
State Agencies and Authorities	361	342	329	330	335	341	428	429	417	416
Total	953	920	929	923	939	874	1,180	1,155	1,129	1,123

(1) Represents iMoneyNet Money Fund Report Average™ - Rated First Tier Institutional Average (MFR) Index.

(2) As of January 2014 and going forward, inactive accounts were closed and only active accounts containing balances were included in the total number of participant accounts.

See Notes to Schedules of Rates of Return.

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND
SCHEDULE OF QUARTERLY RATES OF RETURNS**

FISCAL YEAR	Rate of Return(%)	(MFR) Index(%)⁽¹⁾	FISCAL YEAR	Rate of Return(%)	(MFR) Index(%)⁽¹⁾
2019			2014		
Sep-18	0.50	0.47	Sep-13	0.03	0.01
Dec-18	0.57	0.53	Dec-13	0.03	0.01
Mar-19	0.60	0.58	Mar-14	0.04	0.01
Jun-19	0.61	0.56	Jun-14	0.04	0.01
YEAR	2.28	2.13	YEAR	0.14	0.02
2018			2013		
Sep-17	0.27	0.25	Sep-12	0.05	0.02
Dec-17	0.31	0.26	Dec-12	0.05	0.02
Mar-18	0.36	0.33	Mar-13	0.03	0.01
Jun-18	0.45	0.43	Jun-13	0.03	0.01
YEAR	1.39	1.27	YEAR	0.16	0.05
2017			2012		
Sep-16	0.11	0.06	Sep-11	0.04	0.03
Dec-16	0.12	0.08	Dec-11	0.06	0.05
Mar-17	0.16	0.15	Mar-12	0.03	0.07
Jun-17	0.22	0.20	Jun-12	0.03	0.07
YEAR	0.61	0.49	YEAR	0.16	0.05
2016			2011		
Sep-15	0.04	0.01	Sep-10	0.06	0.03
Dec-15	0.05	0.02	Dec-10	0.06	0.02
Mar-16	0.10	0.06	Mar-11	0.06	0.02
Jun-16	0.09	0.06	Jun-11	0.05	0.01
YEAR	0.29	0.15	YEAR	0.23	0.08
2015			2010		
Sep-14	0.04	0.005	Sep-09	0.11	0.04
Dec-14	0.04	0.005	Dec-09	0.09	0.02
Mar-15	0.04	0.01	Mar-10	0.06	0.01
Jun-15	0.03	0.01	Jun-10	0.06	0.02
YEAR	0.15	0.03	YEAR	0.34	0.09

(1) Represents iMoneyNet Money Fund Report Average ^TM - Rated First Tier Institutional Average (MFR) Index. These Index rates have been taken from published sources

See the accompanying Notes to the Schedules of Rates of Return.

CIVIL LIST PENSION AND TRUST FUNDS
 SCHEDULE OF CASH AND INVESTMENTS, BALANCES AND ACTIVITY (at Fair Value)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Teachers' Retirement	State Employees' Retirement	Municipal Employees' Retirement	Probate Court Retirement	Judges' Retirement	State's Attorneys' Retirement	Soldiers Sailors & Marines Fund	Arts Endowment Fund	Police & Firemen's Survivor's Fund
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income Receivable	634,493	346,966	56,890	3,430	3,024	25	3,454	244	892
Interest in Investment Funds	18,492,535,913	13,250,838,732	2,709,856,351	109,625,219	235,909,238	2,064,739	79,054,353	20,258,637	36,665,187
Total Cash and Investments	\$ 18,493,170,406	\$ 13,251,185,698	\$ 2,709,913,241	\$ 109,628,649	\$ 235,912,262	\$ 2,064,764	\$ 79,057,807	\$ 20,258,881	\$ 36,666,079
Schedule of Activity:									
Cash and Investments at July 1, 2018	\$ 17,937,767,304	\$ 12,507,318,196	\$ 2,627,412,705	\$ 99,892,678	\$ 222,750,525	\$ 1,932,119	\$ 76,120,683	\$ 20,060,835	\$ 34,620,706
Shares Purchased (Excluding Liquidity Fund)	957,215,580	867,765,728	208,557,341	23,592,897	50,863,756	823,860	7,091,375	5,223,961	8,126,514
Shares Redeemed (Excluding Liquidity Fund)	(1,075,715,580)	(768,265,728)	(291,561,341)	(24,537,870)	(50,686,114)	(600,535)	(9,537,618)	(5,907,146)	(7,627,841)
Net Purchase and Redemptions of Liquidity Fund	(322,515,709)	(61,499,293)	12,261,783	4,843,472	(336,012)	2,105	619,857	(97,449)	(179,346)
Net Investment Income	14,669,861	4,994,346	738,527	50,032	89,657	430	41,657	5,473	19,331
Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency	897,791,947	705,853,842	153,229,615	5,845,802	13,291,886	107,211	4,761,896	978,783	1,926,039
Increase (Decrease) in Receivables - Net(1)	(373,136)	12,953	33,138	1,670	221	4	1,614	(101)	7
Distributions	(14,689,861)	(4,994,346)	(738,527)	(60,032)	(89,657)	(430)	(41,657)	(5,473)	(19,331)
Cash and Investments at June 30, 2019	\$ 18,493,170,406	\$ 13,251,185,698	\$ 2,709,913,241	\$ 109,628,649	\$ 235,912,262	\$ 2,064,764	\$ 79,057,807	\$ 20,258,881	\$ 36,666,079

(1) Reflects timing differences in the recognition of income by the Plans

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

**NON-CIVIL LIST TRUST FUNDS
FINANCIAL STATEMENTS
JUNE 30, 2019**

STATEMENT OF NET POSITION, at Fair Value

	SCHOOL FUND	AGRICULTURAL COLLEGE FUND	IDA EATON COTTON FUND	ANDREW C. CLARK FUND	HOPEMEAD STATE PARK TRUST FUND	OPEB FUND
ASSETS						
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest & Dividends Receivable	586	2	130	61	200	20,759
Investments in Combined Investment Funds, at Fair Value	12,126,665	667,380	2,695,802	1,267,758	4,138,095	1,156,974,603
Total Assets	<u>12,127,251</u>	<u>667,382</u>	<u>2,695,932</u>	<u>1,267,819</u>	<u>4,138,295</u>	<u>1,156,995,362</u>
LIABILITIES & NET POSITION						
Due to Other Funds	\$ 86,160	\$ 15,090	\$ 58,854	\$ 27,677	\$ -	\$ -
Fund Balance	12,041,091	652,292	2,637,078	1,240,142	4,138,295	1,156,995,362
Total Liabilities & Fund Balance	<u>12,127,251</u>	<u>667,382</u>	<u>2,695,932</u>	<u>1,267,819</u>	<u>4,138,295</u>	<u>1,156,995,362</u>

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

STATEMENT OF REVENUE AND EXPENDITURES

REVENUE						
Net Investment Income	\$ 6,217	\$ 16	\$ 1,317	\$ 607	\$ 1,875	\$ 206,748
Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency	724,553	41,910	160,388	75,412	244,588	68,627,591
Increase (Decrease) in Liquidity Fund Income Receivables - (1)	276	1	59	26	119	10,392
Total Revenue	<u>731,046</u>	<u>41,927</u>	<u>161,764</u>	<u>76,045</u>	<u>246,582</u>	<u>68,844,731</u>
EXPENDITURES						
Excess of Revenue over Expenditures	<u>731,046</u>	<u>41,927</u>	<u>161,764</u>	<u>76,045</u>	<u>246,582</u>	<u>68,844,731</u>

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

(1) Reflects timing differences in the recognition of income by the Plans and Trusts

STATEMENT OF CHANGES IN NET POSITION

Net Position at July 1, 2018	\$ 11,580,717	\$ 625,455	\$ 2,534,168	\$ 1,191,775	\$ 3,891,713	\$ 845,569,872
Excess of Revenue over Expenditures	731,046	41,927	161,764	76,045	246,582	68,844,731
Net Cash Transactions	-	-	-	-	-	-
Transfer from Other Funds	25,645	-	-	-	-	242,580,759
Transfer to Other Funds	(297,740)	-	(54,501)	(25,646)	-	-
Increase in Due to Other Funds	1,423	(563)	(4,353)	(2,032)	-	-
Net Position at June 30, 2019	<u>12,041,091</u>	<u>652,292</u>	<u>2,637,078</u>	<u>1,240,142</u>	<u>4,138,295</u>	<u>1,156,995,362</u>

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

CIVIL AND NON-CIVIL LIST TRUST FUND

Note 1. Summary of Significant Accounting Policies

Civil List and Non-Civil list trust funds (the “trust funds”) are entrusted to the Treasurer for investment purposes. Civil List trust funds are mandated by the State Legislature and are administered by the Office of the State Comptroller. Accordingly, the presentation of the Civil List funds in the Treasurer’s Annual Report (see Civil List trust funds cash and investments schedules in the Supplemental Information section of these document) is intended to present only the cash and investments under the Treasurer’s care and does not depict a full financial statement presentation. The Non-Civil List Trust funds are not administered by the Office of the Comptroller.

Accordingly, the financial statements presented for the Non-Civil List funds are designed to provide a full set of financial statements for the trusts’ investment assets and provide the necessary detail for the respective Boards that administer these trust funds.

Significant account policies of the trust funds are as follows:

Basis of Presentation: The foregoing Non-Civil List trust fund financial statements represent the financial position, results of operations and cash flows of the investment trust assets of the funds in accordance with generally accepted accounting principles. These financial statements present all of the financial statements of the Non-Civil List funds except for the Second Injury Fund which, due to the unique nature of its operation, is presented separately in this Annual Report. The financial statements do not include a Statement of Revenue and Expenditures for the Miscellaneous Agency and Trust Funds because agency funds do not report operations. These statements were prepared on the fair value basis. A Statement of Condi-

tion on a cost basis is also presented for informational purposes.

Valuation of Combined Investment Fund Shares: All unit prices are determined at the end of each month based on the fair value of the applicable investment fund.

Expenses: The Non-Civil List trust funds are not charged with any expenses for administration of the trust funds.

Investment expenses of the Combined Investment Funds are deducted in calculating net investment income. **Purchases and Redemptions of Units:** Purchases and redemptions of units are generally processed on the first day of the month based on the prior month end price. Purchases represent cash that has been allocated to a particular investment fund in accordance with directions from the Treasurer’s office. Redemptions represent the return of principal back to the plan. In the case of certain funds, a portion of the redemption can also include a distribution of income.

Note 2. Statement of Cash Flows

A statement of cash flows is presented for the non-expendable Non-Civil List trust funds. This presentation is in accordance with Governmental Accounting Standards Board (GASB) Statement No. 9. No such statement of cash flows is presented for the Miscellaneous Agency and Trust Funds as none is required.

Note 3. Miscellaneous Agency and Trust Fund Transfers

These transactions comprise principal and income transfers to trustees as well as transfers and expenditure payments made on their behalf. Certain of these transfers are made to the General Fund and other Civil List funds as well as various state agencies.

**SECOND INJURY FUND
STATEMENT OF NET POSITION
JUNE 30, 2019**

	<u>2019</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 50,229,013
Receivables, net of allowance for uncollectible accounts - \$8,726,622	6,545,936
Other assets	<u>27,141</u>
Total current assets	<u>56,802,090</u>
LIABILITIES	
Current liabilities:	
Claims benefits payable	4,743,700
Settlement payable	675,125
Accounts payable and other accrued liabilities	937,145
Compensated absences	<u>540,655</u>
Total current liabilities	<u>6,896,625</u>
Noncurrent liabilities:	
Accounts payable and accrued expenses	829,200
Compensated absences	<u>328,619</u>
Total noncurrent liabilities	<u>1,157,819</u>
Total liabilities	<u>8,054,444</u>
NET POSITION	
Unrestricted	<u>48,747,646</u>
Total Net Position	<u>\$ 48,747,646</u>

The accompanying notes are an integral part of the financial statements

**SECOND INJURY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	2019
OPERATING REVENUES	
Assessment revenues	\$ 31,459,194
Fund recoveries	586,668
Other income	148,332
Total operating revenues	<u>32,194,194</u>
OPERATING EXPENSES	
Injured worker benefits:	
Settlements	5,107,120
Indemnity claims benefits	13,577,433
Medical claims benefits	4,194,764
Total injured worker benefits	<u>22,879,317</u>
Administrative expenses	7,643,956
Total operating expenses	<u>30,523,273</u>
Operating Income	1,670,921
NON-OPERATING INCOME	
Interest income	<u>1,118,470</u>
Change in Net Position	2,789,391
Net Position - Beginning of Year	<u>45,958,255</u>
Net Position - End of Year	<u>\$ 48,747,646</u>

The accompanying notes are an integral part of the financial statements

**SECOND INJURY FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	2019
CASH FLOWS FROM OPERATING ACTIVITIES:	
Assessment revenues	\$ 31,029,401
Fund recoveries	586,668
Other income	148,332
Other assets	16,603
Payments for injured worker benefits	(24,847,747)
Payments for administrative expenses	(7,724,109)
Net Cash Provided by (Used in) Operating Activities	<u>(790,852)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest income	<u>1,112,129</u>
Net Increase (Decrease) in Cash and Cash Equivalents	321,277
Cash and Cash Equivalents, Beginning of Year	<u>49,907,736</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 50,229,013</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:	
Operating income (loss)	\$ 1,670,921
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Change in assets and liabilities:	
Decrease (increase) in receivables, net	(529,495)
Decrease (increase) in other assets	16,603
Increase (decrease) in accounts payable & accrued expenses	(1,957,127)
Increase (decrease) in compensated absences	8,246
Total adjustments	<u>(2,461,773)</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ (790,852)</u></u>

The accompanying notes are an integral part of the financial statements

SECOND INJURY FUND NOTES TO FINANCIAL STATEMENTS

Note 1: Introduction and Basis of Presentation

The Second Injury Fund (“SIF” or the “Fund”) is an extension of the Workers’ Compensation Act managed by the Treasurer of the State of Connecticut and operates under Chapter 568, of the Connecticut General Statutes (C.G.S.). Prior to July 1, 1995, the Fund provided relief to employers where a worker, who already had a preexisting injury or medical condition, was hurt on the job and that second injury was made “materially and substantially” worse by the preexisting injury or medical condition.

In 1995 the Connecticut General Assembly closed the Fund to new “second injury” claims sustained on or after July 1, 1995. However, the Fund continues to be liable for payment of claims which involve an uninsured or bankrupt employer and, on a pro rata basis, be liable for reimbursement claims to employers of any worker who had more than one employer at the time of the injury.

In addition, the Fund will continue to be liable for and make payments with respect to:

- Widow and dependent death benefits
- Reimbursement for cost of living adjustments on certain claims
- Second injury claims transferred to the Fund prior to July 1999 with a date of injury prior to July 1, 1995.

For State of Connecticut financial reporting purposes, SIF is reported as an Enterprise Fund. (See Note 2)

Note 2: Summary of Significant Accounting Policies Financial Reporting Entity

The accompanying financial statements of SIF have been prepared in conformity with generally accepted accounting principles as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB).

The Fund utilizes the enterprise fund form of reporting. The reporting focuses on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The full accrual form of accounting is employed, and revenues are recognized when earned, and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash. GASB No. 34 has defined an enterprise fund as a governmental unit in which the pricing policies of the

activity establish fees and charges designed to recover its costs.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund’s principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenues of the Fund are the monies assessed to Connecticut employers for their share of the Fund’s expenses for managing workers’ compensation claims assigned to the Fund by statute.

Cash and Cash Equivalents

Cash consists of funds in bank checking accounts and deposits held by the State General Fund in the Treasury Business Office account. Cash equivalents include investments in the State of Connecticut Short-Term Investment Fund (STIF). Custodial Credit Risk for Cash and Cash Equivalents is the risk that in the event of a bank failure, the SIF deposits may not be returned to them. Deposits in FDIC insured banks are insured up to \$250,000. Cash balances, excluding STIF accounts, as of June 30, 2019 totaled \$1,329,037 of which \$1,079,037 was uninsured, but collateralized as set forth in Conn. Gen. Statute section 36a-333; and, therefore, not subject to custodial credit risk. STIF Investment Policy ensures strong asset diversification by security type and issuer, comprised of high quality, very liquid securities with a relatively short average maturity. SIF has 97.8% of its cash invested in STIF which is rated AAAM by Standard & Poor’s Corporation (“S&P”). Deposits are presented in the basic financial statements at cost plus accrued interest which is also the market or fair value.

Receivables, Net of Allowance for Uncollectible Accounts

The receivables balance is composed of assessment receivables and other receivables. Assessment receivables are recorded inclusive of interest due and result from amounts billed in accordance with C.G.S. 31-354 Assessments: SIF’s primary source of revenue is from the levying of assessments against selfinsured and insured Connecticut employers. Insurance carriers who insure Connecticut employers are responsible to collect the assessments from employers and submit the revenue to SIF. (see Note 3)

Other receivables are recorded inclusive of interest due and result from amounts billed in accordance with either statute C.G.S. 31-301 or C.G.S.355.

SECOND INJURY FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

C.G.S. 31-301, Appeal Cases, provides for the payment of indemnity (lost wages) and medical benefits to an injured worker while their claims are under appeal. Upon a decision in the appeal, the injured worker (in cases of denial of compensation), or insurer (in cases of award of compensation), must reimburse the SIF for monies expended during the appeal process. This statute was repealed with passage of P.A. 95-277 for appeals filed on injuries occurring after July 1, 1995. During fiscal years 2019 and 2018, there were no benefits paid for appeals cases.

C.G.S. 31-355, Non Compliance, mandates that SIF pay indemnity and medical benefits for injured workers whose employers fail to or are unable to pay the compensation. The most common examples of these cases involve employers who did not carry worker's compensation insurance or are bankrupt.

Appeal Cases and Non Compliance transactions are recorded as injured worker benefits when paid by the Fund.

Concurrently, the Fund seeks recovery of the amounts paid from the party statutorily responsible and a receivable is established. The receivable is offset by a credit to Allowance for Uncollectible Accounts. Recoveries are recorded as revenue when cash is received.

The Fund records other receivables for penalties and citations and certain other payments made under other statutes where the Fund has a right to seek reimbursement. The receivable is offset by a credit to Allowance for Uncollectible Accounts. Recoveries are recorded as revenue when cash is received. Revenue is recorded for these receivables when cash is received.

The allowance for uncollectible account represents those amounts estimated to be uncollectible as of the balance sheet date. The Fund fully reserves for the other receivable balances. (see Note 4)

Capital Assets

The category of capital assets consists of computers and office equipment. The Fund is recording these capital assets at cost with a useful life of 5 years on a straight-line method. In the year of acquisition of the capital asset, the Fund has elected to take a half a year depreciation expense.

Claims Benefits Payable

This category of liability includes various unpaid reimbursement, indemnity and medical benefit claims incurred as of the balance sheet date and will be paid during the subsequent fiscal year. The long-term portion of claims benefits payable represents an estimate of the amount of liability of as June 30, 2019 of the concurrent

employment until a year or more for reimbursement. (see Note 5)

Settlements Payable

Settlements are negotiated agreements for resolving the Fund's future exposure on injured worker claims. An accrual is made for all settlements committed as of the balance sheet date. (see Note 5)

Accounts Payable and Other Accrued Liabilities

Accounts payable and other accrued liabilities represent administrative expenses of the Fund outstanding as of June 30, 2019 as well as assessments owed to Connecticut Workers' Compensation and other Connecticut employers. (see Note 5)

Compensated Absences

Vacation and sick policy is as follows: Employees hired on or before June 30, 1977 can accumulate up to a maximum of 120 vacation days. Employees hired after that date can accumulate up to a maximum of 60 days.

Upon termination or death, the employee is entitled to be paid for the full amount of vacation days owed. No limit is placed on the number of sick days that an employee can accumulate. However, the employee is entitled to payment for accumulated sick time only upon retirement, or after ten years of service upon death, for an amount equal to one-fourth of his/her accrued sick leave up to a maximum payment equivalent of sixty days. (see Note 5)

Note 3: Assessments

The assessment method for carriers paying on behalf of insured employers is on an actual premium basis. The premium surcharge, which is paid by insured employers through their worker's compensation insurance carrier within 45 days of the close of a quarter, is the premium surcharge rate multiplied by the employer's "SIF's surcharge base" premium on all policies with an effective date for that quarter. "SIF's surcharge base" means direct written premium on policies prior to application of any deductible policy premium credits. The premium surcharge is set yearly based on the Fund's budgetary needs prior to the start of the fiscal year. The annual insured employers' assessment rate for the fiscal years ending June 30, 2019 was 2.25%.

The method of assessment for self-insured employers is a quarterly billing based on the previous calendar year's paid losses. The annual assessment rate for self-insured employers for the fiscal year ending June 30, 2019 was 2.75%.

SECOND INJURY FUND NOTES TO FINANCIAL STATEMENTS (Continued)

Note 4: Receivables

The following is an analysis of the changes in the Fund receivable balances as of June 30, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Cash Receipts</u>	<u>Write-offs</u>	<u>Ending Balance</u>	<u>Due within one year</u>	<u>Allowance for Uncollectible</u>
Assessments	\$ 6,033,947	\$ 52,603,758	\$ 52,074,263	\$ -	\$ 6,563,442	\$ 6,545,936	\$ 17,506
Non-Compliance 355	9,149,958	3,553,100	276,879	4,143,323	8,282,856	-	8,282,856
Other Receivables	422,988	345,740	342,468	-	426,260	-	426,260
Total Receivables	<u>\$ 15,606,893</u>	<u>\$ 56,502,598</u>	<u>\$ 52,693,610</u>	<u>\$ 4,143,323</u>	<u>\$ 15,272,558</u>	<u>\$ 6,545,936</u>	<u>\$ 8,726,622</u>

Note 5: Liabilities and Compensated Absences

The following is an analysis of the changes in the Fund liabilities and compensated absence balances as of June 30, 2019.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Cash Disbursements</u>	<u>Ending Balance</u>	<u>Due within one year</u>
Claims and Benefits Payable	\$ 7,116,938	\$ 17,601,197	\$ 19,145,235	\$ 5,572,900	\$ 4,743,700
Settlements Payable	1,099,517	5,107,120	5,531,512	675,125	675,125
Accounts Payable & Accrued Expenses	925,841	7,643,956	7,632,652	937,145	937,145
Compensated Absences	861,028	8,246	-	869,274	540,655
Total Liabilities & Compensated Absences	<u>\$ 10,003,324</u>	<u>\$ 30,360,519</u>	<u>\$ 32,309,399</u>	<u>\$ 8,054,444</u>	<u>\$ 6,896,625</u>

Note 6: Settlements

Negotiations were at various stages of completion for settlements valued and accrued. As of June 30, 2019 they were \$675,000.

Note 7: Subsequent Events

The Fund management has evaluated the events and transactions that have occurred through December 31, 2019, the date the financial statements were available for issuance, and identified no events or transactions that have occurred requiring recognition or disclosure in the financial statements.



Report of Independent Auditors

To the Trustee of the Connecticut Higher Education Trust - Direct Plan

Report on the Financial Statements

We have audited the accompanying financial statements of the Connecticut Higher Education Trust - Direct Plan, which comprise the statement of fiduciary net position as of June 30, 2019, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Connecticut Higher Education Trust - Direct Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Connecticut Higher Education Trust - Direct Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Connecticut Higher Education Trust – Direct Plan as of June 30, 2019, and the changes in its fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required supplementary information

The accompanying management's discussion and analysis on pages 4 through 5 are required by accounting principles generally accepted in the United States of America to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

Our audit was conducted for the purpose of forming an opinion on the Connecticut Higher Education Trust - Direct Plan's basic financial statements taken as a whole. The supplemental information on pages 14 through 37 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2019 on our consideration of the Connecticut Higher Education Trust - Direct Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Connecticut Higher Education Trust - Direct Plan's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
September 12, 2019

CONNECTICUT HIGHER EDUCATION TRUST – DIRECT PLAN MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

As Plan manager of the Connecticut Higher Education Trust – Direct Plan (the “Direct Plan”), TIAA-CREF Tuition Financing, Inc. (“TFI”) offers readers of the Direct Plan’s financial statements this discussion and analysis of the financial performance for the year ended June 30, 2019. Readers should consider the information

presented in this section in conjunction with the Direct Plan’s financial statements and notes to financial statements. The Direct Plan is comprised of 14 investment options (the “Options”) in which account owners (“Account Owners”) may invest.

Financial Highlights

During the year ended June 30, 2019, the Options within the Direct Plan posted returns as follows:

<u>Conservative Managed Allocation Option</u>		<u>Aggressive Managed Allocation Option</u>	
Ages 0-4	6.10%	Ages 0-4	5.94%
Ages 5-8	6.12	Ages 5-8	5.87
Ages 9-10	5.95	Ages 9-10	5.88
Ages 11-12	5.89	Ages 11-12	5.92
Ages 13-14	5.60	Ages 13-14	5.95
Ages 15	5.02	Ages 15	5.88
Ages 16	4.33	Ages 16	6.01
Ages 17	3.95	Ages 17	5.94
Ages 18 & Over	3.06	Ages 18 & Over	4.88
<u>Moderate Managed Allocation Option</u>		<u>Multi-Fund Investment Options</u>	
Ages 0-4	6.18%	Global Equity Index Option	4.54%
Ages 5-8	6.13	Global Tactical Asset Allocation Option	4.37
Ages 9-10	6.18	International Equity Index Option	1.38
Ages 11-12	6.12	Active Global Equity Option	3.61
Ages 13-14	6.05	U.S. Equity Index Option	8.81
Ages 15	5.97	High Equity Balanced Option	5.48
Ages 16	5.79	Active Fixed-Income Option	6.87
Ages 17	5.20	Social Choice Option	8.81
Ages 18 & Over	4.22	Index Fixed-Income Option	7.61
		Money Market Option	1.95
		Principal Plus Interest Option	2.06

The Direct Plan received \$75.6 million in net subscriptions from Account Owners during the year ended June 30, 2019.

The Direct Plan earned \$81.6 million from investment income, incurred \$3.6 million for operating expenses and had a net increase in fair value of investments of \$88.4 million during the year ended June 30, 2019.

Overview of the Financial Statements

The Direct Plan’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

This report consists of two parts: Management’s Discussion and Analysis (this section) and the basic financial statements. The basic financial statements are comprised of a Statement of Fiduciary Net Position, a Statement of Changes in Fiduciary Net Position and Notes to Financial Statements that explain the information in the financial statements and provide more detailed information. The measurement focus of economic resources is where a set of financial statements report all inflows, outflows and balances effecting an entity’s net position.

The Statement of Fiduciary Net Position presents information on the Direct Plan’s assets and liabilities, with the difference between the two reported as net position as of June 30, 2019. This statement, along with all of the Direct Plan’s financial statements, is prepared using the accrual basis of accounting. Subscriptions are recognized when enrollment in the Direct Plan is finalized; subsequent subscriptions and redemptions are recognized on trade date; expenses and liabilities are recognized when services are provided,

regardless of when cash is disbursed.

The Statement of Changes in Fiduciary Net Position presents information showing how the Direct Plan’s assets changed during the year. Changes in net position are reported as soon as the underlying event giving rise to the current change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

This report presents the operating results and financial status of the Direct Plan, which the State of Connecticut reports as a fiduciary fund. Fiduciary fund reporting is used to account for resources held for the benefit of parties outside the governmental entity.

Financial Analysis

Net position - The following are condensed Statements of Fiduciary Net Position as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Investments	\$ 3,347,779,228	\$ 3,104,651,513
Cash	4,523	80,192
Receivables	6,051,982	6,057,017
Total Assets	<u>3,353,835,733</u>	<u>3,110,788,722</u>
Payables	8,100,119	7,042,520
Total Liabilities	<u>8,100,119</u>	<u>7,042,520</u>
Total Net Position	<u>\$ 3,345,735,614</u>	<u>\$ 3,103,746,202</u>

Net position represents total subscriptions from Account Owners, plus the net increases (decreases) from operations, less redemptions and expenses.

Investments are approximately 100% of total net position, and consist of the Options, each of which invests in varying percentages in multiple TIAA-CREF Funds and/or other third-party mutual funds, or

a funding agreement (“Funding Agreement”) issued by TIAA- CREF Life Insurance Company to the Connecticut Higher Education Trust. Receivables consist of securities sold, subscriptions, and accrued income. Liabilities consist mainly of payables for securities purchased, redemptions, and accrued expenses.

Changes in net position - The following are Statements of Changes in Fiduciary Net Position for the years ended June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Additions:		
Subscriptions	\$ 1,544,821,170	\$ 3,152,095,014
Investment income	81,592,081	71,533,382
Net increase in fair value of investments	88,386,170	89,978,934
Total Additions	\$ 1,714,799,421	\$ 3,313,607,330
Deduction:		
Redemptions	\$ (1,469,255,804)	\$ (3,049,657,521)
Direct Plan manager fee	(3,270,391)	(3,254,307)
Administrative fee	(283,814)	(271,192)
Total Deductions	(1,472,810,009)	(3,053,183,020)
Changes in Net Position	241,989,412	260,424,310
Net position - beginning of year	3,103,746,202	2,843,321,892
Net position - end of year	\$ 3,345,735,614	\$ 3,103,746,202

**CONNECTICUT HIGHER EDUCATION TRUST - DIRECT PLAN
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019**

	<u>2019</u>
ASSETS	
Cash and cash equivalents	\$ 4,523
Investments, at value (Cost: \$3,054,620,833)	3,347,779,228
Dividends and interest receivable	3,421,138
Receivable from security transactions	546,346
Receivable from direct plan units sold	2,084,498
Total assets	<u>3,353,835,733</u>
LIABILITIES	
Overdraft payable	285
Accrued direct plan manager fee	1,879,421
Accrued administrative fee	167,907
Payable for securities transactions	4,381,664
Payable for direct plan units redeemed	1,670,842
Total liabilities	<u>8,100,119</u>
NET POSITION	
Held in trust for account owners in the direct plan	<u>\$ 3,345,735,614</u>

The accompanying notes are an integral part of the financial statements

**CONNECTICUT HIGHER EDUCATION TRUST - DIRECT PLAN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>
ADDITIONS	
Subscriptions	\$ 1,544,821,170
Investment income:	
Interest	9,908,389
Dividends	71,683,692
Total investment income	<u>81,592,081</u>
Net increase in fair value of investments	<u>88,386,170</u>
Total additions	<u>1,714,799,421</u>
DEDUCTIONS	
Redemptions	(1,469,255,804)
Direct plan manager fee	(3,270,391)
Administrative fee	<u>(283,814)</u>
Total operating expenses	<u>(1,472,810,009)</u>
Change in Net Position	241,989,412
Net Position - Beginning of Year	<u>3,103,746,202</u>
Net Position - End of Year	<u>\$ 3,345,735,614</u>

The accompanying notes are an integral part of the financial statements

Note 1 – Organization and Significant Accounting Policies

The Connecticut Higher Education Trust - Direct Plan (the "Direct Plan") is designed to help people save for the costs of higher education. The Direct Plan is administered by the Treasurer of the State of Connecticut, as the trustee (the "Trustee") of the Connecticut Higher Education Trust (the "Trust"). The Trustee has the authority to establish, develop, implement and maintain the Direct Plan and to make and enter into contracts to service the Direct Plan.

TIAA-CREF Tuition Financing, Inc. ("TFI"), a wholly owned, direct subsidiary of Teachers Insurance and Annuity Association of America ("TIAA"), and the Trustee have entered into a management agreement ("Management Agreement") under which TFI serves as Direct Plan manager. The Direct Plan is intended to meet the requirements of a qualified tuition program under Section 529 of the Internal Revenue Code ("Code"). Investment options (the "Options" or individually "Option"), allocations and fees, as approved by the Trustee, are described in the current Disclosure Booklet for the Direct Plan.

The assets in the Principal Plus Interest Option are allocated to a funding agreement ("Funding Agreement") issued by TIAA-CREF Life Insurance Company ("TIAA Life"), an affiliate of TFI, to the Trust, as policyholder. The Funding Agreement provides for a return of principal plus a guaranteed rate of interest and allows for the possibility that additional interest may be credited as declared periodically by TIAA Life.

Teachers Advisors, LLC ("Advisors"), an affiliate of TFI, is registered with the Securities and Exchange Commission as an investment adviser and provides investment advisory services to the TIAA-CREF Funds (the "Funds"). TIAA-CREF Individual & Institutional Services, LLC ("Services"), a wholly owned, direct subsidiary of TIAA, serves as the primary distributor and underwriter for the Direct Plan and provides certain underwriting and distribution services in furtherance of TFI's marketing plan for the Direct Plan. Services are registered as a brokerdealer under the Securities Exchange Act of 1934, as amended and is a member of the Financial Industry Regulatory Authority.

The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (“GASB”) which may require the use of estimates made by management and the evaluation of subsequent events.

Actual results may differ from those estimates. The following is a summary of the significant accounting policies consistently followed by the Direct Plan.

Investment income: Securities transactions are accounted for as of the trade date for financial reporting purposes. Interest income is recorded as earned. Dividend income and capital gain distributions from the underlying mutual funds are recorded on the ex-dividend date. Income distributions from underlying mutual funds are included in total investment income and gain distributions are included in net increase in fair value of investments. Realized gains and losses are based upon the specific identification method.

Income tax: No provision for federal income tax has been recorded. The Direct Plan is designed to constitute a qualified tuition program under Section 529 of the Code and does not expect to have any unrelated business income subject to tax.

Units: The beneficial interests for each account owner (“Account Owner”) in the Options are represented by Direct Plan units. Subscriptions and redemptions are recorded upon receipt of Account Owner’s instructions in good order, based on the next determined net position value per unit (“Unit Value”). Unit Values for each Option are determined at the close of business of the New York Stock Exchange. The Unit Value for financial reporting purposes may differ from the Unit Value for processing transactions. The Unit Value for financial reporting purposes includes security and shareholder transactions through the date of this report. There are no distributions of net investment gains or net investment income to the Option’s Account Owners or beneficiaries.

Subscriptions and redemptions: Subscriptions on the Statement of Changes in Fiduciary Net Position include any subscriptions to the Direct Plan made by Account Owners and any exchanges within the Direct Plan that result in a reinvestment of assets. Redemptions on the Statement of Changes in Fiduciary Net Position include any redemptions from the Direct Plan made by Account Owners and any exchanges within the Direct Plan that result in a withdrawal and subsequent reinvestment of assets.

Note 2 – Valuation of Investments

Fair value measurements are grouped categorically into three levels, as defined by the GASB. The levels are defined as follows:

- Level 1 – quoted prices in active markets for identical securities

- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, credit spreads, etc.)

- Level 3 – significant unobservable inputs (including the Direct Plan’s own assumptions in determining the fair value of investments)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

A description of the valuation techniques applied to the Direct Plan’s major categories of investments follows:

Investments in registered investment companies: These investments are valued at their published net asset value on the valuation date. These investments are categorized in Level 1 of the fair value hierarchy.

Funding Agreement: The Funding Agreement, to which the Principal Plus Interest Option allocates assets, is considered a nonparticipating interest-earning investment contract and is accounted for at cost. Because the Funding Agreement is valued at cost, it is not included in the fair value hierarchy.

Note 3 – Direct Plan Fees

Each Option (with the exception of the Principal Plus Interest Option) pays TFI a Direct Plan manager fee of 0.10% of the average daily net assets of the Option. The Direct Plan manager fee is subject to reductions if total assets in the Direct Plan reach certain levels. The Direct Plan manager fees applies to the total market value of assets in the Direct Plan equal to or greater than \$3.25 billion. As of June 30, 2019, the total market value of assets in the Direct Plan was \$3.34 billion and as such the Direct Plan manager fee is 0.10%. The Direct Plan first exceeded \$3.25 billion on April 5, 2019. Prior to April 5, 2019, each Option (with the exception of the Principal Plus Interest Option) paid the Direct Plan manager fee at an annual rate of 0.12% of the average daily net assets held by that Option. In addition, Advisors is paid investment management fees on the underlying investments in the Funds.

The Principal Plus Interest Option does not pay a Direct Plan manager fee or an administrative fee to the Trustee. TIAA Life, the issuer

of the funding agreement in which this Option invests and an affiliate of TFI, makes payments to TFI. As a result, the participant does not incur any expense related to this option.

For its services in administering the Direct Plan, each Option (with the exception of the Principal Plus Interest Option) pays to the Trustee an administrative fee at an annual rate of 0.01% of the average daily net assets of the Option. TIAA Life also pays the Trustee a fee equal to 0.01% of the average daily net assets held by the Principal Plus Interest Option. The fee is deposited in an administrative fund held by the Trustee and then used to pay certain administrative expenses.

These amounts are reflected in the expenses on the Statement of Changes in Fiduciary Net Position.

Note 4 – Investments

Cash deposits: Cash deposits at June 30, 2019 were covered by federal depository insurance coverage. Investments: As of June 30, 2019, net unrealized appreciation (depreciation) of portfolio investments was \$293,158,395 consisting of gross unrealized appreciation of \$301,317,523 and gross unrealized depreciation of \$8,159,128

At June 30, 2019, the Direct Plan's investments consist of the following:

	Units	Cost	Value
TIAA-CREF Funds (Institutional Class):			
Bond Index Fund	29,430,865	\$ 316,917,616	\$ 323,747,416
Emerging Markets Equity Index Fund	2,739,346	26,801,381	30,351,950
Equity Index Fund	32,102,489	540,891,736	693,092,736
Growth & Income Fund	968,991	11,408,001	14,030,261
High-Yield Fund	11,578,413	112,819,447	112,907,514
Inflation-Linked Bond Fund	21,910,379	248,616,341	251,531,155
International Equity Index Fund	26,822,559	483,163,079	517,943,610
Money Market Fund	51,795,029	51,795,029	51,795,029
S&P 500 Index Fund	3,030,434	36,016,022	98,822,445
Social Choice Equity Fund	2,995,406	44,502,640	58,650,059
BlackRock Strategic Income Opportunities Fund (Institutional Class)			
	23,546,206	233,192,527	233,601,529
DFA Emerging Markets Core Equity Portfolio (Institutional Class)			
	5,278,850	108,954,227	110,522,788
DFA World ex U.S. Core Equity Portfolio (Institutional Class)			
	1,088,963	11,816,454	12,054,815
Harding Loevner International Equity Portfolio (Institutional Class)			
	766,743	17,769,452	17,259,382
MetWest Total Return Bond Fund (Institutional Class)			
	2,487,533	24,886,249	25,522,091
PIMCO All Asset Fund (Institutional Class)			
	466,413	5,335,183	5,466,363
State Street Institutional Small Cap Equity Fund (Institutional Class)			
	1,104,793	20,642,604	19,046,634
T. Rowe Price Inst. Large-Cap Growth Fund (Institutional Class)			
	158,825	3,877,140	6,697,642
T. Rowe Price Inst. Large-Cap Value Fund (Institutional Class)			
	282,047	5,844,901	6,456,048
Templeton Global Bond Fund (Advisor Class)			
	3,855,197	46,115,097	43,255,307
Vanguard Mid Cap Index Fund (Institutional Class)			
	663,393	26,182,539	30,336,963
Vanguard Real Estate Index Fund (Institutional Class)			
	6,717,887	121,369,109	128,983,432
TIAA-CREF Life Insurance Company:			
Funding Agreements	270,100,213	555,704,059	555,704,059
		<u>\$ 3,054,620,833</u>	<u>\$ 3,347,779,228</u>

Note 5 – Investment Risks

Certain investments are subject to a variety of investment risks based on the amount of risk in the underlying funds. GASB requires that entities disclose certain essential risk information about deposits and investments. All of the Direct Plan's Options are uninsured, unregistered and are held by a custodian in the Direct Plan's name.

Investment policy: The Direct Plan does not have specific investment policies which address credit, interest rate, foreign currency or custodial credit risk. The Direct Plan's Options are managed

based on specific investment objectives and strategies which are disclosed in the current Direct Plan Disclosure Booklet.

Custodial credit risk: Custodial credit risk represents the potential inability of a custodian to return Direct Plan deposits and investments in the event of a failure. An Account Owner has an investment in an Option and not a direct investment in any underlying mutual fund or other investment vehicle to which funds in that Option may be allocated. Because of this ownership structure, the custodial credit risk is mitigated.

Credit risk: The mutual funds investing primarily in fixed income securities are subject to credit risk. Credit risk refers to the ability of the issuer to make timely payments of interest and principal. The mutual funds do not carry a formal credit quality rating. The Funding Agree-

ment is a guaranteed insurance product issued by TIAA Life. TIAA Life had a Standard & Poor's credit rating of AA+ at June 30, 2019.

Interest rate risk: Interest rate risk represents exposure to changes in the fair value of investments due to volatility in interest rates.

At June 30, 2019, the average maturities for the fixed income mutual funds are as follows:

<u>Investment</u>	<u>Value</u>	<u>Weighted Average Maturity</u>
TIAA-CREF Funds (Institutional Class): Bond		
Index Fund	\$ 323,747,416	7.65 years
High-Yield Fund	112,907,514	6.55 years
Inflation-Linked Bond Fund	251,531,155	5.34 years
BlackRock Strategic Income Opportunities Fund (Institutional Class)	233,601,529	5.97 years
MetWest Total Return Bond Fund (Institutional Class)	25,522,091	7.55 years
PIMCO All Asset Fund (Institutional Class)	5,466,363	6.94 years
Templeton Global Bond Fund (Advisor Class)	43,255,307	1.20 years

Foreign currency risk: Foreign currency risk represents exposure to changes in the fair value of investments due to volatility in exchange rates. The Direct Plan does not have any direct investment

in foreign securities. Certain Direct Plan Options allocate assets to mutual funds that are exposed to foreign currency risk.

At June 30, 2019, the value of investments in mutual funds that significantly invest in foreign denominated contracts are as follows:

<u>Investment</u>	<u>Value</u>
TIAA-CREF Funds (Institutional Class): Emerging	
Markets Equity Index Fund	\$ 30,351,950
International Equity Index Fund	517,943,610
DFA Emerging Markets Core Equity Portfolio (Institutional Class)	110,522,788
DFA World ex U.S. Core Equity Fund (Institutional Class)	12,054,815
Harding Loevner International Equity Portfolio (Institutional Class)	17,259,382
PIMCO All Asset Fund (Institutional Class)	5,466,363
Templeton Global Bond Fund (Advisor Class)	43,255,307

Note 6 – Guarantees And Indemnifications

Under the Direct Plan's organizational documents, each officer, employee or other agent of the Direct Plan (including TFI) is indemnified against certain liabilities that may arise out of performance of their duties to the Direct Plan.

Additionally, in the normal course of business, the Direct Plan enters into contracts that contain a variety of indemnification clauses. The

Direct Plan's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Direct Plan that have not yet occurred. However, the Direct Plan has not had prior claims or losses pursuant to these contracts, and management expects the risk of loss to be remote.

**CONNECTICUT HIGHER EDUCATION TRUST – DIRECT PLAN
FINANCIAL HIGHLIGHTS
FOR THE YEAR ENDED JUNE 30, 2019**

**Conservative Managed Allocation Option
Age Bands within the Conservative Managed Allocation Option**

FOR A UNIT OUTSTANDING THROUGHOUT THE YEAR	Ages								
	0-4*	5-8*	9-10*	11-12*	13-14*	15*	16*	17*	18 & over
Net position value, beginning of year	\$ 10.33	\$ 10.30	\$ 10.26	\$ 10.19	\$ 10.17	\$ 10.15	\$ 10.15	\$ 10.13	\$ 10.14
Gain (loss) from investment operations:									
Net investment income ^(a)	0.30	0.30	0.31	0.32	0.32	0.30	0.27	0.26	0.23
Net realized and unrealized loss on investments	0.33	0.33	0.30	0.28	0.25	0.21	0.17	0.14	0.08
Total gain (loss) from investment operations	0.63	0.63	0.61	0.60	0.57	0.51	0.44	0.40	0.31
Net position value, end of year	\$ 0.63	\$ 10.93	\$ 10.87	\$ 10.79	\$ 10.74	\$ 10.66	\$ 10.59	\$ 10.53	\$ 10.45
TOTAL RETURN	6.10%	6.12%	5.95%	5.89%	5.60%	5.02%	4.33%	3.95%	3.06%
RATIOS AND SUPPLEMENTAL DATA									
Net position at end of year (in thousands)	\$ 11,173	\$ 20,562	\$ 9,834	\$ 11,318	\$ 12,541	\$ 9,076	\$ 10,999	\$ 11,109	\$ 32,621
Ratio of expenses to average net position ^(b)	0.13%	0.13%	0.12%	0.12%	0.13%	0.13%	0.12%	0.13%	0.12%
Ratio of net investment income to average net position	2.87%	2.91%	2.95%	3.11%	3.11%	2.94%	2.62%	2.55%	2.21%

**Moderate Managed Allocation Option
Age Bands within the Moderate Managed Allocation Option**

FOR A UNIT OUTSTANDING THROUGHOUT THE YEAR	Ages								
	0-4*	5-8*	9-10*	11-12*	13-14*	15*	16*	17*	18 & over
Net position value, beginning of year	\$ 10.52	\$ 10.44	\$ 10.35	\$ 10.30	\$ 10.24	\$ 10.21	\$ 10.19	\$ 10.19	\$ 10.18
Gain (loss) from investment operations:									
Net investment income ^(a)	0.29	0.29	0.31	0.30	0.30	0.30	0.30	0.29	0.27
Net realized and unrealized loss on investments	0.36	0.35	0.33	0.33	0.32	0.31	0.29	0.24	0.16
Total gain (loss) from investment operations	0.65	0.64	0.64	0.63	0.62	0.61	0.59	0.53	0.43
Net position value, end of year	\$ 11.17	\$ 11.08	\$ 10.99	\$ 10.93	\$ 10.86	\$ 10.82	\$ 10.78	\$ 10.72	\$ 10.61
TOTAL RETURN	6.18%	6.13%	6.18%	6.12%	6.05%	5.97%	5.79%	5.20%	4.22%
RATIOS AND SUPPLEMENTAL DATA									
Net position at end of year (in thousands)	\$ 51,072	\$ 122,126	\$ 98,031	\$ 138,328	\$ 176,836	\$ 102,043	\$ 114,213	\$ 113,310	\$ 347,550
Ratio of expenses to average net position ^(b)	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%
Ratio of net investment income to average net position ^(d)	2.70%	2.74%	3.00%	2.90%	2.92%	2.89%	2.91%	2.84%	2.61%

**Aggressive Managed Allocation Option
Age Bands within the Aggressive Managed Allocation Option**

FOR A UNIT OUTSTANDING THROUGHOUT THE YEAR	Ages								
	0-4*	5-8*	9-10*	11-12*	13-14*	15*	16*	17*	18 & over
Net position value, beginning of year	\$ 10.60	\$ 10.57	\$ 10.54	\$ 10.48	\$ 10.42	\$ 10.37	\$ 10.31	\$ 10.27	\$ 10.25
Gain (loss) from investment operations:									
Net investment income ^(a)	0.27	0.27	0.28	0.28	0.28	0.28	0.29	0.28	0.27
Net realized and unrealized loss on investments	0.36	0.35	0.34	0.34	0.34	0.33	0.33	0.33	0.23
Total gain (loss) from investment operations	0.63	0.62	0.62	0.62	0.62	0.61	0.62	0.61	0.50
Net position value, end of year	\$ 11.23	\$ 11.19	\$ 11.16	\$ 11.10	\$ 11.04	\$ 10.98	\$ 10.93	\$ 10.88	\$ 10.75
TOTAL RETURN	5.94%	5.87%	5.88%	5.92%	5.95%	5.88%	6.01%	5.94%	4.88%
RATIOS AND SUPPLEMENTAL DATA									
Net position at end of year (in thousands)	\$ 78,922	\$ 130,956	\$ 93,904	\$ 97,918	\$ 86,229	\$ 39,043	\$ 38,120	\$ 34,248	\$ 70,043
Ratio of expenses to average net position ^(b)	0.13%	0.13%	0.13%	0.12%	0.13%	0.12%	0.13%	0.13%	12.00%
Ratio of net investment income to average net position	2.56%	2.59%	2.61%	2.61%	2.68%	2.69%	2.76%	2.68%	2.63%

(a) Based on average units outstanding

(b) Does not include expenses on Direct Plan investments in the TIAA-CREF Funds and other third party mutual funds

**CONNECTICUT HIGHER EDUCATION TRUST – DIRECT PLAN
FINANCIAL HIGHLIGHTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2019**

	Multi-Fund Investment Options					
	Global Equity Index Option	Global Tactical Asset Allocation Option	International Equity Index Option	Active Global Equity Option	U.S. Equity Index Option	High Equity Balanced Option
Net position value, beginning of year	\$ 19.84	\$ 10.76	\$ 11.62	\$ 19.65	\$ 13.85	\$ 23.53
Gain (loss) from investment operations:						
Net investment income ^(a)	0.44	0.55	0.32	0.35	0.23	0.53
Net realized and unrealized loss on investments	0.46	0.02	(0.16)	0.36	0.99	0.76
Total gain (loss) from investment operations	0.90	0.57	0.16	0.71	1.22	1.29
Net position value, end of year	20.74	11.33	11.78	20.36	15.07	24.82
TOTAL RETURN	4.54%	4.37%	1.38%	3.61%	8.81%	5.48%

RATIOS AND SUPPLEMENTAL DATA

Net position at end of year (in thousands)	\$ 242,719	\$ 5,463	\$ 16,038	\$ 60,966	\$ 144,446	\$ 321,965
Ratio of expenses to average net position ^(b)	0.13%	0.13%	0.12%	0.13%	0.12%	0.13%
Ratio of net investment income to average net position	2.25%	4.20%	2.82%	1.79%	1.61%	2.24%

	Multi-Fund Investment Options (Continued)				
	Active Fixed-Income Option	Social Choice Option	Index Fixed-Income Option	Money Market Option	Principal Plus Interest Option
Net position value, beginning of year	\$ 16.30	\$ 23.26	\$ 11.82	\$ 10.28	\$ 16.05
Gain (loss) from investment operations:					
Net investment income ^(a)	0.62	0.33	0.32	0.21	0.30
Net realized and unrealized loss on investments	0.49	1.72	0.58	(0.01)	-
Total gain (loss) from investment operations	1.11	2.05	0.90	0.20	0.30
Net position value, end of year	17.41	25.31	12.72	10.48	16.35
TOTAL RETURN	6.87%	8.81%	7.61%	1.95%	2.06%

RATIOS AND SUPPLEMENTAL DATA

Net position at end of year (in thousands)	\$ 52,198	\$ 58,611	\$ 25,339	\$ 51,762	\$ 304,204
Ratio of expenses to average net position ^(b)	0.13%	0.13%	0.12%	0.13%	0.00%
Ratio of net investment income to average net position	3.72%	1.40%	2.67%	2.02%	1.86%

(a) Based on average units outstanding
(b) Does not include expenses on Direct Plan investments in the TIAA-CREF Funds and other third party mutual funds

Connecticut Higher Education Trust Program Advisor Plan

Independent Auditors' Report

To the State Treasurer as Trustee of the Connecticut Higher Education Trust
Hartford, Connecticut

Report on Financial Statements

We have audited the accompanying statement of fiduciary net position of the Connecticut Higher Education Trust Program Advisor Plan (the "Plan"), a Plan of the State of Connecticut, as of and for the year ended June 30, 2019, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan, as of June 30, 2019, and the related changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 and 4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial

Connecticut Higher Education Trust Program Advisor Plan

Independent Auditors' Report

statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements of fiduciary net position, the combining statements of changes in fiduciary net position, and financial highlights, as listed in the table of contents, on pages 12 through 25 are supplemental schedules presented for purposes of additional analysis and are not a required part of the basic financial statements.

These supplemental schedules are the responsibility of the Plan's management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2019 on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Plan's internal control over financial reporting and compliance.

Deloitte & Touche LLP

Philadelphia, Pennsylvania
September 17, 2019

CONNECTICUT HIGHER EDUCATION TRUST – ADVISOR PLAN MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)

The Connecticut Higher Education Trust (“CHET” or the “Trust”) Program (the “Program”) was formed on July 1, 1997, by Connecticut law, to help people save for the costs of education after high school. The Program is administered by the Treasurer of the State of Connecticut, as trustee (the “Trustee”) of the Trust. The Trustee has the authority to enter into contracts for program management services, adopt regulations for the administration of the Program, and establish investment policies for the Program. The Program consists of two components - CHET Direct Plan, which is offered directly by the state, and an advisor plan which began on September 30, 2010 (“CHET Advisor Plan” or “Plan”). Hartford Funds Management Company, LLC (“HFMC”) serves as plan manager. The Hartford Financial Services Group, Inc. (“The Hartford”), HFMC’s ultimate parent company, has provided insurance and other financial management services for its clients since 1810. As plan manager, HFMC provides readers of the financial statements of the CHET Advisor Plan this discussion and analysis of the financial performance as of and for the fiscal year ended June 30, 2019. The following should be considered in conjunction with the Plan’s financial statements and notes to financial statements, which follow this section.

Effective January 1, 2018, qualified withdrawals for federal tax purposes were expanded to include up to \$10,000 in tuition per year per student in connection with enrollment or attendance at public, private, or religious elementary or secondary schools (“K-12 Tuition Expenses”). The Supplement dated December 19, 2018 to the Disclosure Booklet noted that for purposes of Connecticut state income taxes, Connecticut follows federal law updates as they relate to the CHET Advisor Plan’s K-12 Tuition Expenses.

These financial statements are intended for use in connection with an account opened in the CHET Advisor Plan only and are not intended to include information relevant to the CHET Direct Plan, which is described in a separate report, and offers investment options different from those offered under the CHET Advisor Plan. For more information on the CHET Direct Plan, you may call 1-888-799-2438 or go to www.aboutchet.com.

Financial Highlights

The following financial highlights occurred during the year ended June 30, 2019:

The Plan had contributions of \$89.3 million and withdrawals of \$53.3 million during the year;

At June 30, 2019, the Plan’s Fiduciary Net Position totaled \$634.8 million, an increase of \$70 million, or 12% since June 30, 2018;

The Plan earned \$11.9 million from investment income, \$24.2 million from capital gain distributions received from underlying funds, \$2.6 million from net change in unrealized appreciation on underlying fund shares, and net realized loss on sale of underlying fund shares of \$1.7 million during the year. The Plan incurred \$3.0 million for operating expenses during the year.

Overview of the Financial Statements

The Plan’s financial statements are prepared in accordance with Governmental Accounting Standards Board (“GASB”) No. 34, Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments.

This annual report consists of two sections: Management’s discussion and analysis (this section) and the basic financial statements. The basic financial statements include the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position and the Notes to Financial Statements. The statements are prepared using the accrual basis of accounting. Contributions and withdrawals are recognized on trade date; expenses and liabilities are recognized when services are provided, regardless of when cash is disbursed.

The Statement of Fiduciary Net Position presents information on all of the Plan’s assets and liabilities, with the difference reported as net position.

The Statement of Changes in Fiduciary Net Position reports the additions and deductions to the Plan for the fiscal year.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

This report presents the operating results and financial status of the Plan and represents assets held for benefit of parties outside the governmental entity.

Financial Analysis

Fiduciary Net Position: The following is a condensed Statement of Fiduciary Net Position for the Plan as of June 30, 2019 and June 30, 2018.

	<u>2019</u>	<u>2018</u>
Assets:		
Investments	\$ 634,900,208	\$ 564,898,086
Receivables and other	900,093	789,851
Total assets	<u>635,800,301</u>	<u>565,687,937</u>
Liabilities:		
Payables and other liabilities	870,793	758,209
Accrued expenses	116,046	107,491
Total liabilities	<u>986,839</u>	<u>865,700</u>
Fiduciary Net Position	<u>\$ 634,813,462</u>	<u>\$ 564,822,237</u>

Total Fiduciary Net Position represents cumulative contributions from participants since the Plan's inception, plus net increases and decreases from investment operations less withdrawals and expenses.

Investments make up 100% of total Fiduciary Net Position, and consist of 25 investment options, each of which is invested in underlying mutual funds, except the CHET Advisor Stable Value 529 Portfolio which is invested in a separate account.

Receivables include receivables for investments sold, receivables for units sold and dividends receivable. Liabilities consist of bank overdrafts, payables for investments purchased, payables for units redeemed, and payables for accrued distribution fees, plan manager fees and administrative fees.

Changes in net position - The following is a condensed Statement of Changes in Fiduciary Net Position for the years ended June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Additions:		
Contributions	\$ 89,347,936	\$ 3,152,095,014
Transfers in*	221,598,924	372,671,214
Increase from investments operations	36,975,511	36,838,551
Total Additions	<u>\$ 347,922,371</u>	<u>\$ 501,867,414</u>
Deduction:		
Withdrawals	\$ 53,304,453	\$ 42,861,040
Transfers out *	221,609,963	372,671,214
Expenses after fees waived	3,016,730	3,030,777
Total Deductions	<u>277,931,146</u>	<u>418,563,031</u>
Changes in Net Position	69,991,225	83,304,383
Net position - beginning of year	564,822,237	481,517,854
Net position - end of year	<u>\$ 634,813,462</u>	<u>\$ 564,822,237</u>

* Transfers may not offset as a transfer out of CHET Advisor Stable Value 529 Portfolio into another investment option will incur the sales charge of the new investment option.

CONNECTICUT HIGHER EDUCATION TRUST - ADVISOR PLAN
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019

	<u>2019</u>
ASSETS	
Investments in underlying mutual funds at fair value (Cost: \$521,001,809)	\$ 528,526,475
Fully benefit-responsive investment contracts at contract value (Cost: \$103,833,492) (See note 7)	106,373,733
Receivables:	
Investments sold	141,256
Units sold	503,891
Dividends and capital gain distribution received from underlying funds	254,946
Total assets	<u>635,800,301</u>
LIABILITIES	
Payables:	
Investments purchased	451,902
Bank overdraft	142,839
Units redeemed	276,052
Accrued distribution fees	28,835
Accrued plan manager fees	82,082
Accrued administrative fees	5,129
Total liabilities	<u>986,839</u>
NET POSITION	
Held in trust for account owners in the advisor plan	\$ <u><u>634,813,462</u></u>

The accompanying notes are an integral part of the financial statements

**CONNECTICUT HIGHER EDUCATION TRUST - ADVISOR PLAN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>
ADDITIONS	
Contribution from account holders	\$ 89,347,936
Transfer in *	221,598,924
Increase from investment operations:	
Dividends	11,923,605
Capital gain distribution received from underlying funds	24,199,191
Net realized loss on sale of underlying fund shares	(1,728,108)
Net change in unrealized appreciation on underlying fund shares	2,580,823
Net increase from investment operations	<u>36,975,511</u>
 Total additions	 <u>347,922,371</u>
DEDUCTIONS	
Withdrawals by account holders	(53,304,453)
Transfer out *	(221,609,963)
Expenses:	
Administrative fees	(58,121)
Plan manager fees	(929,973)
Distribution fees	(2,028,636)
Total expenses	<u>(3,016,730)</u>
 Total deductions	 <u>(277,931,146)</u>
 Change in Net Position	 69,991,225
 Net Position - Beginning of Year	 <u>564,822,237</u>
 Net Position - End of Year	 <u>\$ 634,813,462</u>

* Transfers may not offset as a transfer out of CHET Advisor Stable Value 529 Portfolio into another investment option will incur the sales charge of the new investment option.

The accompanying notes are an integral part of the financial statements

Note 1 - Organization and Significant Accounting Policies

The CHET Advisor Plan is a qualified tuition program. The Treasurer of the State of Connecticut serves as Trustee of the Trust. HFMC serves as plan manager (the "Plan Manager") and manages the Plan under the direction of the Trustee. The Plan is intended to meet the requirements of the qualified tuition program under Section 529 of the Internal Revenue Code and was established pursuant to the Connecticut General Statutes Section 3-22f to 3-220. Investment options and allocations, as adopted by the Trustee, are described in

Age- Based Investment Options

CHET Advisor Age-Based Portfolio 0-3
CHET Advisor Age-Based Portfolio 4-6
CHET Advisor Age-Based Portfolio 7-9
CHET Advisor Age-Based Portfolio 10-11
CHET Advisor Age-Based Portfolio 12-13
CHET Advisor Age-Based Portfolio 14-15
CHET Advisor Age-Based Portfolio 16
CHET Advisor Age-Based Portfolio 17
CHET Advisor Age-Based Portfolio 18+

Static Investment Options

CHET Advisor Aggressive Growth Portfolio
CHET Advisor Balanced Portfolio
CHET Advisor Conservative Portfolio
CHET Advisor Growth Portfolio

The Investment Options are not mutual funds and have not been registered with the U.S. Securities and Exchange Commission. As of February 8, 2019, CHET Advisor Checks & Balances Portfolio ceased operations and its assets were invested into the CHET Advisor Balanced Portfolio. The Investment Options invest their assets in Class F shares of underlying mutual funds of Hartford Mutual Funds as well as Institutional Class of the iShares Russell Mid-Cap Index Fund and iShares Russell 1000 Large-Cap Index Fund, mutual funds unaffiliated with Hartford Funds (together, the "underlying mutual funds"). In addition, certain Investment Options invest in a stable value fund, which is a separate account and not a mutual fund, managed by Invesco Advisers, Inc. ("Invesco") (the "CHET Advisor Stable Value Account," and together with the underlying mutual funds, the "Underlying Funds").

the current Disclosure Booklet for the Program.

The Plan offers Age-Based Investment Options tailored to the length of time until the designated beneficiary reaches college age, Static Investment Options that allow investing in fixed allocations of underlying investments or Individual investment Options (collectively, "Investment Options" or "Portfolios") that each invest in an underlying individual portfolio. As of June 30, 2019, the CHET Advisor Plan consists of 25 portfolios that make up the Investment Options in which plan participants can direct their contributions. These Investment Options are as follows:

Individual Investment Options

Hartford Balanced Income 529 Portfolio
Hartford Core Equity 529 Portfolio
Hartford Dividend and Growth 529 Portfolio
Hartford Equity Income 529 Portfolio
Hartford Growth Opportunities 529 Portfolio
Hartford Inflation Plus 529 Portfolio
Hartford International Opportunities 529 Portfolio
Hartford MidCap 529 Portfolio
Hartford Small Cap Growth 529 Portfolio
Hartford Total Return Bond 529 Portfolio
Hartford World Bond 529 Portfolio
CHET Advisor Stable Value 529 Portfolio

Financial statements of the underlying mutual funds contain additional information about the expenses and investments of the underlying mutual funds and are available from the EDGAR database on the Securities and Exchange Commission website at <http://www.sec.gov>.

The Investment Options offer Class A Units, Class C Units and Class E Units. Each Class of Units has a different fee structure determined by the sales charge. The following Class A commission rates are for all investment options except the CHET Advisor Stable Value 529 Portfolio* for which there is no front-end sales charge:

Contribution and Value of Accounts	Sales Charge as a Percentage of Contribution	Dealer Concession
Less than \$99,999.99	2.50%	2.50%
\$100,000 - \$249,999.99	2.25%	2.25%
\$250,000-\$499,999.99	1.75%	1.75%
\$500,000 - \$999,999.99	1.25%	1.25%
\$1,000,000 and greater	0.00%**	1.00%

*A transfer into another investment option at a later date will result in your Account being charged the sales charge of the new investment option.

**There is a contingent deferred sales charge of 1.00% for shares sold within 18 months.

Class C units are sold with a contingent deferred sales charge of up to 1% on shares redeemed within 12 months. Class C units convert to Class A units after four years. Class E units are sold without sales charges to certain eligible investors. All classes of units have identical withdrawal, dividend, liquidation, and other rights and the same terms and conditions, with the exception that each class may have different expenses, which may affect performance.

Note 2 - Significant Accounting Policies

The following is a summary of significant accounting policies of the CHET Advisor Plan in the preparation of its financial statements, which are in accordance with the accounting principles generally accepted in the United States of America ("U.S. GAAP"), as defined by the Governmental Accounting Standards Board ("GASB"). The preparation of financial statements in accordance with U.S. GAAP may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of increases and decreases in fiduciary net position from operations during the reporting period. Actual results could differ from those estimates.

Determination of Net Position Value ("NPV") - The NPV of each class of the Investment Option's units is based on the value of all underlying investment holdings, determined as of the close of regular trading (normally 4:00 p.m. Eastern Time) (the "NYSE Close") on each day that the New York Stock Exchange is open ("Valuation Date"). Information that becomes known to the Investment Option after the NPV has been calculated on a particular day will not generally be used to retroactively adjust the NPV determined earlier that day.

Investment Valuation - Investments in open-end mutual funds are valued at the Net Asset Value per share as determined as of the NYSE closing daily. The underlying assets in the CHET Advisor Stable Value Account are marked to market daily and reported to the Plan. In addition, wrap contracts with respect to the underlying assets in the CHET Advisor Stable Value Account seek to provide

for minimal fluctuation in principal values. The wrap contracts are valued by Invesco and reported to the Plan Manager 1monthly at contract value (also known as book value).

Fair Value Measurements - The Investment Options' investments valuation process is based on several Considerations and may use multiple inputs to determine the fair value of the investments held by the Investment Option. In conformity with accounting principles generally accepted in the United States of America, the inputs used to determine a valuation are classified into three broad levels.

- Level 1 valuation inputs consist of unadjusted quoted prices in an active market for identical assets and liabilities.
- Level 2 valuation inputs consist of direct or indirect observable market data (including quoted prices for comparable investments, evaluations of subsequent market events, interest rates, prepayment speeds, credit risk, etc.).
- Level 3 valuation inputs consist of unobservable data (including the Plan Manager's own assumptions).

The level classification is based on the lowest level input that is significant to the fair valuation measurement. The valuation inputs are not necessarily an indication of the risks associated with investing in these Underlying Funds or other financial instruments. There were no significant transfers between levels during the year.

At year end, the Investment Options' Underlying Mutual Funds were classified as Level I. At year end, CHET Advisor Stable Value Account investments are held at contract value and are excluded from the fair value hierarchy.

Security Transactions and Investment Income - Underlying Fund transactions are recorded as of the trade date (the date the order to buy or sell is executed) for financial reporting purposes. Realized gains and losses are determined on the basis of specific identified cost. Income and realized and unrealized gains and losses of each class are allocated daily based on the relative fiduciary net position of each class of units of the Investment Option.

Income and capital gain distributions from Underlying Funds are recorded on the ex-dividend date.

Units - Contributions by a participant are evidenced through the issuance of units in the particular Investment Option according to the investment elections made by the participant. Contributions and withdrawals are subject to terms and limitations defined in the participation agreement between the participant and the CHET Advisor Plan. Contributions are invested in units of the assigned Investment Option on the same day as the credit of the contribution to the participant's account. Withdrawals are based on the unit value calculated for such Investment Option on the day that the withdrawal request is accepted. The earnings portion of non-qualified withdrawals, in addition to applicable federal and state income taxes, may be subject to a 10% non-qualified withdrawal penalty to be withheld from the amount withdrawn.

Transfers of participant assets between Investment Options and classes within those Investment Options are referred to as transfers on the Statements of Changes in Fiduciary Net Position. Subject to certain limitations and restrictions, participants may generally direct their assets to be reinvested in one or more Investment Options twice each calendar year. For each Age-Based Investment Option, account balances are automatically transferred when a beneficiary reaches the next age band.

Bank Overdraft -The Investment Options recorded a bank overdraft resulting from a timing difference of transaction settlements.

Receivables - Receivables for Underlying Funds sold and receivables from units sold to participants of the CHET Advisor Plan represent the sales of the Underlying Funds held by the Investment Options and the contributions of the participants that have not settled as of the reporting date, respectively.

The Hartford Balanced Income Fund
 The Hartford Inflation Plus Fund
 The Hartford Strategic Income Fund
 The Hartford Total Return Bond Fund
 The Hartford World Bond Fund
 CHET Advisor Stable Value Account

Market Risks - In the normal course of business, the Underlying Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk). The market values of Underlying Funds may decline due to general market conditions, which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes

Payables - Payables for Underlying Funds purchased and payables from units redeemed from participants of the CHET Advisor Plan represent the purchases of the Underlying Funds held by the Investment Options and the Withdrawals of the participants that have not settled as of the reporting date, respectively.

Expenses - Expenses are recorded on the accrual basis of accounting. Under this method of accounting, expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

Note 3 - Investment Risks

The CHET Advisor Plan's investments represent shares of the Underlying Funds, rather than individual securities and therefore, are not subject to classification by custodial credit risk or disclosure of concentration of credit risk under GASB Statement No. 40, Deposit and Investment Risk Disclosures. The Underlying Funds are not rated by any nationally recognized statistical rating organization. An Investment Option is exposed to the risks of the Underlying Funds in direct proportion to the amount of assets the Investment Option allocates to each Underlying Fund.

Interest Rate Risks - Certain Underlying Funds invest in debt securities, including bonds, and are subject to interest rate risk. Declining interest rates generally increase the value of existing debt instruments, and rising interest rates generally decrease the value of existing debt instruments. The exposure to interest rate risk is greater with Underlying Funds with longer average effective maturity and average effective duration.

Certain Underlying Funds listed below have investments with exposure to interest rate risk. As of June 30, 2019 the average effective maturity and the average effective duration measured in years are as follows.

	Average Effective Maturity	Average Effective Duration
	10.26	7.19
	6.50	5.23
	9.16	5.07
	9.37	5.49
	4.79	3.96
	6.51	2.81

in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The market value of equity securities may also decline due to factors, which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

Foreign Currency Risks - Certain Underlying Funds invest in foreign securities. Certain additional risks are involved when investing in foreign securities that are not inherent with investments in domestic securities. These risks may involve foreign exchange rate fluctuations, adverse political and economic developments and the possible prevention of currency exchange or other foreign governmental laws or restrictions. In addition, the liquidity of foreign securities may be more limited than that of domestic securities.

Credit Risks - Certain Underlying Funds invest in fixed-income securities and are subject to credit risks. Generally, credit risk is the risk that an issuer (issuer credit risk) or other counterparty (counterparty credit risk) to an investment will not fulfil its obligation to the holder of the investment.

Financial assets, which potentially expose the Underlying Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Underlying Funds' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value as recorded in the Underlying Funds' Statements of Assets and Liabilities. Refer to the prospectuses and financial statements of the Underlying Funds for information on the respective underlying fund's investment strategy.

Note 4 - Federal and State Income Tax

The Program has been designated to comply with the requirements for treatment as a qualified state tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax. Therefore, no provision for income tax is required.

Note 5 - Plan Management and Other Fees

Allocable expenses incurred by the CHET Advisor Plan are allocated to each Investment Option and allocated to classes within the Investment Option in proportion to the average daily fiduciary net position of the Investment Option and each class, except where otherwise noted.

Plan Manager Fee -The Plan Manager has entered into a Plan Management Agreement with the Trust which provides for the payment of a Plan Manager Fee for services performed on behalf of the Trust.

Currently, the Plan Manager Fee is 0.16% and is accrued daily and paid monthly to HFMC. In addition, HFMC receives investment management fees from the underlying Hartford mutual funds. The Plan Manager also receives fees from the unaffiliated investment products. Prior to May 31, 2018, an affiliate of HFMC served as the Plan Manager.

Portfolio Fee - The CHET Advisor Stable Value Account, the underlying account, incurs a fee of 0.23% which includes an investment management fee and other expenses, but does not include wrap fees. This is an indirect fee charged on the underlying account and not a direct fee incurred by Account Owners.

Administrative Fee - The Administrative Fee of 0.01% is charged to pay the Trust's expenses related to the overall operation of the Connecticut Higher Education Trust. This fee is accrued and deducted daily as a percentage of average daily fiduciary net position of the Investment Options and paid monthly.

Annual Distribution Fee - The CHET Advisor Plan is authorized to charge an annual distribution fee to compensate Hartford Funds Distributors, LLC ("HFD"), an affiliate of HFMC, for activities intended to result in the sale and distribution of Classes A and C units and for providing services for shareholders.

The fee is accrued and deducted daily as a percentage of average fiduciary net position in the Investment Options and paid monthly. From its receipt of the annual distribution fee, RFD may compensate other entities for distributing units of the CHET Advisor Plan. As of June 30, 2019, the amount of distribution fees paid was \$2,028,636. The schedule below reflects the fees effective at June 30, 2019:

<u>Class of Units</u>	<u>Annual</u>
Class A	0.25%
Class C	1.00% *

*All portfolios other than CHET Advisor Stable Value 529 Portfolio, which the fee is 0.25% effective February 4, 2019.

Note 6 - Affiliate Holdings

As of June 30, 2019, affiliates of the Plan Manager had ownership in certain Investment Options in order to create startup capital. As of June 30, 2019, affiliates of The Hartford owned 0.88% of the units outstanding of Hartford Balanced Income 529 Portfolio.

Note 7 - Investments

HFMC manages the Plan's investments in 25 different portfolios. Each portfolio invests in underlying mutual funds, other than the CHET Advisor Stable Value Account which is not a mutual fund. The CHET Advisor Stable Value 529 Portfolio investment objectives are to preserve principal and interest income, to maintain liquidity for inter-fund transfers and withdrawals, and to provide for a portfolio book value crediting rate that moves generally in the direction of

prevailing market rates. The CHET Advisor Stable Value 529 Portfolio seeks to maximize current income while preserving principal and delivering stable investment returns. Except for the CHET Advisor Stable Value Account, investments are reported at fair value, which is the same as the value of the pool shares, and are accounted for by the Plan accordingly, with changes in the fair value included in investment earnings. The CHET Advisor Stable Value Account is a synthetic guaranteed investment contract, which is a form of derivative instrument as defined by GASB, and accordingly is reported at contract value in accordance with GASH standards. Changes in contract value are included in investment earnings. The fair value and the contract value of the CHET Advisor Stable Value Account as of June 30, 2019 are as follows.

	Fair Value	Contract Value
Underlying Investments	\$107,569,066	\$106,373,733
Wrap Contract	-	-
Total CHET Advisor Stable Value Account	\$107,569,066	\$106,373,733

The following table represents a calculation of the net change in investments during the year ended June 30, 2019:

Investments at fair value, end of year*	\$ 634,900,208
Less cost of investments purchased during year	(167,743,618)
Plus, cost relieved from investments sold during year	100,322,319
Less investments at fair value, beginning of year*	<u>(564,898,086)</u>
Net appreciation of investments during year	<u>\$2,580,823</u>

* Includes Contract Value of CHET Advisor Stable Value Account

Investments on the Combining Statements of Fiduciary Net Position consist of the following as of June 30, 2019:

CHET Advisor Plan	Shares	Cost	Market Value
CHET Advisor Stable Value Account*	10,284,786	\$ 103,833,492	\$ 106,373,733
iShares Russell 1000 Large-Cap Index Fund, Institutional Class	752,850	12,942,567	14,635,402
iShares Russell Mid-Cap Index Fund, Institutional Class	1,025,223	1 1,005,363	1 1,133,928
Hartford Core Equity Fund, Class F	2,083,912	58,443,817	67,060,286
Hartford Schroders Emerging Markets Equity Fund, Class F	1,037,427	16,277,490	16,246,108
The Hartford Balanced Income Fund, Class F	123,712	1,718,175	1,783,932
The Hartford Dividend and Growth Fund, Class F	2,915,982	72,915,419	71,791,467
The Hartford Equity Income Fund, Class F	3,003,084	57,766,401	57,989,551
The Hartford Growth Opportunities Fund, Class F	433,568	17,781,795	19,076,998
The Hartford Inflation Plus Fund, Class F	3,988,037	43,212,887	42,512,469
The Hartford International Opportunities Fund, Class F	3,416,028	53,578,944	53,187,552
The Hartford International Value Fund, Class F	2,275,190	36,237,342	32,489,713
The Hartford MidCap Fund, Class F	452,651	12,675,987	14,389,788
The Hartford Small Cap Growth Fund, Class F	447,911	22,393,878	21,683,372
The Hartford Strategic Income Fund, Class F	4,168,172	36,663,835	36,013,001
The Hartford Total Return Bond Fund, Class F	4,614,331	47,564,703	48,081,331
The Hartford World Bond Fund, Class F	1,891,913	19,823,206	20,451,577
		<u>\$ 624,835,301</u>	<u>\$ 634,900,208</u>

* Contract Value

Note 8 - Subsequent Event

Subsequent events have been evaluated through September 17, 2019, which is the date the financial statements were available to be

issued. There were no subsequent events identified related to the CHET Advisor Plan that could have a material impact on the CHET Advisor Plan's financial statement.

CONNECTICUT HIGHER EDUCATION TRUST – ADVISOR PLAN FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED JUNE 30, 2019

Class	Selected Per Share Data ⁽¹⁾										Ratios and Supplemental Data			
	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain/(Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Net Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Position	Portfolio Turnover ⁽²⁾				
CHET Advisor Age-Based Portfolio 0-3														
Class A	\$ 10.55	\$ 0.14	\$ 0.45	\$ 0.59	\$ 11.14	5.59 %	\$ 15,221	0.42 %	1.32 %	48 %				
Class C	10.49	0.05	0.45	0.50	10.99	4.77	2,314	1.17	0.52	48				
Class E	10.58	0.16	0.45	0.61	11.19	5.77	1,579	0.17	1.52	48				
CHET Advisor Age-Based Portfolio 4-6														
Class A	\$ 19.16	\$ 0.36	\$ 0.79	\$ 1.15	\$ 20.31	6.00 %	\$ 30,116	0.42 %	1.84 %	23 %				
Class C	18.08	0.19	0.76	0.95	19.03	5.25	5,047	1.17	1.04	23				
Class E	19.53	0.43	0.80	1.23	20.76	6.30	3,644	0.17	2.17	23				
CHET Advisor Age-Based Portfolio 7-9														
Class A	\$ 10.39	\$ 0.24	\$ 0.40	\$ 0.64	\$ 11.03	6.16 %	\$ 49,553	0.42 %	2.26 %	9 %				
Class C	10.33	0.16	0.40	0.56	10.89	5.42	5,951	1.17	1.52	9				
Class E	10.41	0.25	0.42	0.67	11.08	6.44	5,361	0.17	2.42	9				
CHET Advisor Age-Based Portfolio 10-11														
Class A	\$ 17.01	\$ 0.37	\$ 0.64	\$ 1.01	\$ 18.02	5.94 %	\$ 34,574	0.42 %	2.16 %	12 %				
Class C	16.06	0.22	0.60	0.82	16.88	5.11	4,196	1.17	1.35	12				
Class E	17.34	0.42	0.65	1.07	18.41	6.17	4,257	0.17	2.40	12				
CHET Advisor Age-Based Portfolio 12-13														
Class A	\$ 10.25	\$ 0.24	\$ 0.32	\$ 0.56	\$ 10.81	5.46 %	\$ 42,130	0.42 %	2.34 %	14 %				
Class C	10.19	0.17	0.31	0.48	10.67	4.71	5,878	1.17	1.66	14				
Class E	10.27	0.27	0.32	0.59	10.86	5.74	3,712	0.17	2.65	14				
CHET Advisor Age-Based Portfolio 14-1S														
Class A	\$ 15.63	\$ 0.42	\$ 0.46	\$ 0.88	\$ 16.51	5.63 %	\$ 43,374	0.42 %	2.65 %	11 %				
Class C	14.75	0.28	0.44	0.72	15.47	4.88	8,305	1.17	1.89	11				
Class E	15.95	0.46	0.48	0.94	16.89	5.89	5,038	0.17	2.87	11				
CHET Advisor Age-Based Portfolio 16														
Class A	\$ 13.46	\$ 0.16	\$ 0.41	\$ 0.57	\$ 14.03	4.23 %	\$ 19,302	0.42 %	1.21 %	15 %				
Class C	12.69	0.06	0.38	0.44	13.13	3.47	4,455	1.17	0.48	15				
Class E	13.73	0.2	0.41	0.61	14.34	4.44	2,466	0.17	1.47	15				
CHET Advisor Age-Based Portfolio 17														
Class A	\$ 10.12	\$ 0.11	\$ 0.30	\$ 0.41	\$ 10.53	4.05 %	\$ 17,685	0.42 %	1.08 %	89 %				
Class C	10.06	0.04	0.29	0.33	10.39	3.28	5,027	1.17	0.36	89				
Class E	10.14	0.14	0.30	0.44	10.58	4.34	2,262	0.17	1.36	89				
CHET Advisor Age-Based Portfolio 18+														
Class A	\$ 11.72	\$ 0.11	\$ 0.28	\$ 0.39	\$ 12.11	3.33 %	\$ 37,879	0.42 %	0.90 %	34 %				
Class C	11.05	0.01	0.28	0.29	11.34	2.62	10,830	1.17	0.13	34				
Class E	11.94	0.14	0.29	0.43	12.37	3.60	4,993	0.17	1.14	34				

**CONNECTICUT HIGHER EDUCATION TRUST – ADVISOR PLAN
FINANCIAL HIGHLIGHTS
FOR THE YEAR ENDED JUNE 30, 2019**

Class	Selected Per Share Data ⁽¹⁾										Ratios and Supplemental Data								
	Net Position Value at Beginning of Period			Net Investment Income (Loss)		Realized and Unrealized Gain/(Loss)		Total from Investment Operations		Net Position Value at End of Period		Total Return Based on Net Position Value per Unit		Net Position at End of Period (000's)			Ratio of Net Investment Income (Loss) to Average Net Position		Portfolio Turnover ⁽²⁾
	\$			\$		\$		\$		\$		%		\$		%		%	
CHET Advisor Aggressive Growth Portfolio																			
Class A	\$ 21.45	\$ 0.28	\$ 0.90	\$ 1.18	\$ 22.63	5.50	%	\$ 17,337	0.42	%	1.32	%	4			%			4
Class C	20.24	0.12	0.84	0.96	21.20	4.74		3,445	1.17		0.58		4						4
Class E	21.86	0.34	0.93	1.27	23.13	5.81		7,341	0.17		1.57		4						4
CHET Advisor Balanced Portfolio																			
Class A	\$ 16.39	\$ 0.34	\$ 0.63	\$ 0.97	\$ 17.36	5.92	%	\$ 25,035	0.42	%	2.05	%	15			%			15
Class C	15.47	0.20	0.59	0.79	16.26	5.11		6,840	1.17		1.3		15						15
Class E	16.71	0.39	0.64	1.03	17.74	6.16		3,094	0.17		2.29		15						15
CHET Advisor Conservative Portfolio																			
Class A	\$ 13.5	\$ 0.17	\$ 0.39	\$ 0.56	\$ 14.06	4.15	%	\$ 5,718	0.42	%	1.22	%	22			%			22
Class C	12.74	0.06	0.38	0.44	13.18	3.45		1,640	1.17		0.50		22						22
Class E	13.76	0.21	0.40	0.61	14.37	4.43		600	0.17		1.53		22						22
CHET Advisor Growth Portfolio																			
Class A	\$ 19.14	\$ 0.36	\$ 0.80	\$ 1.16	\$ 20.30	6.06	%	\$ 29,282	0.42	%	1.86	%	8			%			8
Class C	18.07	0.20	0.75	0.95	19.02	5.26		5,578	1.17		1.11		8						8
Class E	19.52	0.42	0.81	1.23	20.75	6.30		3,298	0.17		2.12		8						8
CHET Advisor Stable Value 529 Portfolio																			
Class A	\$ 10.10	\$ (0.04)	\$ 0.21	\$ 0.17	\$ 10.27	1.68	%	\$ 15,677	0.42	%	(0.42)	%	18			%			18
Class C	10.04	(0.09)	0.21	0.12	10.16	1.20		4,535	0.87		(0.87)		18						18
Class E	10.12	(0.02)	0.21	0.19	10.31	1.88		4,276	0.17		(0.17)		18						18
Hartford Balanced Income 529 Portfolio																			
Class A	\$ 10.05	\$ 0.35	\$ 0.68	\$ 1.03	\$ 11.08	10.25	%	\$ 957	0.42	%	3.35	%	3			%			3
Class C	9.99	0.21	0.74	0.95	10.94	9.51		70	1.17		2.05		3						3
Class E	10.07	0.36	0.70	1.06	11.13	10.53		757	0.17		3.44		3						3
Hartford Core Equity 529 Portfolio																			
Class A	\$ 11.21	\$ 0.07	\$ 1.39	\$ 1.46	\$ 12.67	13.02	%	\$ 9,611	0.42	%	0.62	%	9			%			9
Class C	11.15	(0.01)	1.36	1.35	12.50	12.11		2,043	1.17		(0.12)		9						9
Class E	11.23	0.10	1.4	1.50	12.73	13.36		3,107	0.17		0.85		9						9
Hartford Dividend and Growth 529 Portfolio																			
Class A	\$ 24.00	\$ 0.39	\$ 1.88	\$ 2.27	\$ 26.27	9.46	%	\$ 16,914	0.42	%	1.55	%	11			%			11
Class C	22.64	0.17	1.79	1.96	24.60	8.66		7,931	1.17		0.72		11						11
Class E	24.45	0.45	1.93	2.38	26.83	9.73		3,472	0.17		1.79		11						11
Hartford Equity Income 529 Portfolio																			
Class A	\$ 23.32	\$ 0.46	\$ 1.80	\$ 2.26	\$ 25.58	9.69	%	\$ 7,186	0.42	%	1.9	%	10			%			10
Class C	22.01	0.26	1.69	1.95	23.96	8.86		2,317	1.17		1.14		10						10
Class E	23.77	0.52	1.85	2.37	26.14	9.97		1,397	0.17		2.12		10						10

**CONNECTICUT HIGHER EDUCATION TRUST – ADVISOR PLAN
FINANCIAL HIGHLIGHTS
FOR THE YEAR ENDED JUNE 30, 2019**

Class	Selected Per Share Data ⁽¹⁾										Ratios and Supplemental Data								
	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain/(Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return Based on Net Position Value per Unit per Unit	Net Position at End of Period (000's)	Ratio of Net Investment Income (Loss) to Average Net Position		Portfolio Turnover ⁽²⁾									
								Ratio of Net Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Position										
Hartford Growth Opportunities 529 Portfolio																			
Class A	\$ 32.16	\$ (0.14)	\$ 3.84	\$ 3.70	\$ 35.86	11.50 %	\$ 13,278	0.42 %	(0.42) %	8 %									
Class C	30.36	(0.36)	3.59	3.23	33.59	10.64	3,069	1.17	(1.17)	8									
Class E	32.8	(0.06)	3.92	3.86	36.66	11.77	2,727	0.17	(0.17)	8									
Hartford Inflation Plus 529 Portfolio																			
Class A	\$ 11.17	\$ 0.37	\$ 0.02	\$ 0.39	\$ 11.56	3.49 %	\$ 3,204	0.42 %	3.34 %	16 %									
Class C	10.54	0.30	(0.01)	0.29	10.83	2.75	1,745	1.17	2.82	16									
Class E	11.38	0.41	0.02	0.43	11.81	3.78	456	0.17	3.59	16									
Hartford International Opportunities 529 Portfolio																			
Class A	\$ 15.33	\$ 0.18	\$ (0.24)	\$ (0.06)	\$ 15.27	(0.39) %	\$ 6,925	0.42 %	1.23 %	10 %									
Class C	14.46	0.07	(0.23)	(0.16)	14.30	(1.11)	1,517	1.17	0.52	10									
Class E	15.63	0.22	(0.24)	(0.02)	15.61	(0.13)	1,809	0.17	1.48	10									
Hartford MidCap 529 Portfolio																			
Class A	\$ 28.19	\$ (0.12)	\$ 2.42	\$ 2.30	\$ 30.49	8.16 %	\$ 9,560	0.42 %	(0.42) %	7 %									
Class C	26.61	(0.31)	2.26	1.95	28.56	7.33	2,086	1.17	(1.17)	7									
Class E	28.73	(0.05)	2.47	2.42	31.15	8.42	2,741	0.17	(0.17)	7									
Hartford Small Cap Growth 529 Portfolio																			
Class A	\$ 27.49	\$ (0.11)	\$ 0.07	\$ (0.04)	\$ 27.45	(0.15) %	\$ 6,374	0.42 %	(0.42) %	8 %									
Class C	25.93	(0.29)	0.06	(0.23)	25.70	(0.89)	993	1.17	(1.17)	8									
Class E	28.02	(0.05)	0.08	0.03	28.05	0.11	1,776	0.17	(0.17)	8									
Hartford Total Return Bond 529 Portfolio																			
Class A	\$ 12.23	\$ 0.48	\$ 0.45	\$ 0.93	\$ 13.16	7.60 %	\$ 5,615	0.42 %	3.85 %	18 %									
Class C	11.53	0.37	0.42	0.79	12.32	6.85	1,505	1.17	3.15	18									
Class E	12.46	0.52	0.47	0.99	13.45	7.95	999	0.17	4.12	18									
Hartford World Bond 529 Portfolio																			
Class A	\$ 10.84	\$ 0.47	\$ 0.15	\$ 0.62	\$ 11.46	5.72 %	\$ 1,542	0.42 %	4.24 %	17 %									
Class C	10.45	0.38	0.13	0.51	10.96	4.88	1,680	1.17	3.56	17									
Class E	10.97	0.48	0.17	0.65	11.62	5.93	604	0.17	4.27	17									

(1) Information presented relates to a unit outstanding throughout the indicated period.

(2) Portfolio turnover rate is calculated on the basis of the portfolio as a whole without distinguishing between the class of shares issued.

Supplemental Information



PENSION FUND MANAGEMENT DIVISION

COMBINED INVESTMENT FUNDS TOTAL NET POSITION VALUE BY PENSION PLANS AND TRUST FUNDS JUNE 30, 2019

<u>Retirement Funds</u>	<u>Net Position Value</u>
Teachers' Retirement Fund	18,492,535,913
State Employees' Retirement Fund	13,250,838,732
Municipal Employees' Retirement Fund	2,709,856,351
State Judges' Retirement Fund	235,909,238
The Probate Court Retirement Fund	109,625,219
State's Attorneys Retirement Fund	2,064,739
	\$
<u>Non-retirement Trust Funds</u>	
Soldiers' Sailors' & Marines' Fund	79,054,353
Police & Firemans' Survivors' Benefit Fund	36,665,187
Connecticut Arts Endowment Fund	20,258,637
School Fund	12,126,665
Ida Eaton Cotton Fund	2,695,802
Hopemead State Park Fund	4,138,095
Andrew C. Clark Fund	1,267,758
Agricultural College Fund	667,380
OPEB Fund	1,156,974,603
TOTAL	\$ 36,114,678,672

**COMBINED INVESTMENT FUNDS
SCHEDULE OF NET POSITION BY INVESTMENT FUND
JUNE 30, 2019**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND	EMERGING MARKET DEBT FUND
ASSETS						
Investments in Securities , at Fair Value						
Liquidity Fund	\$ -	\$ 3,724,669	\$ 522,748,095	\$ 270,095,840	\$ 30,004,553	\$ 143,453,092
Cash Equivalents	520,133,424	-	-	22,688,322	3,657,385	(651,300)
Asset Backed Securities	-	-	-	138,598,545	(2,924,236)	1,764,320
Government Securities	3,806,358	-	-	1,136,234,192	1,411,730,920	1,561,549,274
Government Agency Securities	10,036,213	-	-	913,589,844	-	-
Mortgage Backed Securities	-	-	-	240,049,992	-	-
Corporate Debt	1,259,944,023	-	-	927,625,344	26,074,575	402,682,461
Convertible Securities	-	-	-	-	-	-
Common Stock	-	-	7,512,907,521	-	-	-
Preferred Stock	-	-	-	2,066,682	-	-
Real Estate Investment Trust	-	-	233,117,035	34,730,454	-	-
Mutual Fund	647.00	-	108,450	-	-	-
Limited Liability Corporation	-	-	-	-	-	-
Limited Partnerships	-	2,899,260,445	530,849	-	-	-
Total Investments in Securities, at Fair Value	1,793,920,665	2,902,985,114	8,269,411,950	3,685,679,215	1,468,543,197	2,108,797,847
Cash	-	-	34,156	2,667,730	8,138,922	7,761,997
Receivables						
Foreign Exchange Contracts	-	-	-	-	680,305,553	652,749,881
Interest Receivable	4,049,837	20,192	670,196	19,712,306	6,308,381	40,345,631
Dividends Receivable	-	-	6,566,800	-	-	-
Due from Brokers	-	-	40,643,902	348,707,411	2,743,081	8,293,284
Foreign Taxes	-	-	89	-	225,866	931,303
Securities Lending Receivable	-	-	207,356	94,230	35,544	14,986
Reserve for Doubtful Receivables	-	-	(50,916)	-	(41,211)	(376,932)
Total Receivables	4,049,837	20,192	48,037,427	368,513,947	689,577,214	701,958,153
Invested Securities Lending Collateral	-	-	532,162,379	438,809,950	228,469,792	40,592,165
Prepaid Expenses	-	-	-	-	-	-
Total Assets	1,797,970,502	2,903,005,306	8,849,645,912	4,495,670,842	2,394,729,125	2,859,110,162
LIABILITIES						
Payables						
Foreign Exchange Contracts	-	-	-	-	682,438,490	649,269,895
Due to Brokers	-	-	45,120,211	692,648,455	1,976,972	60,561,695
Income Distribution	3,827,084	-	-	-	-	-
Other Payable	5	5,149	-	-	-	-
Total Payables	3,827,089	5,149	45,120,211	692,648,455	684,415,462	709,831,590
Securities Lending Collateral	-	-	532,162,379	438,809,950	228,469,792	40,592,165
Accrued Expenses	58,854	100,036	4,088,147	1,199,110	559,238	1,742,197
Total Liabilities	3,885,943	105,185	581,370,737	1,132,657,515	913,444,492	752,165,952
NET POSITION HELD IN TRUST FOR PARTICIPANTS						
	\$ 1,794,084,559	\$ 2,902,900,121	\$ 8,268,275,175	\$ 3,363,013,327	\$ 1,481,284,633	\$ 2,106,944,210
Units Outstanding	1,794,084,563	2,207,956,578	3,593,113	24,162,634	8,889,816	11,179,620
Net Position Value and Redemption						
Price per Unit	\$ 1.000	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63	\$ 188.46

COMBINED INVESTMENT FUNDS
SCHEDULE OF NET POSITION BY INVESTMENT FUND (Continued)
JUNE 30, 2019

HIGH YIELD DEBT FUND	DEVELOPED MARKET INTERNATIONAL STOCK FUND	EMERGING MARKET INTERNATIONAL STOCK FUND	REAL ESTATE FUND	PRIVATE INVESTMENT FUND	ELIMINATION ENTRY	TOTAL
\$ 77,237,768	\$ 133,352,803	\$ 125,506,505	\$ 59,865,480	\$ 91,577,580	\$ (1,457,566,385)	\$ -
1,379,965	298,196	-	-	-	-	547,505,992
1,646,919	-	-	-	-	-	139,085,548
82,045,023	-	-	-	-	-	4,195,365,767
-	-	-	-	-	-	923,626,057
762,632	-	-	-	-	-	240,812,624
1,921,967,639	-	-	-	-	-	4,538,294,042
27,070,088	-	-	-	-	-	27,070,088
15,422,638	6,125,223,847	2,907,784,949	-	-	-	16,561,338,955
12,948,200	16,759,529	30,202,747	-	-	-	61,977,158
50,211,208	70,143,587	32,436,500	-	-	-	420,638,784
-	621,933,349	187,533,588	-	-	-	809,576,034
-	-	-	-	1,156,486	-	1,156,486
-	-	-	2,376,230,840	2,615,080,921	-	7,891,103,055
2,190,692,080	6,967,711,311	3,283,464,289	2,436,096,320	2,707,814,987	(1,457,566,385)	36,357,550,590
9,147,261	29,676,619	675,127	2,540,407	3,133,573	-	63,775,792
32,608,336	6,821,658,526	16,338,875	-	593,146	1,246,091	8,205,500,408
33,673,895	250,009	268,178	109,193	195,712	(4,049,837)	101,553,693
6,259	10,644,471	17,458,484	-	-	-	34,676,014
10,273,719	2,336,535	23,346,356	-	-	-	436,344,288
-	22,940,704	394,487	-	-	-	24,492,449
239,953	233,351	37,197	-	-	-	862,617
-	(3,614,542)	(40,824)	-	-	-	(4,124,425)
76,802,162	6,854,449,054	57,802,753	109,193	788,858	(2,803,746)	8,799,305,044
626,150,617	134,525,791	91,679,917	-	-	-	2,092,390,611
-	-	-	-	188,719	-	188,719
2,902,792,120	13,986,362,775	3,433,622,086	2,438,745,920	2,711,926,137	(1,460,370,131)	47,313,210,756
32,680,599	6,831,006,867	16,344,261	-	592,051	-	8,212,332,163
36,515,228	16,027,271	18,566,770	-	-	-	871,416,602
-	-	-	-	-	(2,755,926)	1,071,158
-	-	-	-	-	(5)	5,149
69,195,827	6,847,034,138	34,911,031	-	592,051	(2,755,931)	9,084,825,072
626,150,617	134,525,791	91,679,917	-	-	-	2,092,390,611
1,923,006	6,296,303	4,010,034	866,332	520,963	(47,819)	21,316,401
697,269,450	6,987,856,232	130,600,982	866,332	1,113,014	(2,803,750)	11,198,532,084
\$ 2,205,522,670	\$ 6,998,506,543	\$ 3,303,021,104	\$ 2,437,879,588	\$ 2,710,813,123	\$ (1,457,566,381)	\$ 36,114,678,672
13,116,489	12,189,239	7,268,222	39,077,507	26,221,689		
\$ 168.15	\$ 574.15	\$ 454.45	\$ 62.39	\$ 103.38		

**COMBINED INVESTMENT FUNDS
SCHEDULE OF CHANGES IN NET POSITION BY INVESTMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND	EMERGING MARKET DEBT FUND
ADDITIONS						
OPERATIONS						
Investment Income						
Dividends	\$ -	\$ 9,964,741	\$ 144,927,153	\$ -	\$ 102	\$ -
Interest	44,632,107	1,019,701	2,479,095	95,930,359	3,868,799	132,566,872
Other Income	3,140	8,286	1,791,996	270,212	-	265,794
Securities Lending	-	-	23,483,152	7,705,469	6,824,114	861,183
Total Income	44,635,247	10,992,728	172,681,396	103,906,040	10,693,015	133,693,849
Investment Advisory Fees	369,219	-	15,508,702	4,366,985	2,141,630	7,335,489
Custody and Transfer Agent Fees	(76,882)	235,146	650,259	254,177	119,663	159,996
Professional Fees	55,186	885,222	231,211	61,334	34,974	46,388
Security Lending Fees	-	-	456,383	90,059	47,300	22,417
Security Lending Rebates	-	-	18,919,321	6,804,879	6,351,111	637,008
Investment Expenses	-	-	-	44,675	1,133,073	931,993
Total Expenses	347,523	1,120,368	35,765,876	11,622,109	9,827,751	9,133,291
Net Investment Income	44,287,724	9,872,360	136,915,520	92,283,931	865,264	124,560,558
Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency	(1,159)	78,064,556	541,901,969	112,608,474	48,489,272	69,129,232
Net Increase (Decrease) in Net Position Resulting from Operations	44,286,565	87,936,916	678,817,489	204,892,405	49,354,536	193,689,790
Unit Transactions						
Purchase of Units by Participants	14,611,348,963	493,603,283	296,118,288	374,810,166	41,663,116	41,859,214
TOTAL ADDITIONS	14,655,635,528	581,540,199	974,935,777	579,702,571	91,017,652	235,549,004
DEDUCTIONS						
Administrative Expenses:						
Salary and Fringe Benefits	(267,293)	(625,395)	(967,165)	(367,089)	(160,097)	(213,797)
Distributions to Unit Owners:						
Income Distributed	(44,019,277)	-	-	-	-	-
Returns of Capital	-	-	-	-	-	-
Total Distributions	(44,019,277)	-	-	-	-	-
Unit Transactions						
Redemption of Units by Participants	(14,820,445,251)	(100,664,727)	(460,590,534)	(333,937,435)	(9,049,114)	(29,902,333)
TOTAL DEDUCTIONS	(14,864,731,821)	(101,290,122)	(461,557,699)	(334,304,524)	(9,209,211)	(30,116,130)
CHANGE IN NET POSITION HELD IN TRUST FOR PARTICIPANTS						
	(209,096,293)	480,250,077	513,378,078	245,398,047	81,808,441	205,432,874
Net Position- Beginning of Period	2,003,180,852	2,422,650,044	7,754,897,097	3,117,615,280	1,399,476,192	1,901,511,336
Net Position- End of Period	\$ 1,794,084,559	\$ 2,902,900,121	\$ 8,268,275,175	\$ 3,363,013,327	\$ 1,481,284,633	\$ 2,106,944,210
Other Information:						
Units						
Purchased	16,614,529,815	388,941,380	144,807	2,219,902	255,620	236,423
Redeemed	(16,887,156,644)	(78,230,352)	(204,687)	(1,956,053)	(56,808)	(168,376)
Net Increase (Decrease)	(272,626,829)	310,711,028	(59,880)	263,849	198,812	68,047

COMBINED INVESTMENT FUNDS
SCHEDULE OF CHANGES IN NET POSITION BY INVESTMENT FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

HIGH YIELD INVESTMENT FUND	DEVELOPED MARKET INTERNATIONAL STOCK FUND	EMERGING MARKET INTERNATIONAL STOCK FUND	REAL ESTATE FUND	PRIVATE INVESTMENT FUND	ELIMINATION ENTRY	TOTAL
\$ 3,965,204	\$ 204,291,850	\$ 74,841,342	\$ 82,872,747	\$ 41,682,818	\$ -	\$ 562,545,957
144,369,023	3,723,319	2,279,560	1,627,957	2,112,100	(23,827,629)	410,781,263.00
3,544,147	328,770	56,042	-	-	(1,676)	6,266,711
15,113,719	5,495,046	8,955,466	-	-	-	68,438,149
166,992,093	213,838,985	86,132,410	84,500,704	43,794,918	(23,829,305)	1,048,032,080
7,389,586	24,639,476	11,114,981	3,723,807	1,957,509	(197,114)	78,350,270
178,194	632,578	289,493	293,755	333,037	41,045	3,110,461
49,291	182,671	67,815	504,220	1,259,335	(29,462)	3,348,185
401,825	271,587	128,259	-	-	-	1,417,830
11,095,466	2,779,179	7,672,873	-	-	-	54,259,837
1,852	131,571	1,178,402	3,873,907	38,400,166	-	45,695,639
19,116,214	28,637,062	20,451,823	8,395,689	41,950,047	(185,531)	186,182,222
147,875,879	185,201,923	65,680,587	76,105,015	1,844,871	(23,643,774)	861,849,858
(24,490,214)	(170,570,790)	55,191,946	70,593,032	336,158,028	620	1,117,074,966
123,385,665	14,631,133	120,872,533	146,698,047	338,002,899	(23,643,154)	1,978,924,824
142,821,055	471,911,860	437,008,713	148,664,689	195,194,689	(11,338,570,309)	5,916,433,727
266,206,720	486,542,993	557,881,246	295,362,736	533,197,588	(11,362,213,463)	7,895,358,551
(242,425)	(664,254)	(280,797)	(488,667)	(610,266)	142,699	(4,744,546)
-	-	-	-	-	23,500,457	(20,518,820)
-	-	-	-	-	-	-
-	-	-	-	-	23,500,457	(20,518,820)
(192,272,294)	(640,115,173)	(45,574,071)	(142,025,000)	(547,880,000)	11,174,981,623	(6,147,474,309)
(192,514,719)	(640,779,427)	(45,854,868)	(142,513,667)	(548,490,266)	11,198,624,779	(6,172,737,675)
73,692,001	(154,236,434)	512,026,378	152,849,069	(15,292,678)	(163,588,684)	1,722,620,876
2,131,830,669	7,152,742,977	2,790,994,726	2,285,030,519	2,726,105,801	(1,293,977,697)	34,392,057,796
\$ 2,205,522,670	\$ 6,998,506,543	\$ 3,303,021,104	\$ 2,437,879,588	\$ 2,710,813,123	\$ (1,457,566,381)	\$ 36,114,678,672
867,867	830,096	1,054,308	2,481,655	2,162,214		
(1,169,483)	(1,140,090)	(105,167)	(2,394,585)	(5,976,108)		
(301,616)	(309,994)	949,141	87,070	(3,813,894)		

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENT FUNDS
 SCHEDULE OF INVESTMENT ACTIVITY BY PENSION PLAN
 FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND
Teachers' Retirement Fund					
Book Value at June 30, 2018	\$ 500,554,059	\$ 1,145,943,424	\$ 481,217,480	\$ 1,340,456,524	\$ 490,258,678
Market Value at June 30, 2018	\$ 500,869,588	\$ 1,300,793,652	\$ 4,176,469,999	\$ 1,444,071,902	\$ 597,830,609
Shares Purchased	2,211,722,921	205,000,000	45,000,000	15,000,000	-
Shares Redeemed	(2,534,238,630)	(36,000,000)	(237,215,580)	(115,000,000)	(2,000,000)
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	315,515	3,851,240	211,464,302	8,394,259	358,437
Net Investment Income Earned	14,669,861	-	-	-	-
Net Investment Income Distributed	(14,669,861)	-	-	-	-
Changes in Market Value of Fund Shares	(315,518)	41,180,170	143,012,133	81,172,921	20,365,791
Market Value at Jun. 30, 2019	\$ 178,353,876	\$ 1,514,825,062	\$ 4,338,730,854	\$ 1,433,639,082	\$ 616,554,837
Book Value/Cost at Jun 30, 2019	\$ 178,353,865	\$ 1,318,794,664	\$ 500,466,202	\$ 1,248,850,783	\$ 488,617,115
Shares Outstanding	178,353,868	1,152,181,619	1,885,466	10,300,434	3,700,207
Market Value per Share	\$ 1.00	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63
State Employees' Retirement Fund					
Book Value at June 30, 2018	\$ 163,468,193	\$ 727,077,539	\$ 267,602,123	\$ 1,036,452,798	\$ 533,911,818
Market Value at June 30, 2018	\$ 162,844,591	\$ 828,679,372	\$ 2,865,805,247	\$ 1,124,933,752	\$ 621,974,054
Shares Purchased	644,603,582	221,000,000	180,000,000	105,000,000	-
Shares Redeemed	(706,102,875)	(18,000,000)	(173,265,728)	(34,000,000)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(623,594)	1,890,176	157,665,473	2,712,396	-
Net Investment Income Earned	4,994,346	-	-	-	-
Net Investment Income Distributed	(4,994,346)	-	-	-	-
Changes in Market Value of Fund Shares	623,594	30,377,365	98,548,520	74,898,435	21,635,448
Market Value at Jun. 30, 2019	\$ 101,345,298	\$ 1,063,946,913	\$ 3,128,753,512	\$ 1,273,544,583	\$ 643,609,502
Book Value/Cost at Jun 30, 2019	\$ 101,345,306	\$ 931,967,715	\$ 432,001,868	\$ 1,110,165,194	\$ 533,911,818
Shares Outstanding	101,345,302	809,241,906	1,359,651	9,150,185	3,862,573
Market Value per Share	\$ 1.00	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63
Municipal Employees' Retirement Fund					
Book Value at June 30, 2018	\$ 10,867,499	\$ 164,428,913	\$ 90,137,175	\$ 225,466,125	\$ 124,051,028
Market Value at June 30, 2018	\$ 10,865,093	\$ 193,108,375	\$ 465,190,230	\$ 245,101,258	\$ 143,874,144
Shares Purchased	117,248,357	27,500,000	9,000,000	105,000,000	-
Shares Redeemed	(104,986,574)	(9,400,000)	(30,681,341)	(29,000,000)	(6,000,000)
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(2,402)	1,294,874	25,060,098	2,393,272	763,065
Net Investment Income Earned	738,527	-	-	-	-
Net Investment Income Distributed	(738,527)	-	-	-	-
Changes in Market Value of Fund Shares	2,402	5,220,801	15,091,186	13,645,914	3,956,551
Market Value at Jun. 30, 2019	\$ 23,126,876	\$ 217,724,050	\$ 483,660,173	\$ 337,140,444	\$ 142,593,760
Book Value/Cost at Jun 30, 2019	\$ 23,126,880	\$ 183,823,787	\$ 93,515,932	\$ 303,859,397	\$ 118,814,093
Shares Outstanding	23,126,886	165,601,706	210,182	2,422,292	855,766
Market Value per Share	\$ 1.00	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENT FUNDS
 SCHEDULE OF INVESTMENT ACTIVITY BY PENSION PLAN (Continued)
 FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

EMERGING MARKET DEBT FUND	HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ESTATE FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ 804,096,873	\$ 724,352,466	\$ 1,706,011,692	\$ 779,227,877	\$ 939,215,335	\$ 953,357,675	\$ 9,864,692,083
\$ 1,037,408,409	\$ 984,701,696	\$ 3,865,403,800	\$ 1,512,931,096	\$ 1,213,317,623	\$ 1,302,961,301	\$ 17,936,759,675
-	100,000,000	242,215,580	190,000,000	35,000,000	125,000,000	3,168,938,501
(12,000,000)	(28,000,000)	(312,000,000)	(15,000,000)	(90,000,000)	(229,500,000)	(3,610,954,210)
-	-	-	-	-	-	-
3,150,264	8,064,944	169,215,366	7,430,764	20,848,737	61,320,561	494,414,389
-	-	-	-	-	-	14,669,861
-	-	-	-	-	-	(14,669,861)
101,357,257	50,807,584	(160,954,539)	55,924,817	54,391,323	116,435,619	503,377,558
\$ 1,129,915,930	\$ 1,115,574,224	\$ 3,803,880,207	\$ 1,751,286,677	\$ 1,233,557,683	\$ 1,376,217,481	\$ 18,492,535,913
\$ 795,247,137	\$ 804,417,410	\$ 1,805,442,638	\$ 961,658,641	\$ 905,064,072	\$ 910,178,236	\$ 9,917,090,763
5,995,427	6,634,444	6,625,186	3,853,666	19,773,068	13,312,149	1,402,615,535
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.45	\$ 62.39	\$ 103.38	\$
\$ 455,733,917	\$ 483,157,059	\$ 1,128,726,606	\$ 544,231,263	\$ 633,205,543	\$ 828,572,859	\$ 6,802,139,718
\$ 601,854,811	\$ 641,998,160	\$ 2,698,516,188	\$ 1,045,660,790	\$ 817,014,653	\$ 1,097,702,565	\$ 12,506,984,183
1,000,000	30,000,000	153,265,728	142,000,000	32,500,000	3,000,000	1,512,369,310
-	-	(237,000,000)	(30,000,000)	(30,000,000)	(246,000,000)	(1,474,368,603)
-	-	-	-	-	-	-
-	-	133,847,994	12,643,400	7,092,965	60,550,878	375,779,688
-	-	-	-	-	-	4,994,346
-	-	-	-	-	-	(4,994,346)
61,011,358	38,092,261	(129,883,719)	30,133,595	46,086,363	58,550,934	330,074,154
\$ 663,866,169	\$ 710,090,421	\$ 2,618,746,191	\$ 1,200,437,785	\$ 872,693,981	\$ 973,804,377	\$ 13,250,838,732
\$ 456,733,917	\$ 513,157,059	\$ 1,178,840,328	\$ 668,874,663	\$ 642,798,508	\$ 646,123,737	\$ 7,215,920,113
3,522,529	4,222,987	4,561,048	2,641,536	13,988,675	9,419,608	963,315,999
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.45	\$ 62.39	\$ 103.38	\$
\$ 178,058,388	\$ 305,394,886	\$ 188,108,276	\$ 104,195,112	\$ 126,003,589	\$ 165,739,067	\$ 1,682,450,058
\$ 210,183,645	\$ 378,209,773	\$ 399,127,706	\$ 171,729,818	\$ 172,537,893	\$ 237,461,018	\$ 2,627,388,953
6,000,000	-	26,681,341	28,376,000	6,000,000	-	325,805,698
(4,000,000)	(111,000,000)	(28,000,000)	-	(11,000,000)	(62,500,000)	(396,567,915)
-	-	-	-	-	-	-
547,930	24,470,387	14,537,731	-	3,033,921	18,774,869	90,873,745
-	-	-	-	-	-	738,527
-	-	-	-	-	-	(738,527)
20,804,533	(4,813,387)	(12,847,381)	7,987,663	7,926,103	5,381,485	62,355,870
\$ 233,536,108	\$ 286,866,773	\$ 399,499,397	\$ 208,093,481	\$ 178,497,917	\$ 199,117,372	\$ 2,709,856,351
\$ 180,606,318	\$ 218,865,273	\$ 201,327,348	\$ 132,571,112	\$ 124,037,510	\$ 122,013,936	\$ 1,702,561,586
1,239,162	1,706,029	695,805	457,905	2,861,197	1,926,062	201,102,991
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.45	\$ 62.39	\$ 103.38	\$

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS
SCHEDULE OF INVESTMENT ACTIVITY BY PENSION PLAN (Continued)
FOR FISCAL YEAR ENDED JUNE 30, 2019**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND
Probate Court Retirement Fund					
Book Value at June 30, 2018	\$ 712,438	\$ 3,940,477	\$ 2,908,911	\$ 8,562,535	\$ 3,993,504
Market Value at June 30, 2018	\$ 712,447	\$ 4,676,702	\$ 18,098,327	\$ 9,525,118	\$ 4,825,615
Shares Purchased	12,493,090	2,400,000	2,477,041	7,225,000	400,000
Shares Redeemed	(7,649,618)	-	(1,532,422)	(900,000)	(52,114)
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	5	-	1,302,012	91,399	7,315
Net Investment Income Earned	50,032	-	-	-	-
Net Investment Income Distributed	(50,032)	-	-	-	-
Changes in Market Value of Fund Shares	(5)	178,849	442,369	591,133	178,576
Market Value at Jun. 30, 2019	\$ 5,555,919	\$ 7,255,551	\$ 20,787,327	\$ 16,532,650	\$ 5,359,392
Book Value\Cost at Jun 30, 2019	\$ 5,555,915	\$ 6,340,477	\$ 5,155,542	\$ 14,978,934	\$ 4,348,705
Shares Outstanding	5,555,917	5,518,599	9,033	118,784	32,164
Market Value per Share	\$ 1.00	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63
Judges' Retirement Fund					
Book Value at June 30, 2018	\$ 1,623,161	\$ 14,199,662	\$ 7,656,721	\$ 19,410,958	\$ 9,448,580
Market Value at June 30, 2018	\$ 1,614,669	\$ 16,680,375	\$ 39,627,412	\$ 21,087,759	\$ 11,240,171
Shares Purchased	6,058,988	2,200,000	5,349,246	18,000,000	374,407
Shares Redeemed	(6,395,000)	(3,000,000)	(2,057,119)	(2,950,000)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(8,489)	438,207	1,683,344	247,719	-
Net Investment Income Earned	89,657	-	-	-	-
Net Investment Income Distributed	(89,657)	-	-	-	-
Changes in Market Value of Fund Shares	8,489	96,383	2,087,620	1,208,580	412,289
Market Value at Jun. 30, 2019	\$ 1,278,657	\$ 16,414,965	\$ 46,690,503	\$ 37,594,058	\$ 12,026,867
Book Value\Cost at Jun 30, 2019	\$ 1,278,660	\$ 13,837,869	\$ 12,632,192	\$ 34,708,677	\$ 9,822,987
Shares Outstanding	1,278,659	12,485,284	20,290	270,106	72,178
Market Value per Share	\$ 1.00	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63
State's Attorneys' Retirement Fund					
Book Value at June 30, 2018	\$ 17,630	\$ -	\$ 152,767	\$ 403,084	\$ 28,131
Market Value at June 30, 2018	\$ 17,620	\$ -	\$ 596,103	\$ 440,728	\$ 37,110
Shares Purchased	52,902	143,283	52,000	14,000	67,336
Shares Redeemed	(50,797)	-	(297,231)	(140,335)	(2,000)
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(9)	-	208,476	16,630	410
Net Investment Income Earned	430	-	-	-	-
Net Investment Income Distributed	(430)	-	-	-	-
Changes in Market Value of Fund Shares	9	1,590	(165,736)	10,216	2,004
Market Value at Jun. 30, 2019	\$ 19,725	\$ 144,873	\$ 393,612	\$ 341,239	\$ 104,860
Book Value\Cost at Jun 30, 2019	\$ 19,726	\$ 143,283	\$ 116,012	\$ 293,379	\$ 93,877
Shares Outstanding	19,721	110,191	171	2,452	629
Market Value per Share	\$ 1.00	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENT FUNDS
 SCHEDULE OF INVESTMENT ACTIVITY BY PENSION PLAN (Continued)
 FOR FISCAL YEAR ENDED JUNE 30, 2019**

EMERGING MARKET DEBT FUND	HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ESTATE FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ 6,506,378	\$ 12,424,201	\$ 6,302,303	\$ 4,029,952	\$ 5,017,554	\$ 6,144,514	\$ 60,542,767
\$ 7,914,104	\$ 15,564,224	\$ 15,847,443	\$ 6,826,944	\$ 6,686,391	\$ 9,203,603	\$ 99,880,918
400,000	-	1,532,422	2,408,434	3,650,000	3,100,000	36,085,987
(3,514,147)	(9,971,093)	(5,943,094)	(100,000)	(280,000)	(2,245,000)	(32,187,488)
-	-	-	-	-	-	-
723,277	2,277,787	3,148,297	31,163	70,729	728,475	8,380,459
-	-	-	-	-	-	50,032
-	-	-	-	-	-	(50,032)
(69,516)	(1,598,503)	(3,376,611)	325,098	422,033	371,920	(2,534,657)
\$ 5,453,718	\$ 6,272,415	\$ 11,208,457	\$ 9,491,639	\$ 10,549,153	\$ 11,158,998	\$ 109,625,219
\$ 4,115,508	\$ 4,730,895	\$ 5,039,928	\$ 6,369,549	\$ 8,458,283	\$ 7,727,989	\$ 72,821,725
28,938	37,303	19,522	20,886	169,096	107,941	11,618,182
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.45	\$ 62.39	\$ 103.38	\$
\$ 14,489,220	\$ 26,948,957	\$ 13,233,087	\$ 8,768,329	\$ 11,370,728	\$ 14,866,858	\$ 142,016,261
\$ 17,481,823	\$ 33,302,856	\$ 31,469,362	\$ 14,832,448	\$ 14,902,495	\$ 20,508,352	\$ 222,747,722
1,000,000	-	3,032,119	5,657,984	8,450,000	6,800,000	56,922,744
(7,736,985)	(20,672,015)	(8,976,995)	-	(650,000)	(4,615,000)	(57,053,114)
-	-	-	-	-	-	-
1,567,169	4,491,742	4,552,862	-	154,339	1,216,440	14,343,333
-	-	-	-	-	-	89,657
-	-	-	-	-	-	(89,657)
(68,514)	(3,038,306)	(4,778,104)	821,548	947,800	1,250,768	(1,051,447)
\$ 12,243,493	\$ 14,084,277	\$ 25,299,244	\$ 21,311,980	\$ 23,804,634	\$ 25,160,560	\$ 235,909,238
\$ 9,319,404	\$ 10,768,684	\$ 11,841,073	\$ 14,426,313	\$ 19,325,067	\$ 18,268,298	\$ 156,229,224
64,965	83,761	44,063	46,897	381,572	243,378	14,991,154
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.45	\$ 62.39	\$ 103.38	\$
\$ 78,072	\$ 142,404	\$ 295,240	\$ 102,745	\$ -	\$ -	\$ 1,220,073
\$ 107,026	\$ 185,457	\$ 420,149	\$ 127,905	\$ -	\$ -	\$ 1,932,098
14,000	10,000	54,064	59,799	204,689	204,689	876,762
(23,813)	(79,732)	(250,424)	(7,000)	-	-	(851,332)
-	-	-	-	-	-	-
6,195	19,273	58,888	699	-	-	310,562
-	-	-	-	-	-	430
-	-	-	-	-	-	(430)
4,320	(10,343)	(66,408)	7,107	3,937	9,953	(203,351)
\$ 107,728	\$ 124,655	\$ 216,269	\$ 188,510	\$ 208,626	\$ 214,642	\$ 2,064,739
\$ 74,454	\$ 91,945	\$ 157,768	\$ 156,243	\$ 204,689	\$ 204,689	\$ 1,556,065
572	741	377	415	3,344	2,076	140,689
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.44	\$ 62.39	\$ 103.38	\$

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENT FUNDS
 SCHEDULE OF INVESTMENT ACTIVITY BY TRUST
 FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

	<u>LIQUIDITY FUND</u>	<u>ALTERNATIVE INVESTMENT FUND</u>	<u>DOMESTIC EQUITY FUND</u>	<u>CORE FIXED INCOME FUND</u>	<u>INFLATION LINKED BOND FUND</u>
Soldiers' Sailors' & Marines' Fund					
Book Value at June 30, 2018	\$ 772,822	\$ -	\$ 3,380,110	\$ 43,510,665	\$ -
Market Value at June 30, 2018	\$ 771,618	\$ -	\$ 12,904,246	\$ 50,591,115	\$ -
Shares Purchased	4,086,783	-	1,600,000	3,706,372	-
Shares Redeemed	(3,466,926)	-	(4,033,473)	(3,450,000)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(1,210)	-	2,854,544	492,585	-
Net Investment Income Earned	41,657	-	-	-	-
Net Investment Income Distributed	(41,657)	-	-	-	-
Changes in Market Value of Fund Shares	1,210	-	(1,654,788)	2,851,889	-
Market Value at Jun. 30, 2019	\$ 1,391,475	\$ -	\$ 11,670,529	\$ 54,191,961	\$ -
Book Value\Cost at Jun 30, 2019	\$ 1,391,469	\$ -	\$ 3,801,181	\$ 44,259,622	\$ -
Shares Outstanding	1,391,473	-	5,072	389,359	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,301.15	\$ 139.18	\$ -
Endowment for the Arts					
Book Value at June 30, 2018	\$ 209,913	\$ -	\$ 4,374,957	\$ 1,913,301	\$ 1,101,592
Market Value at June 30, 2018	\$ 210,070	\$ -	\$ 6,412,258	\$ 2,048,672	\$ 1,112,431
Shares Purchased	1,288,613	-	420,001	1,475,988	951,373
Shares Redeemed	(1,386,062)	-	(1,768,656)	(355,000)	(245,000)
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	162	-	586,950	25,830	(103)
Net Investment Income Earned	5,473	-	-	-	-
Net Investment Income Distributed	(5,473)	-	-	-	-
Changes in Market Value of Fund Shares	(162)	-	(54,955)	113,051	46,589
Market Value at Jun. 30, 2019	\$ 112,621	\$ -	\$ 5,595,598	\$ 3,308,541	\$ 1,865,290
Book Value\Cost at Jun 30, 2019	\$ 112,626	\$ -	\$ 3,613,253	\$ 3,060,119	\$ 1,807,862
Shares Outstanding	112,619	-	2,432	23,771	11,194
Market Value per Share	\$ 1.00	\$ -	\$ 2,301.15	\$ 139.18	\$ 166.63
Agricultural College Fund					
Book Value at June 30, 2018	\$ 131	\$ -	\$ -	\$ 582,301	\$ -
Market Value at June 30, 2018	\$ 132	\$ -	\$ -	\$ 639,849	\$ -
Shares Purchased	26,334	-	-	-	-
Shares Redeemed	(25,745)	-	-	(15,100)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	1,437	-
Net Investment Income Earned	16	-	-	-	-
Net Investment Income Distributed	(16)	-	-	-	-
Changes in Market Value of Fund Shares	-	-	-	40,473	-
Market Value at Jun. 30, 2019	\$ 721	\$ -	\$ -	\$ 666,659	\$ -
Book Value\Cost at Jun 30, 2019	\$ 720	\$ -	\$ -	\$ 568,638	\$ -
Shares Outstanding	723	-	-	4,790	-
Market Value per Share	\$ 1.00	\$ -	\$ -	\$ 139.18	\$ -

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENT FUNDS
 SCHEDULE OF INVESTMENT ACTIVITY BY TRUST (Continued)
 FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

EMERGING MARKET DEBT FUND	HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ESTATE FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ -	\$ -	\$ 5,422,805	\$ 2,513,952	\$ -	\$ -	\$ 55,600,354
\$ -	\$ -	\$ 8,791,200	\$ 3,060,664	\$ -	\$ -	\$ 76,118,843
-	-	1,515,003	270,000	-	-	11,178,158
-	-	(1,775,305)	(278,840)	-	-	(13,004,544)
-	-	-	-	-	-	-
-	-	594,000	41,466	-	-	3,981,385
-	-	-	-	-	-	41,657
-	-	-	-	-	-	(41,657)
-	-	(477,308)	59,508	-	-	780,511
\$ -	\$ -	\$ 8,647,590	\$ 3,152,798	\$ -	\$ -	\$ 79,054,353
\$ -	\$ -	\$ 5,756,503	\$ 2,546,578	\$ -	\$ -	\$ 57,755,353
-	-	15,061	6,938	-	-	1,807,903
\$ -	\$ -	\$ 574.15	\$ 454.45	\$ -	\$ -	\$ -
\$ 1,697,945	\$ 1,681,363	\$ 4,702,519	\$ 1,182,490	\$ -	\$ -	\$ 16,864,080
\$ 1,607,786	\$ 1,693,438	\$ 5,662,937	\$ 1,312,898	\$ -	\$ -	\$ 20,060,490
220,214	311,055	660,834	1,184,496	-	-	6,512,574
(280,000)	(250,000)	(2,903,492)	(105,000)	-	-	(7,293,210)
-	-	-	-	-	-	-
(18,029)	2,946	339,962	3,841	-	-	941,559
-	-	-	-	-	-	5,473
-	-	-	-	-	-	(5,473)
166,582	89,836	(430,398)	106,681	-	-	37,224
\$ 1,696,553	\$ 1,847,275	\$ 3,329,843	\$ 2,502,916	\$ -	\$ -	\$ 20,258,637
\$ 1,620,130	\$ 1,745,364	\$ 2,799,823	\$ 2,265,827	\$ -	\$ -	\$ 17,025,004
9,002	10,986	5,800	5,508	-	-	181,312
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.45	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 582,432
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 639,981
-	-	-	-	-	-	26,334
-	-	-	-	-	-	(40,845)
-	-	-	-	-	-	-
-	-	-	-	-	-	1,437
-	-	-	-	-	-	16
-	-	-	-	-	-	(16)
-	-	-	-	-	-	40,473
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 667,380
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 569,358
-	-	-	-	-	-	5,513
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENT FUNDS
 SCHEDULE OF INVESTMENT ACTIVITY BY TRUST (Continued)
 FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND
Ida Eaton Cotton Fund					
Book Value at June 30, 2018	\$ 43,529	\$ -	\$ 47,129	\$ 1,546,956	\$ -
Market Value at June 30, 2018	\$ 43,526	\$ -	\$ 427,424	\$ 1,725,148	\$ -
Shares Purchased	133,452	-	50,000	147,948	-
Shares Redeemed	(112,776)	-	(123,345)	(148,000)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(6)	-	104,816	16,049	-
Net Investment Income Earned	1,317	-	-	-	-
Net Investment Income Distributed	(1,317)	-	-	-	-
Changes in Market Value of Fund Shares	6	-	(64,585)	96,541	-
Market Value at Jun. 30, 2019	\$ 64,202	\$ -	\$ 394,310	\$ 1,837,686	\$ -
Book Value\Cost at Jun 30, 2019	\$ 64,199	\$ -	\$ 78,600	\$ 1,562,953	\$ -
Shares Outstanding	64,201	-	171	13,203	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,301.13	\$ 139.18	\$ -
Andrew Clark Fund					
Book Value at June 30, 2018	\$ 21,622	\$ -	\$ 22,208	\$ 733,049	\$ -
Market Value at June 30, 2018	\$ 21,620	\$ -	\$ 200,713	\$ 805,787	\$ -
Shares Purchased	59,779	-	23,000	71,478	-
Shares Redeemed	(51,201)	-	(57,296)	(66,000)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(6)	-	48,634	6,329	-
Net Investment Income Earned	607	-	-	-	-
Net Investment Income Distributed	(607)	-	-	-	-
Changes in Market Value of Fund Shares	6	-	(29,674)	46,605	-
Market Value at Jun. 30, 2019	\$ 30,198	\$ -	\$ 185,377	\$ 864,199	\$ -
Book Value\Cost at Jun 30, 2019	\$ 30,194	\$ -	\$ 36,546	\$ 744,856	\$ -
Shares Outstanding	30,196	-	81	6,209	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,301.16	\$ 139.18	\$ -
School Fund					
Book Value at June 30, 2018	\$ 188,775	\$ -	\$ 240,283	\$ 6,928,369	\$ -
Market Value at June 30, 2018	\$ 188,704	\$ -	\$ 1,901,604	\$ 7,761,835	\$ -
Shares Purchased	669,040	-	230,000	501,083	-
Shares Redeemed	(569,778)	-	(531,069)	(515,000)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(68)	-	437,126	59,757	-
Net Investment Income Earned	6,217	-	-	-	-
Net Investment Income Distributed	(6,217)	-	-	-	-
Changes in Market Value of Fund Shares	68	-	(258,164)	454,204	-
Market Value at Jun. 30, 2019	\$ 287,966	\$ -	\$ 1,779,497	\$ 8,261,879	\$ -
Book Value\Cost at Jun 30, 2019	\$ 287,969	\$ -	\$ 376,340	\$ 6,974,209	\$ -
Shares Outstanding	287,971	-	773	59,360	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,301.15	\$ 139.18	\$ -

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENT FUNDS
 SCHEDULE OF INVESTMENT ACTIVITY BY TRUST (Continued)
 FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

EMERGING MARKET DEBT FUND	HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ESTATE FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ -	\$ -	\$ 178,091	\$ 85,489	\$ -	\$ -	\$ 1,901,194
\$ -	\$ -	\$ 288,595	\$ 103,905	\$ -	\$ -	\$ 2,588,598
-	-	50,840	10,000	-	-	392,240
-	-	(50,360)	(10,943)	-	-	(445,424)
-	-	-	-	-	-	-
-	-	16,719	1,506	-	-	139,084
-	-	-	-	-	-	1,317
-	-	-	-	-	-	(1,317)
-	-	(12,802)	2,144	-	-	21,304
\$ -	\$ -	\$ 292,992	\$ 106,612	\$ -	\$ -	\$ 2,695,802
\$ -	\$ -	\$ 195,290	\$ 86,052	\$ -	\$ -	\$ 1,987,094
-	-	510	235	-	-	78,320
\$ -	\$ -	\$ 574.16	\$ 454.45	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 86,635	\$ 40,226	\$ -	\$ -	\$ 903,740
\$ -	\$ -	\$ 140,394	\$ 48,871	\$ -	\$ -	\$ 1,217,385
-	-	23,786	4,000	-	-	182,043
-	-	(28,225)	(4,360)	-	-	(207,082)
-	-	-	-	-	-	-
-	-	9,529	603	-	-	65,089
-	-	-	-	-	-	607
-	-	-	-	-	-	(607)
-	-	(7,683)	1,069	-	-	10,323
\$ -	\$ -	\$ 137,801	\$ 50,183	\$ -	\$ -	\$ 1,267,758
\$ -	\$ -	\$ 91,725	\$ 40,469	\$ -	\$ -	\$ 943,790
-	-	240	110	-	-	36,836
\$ -	\$ -	\$ 574.16	\$ 454.46	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 841,545	\$ 384,327	\$ -	\$ -	\$ 8,583,299
\$ -	\$ -	\$ 1,346,972	\$ 468,875	\$ -	\$ -	\$ 11,667,990
-	-	202,717	50,000	-	-	1,652,840
-	-	(247,425)	(55,446)	-	-	(1,918,718)
-	-	-	-	-	-	-
-	-	82,154	8,062	-	-	587,031
-	-	-	-	-	-	6,217
-	-	-	-	-	-	(6,217)
-	-	(66,749)	8,163	-	-	137,522
\$ -	\$ -	\$ 1,317,669	\$ 479,654	\$ -	\$ -	\$ 12,126,665
\$ -	\$ -	\$ 878,991	\$ 386,943	\$ -	\$ -	\$ 8,904,452
-	-	2,295	1,055	-	-	351,455
\$ -	\$ -	\$ 574.15	\$ 454.45	\$ -	\$ -	\$ -

PENSON FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS
SCHEDULE OF INVESTMENT ACTIVITY BY TRUST (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>LIQUIDITY FUND</u>	<u>ALTERNATIVE INVESTMENT FUND</u>	<u>DOMESTIC EQUITY FUND</u>	<u>CORE FIXED INCOME FUND</u>	<u>INFLATION LINKED BOND FUND</u>
Hopmead Fund					
Book Value at June 30, 2018	\$ 50,154	\$ -	\$ 113,611	\$ 2,382,527	\$ -
Market Value at June 30, 2018	\$ 49,583	\$ -	\$ 645,670	\$ 2,603,376	\$ -
Shares Purchased	113,385	-	77,000	168,297	-
Shares Redeemed	(64,379)	-	(178,386)	(123,000)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(573)	-	140,152	11,451	-
Net Investment Income Earned	1,875	-	-	-	-
Net Investment Income Distributed	(1,875)	-	-	-	-
Changes in Market Value of Fund Shares	573	-	(79,350)	160,796	-
Market Value at Jun. 30, 2019	\$ 98,589	\$ -	\$ 605,086	\$ 2,820,920	\$ -
Book Value\Cost at Jun 30, 2019	\$ 98,587	\$ -	\$ 152,377	\$ 2,439,275	\$ -
Shares Outstanding	98,589	-	263	20,268	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,301.14	\$ 139.18	\$ -
Police & Fireman's Survivors' Benefit Fund					
Book Value at June 30, 2018	\$ 596,755	\$ 2,532,503	\$ 2,528,279	\$ 2,546,627	\$ 1,228,484
Market Value at June 30, 2018	\$ 591,904	\$ 2,889,966	\$ 6,446,895	\$ 2,723,812	\$ 1,421,949
Shares Purchased	1,238,677	360,000	840,000	3,000,000	370,000
Shares Redeemed	(1,418,023)	(764,727)	(661,514)	(275,000)	-
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	(4,841)	96,730	401,410	19,693	-
Net Investment Income Earned	19,331	-	-	-	-
Net Investment Income Distributed	(19,331)	-	-	-	-
Changes in Market Value of Fund Shares	4,841	(7,080)	199,601	184,112	55,798
Market Value at Jun. 30, 2019	\$ 412,558	\$ 2,574,889	\$ 7,226,392	\$ 5,652,617	\$ 1,847,747
Book Value\Cost at Jun 30, 2019	\$ 412,568	\$ 2,224,506	\$ 3,108,175	\$ 5,291,320	\$ 1,598,484
Shares Outstanding	412,557	1,958,472	3,140	40,613	11,089
Market Value per Share	\$ 1.00	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63
OPEB Fund					
Book Value at June 30, 2018	\$ 30,401,763	\$ 70,358,191	\$ 118,857,509	\$ 200,126,368	\$ 16,652,238
Market Value at June 30, 2018	\$ 30,401,990	\$ 75,821,602	\$ 160,170,969	\$ 203,555,169	\$ 17,160,109
Shares Purchased	272,982,751	35,000,000	51,000,000	40,500,000	39,500,000
Shares Redeemed	(278,945,244)	(33,500,000)	(8,187,374)	(72,000,000)	(750,000)
Returns of Capital	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	227	2,122,940	2,399,336	4,353,573	449
Net Investment Income Earned	209,416	-	-	-	-
Net Investment Income Distributed	(209,416)	-	-	-	-
Changes in Market Value of Fund Shares	(227)	569,276	16,419,474	10,208,067	1,411,820
Market Value at Jun. 30, 2019	\$ 24,439,497	\$ 80,013,818	\$ 221,802,405	\$ 186,616,809	\$ 57,322,378
Book Value\Cost at Jun 30, 2019	\$ 24,439,497	\$ 73,981,131	\$ 164,069,471	\$ 172,979,941	\$ 55,402,687
Shares Outstanding	24,439,496	60,858,802	96,388	1,340,808	344,016
Market Value per Share	\$ 1.00	\$ 1.31	\$ 2,301.15	\$ 139.18	\$ 166.63

PENSON FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS
SCHEDULE OF INVESTMENT ACTIVITY BY TRUST (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

EMERGING MARKET DEBT FUND	HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ESTATE FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ -	\$ -	\$ 274,527	\$ 125,636	\$ -	\$ -	\$ 2,946,455
\$ -	\$ -	\$ 439,883	\$ 153,120	\$ -	\$ -	\$ 3,891,632
-	-	78,536	18,000	-	-	455,218
-	-	(75,095)	(12,483)	-	-	(453,343)
-	-	-	-	-	-	-
-	-	24,317	1,674	-	-	177,021
-	-	-	-	-	-	1,875
-	-	-	-	-	-	(1,875)
-	-	(18,049)	3,597	-	-	67,567
\$ -	\$ -	\$ 449,592	\$ 163,908	\$ -	\$ -	\$ 4,138,095
\$ -	\$ -	\$ 302,285	\$ 132,827	\$ -	\$ -	\$ 3,125,351
-	-	783	361	-	-	120,263
\$ -	\$ -	\$ 574.15	\$ 454.45	\$ -	\$ -	\$ -
\$ 1,778,860	\$ 3,412,514	\$ 3,936,507	\$ 2,188,150	\$ 1,687,308	\$ 1,911,091	\$ 24,347,078
\$ 2,315,734	\$ 4,298,391	\$ 5,455,586	\$ 2,706,789	\$ 2,294,945	\$ 3,473,850	\$ 34,619,821
225,000	-	411,514	470,000	1,360,000	1,090,000	9,365,191
(847,388)	(2,299,454)	(1,864,758)	-	(95,000)	(1,020,000)	(9,245,864)
-	-	-	-	-	-	-
207,801	533,183	412,195	-	25,631	448,379	2,140,181
-	-	-	-	-	-	19,331
-	-	-	-	-	-	(19,331)
1,574	(337,509)	(497,468)	111,469	146,461	(75,941)	(214,142)
\$ 1,902,721	\$ 2,194,611	\$ 3,917,069	\$ 3,288,258	\$ 3,732,037	\$ 3,916,288	\$ 36,665,187
\$ 1,364,273	\$ 1,646,243	\$ 2,895,458	\$ 2,658,150	\$ 2,977,939	\$ 2,429,470	\$ 26,606,586
10,096	13,052	6,822	7,236	59,822	37,882	2,560,781
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.45	\$ 62.39	\$ 103.38	\$ -
\$ 21,600,819	\$ 65,155,734	\$ 99,663,797	\$ 27,054,443	\$ 45,157,223	\$ 37,127,260	\$ 732,155,345
\$ 22,637,997	\$ 71,876,674	\$ 119,832,761	\$ 31,030,603	\$ 58,276,519	\$ 54,795,112	\$ 845,559,505
33,000,000	12,500,000	42,187,374	66,500,000	61,500,000	56,000,000	710,670,125
(1,500,000)	(20,000,000)	(41,000,000)	-	(10,000,000)	(2,000,000)	(467,882,618)
-	-	-	-	-	-	-
43,511	2,231,952	3,980,115	-	1,901,646	525,688	17,559,437
-	-	-	-	-	-	209,416
-	-	-	-	-	-	(209,416)
4,040,282	1,859,393	(3,436,028)	4,936,100	3,157,392	11,902,605	51,068,154
\$ 58,221,790	\$ 68,468,019	\$ 121,564,222	\$ 102,466,703	\$ 114,835,557	\$ 121,223,405	\$ 1,156,974,603
\$ 53,144,330	\$ 59,887,686	\$ 104,831,286	\$ 93,554,443	\$ 98,558,869	\$ 91,652,948	\$ 992,502,289
308,930	407,187	211,727	225,476	1,840,734	1,172,594	91,246,156
\$ 188.46	\$ 168.15	\$ 574.15	\$ 454.45	\$ 62.39	\$ 103.38	\$ -

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS
SUMMARY OF OPERATIONS (Dollars in Thousands)
FISCAL YEARS ENDED JUNE 30**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Investment Income ⁽¹⁾	\$ 992,354	\$ 926,400	\$ 854,237	\$ 819,246	\$ 785,305	\$ 759,442	\$ 954,708	\$ 888,007	\$ 1,010,079	\$ 762,800
Expenses ⁽²⁾	135,249	101,985	90,593	88,347	89,745	87,227	82,759	83,105	86,871	79,950
Net Investment Income	857,105	824,415	763,644	730,899	695,560	672,215	871,949	804,902	923,408	682,850
Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency	1,117,075	1,484,659	3,332,743	(720,277)	339,140	3,329,796	1,905,837	(1,023,840)	3,525,575	1,952,086
Total	\$ 1,974,180	\$ 2,309,074	\$ 4,086,387	\$ 10,622	\$ 1,034,700	\$ 4,002,011	\$ 2,777,786	\$ (218,938)	\$ 4,448,983	\$ 2,634,936

⁽¹⁾ Securities lending income and expenses are shown net in the Investment Income line above for all periods presented.

⁽²⁾ Expenses shown above include salary and fringe benefits.

Source: Amounts were derived from Custodial Records.

**COMBINED INVESTMENT FUNDS
PENSION AND TRUST FUNDS
BALANCES ⁽¹⁾ IN COMBINED INVESTMENT FUNDS (Dollars in Thousands)
AT JUNE 30, 2019**

Fund Name	Teachers' Retirement Fund		State Employees' Retirement Fund		Municipal Employees' Retirement Fund		Probate Court Retirement Fund		Judges Retirement Fund		State's Attorneys' Retirement Fund		Trust Funds	
LF	\$ 178,354	0.96%	\$ 101,345	0.76%	\$ 23,127	0.85%	\$ 5,556	5.07%	\$ 1,279	0.54%	\$ 20	0.97%	\$ 26,837	2.04%
AIF	1,514,825	8.19%	1,063,947	8.03%	217,724	8.03%	7,256	6.62%	16,415	6.96%	145	7.02%	82,588	6.29%
DEF	4,338,731	23.48%	3,128,754	23.61%	483,660	17.85%	20,787	18.96%	46,690	19.79%	394	19.10%	249,259	18.97%
CFIF	1,433,639	7.75%	1,273,545	9.61%	337,140	12.44%	16,533	15.08%	37,594	15.94%	341	16.51%	264,221	20.11%
ILBF	616,555	3.33%	643,610	4.86%	142,594	5.26%	5,359	4.89%	12,027	5.10%	105	5.08%	61,035	4.65%
EMDF	1,129,916	6.11%	663,866	5.01%	233,536	8.62%	5,454	5.19%	12,243	5.19%	108	5.23%	61,821	4.71%
HYBD	1,115,574	6.03%	710,090	5.36%	286,867	10.59%	6,272	5.72%	14,084	5.97%	125	6.05%	72,511	5.52%
DMISF	3,803,880	20.57%	2,618,746	19.76%	399,499	14.74%	11,208	10.22%	25,299	10.72%	216	10.46%	139,659	10.63%
EMISF	1,751,287	9.47%	1,200,438	9.06%	208,093	7.68%	9,492	8.66%	21,312	9.03%	188	9.10%	112,211	8.54%
REF	1,233,558	6.67%	872,694	6.59%	178,499	6.59%	10,549	9.62%	23,805	10.09%	208	10.07%	118,567	9.02%
PIF	1,376,217	7.44%	973,804	7.35%	199,117	7.35%	11,159	10.18%	25,161	10.67%	215	10.47%	125,140	9.52%
Total	\$ 18,492,536	100%	\$ 13,250,839	100%	\$ 2,709,856	100%	\$ 109,625	100%	\$ 235,909	100%	\$ 2,065	100%	\$ 1,313,849	100%

⁽¹⁾ Based on Net Asset Value
Source: Amounts were derived from custodial records

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS
INVESTMENT SUMMARY AT JUNE 30, 2019 ⁽¹⁾**

	Liquidity Fund ⁽²⁾			Domestic Equity Fund		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2019	\$336,518,178	0.93%	2.46%	\$8,269,411,950	22.74%	8.40%
2018	709,844,344	2.07%	1.63%	7,760,012,682	22.58%	14.74%
2017	1,387,328,362	4.26%	0.96%	7,026,486,865	21.57%	19.26%
2016	1,018,293,290	3.49%	0.68%	6,647,482,185	22.76%	1.75%
2015	1,282,270,968	4.31%	-1.07%	6,784,028,571	22.80%	7.32%
2014	1,158,961,835	3.93%	0.54%	7,055,012,881	23.93%	25.28%
2013	1,041,232,312	4.01%	0.66%	6,236,082,798	24.07%	21.15%
2012	770,217,574	3.20%	-0.14%	6,417,508,518	26.65%	3.38%
2011	775,433,903	3.07%	1.20%	6,634,922,151	26.28%	31.92%
2010	1,621,182,259	7.44%	0.98%	5,288,853,566	24.28%	14.01%

	Core Fixed Income Fund			Inflation Linked Bond Fund		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2019	\$3,685,679,215	10.14%	6.69%	\$1,468,543,197	4.04%	3.48%
2018	3,292,563,253	9.58%	-0.89%	1,382,416,735	4.02%	3.21%
2017	2,601,453,937	7.99%	1.89%	1,332,942,016	4.09%	0.66%
2016	2,490,655,941	8.53%	3.46%	1,321,779,931	4.52%	2.29%
2015	2,627,250,626	8.83%	1.85%	1,120,365,183	3.77%	-2.85%
2014	2,573,846,130	8.73%	4.28%	1,075,489,795	3.65%	4.17%
2013	2,056,321,868	7.94%	-0.24%	879,482,495	3.39%	-4.33%
2012	2,859,134,784	11.88%	7.63%	932,982,728	3.88%	11.91%
2011	3,001,125,667	11.89%	4.49%	1,115,148,171	4.42%	7.23%
2010	2,789,605,943	12.81%	11.81%	1,070,660,872	4.91%	9.48%

	Emerging Market Debt Fund			High Yield Debt Fund		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2019	\$2,108,797,847	5.80%	10.13%	\$2,190,692,080	6.03%	5.82%
2018	1,844,542,809	5.37%	-1.78%	2,109,564,213	6.14%	2.58%
2017	1,598,180,952	4.91%	9.11%	2,034,712,429	6.25%	12.59%
2016	1,483,772,612	5.08%	6.01%	1,808,188,496	6.19%	-0.31%
2015	1,399,864,819	4.70%	-7.57%	1,772,254,243	5.96%	-1.31%
2014	1,500,069,627	5.09%	6.99%	1,592,980,848	5.40%	12.24%
2013	1,388,070,525	5.36%	1.69%	1,267,238,204	4.89%	8.46%
2012	1,176,095,315	4.88%	4.78%	706,123,033	2.93%	6.23%
2011	1,141,817,330	4.52%	16.06%	710,362,023	2.81%	15.96%
2010	1,155,351,613	5.30%	23.02%	656,175,724	3.01%	24.54%

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS (Continued)
INVESTMENT SUMMARY AT JUNE 30, 2019 ⁽¹⁾**

	Developed Market International Stock Fund			Emerging Market International Stock Fund		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2019	\$6,967,711,311	19.16%	0.33%	\$3,283,464,289	9.03%	2.89%
2018	7,071,927,935	20.58%	6.53%	2,779,562,524	8.09%	4.66%
2017	6,344,307,953	19.48%	24.81%	3,002,786,523	9.22%	23.00%
2016	5,187,629,818	17.76%	-7.09%	2,467,083,187	8.45%	-7.15%
2015	5,879,680,883	19.76%	0.67%	2,463,358,430	8.28%	-6.93%
2014	6,101,761,491	20.70%	22.31%	2,645,431,257	8.97%	11.50%
2013	5,393,071,695	20.81%	22.56%	2,367,182,053	9.14%	3.29%
2012	4,550,036,799	18.90%	-12.48%	2,216,901,370	9.21%	-14.16%
2011	5,391,257,095	21.35%	26.30%	2,629,250,556	10.41%	28.55%
2010	4,328,450,937	19.87%	11.03%	2,065,255,957	9.48%	25.23%

	Real Estate Fund ⁽³⁾			Commercial Mortgage Fund ^{(3) (6)}		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2019	\$2,436,096,320	6.70%	6.38%	\$0	0.00%	0.00%
2018	2,283,139,537	6.64%	8.69%	0	0.00%	0.00%
2017	2,242,658,118	6.89%	7.38%	0	0.00%	0.00%
2016	2,207,396,472	7.56%	11.51%	83	0.00%	0.00%
2015	1,848,291,148	6.21%	12.93%	29,799	0.00%	0.25%
2014	1,509,757,272	5.12%	10.66%	67,609	0.00%	10.17%
2013	1,471,299,222	5.68%	10.26%	70,099	0.00%	0.88%
2012	1,328,560,229	5.52%	7.19%	765,779	0.00%	-6.48%
2011	1,097,203,255	4.35%	16.12%	2,386,359	0.01%	4.61%
2010	792,483,221	3.64%	-20.18%	3,818,115	0.02%	6.75%

	Private Investment Fund ⁽³⁾			Alternative Investment Fund ⁽⁵⁾		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2019	\$2,707,814,987	7.45%	15.53%	\$2,902,985,114	7.98%	3.73%
2018	2,712,365,156	7.89%	15.50%	2,422,737,099	7.05%	4.69%
2017	2,970,729,926	9.12%	10.97%	2,026,788,085	6.22%	8.51%
2016	2,769,435,919	9.48%	8.87%	1,804,337,067	6.18%	-5.32%
2015	2,773,374,435	9.32%	14.04%	1,804,487,746	6.06%	3.98%
2014	2,918,978,182	9.90%	16.06%	1,349,977,450	4.58%	6.63%
2013	2,564,877,605	9.90%	9.50%	1,247,574,910	4.81%	6.39%
2012	2,569,809,038	10.67%	5.92%	549,205,302	2.28%	-1.62%
2011	2,229,679,980	8.83%	19.89%	519,007,742	2.06%	0.00%
2010	2,013,101,198	9.24%	17.32%	0	0.00%	0.00%

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS (Continued)
INVESTMENT SUMMARY AT JUNE 30, 2019 ⁽¹⁾**

	Total Fund ⁽⁴⁾		
	Fair Value	% of Total Fund FV	Rate of Return
2019	\$36,357,550,590	100.00%	5.92%
2018	\$34,368,676,287	100.00%	7.03%
2017	\$32,568,375,166	100.00%	14.18%
2016	29,206,055,001	100.00%	0.35%
2015	29,755,256,851	100.00%	2.79%
2014	29,482,334,377	100.00%	15.43%
2013	25,912,503,786	100.00%	11.64%
2012	24,077,340,469	100.00%	-0.90%
2011	25,247,594,232	100.00%	20.75%
2010	21,784,939,405	100.00%	12.88%
2009	20,431,180,148	100.00%	-17.37%

(1) All rates of return are net of management fees and division operating expenses.

(2) The fair value of the Liquidity Fund for the periods presented represents the fair value of the pension and trust balances in the Liquidity Fund only (excluding receivables and payables); the Liquidity Fund balances of the other combined investment funds are shown in the fair value of each fund.

(3) Investment returns published for prior years were net of management fees, but were restated in 2008 net of all expenses.

(4) Represents a composite return of the total pension and trust funds. Individual returns for the three primary pension funds (Teachers, State Employees and Municipal Employees) are separately presented elsewhere due to different asset allocations of each fund.

(5) Inception of the Alternative Investment Fund during Fiscal 2011.

(6) Investments in Commercial Mortgage Fund were redeemed by plan participants. Ending Net Asset Value at June 30, 2016 was less than \$100.No percentages were calculated due to the immaterial amounts.

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENTS FUNDS
TOP TEN HOLDINGS* BY FUND AT JUNE 30, 2019**

LIQUIDITY FUND

Security Name	Maturity Date	Market Value	%
J P MORGAN CHASE TRI REPO	7/1/2019	100,021,083	10.88%
HSBC BANK TRI REPO	7/1/2019	100,020,833	9.98%
CITIGROUP GLOBAL TRI REPO	7/1/2019	88,018,333	4.74%
MERRILL LYNCH TRI REPO	7/1/2019	82,016,947	2.94%
BANK OF NY REPO TRI REPO	7/1/2019	80,016,600	1.75%
DBS BANK LTD DISC	9/25/2019	34,784,617	1.50%
NORINCHUKIN BK C/D	9/13/2019	30,103,308	1.25%
NORDEA BK ABPP NY C/D	10/23/2019	29,016,398	1.25%
SVENSKA HANDELSBKN AB C/D	9/27/2019	25,007,635	1.25%
KFW DISC	8/16/2019	24,921,417	1.25%
Top Ten		593,927,172	36.80%

Fair Value LF

1,793,920,665

ALTERNATIVE INVESTMENT FUND

Partnership Name	Partnership Type	Market Value	%
Prudence Crandall III D - Liquid Strategy	Hedge Fund-of-Funds	685,006,096	23.60%
Prudence Crandall III Limited Partnership	Hedge Fund-of-Funds	649,727,765	22.38%
Prudence Crandall IV Limited Partnership	Hedge Fund-of-Funds	630,818,020	21.73%
Prudence Crandall IV D - Liquid Strategy	Hedge Fund-of-Funds	399,664,118	13.77%
Thomas Welles Fund I	Hedge Fund-of-Funds	174,027,323	5.99%
Owl Rock	Opportunistic	77,381,953	2.67%
Arflight VI	Real Assets	76,825,943	2.65%
Anchorage	Opportunistic	48,352,503	1.67%
Prudence Crandall II Prisma Limited Partnersh	Hedge Fund-of-Funds	40,195,454	1.38%
Crescent II	Opportunistic	36,396,238	1.25%
Top Ten		\$2,818,395,413	97.09%

FAIR VALUE AIF

\$2,902,985,114

DOMESTIC EQUITY FUND

Security Name	Industry Sector	Market Value	%
MICROSOFT CORP	TECHNOLOGY	292,377,881	3.54%
APPLE INC	TECHNOLOGY	234,421,990	2.83%
AMAZON.COM INC	CONSUMER DISCRETI	229,970,002	2.78%
FACEBOOK INC	TECHNOLOGY	144,293,169	1.74%
JOHNSON & JOHNSON	HEALTH CARE	110,693,337	1.34%
JPMORGAN CHASE & CO	FINANCIAL SERVICES	105,729,148	1.28%
ALPHABET INC-CL C	TECHNOLOGY	104,932,581	1.27%
BERKSHIRE HATHAWAY INC	FINANCIAL SERVICES	97,340,457	1.18%
VISA INC	FINANCIAL SERVICES	95,659,198	1.16%
EXXON MOBIL CORP	ENERGY	93,035,027	1.13%
Top Ten		1,508,452,789	18.24%

FAIR VALUE MEF

\$8,269,411,950

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENTS FUNDS
TOP TEN HOLDINGS* BY FUND AT JUNE 30, 2019 (Continued)**

CORE FIXED INCOME FUND

Security Name	Coupon	Maturity	Security Type	Market Value	%
FNMA SF MTGE	3.00%	7/1/2049	U.S. Govt/Agency	85,789,546	2.33%
FNMA SF MTGE	4.00%	7/1/2049	U.S. Govt/Agency	82,762,353	2.25%
U S TREASURY NOTE	2.375%	5/15/2029	U.S. Govt/Agency	68,067,756	1.85%
U S TREASURY NOTE	2.125%	5/31/2026	U.S. Govt/Agency	52,978,311	1.44%
U S TREASURY NOTE	1.75%	6/15/2022	U.S. Govt/Agency	38,533,630	1.05%
U S TREASURY NOTE	1.125%	2/28/2021	U.S. Govt/Agency	37,679,131	1.02%
U S TREASURY NOTE	2.125%	5/31/2021	U.S. Govt/Agency	36,885,658	1.00%
U S TREASURY BOND	3.125%	8/15/2044	U.S. Govt/Agency	34,464,628	0.94%
U S TREASURY NOTE	3.125%	11/15/2028	U.S. Govt/Agency	30,966,381	0.84%
U S TREASURY NOTE	1.250%	1/31/2020	U.S. Govt/Agency	30,388,845	0.82%
Top Ten				\$498,516,238	13.53%

FAIR VALUE CFIF

\$3,685,679,215

INFLATION LINKED BOND FUND

Security Name	Maturity	Security Type	Market Value	%
US TREAS-CPI INFLAT	4/15/2029	U.S. TIPS	64,264,691	4.38%
US TREAS-CPI INFLAT	7/15/2022	U.S. TIPS	56,083,084	3.82%
US TREAS-CPI INFLAT	1/15/2027	U.S. TIPS	55,862,882	3.80%
ITALY BUONI POLIENNALI DE 144A	9/15/2023	ITALY GOVT / AGENCY	53,625,521	3.65%
UNITED KINGDOM GILT INFLA REGS	3/22/2044	UK GOVERNMENT / AGENCY	52,555,324	3.58%
US TREAS-CPI INFLAT	1/15/2021	U.S. TIPS	43,409,583	2.96%
NEW ZEALAND GOVERNMENT IN REGS	9/20/2030	NEW LEALAND GOVT / AGENCY	43,305,043	2.95%
US TREAS-CPI INFLAT	7/15/2027	U.S. TIPS	35,001,142	2.38%
US TREAS-CPI INFLAT	1/15/2029	U.S. TIPS	34,050,109	2.32%
US TREAS-CPI INFLAT	7/15/2026	U.S. TIPS	29,100,633	1.98%
Top Ten			\$467,258,012	31.82%

FAIR VALUE ILBF

\$1,468,543,197

EMERGING MARKET DEBT FUND

Security Name	Coupon	Maturity	Market Value	%
BRAZIL NOTAS DO TESOURO NACION	10.00%	1/1/2027	38,243,919	1.81%
MEXICAN BONOS	10.00%	12/5/2024	34,526,067	1.64%
RUSSIAN FEDERAL BOND - OFZ	8.15%	2/3/2027	26,461,627	1.25%
BRAZIL NOTAS DO TESOURO NACION	10.00%	1/1/2023	25,655,752	1.22%
REPUBLIC OF SOUTH AFRICA GOVER	7.00%	2/28/2031	22,512,365	1.07%
BRAZIL NOTAS DO TESOURO NACION	10.00%	1/1/2021	21,169,439	1.00%
JPMORGAN CHASE BANK NA 144A	8.375%	9/17/2026	19,562,513	0.93%
COLOMBIAN TES	10.00%	7/24/2024	19,126,772	0.91%
COLOMBIAN TES	7.00%	5/4/2022	18,977,151	0.90%
REPUBLIC OF POLAND GOVERNMENT	2.75%	4/25/2028	18,491,533	0.88%
Top Ten			244,727,138	11.61%

FAIR VALUE EMDF

\$2,108,797,847

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENTS FUNDS
TOP TEN HOLDINGS* BY FUND AT JUNE 30, 2019 (Continued)**

DEVELOPED MARKET INTERNATIONAL STOCK FUND

Security Name	Country	Market Value	%
ISHARES CORE MSCI EAFE ETF	Multiple Domicile	539,056,756	7.74%
ROCHE HOLDING AG	Switzerland	112,784,387	1.62%
NESTLE SA	Switzerland	109,120,529	1.57%
ROYAL DUTCH SHELL PLC	United Kingdom	80,912,525	1.16%
SAP SE	Germany	64,024,316	0.92%
NOVARTIS AG	Switzerland	60,528,626	0.87%
AIA GROUP LTD	Hong Kong	51,210,703	0.73%
LVMH MOET HENNESSY LOUIS VUITT	France	46,678,371	0.67%
DIAGEO PLC	United Kingdom	45,747,094	0.66%
BP PLC	United Kingdom	44,792,330	0.64%
Top Ten		1,154,855,638	16.57%

FAIR VALUE DMISF

\$6,967,711,311

EMERGING MARKET INTERNATIONAL STOCK FUND

Security Name	Country	Market Value	%
TENCENT HOLDINGS LTD	China	128,592,599	3.92%
SAMSUNG ELECTRONICS CO LTD	South Korea	127,911,310	3.90%
TAIWAN SEMICONDUCTOR MANUFACTU	Taiwan	122,212,908	3.72%
ALIBABA GROUP HOLDING LTD	China	100,524,179	3.06%
HDFC BANK LTD	India	92,695,500	2.82%
AIA GROUP LTD	Hong Kong	76,463,672	2.33%
NASPERS LTD	South Africa	68,157,845	2.08%
ISHARES CORE MSCI EMERGING	Multiple Domicile	61,685,819	1.88%
PING AN INSURANCE GROUP CO OF	China	61,401,330	1.87%
INFOSYS LTD	India	61,254,675	1.87%
Top Ten		900,899,837	27.44%

FAIR VALUE EMISF

\$3,283,464,289

REAL ESTATE FUND

Partnership Name	Partnership Type	Market Value	%
PRIME PROPERTY FUND LLC	Core	283,508,533	11.64%
BARINGS CORE PROPERTY FUND L.P.	Core	261,266,625	10.72%
PRISA	Core	214,254,171	8.79%
USAA EAGLE REAL ESTATE FUND L.P.	Core	186,164,945	7.64%
CLARION LION INDUSTRIAL TRUST	Value Added	142,908,086	5.87%
JP MORGAN STRATEGIC PROPERTY L.P.	Core	105,815,767	4.34%
UBS TRUMBULL PROPERTY FUND L.P.	Core	85,750,047	3.52%
BLACKSTONE RE PARTNERS VIII L.P.	Core	84,350,170	3.46%
UBS TRUMBULL PROPERTY G & I L.P.	Core	75,965,005	3.12%
UBS TRUMBULL PROPERTY INCOME L.P.	Core	61,888,667	2.54%
Top Ten		\$1,501,872,016	61.65%

FAIR VALUE REF

\$2,436,096,320

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENTS FUNDS
 TOP TEN HOLDINGS* BY FUND AT JUNE 30, 2019 (Continued)**

HIGH YIELD DEBT FUND

Security Name	Coupon	Maturity	Market Value	%
U S TREASURY BILL	0.000%	8/15/2019	24,934,500	21.07%
U S TREASURY BILL	0.000%	9/26/2019	20,173,422	17.04%
U S TREASURY BILL	0.000%	11/29/2019	9,913,400	8.38%
INDONESIA GOVERNMENT INTE 144A	5.875%	1/15/2024	9,639,310	8.14%
CSC HOLDINGS LLC 144A	5.375%	2/1/2028	9,550,268	8.07%
ONE CALL CORP 144A	7.500%	7/1/2024	9,399,867	7.94%
DISH NETWORK CORP	3.375%	8/15/2026	9,143,353	7.72%
POLARIS INTERMEDIATE CORP 144A	8.500%	12/1/2022	9,046,895	7.64%
MEG ENERGY CORP 144A	7.000%	3/31/2024	8,343,850	7.05%
AVANTOR INC 144A	9.000%	10/1/2025	8,222,010	6.95%
Top Ten			118,366,875	100.00%

FAIR VALUE HYDF

\$2,190,692,080

PRIVATE INVESTMENT FUND

Partnership Name	Partnership Type	Market Value	%
FAIRVIEW CONSTITUTION III L.P.	Fund of Funds	248,170,926	21.74%
FAIRVIEW CONSTITUTION IV L.P.	Fund of Funds	176,855,806	15.50%
VISTA EQUITY PARTNERS FUND VI L.P.	Buyout	116,947,195	10.25%
CONSTITUTION FUND V L.P.	Fund of Funds	110,690,267	9.70%
APPOLLO INVESTMENT FUND VIII L.P.	Special Situations	107,960,557	9.46%
NUTMEG OPPORTUNITIES FUND I L.P.	Fund of Funds	90,696,743	7.95%
WELSH CARSON ANDERSON & STOWE XII L.P.	Buyout	88,966,859	7.79%
YUCAIPA AMERICAN ALLIANCE FUND II L.P.	Buyout	73,903,151	6.48%
CT EMERGING M-2 L.P.	Fund of Funds	63,970,517	5.60%
LEVINE LEICHTMAN CAPITAL PARTNERS V L.P.	Special Situations	63,180,324	5.54%
Top Ten		1,141,342,346	100.00%

FAIR VALUE PIF

\$2,707,814,987

Ten Largest Securities Holdings* at June 30, 2019

* A complete list of portfolio holdings is available upon request from the Office of the Treasurer, in accordance with the Connecticut Freedom of Information Act.

PENSION FUNDS MANAGEMENT DIVISION
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000⁽¹⁾
FISCAL YEAR ENDED JUNE 30, 2019

Name of Firm	Description of Services	Contract Date	Aggregate Comp. Paid in FY 2019	Status at June 30, 2019
INVESTMENT ADVISORY SERVICES				
Domestic Equity Investment Advisory Services -315				
Bivium Capital Partners, LLC	Equity Advisor	Jul-05	\$ 3,113,566	Active
Capital Prospects LLC	Equity Advisor	Jul-05	2,228,984	Active
FIS Group Inc.	Equity Advisor	Jul-05	1,771,667	Active
Frontier Capital Management Co.LLC	Equity Advisor	Oct-10	3,307,936	Active
State Street Global Advisors	Equity Advisor	Mar-96	259,603	Active
T. Rowe Price Associates, Inc.	Equity Advisor	Nov-08	5,936,553	Active
Total Domestic Equity Advisor Compensation			\$ 16,618,309	
Core Fixed Income Investment Advisory Services -321				
Blackrock Financial Management	Core Income Advisor	Mar-96	\$ 730,161	Active
Colchester Global Investors Limited	Core Income Advisor	May-09	545,696	Terminated
Goodwin Capital Advisors(Phoenix)	Core Income Advisor	Nov-97	534,982	Active
Longfellow Investment Managent	Core Income Advisor	Dec-18	87,875	Active
Pacific Investment Management Co. LLC	Core Income Advisor	Mar-09	588,118	Inactive
Payden & Rygel	Core Income Advisor	Mar-09	546,808	Inactive
Progress Investment Management	Core Income Advisor	Jul-05	381,835	Active
Pugh Capital Management	Core Income Advisor	Dec-18	74,582	Active
State Street Global Advisors	Core Income Advisor	Mar-96	100,000	Active
Wellington Asset Management	Core Income Advisor	Nov-97	893,660	Active
Total Core Fixed Income Advisor Compensation			\$ 4,483,717	
Inflation Linked Bond Investment Advisory Services -322				
BlackRock Financial Management, Inc	Inflation Income Advisor	Sep-14	\$ 794,031	Active
Colchester Global Investors Limited	Inflation Income Advisor	Nov-14	545,696	Active
New Century Advisors, LLC	Inflation Income Advisor	Sep-14	415,194	Active
Total Inflation Linked Bond Advisor Compensation			\$ 1,754,921	
Emerging Market Debt Investment Advisory Services-323				
Ashmore Investment Management Limited	Emerging Market Income Advisor	Sep-16	\$ 2,427,053	Active
FIAM LLC	Emerging Market Income Advisor	Sep-11	1,979,956	Active
Lazard Asset Management LLC	Emerging Market Income Advisor	Aug-09	500,557	Active
Payden & Rygel	Emerging Market Income Advisor	Jul-18	2,494,262	Active
Total Emerging Market Debt Advisor Compensation			\$ 7,401,828	
High Yield Debt Advisory Services-324				
AllianceBernstein	High Yield Income Advisor	Nov-18	\$ 1,131,039	Active
Columbia Management Investment Advisers LLC	High Yield Income Advisor	Feb-17	1,336,706	Active
DDJ Capital Management LLC	High Yield Income Advisor	Nov-16	1,319,982	Active
Loomis Sayles & Co., Inc.	High Yield Income Advisor	Mar-96	795,190	Active
Nomura Corporate Research & Asset Management	High Yield Income Advisor	Feb-17	1,806,039	Active
Shenkman Capital Management	High Yield Income Advisor	Dec-07	921,071	Active
Total High Yield Debt Advisor Compensation			\$ 7,310,027	
Liquidity Fund Advisory Services-330				
State Street Global Advisors	Liquidity Fund Advisor	Mar-96	\$ 359,256	Active
Total Liquidity Fund Advisor Compensation			\$ 359,256	
Developed Market International Equity Investment Advisory Services-341				
Acadian Asset Management	International Equity Advisor	Sep-06	\$ 2,688,228	Active
AQR Capital Management, LLC	International Equity Advisor	Sep-06	3,330,872	Active
Dimensional Fund Advisors LP	International Equity Advisor	Mar-09	2,652,109	Active
First Quadrant LP	International Equity Advisor	Jul-14	4,107,702	Active
MFS Institutional Advisors	International Equity Advisor	Aug-03	2,950,100	Active
Progress Investment Management	International Equity Advisor	Jul-05	983,588	Active
Schroder Investment Management	International Equity Advisor	Sep-03	2,421,079	Active
State Street Global Advisors	International Equity Advisor	Mar-96	1,010,712	Active
William Blair Investment Management	International Equity Advisor	Mar-09	3,329,932	Active
Total Developed Market International Equity Advisor Compensation			\$ 23,474,322	
Emerging Market International Equity Investment Advisory Services-342				
Aberdeen Asset Management INC	International Equity Advisor	Jul-09	\$ 139,373	Active
Schroder Investment Management	International Equity Advisor	Jan-10	9,494,617	Active
Total Emerging Market International Equity Advisor Compensation			\$ 9,633,990	

PENSION FUNDS MANAGEMENT DIVISION
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000⁽¹⁾ (Continued)
FISCAL YEAR ENDED JUNE 30, 2019

Name of Firm	Description of Services	Contract Date	Aggregate Comp. Paid in FY 2019	Status at June 30, 2019
Real Estate Investment Advisory Services (2)-325				
American Realty Advisors	Real Estate Advisor	Mar-12	\$ 1,132,539	Active
Basis Investment Group, LLC	Real Estate Advisor	Nov-17	1,566,548	Active
Blackstone Real Estate Advisors Europe	Real Estate Advisor	Nov-08	1,388,507	Active
Blackstone Real Estate Partners VI	Real Estate Advisor	Aug-07	1,847,232	Active
Clarion LIT Industrial LP	Real Estate Advisor	Mar-03	1,459,382	Active
Cornerstone Patriot Fund, LP	Real Estate Advisor	Dec-07	1,523,028	Active
Covenant Apartment Fund IX, LP	Real Estate Advisor	Dec-18	290,444	Active
Crow Holdings Realty Partners, LP	Real Estate Advisor	Dec-15	1,392,194	Terminated
Cypress Retail Fund LP	Real Estate Advisor	May-13	161,775	Active
Gerding Eiden Fund Management, LP	Real Estate Advisor	May-14	1,124,002	Active
Hart Realty Advisors, Inc. (CORE)	Real Estate Advisor	Nov-11	1,939,164	Active
JP Morgan Investment Mgmt.	Real Estate Advisor	May-14	965,012	Active
Lone Star Real Estate Partners	Real Estate Advisor	Nov-11	67,936	Active
Starwood IX Management LP	Real Estate Advisor	Nov-12	1,573,643	Active
UBS Trumbull Property Growth & Income Fund LP	Real Estate Advisor	Nov-13	772,874	Active
UBS Trumbull Property Fund LP	Real Estate Advisor	Nov-13	657,829	Active
UBS Trumbull Property Income Fund, LP	Real Estate Advisor	Nov-13	491,538	Active
Total Real Estate Advisor Compensation			<u>\$ 18,353,647</u>	
Private Investment Advisory Services (2)-345				
AIG Altaris Healthcare Partners II, LP	Private Investment Advisor	Oct-07	\$ 2,417,326	Active
AIG Altaris Healthcare Partners III, LP	Private Investment Advisor	Oct-07	320,688	Active
AIG Altaris Health Partners, IV LP	Private Investment Advisor	Jun-17	184,510	Active
Aldrich Capital Partners Fund LP	Private Investment Advisor	Jun-18	1,367,145	Active
Apollo Investment Fund IX	Private Investment Advisor	Jun-17	3,660,589	Active
Audax Mezzanine Fund III, LP	Private Investment Advisor	May-10	633,758	Active
Balance Point Capital Partners III, LP	Private Investment Advisor	Aug-17	726,232	Active
BC European Capital X	Private Investment Advisor	May-17	1,046,265	Active
Clearlake Capital Partners III, LP	Private Investment Advisor	Nov-12	12,959,526	Active
Clearlake Capital Partners IV, LP	Private Investment Advisor	Jun-15	519,268	Active
Clearlake Capital Partners V, LP	Private Investment Advisor	Jan-18	576,458	Active
Constitution V	Private Investment Advisor	Jul-87	1,281,407	Active
Court Square Capital Partners II, LP	Private Investment Advisor	Dec-06	3,170,924	Active
Court Square Capital Partners III, LP	Private Investment Advisor	May-13	951,157	Active
CT Horizon Legacy Fund LP Total EQT VIII	Private Investment Advisor	Jun-08	173,097	Terminated
Fairview Constitution II, LP	Private Investment Advisor	Dec-17	1,647,841	Active
Fairview Constitution III, LP	Private Investment Advisor	May-05	166,057	Terminated
Fairview Constitution IV, LP	Private Investment Advisor	Jun-07	1,050,000	Terminated
Fairview constitution Liquidating Fund, LP	Private Investment Advisor	Dec-11	975,000	Active
Freeman CT Horizon, LLC	Private Investment Advisor	Feb-09	73,798	Active
FS Equity Partners VI, LP	Private Investment Advisor	Dec-18	134,146	Active
GCM Grosvenor -CT Cleantech (formerly CS/CT Cleantech)	Private Investment Advisor	Mar-04	2,278,288	Active
GenNx360 Capital Partners II, LP	Private Investment Advisor	Jul-07	151,553	Active
ICG Europe Fund VII	Private Investment Advisor	Mar-14	197,385	Active
JFL Investors III, LP	Private Investment Advisor	Nov-18	425,719	Active
JFL Investors IV, LP	Private Investment Advisor	Sep-11	528,483	Active
KKR Associates 2006 Fund, LP	Private Investment Advisor	Aug-11	2,033,901	Active
Landmark XIV, LLC	Private Investment Advisor	May-07	1,100,568	Active
Leeds Equity Associates V, LP	Private Investment Advisor	Jul-10	11,193	Active
Leeds Equity Partners VI, LP	Private Investment Advisor	Apr-09	1,582,621	Active
Leeds Equity Partners VI, LP	Private Investment Advisor	May-18	3,141,758	Active
Levine Leichtman Capital Partners IV, LP	Private Investment Advisor	Jul-08	199,225	Active
Levine Leichtman Capital Partners V, LP	Private Investment Advisor	Aug-12	1,039,064	Active
Nutmeg Opportunities Fund LP	Private Investment Advisor	Nov-06	952,466	Terminated
Nutmeg Opportunities Fund II,LLC	Private Investment Advisor	Jun-17	1,233,823	Active
Pegasus Investors IV, LP	Private Investment Advisor	Aug-07	329,252	Active
Pegasus Investors V, LP	Private Investment Advisor	May-12	3,658,620	Active
Siris Capital Group, LLC	Private Investment Advisor	Apr-18	591,152	Active
StepStone Pioneer Capital Buyout Fund II, LP	Private Investment Advisor	Apr-06	340,257	Active
Syncom Partners V, LP	Private Investment Advisor	Apr-06	98,423	Active
TA Associates XI, GP, L.P.	Private Investment Advisor	Apr-09	562,500	Active
THL Equity Advisors VI, LLC	Private Investment Advisor	Apr-07	1,147,759	Active
Vista Equity Partners III, LP	Private Investment Advisor	Sep-07	368,333	Active
Vista Equity Partners IV, LP	Private Investment Advisor	May-12	1,341,781	Active
Vista Equity Partners VI, LP	Private Investment Advisor	May-16	1,652,924	Active
Vista Equity Partners VII, LP	Private Investment Advisor	Nov-18	1,368,354	Active
WCAS XII, L.P	Private Investment Advisor	Dec-14	5,839,053	Active
WCAS XIII, L.P	Private Investment Advisor	May-19	723,413	Active
Wellspring Capital Partners VI, LP	Private Investment Advisor	Jan-18	523,781	Active
Yuciapa American Alliance Fund II, LP	Private Investment Advisor	Jul-08	2,162,855	Active
Yuciapa American Alliance Fund III, LP	Private Investment Advisor	Jul-15	910,318	Active
Total Private Equity Advisor Compensation			<u>\$ 70,530,014</u>	
TOTAL COMPENSATION TO INVESTMENT ADVISORS			\$ 159,920,031	

PENSION FUNDS MANAGEMENT DIVISION
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000⁽¹⁾ (Continued)
FISCAL YEAR ENDED JUNE 30, 2019

Name of Firm	Description of Services	Contract Date	Aggregate Comp. Paid in FY 2019	Status at June 30, 2019
CUSTODY SERVICES				
Bank of New York Mellon	Master Custodian	Oct-13	\$ 4,180,566	
TOTAL CUSTODY SERVICES COMPENSATION			<u>\$ 4,180,566</u>	

CONSULTING SERVICES (336)				
Cliffwater LLC	Consultant - Alternative Investment	Jun-13	\$ 534,997	Active
Cynthia Steer	Consultant - Pension Funds	May-18	20,000	Active
Meketa Investment Group INC	Consultant - Investment Funds	Jul-17	663,333	Active
NECP, LLC	Consultant- REF	N/A	105,285	Active
Stepstone Group LP	Consultant -Private Investment	Oct-15	1,050,000	Active
TOTAL CONSULTING SERVICES COMPENSATION			<u>\$ 2,373,615</u>	

Pension Funds Management Division
Schedule of Expenses in Excess of \$5,000 (1)
Fiscal Year Ended June 30, 2019

Name of Firm	Description of Services	Contract Date	Aggregate Comp. Paid in FY 2019	Status at June 30, 2019
MISCELLANEOUS SERVICES				
Anderson Kill	Legal Services	Aug-17	\$ 5,669	Active
Day Pitney	Legal Services	Dec-16	6,418	Active
DLA Piper	Legal Services	Sep-10	423,595	Active
Finn Dixon & Herling	Legal Services	Jun-08	44,972	Active
Jackson Walker	Legal Services	Oct-17	16,929	Active
McCarter & English	Legal Services	Dec-11	74,928	Active
Nossaman	Legal Services	Jun-03	69,556	Active
Orrick,Herrington & Sutcliffe	Legal Services	Jun-12	42,010	Active
Pullman & Comley	Legal Services	Jun-08	25,245	Active
Reinhart Boerner Van Deuren, SC	Legal Services	Dec-11	130,554	Active
Robinson,Bradshaw & Hinson	Legal Services	Jun-17	75,753	Active
Squire Patton Boggs	Legal Services	Sep-10	92,217	Active
Teigland-Hunt LLP	Legal Services	Feb-17	33,583	Active
A & A Office Systems.	Photocopier Lease	N/A	6,598	Active
Bloomberg Finance LP	On-Line Information service	N/A	45,965	Active
Council of Institutional Investors	Dues	N/A	23,000	Active
Institutional Shareholder Services	Proxy Voting	Nov-99	83,140	Active
JP Morgan Chase Bank	Purchasing Card Expenditures	Mar-10	6,836	Active
MSCI INC	Subscription	N/A	19,380	Active
Murphy Security Services LLC	Premises Security Services	May-10	15,014	Active
State Street Bank & Trust	Subscription	N/A	120,000	Active
TOTAL MISCELLANEOUS SERVICES COMPENSATION			<u>\$ 1,361,362</u>	
GRAND TOTAL			<u>\$ 167,835,574</u>	

(1) Expenses are presented on a cash basis.

(2) Investment Management fees for the Private Investment Fund and the Real Estate Fund include capitalized fees including carried interest and expensed fees. The appropriate treatment is determined depending on the terms of the investment agreement. Capitalized fees are part of the cost of the investment and become a component of unrealized gain (loss). Capitalized fees are disclosed in Note 1 of the Combined Investment Funds Financial Statements. Expensed fees which are not part of the cost of the investment are recorded in the Statement of Operations.

COMBINED INVESTMENT FUNDS
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT
JUNE 30, 2019

Name of Fund	Investment Strategy	Net Assets Under Management	Percents of Total Fund
LIQUIDITY FUND (LF)			
State Street Global Advisors	Active	\$ 1,769,053,439	98.60%
Other ⁽¹⁾		25,031,120	1.40%
SUBTOTAL LF		\$ 1,794,084,559	100.00%
DOMESTIC EQUITY FUND (DEF)			
Large Cap		\$ 7,037,769,623	85.12%
T. Rowe Price Associates	Enhanced - Index	3,193,228,015	38.62%
State Street Global Advisors	Passive - Indexed	3,844,541,608	46.50%
All Cap		404,746,090	4.90%
Capital Prospects	Active	404,746,090	4.90%
Small/Mid Cap		801,154,043	9.69%
Russell Investments Transition - Frontier Capital Mgmt Co	Active	445,413,602	5.39%
Bivium	Active	355,740,441	4.30%
Other ⁽¹⁾		24,605,420	0.30%
SUBTOTAL MEF		\$ 8,268,275,176	100.00%
DEVELOPED MARKET INTERNATIONAL STOCK FUND (DMISF)			
Index		\$ 1,974,046,531	28.21%
State Street Global Advisors	Index-Passive	1,974,046,531	28.21%
Core		1,808,179,395	25.84%
AQR Capital Management	Active	796,222,211	11.38%
Acadian Asset Management	Active	855,456,136	12.22%
Progress	Active	156,501,048	2.24%
Active-Growth		1,445,910,484	20.66%
MFS Institutional Advisors, Inc.	Active	1,070,603,670	15.30%
FIS Group, Inc.	Active	375,306,814	5.36%
Active-Value		550,397,612	7.86%
MSCI EAFE ETF Formerly GMO	Active	550,397,612	7.86%
Small Cap		1,235,686,407	17.66%
Schroder Investment Mgmt.	Active	404,726,091	5.78%
DFA	Active	385,472,768	5.51%
William Blair & Company	Active	445,487,548	6.37%
Other ⁽¹⁾		(15,713,887)	-0.22%
SUBTOTAL DMISF		\$ 6,998,506,542	100.00%
EMERGING MARKET INTERNATIONAL STOCK FUND (EMISF)			
Schroders Investment Mgt	Active	\$ 1,431,886,398	43.35%
Arga Investment Mgt	Active	206,371,501	6.25%
Driehaus Capital Mgt	Active	694,457,792	21.02%
Lazard Asset Mgt	Active	300,439,677	9.10%
GQG Partners	Active	632,744,798	19.16%
Other ⁽¹⁾		37,120,936	1.12%
SUBTOTAL EMISF		\$ 3,303,021,102	100.00%
REAL ESTATE FUND (REF)			
American Realty Advisors	Active	\$ 171,005,695	7.01%
Basis, L.P.	Active	28,932,251	1.19%
Blackstone Real Estate Partner Europe III, L.P.	Active	9,385,269	0.38%
Blackstone Real Estate Spec Sit II, L.P.	Active	1,456,576	0.06%
Blackstone Real Estate VI, L.P.	Active	10,173,344	0.42%
Blackstone Real Estate Partners VIII, L.P.	Active	86,960,212	3.57%

COMBINED INVESTMENT FUNDS
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT (Continued)
JUNE 30, 2019

Name of Fund	Investment Strategy	Net Assets Under Management	Percents of Total Fund
Blackstone Real Estate Partners EURO V, L.P.	Active	37,031,131	1.52%
Canyon-Johnson Urban Fund II L.P.	Active	168,010	0.01%
Canyon-Johnson Urban Fund III L.P.	Active	9,420	0.00%
Capri Select Income II, LLC	Active	52,195	0.00%
Clarion Lion Industrial Trust	Active	147,974,110	6.07%
Cornerstone Patriot Fund, L.P.	Active	261,266,625	10.72%
Covenant Apartment Fund VIII, L.P.	Active	22,794,199	0.94%
Covenant IX, L.P.	Active	15,695,661	0.64%
Crow Hldgs Realty Partners VII, L.P.	Active	51,993,095	2.13%
Crow Hldgs Realty Partners VIII, L.P.	Active	36,013,602	1.48%
Cypress Acquisition Prtnrs Retail Fund, L.P.	Active	46,323,364	1.90%
Gerding Edlen Green Cities II, L.P.	Active	12,716,428	0.52%
Gerding REF III, L.P.	Active	56,832,395	2.33%
Gerding IV, L.P.	Active	1,936,150	0.08%
Hart Realty Advisors	Active	232,451,892	9.54%
IL & FS India Realty Fund II, LLC	Active	5,956,412	0.24%
JP Morgan Strategic Property, L.P.	Active	105,815,767	4.34%
Landmark RE Partners VII, L.P.	Active	20,385,382	0.84%
Landmark VIII REF, L.P.	Active	13,227,840	0.54%
Lone Star Real Estate Part II, L.P.	Active	3,091,495	0.13%
Prime Property Fund LLC	Active	283,508,533	11.63%
PRISA	Active	214,254,171	8.79%
Rockwood Capital VI Limited Partnership	Active	82,992	0.00%
Rockwood Capital VII Limited Partnership	Active	7,888,368	0.32%
Starwood Opportunity Fund VII, L.P.	Active	4,056,442	0.17%
Starwood Opportunity Fund VIII, L.P.	Active	6,553,502	0.27%
Starwood Opportunity Fund IX, L.P.	Active	17,447,923	0.72%
Starwood XI REF, L.P.	Active	4,825,818	0.20%
Starwood Opportunity Fund X, L.P.	Active	42,275,669	1.73%
UBS-Trumbull Property Income, L.P.	Active	61,888,667	2.54%
UBS-Trumbull Property G&I (TPG)	Active	75,965,005	3.12%
UBS-Trumbull Property Fund L.P.	Active	85,750,047	3.52%
Urban Strategy America Fund L.P.	Active	852,899	0.03%
USAA Eagle RE Fund, L.P.	Active	186,164,945	7.64%
WLR IV PPIP Co Invest L.P.	Active	5,067,340	0.21%
Other ⁽²⁾		61,648,748	2.53%
SUBTOTAL REF		\$ 2,437,879,589	100.00%
CORE FIXED INCOME FUND (CFIF)			
State Street Global Advisors	Passive	354,969,908	10.56%
BlackRock Financial Management, Inc.	Active	548,994,731	16.32%
Wellington	Active	1,083,466,140	32.22%
Conning-Goodwin Capital	Active	595,639,077	17.71%
Longfellow	Active	332,303,694	9.88%
Pugh Capital Mgmt	Active	330,295,631	9.82%
Progress	Active	96,717,260	2.88%
Other ⁽¹⁾		20,626,886	0.61%
SUBTOTAL CFIF		\$ 3,363,013,327	100.00%

COMBINED INVESTMENT FUNDS
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT (Continued)
JUNE 30, 2019

Name of Fund	Investment Strategy	Net Assets Under Management	Percents of Total Fund
HIGH YIELD DEBT FUND (HYDF)			
Loomis Sayles & Co., Inc.	Active	\$ 408,722,283	18.53%
Shenkman Capital Management, Inc.	Active	257,211,636	11.66%
AllianceBernstein, LP	Active	345,108,810	15.65%
DDJ Capital Management, LLC	Active	272,684,604	12.36%
Columbia Management Investment Advisers, LLC	Active	408,107,237	18.50%
Nomura Corporation Research & Asset Management, Inc.	Active	494,600,086	22.43%
Other ⁽¹⁾		19,088,015	0.87%
SUBTOTAL HYDF		\$ 2,205,522,671	100.00%
EMERGING MARKET DEBT FUND (EMDF)			
Ashmore Investment Mgt. Ltd.	Active	\$ 678,322,474	32.19%
Payden & Rygel	Active	846,709,373	40.19%
Fidelity Institutional Asset Mgt. Trust Co.	Active	515,566,427	24.47%
Lazard	Active	52,905,090	2.51%
Other ⁽¹⁾		13,440,845	0.64%
SUBTOTAL EMDF		\$ 2,106,944,209	100.00%
INFLATION LINKED BOND FUND (ILBF)			
BlackRock	Active	\$ 553,164,079	37.34%
Colchester	Active	651,316,608	43.97%
New Century	Active	255,467,863	17.25%
Other ⁽¹⁾		21,336,084	1.44%
SUBTOTAL ILBF		\$ 1,481,284,634	100.00%
PRIVATE INVESTMENT FUND (PIF)			
Buyout		\$ 1,075,801,371	39.69%
Altaris Health Partners II, L.P.	Active	5,051,654	0.19%
Altaris Health Partners III, L.P.	Active	50,800,526	1.87%
Altaris Constellation Partners IV, L.P.	Active	3,539,230	0.13%
Altaris Health Partners IV, L.P.	Active	11,314,502	0.42%
Boston Ventures VII, L.P.	Active	25,789,038	0.95%
Court Square Capital Partners II, L.P.	Active	10,165,196	0.37%
Court Square Capital Partners III, L.P.	Active	50,874,883	1.88%
Ethos Private Equity Fund V, L.P.	Active	4,156,924	0.15%
FS Equity Partners V, L.P.	Active	5,023,066	0.19%
FS Equity Partners VI, L.P.	Active	57,914,544	2.14%
GENNX360 Capital Partners II, L.P.	Active	27,109,556	1.00%
ICV Partners II, L.P.	Active	830,122	0.03%
JFL Equity Investors III, L.P.	Active	42,721,425	1.58%
JFL IV, L.P.	Active	63,865,430	2.36%
KKR 2006 Fund, L.P.	Active	42,369,617	1.56%
KKR Millennium Fund, L.P.	Active	89,316	0.00%
Leeds Equity Partners V, L.P.	Active	37,122,333	1.37%
Leeds Equity Partners VI, L.P.	Active	47,210,990	1.74%

COMBINED INVESTMENT FUNDS
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT (Continued)
JUNE 30, 2019

Name of Fund	Investment Strategy	Net Assets Under Management	Percents of Total Fund
RFE Investment Partners VII, L.P.	Active	6,931,261	0.26%
RFE Investments Partners VIII, L.P.	Active	33,408,573	1.23%
Siris IV, L.P.	Active	7,521,483	0.28%
SPC Private Equity Partners, L.P.	Active	50,926	0.00%
TA XI, L.P.	Active	56,598,941	2.09%
Thomas H. Lee Equity Fund VI, L.P.	Active	13,959,943	0.51%
Vista Equity Partners Fund III, L.P.	Active	5,034,008	0.19%
Vista Equity Partners Fund IV, L.P.	Active	53,152,035	1.96%
Vista Equity Partners Fund VI, L.P.	Active	119,971,557	4.43%
Vista Equity Partners Fund VII, L.P.	Active	13,073,320	0.48%
Wellspring Capital Partners V, L.P.	Active	33,364,928	1.23%
Wellspring Capital Partners VI, L.P.	Active	19,384,018	0.72%
Welsh Carson Anderson & Stowe XI, L.P.	Active	34,778,670	1.28%
Welsh Carson Anderson & Stowe XII, L.P.	Active	92,666,033	3.42%
Welsh Carson Anderson & Stowe XIII, L.P.	Active	(263,769)	-0.01%
Yucaipa American Alliance Fund II, L.P.	Active	72,279,164	2.67%
Yucaipa American Alliance Fund III, L.P.	Active	27,941,928	1.03%
Growth		19,665,434	0.73%
Aldrich I, L.P.	Active	19,665,434	0.73%
Venture Capital		1,891,072	0.07%
Crescendo III, L.P.	Active	1,156,486	0.04%
Syndicated Communications V, L.P.	Active	734,586	0.03%
Mezzanine		71,113,740	2.62%
Audax Mezzanine III, L.P.	Active	13,825,615	0.51%
Balance Point III, L.P.		8,647,971	0.32%
Connecticut Growth Capital, L.P.	Active	29,627,977	1.09%
GarMark Partners II, L.P.	Active	3,881,770	0.14%
Ironwood Mezzanine Fund IV, L.P.	Active	15,130,407	0.56%
International		93,362,162	3.44%
BC European Capital X, L.P.	Active	47,572,343	1.75%
EQT VIII, L.P.	Active	14,492,099	0.53%
GGEP/CPM Holdings, Gilbert Global Equity Partners, L.P.	Active	5,902,750	0.22%
ICG Europe Fund VII, L.P.	Active	25,394,970	0.94%
Fund of Funds		940,771,447	34.70%
Connecticut Horizon Legacy, L.P.	Active	3,907,270	0.14%
Freeman CT Horizon, L.P.	Active	928,133	0.03%
CM Grosvenor - CS/CT Cleantech Opp Fund, L.P.	Active	4,414,585	0.16%
CT Emerging M-2 Private Equity, L.P.	Active	66,686,400	2.46%
Fairview Constitution II, L.P.	Active	47,140,033	1.74%
Fairview Constitution III, L.P.	Active	263,882,849	9.73%
Fairview Constitution IV, L.P.	Active	188,542,272	6.96%
Nutmeg Opportunities Fund II, L.P.	Active	33,178,743	1.22%
Nutmeg Opportunities Fund I, L.P.	Active	94,295,015	3.48%
Pinebridge Global Emerging Markets Fund, L.P.	Active	1,692,704	0.06%
Landmark Equity Partners XIV, L.P.	Active	17,191,158	0.63%
Landmark Equity Partners XV, L.P.	Active	38,371,623	1.42%
Landmark Equity Partners XVI, L.P.	Active	8,221,742	0.30%
Stepstone Pioneer Capital II, L.P.	Active	37,910,323	1.40%
Constitution Fund V, L.P. Series C	Active	2,163,511	0.08%
Constitution Fund V, L.P. Series A & B	Active	116,787,105	4.31%
The Constitution Liquidating Fund, L.P.	Active	15,457,981	0.57%
Special Situations	Active	413,632,180	15.26%
Apollo Investment Fund VIII, L.P.	Active	111,572,974	4.12%
Apollo IX, L.P.	Active	9,532,010	0.35%

COMBINED INVESTMENT FUNDS
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT (Continued)
JUNE 30, 2019

Name of Fund	Investment Strategy	Net Assets Under Management	Percents of Total Fund
Castlelake II, L.P.	Active	24,956,494	0.92%
Clearlake Capital Partners III, L.P.	Active	25,295,122	0.93%
Clearlake Capital Partners IV, L.P.	Active	60,801,686	2.24%
Clearlake Capital Partners V, L.P.	Active	42,882,521	1.58%
Levine Leichtman Capital Partners IV, L.P.	Active	7,914,210	0.29%
Levine Leichtman Capital Partners V, L.P.	Active	64,812,983	2.39%
Pegasus Partners IV, L.P.	Active	15,476,751	0.57%
Pegasus Partners V, L.P.	Active	44,988,777	1.66%
WLR Recovery Fund IV, L.P.	Active	5,398,652	0.20%
Other ⁽²⁾		94,574,621	3.49%
SUBTOTAL PIF		\$ 2,710,812,027	100.00%
ALTERNATIVE INVESTMENT FUND (AIF)			
Anchorage	Active	\$ 48,352,503	1.67%
Arclight Energy Partners Fund V	Active	24,578,494	0.85%
Arclight VI	Active	75,460,948	2.60%
Crescent II	Active	37,183,505	1.28%
EIG Energy Fund XV Limited Partnership	Active	26,898,140	0.93%
ISQ II	Active	20,560,720	0.71%
Marathon European Credit Opportunity	Active	3,758,886	0.13%
Owl Rock	Active	78,679,019	2.71%
Prudence Crandall I Permal Limited Partnership	Active	2,235,767	0.08%
Prudence Crandall II Prisma Limited Partnership	Active	40,672,107	1.40%
Prudence Crandall III Rock Creek Limited Partnership	Active	649,845,094	22.39%
PC III D	Active	684,794,540	23.59%
PC IV D	Active	400,053,930	13.78%
Prudence Crandall IV K2 Limited Partnership	Active	630,748,918	21.73%
Thomas Welles Fund I	Active	175,437,875	6.04%
Other ⁽²⁾		3,639,676	0.13%
SUBTOTAL AIF		\$ 2,902,900,122	100%
TOTAL		\$ 37,572,245,057	
Adjustments ⁽³⁾		(1,457,566,385)	
GRAND TOTAL		\$ 36,114,678,672	

(1) Other represents cash equivalents, other net assets and terminated advisor balances, as well as, currency overlay balances for the DMISF.

(2) Other includes partnerships with nonmaterial balances, as well as, cash equivalents and other net assets

(3) Represents Elimination Entry to account for investment of Combined Investment Funds in the Liquidity Fund.

* Totals may not foot due to rounding

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Broker Name	\$ Commission	Shares/ Par Value	Avg Comm	Broker Name	\$ Commission	Shares/ Par Value	Avg Comm
ABG SECS, OSLO	3,720	626,371	0.01	CLSA LTD, HONG KONG	49	2,200,000	0.00
ABN AMRO CLEARING BANK N.V., AMSTERDAM	751	64,578	0.01	CLSA SINGAPORE PTE LTD (CHV), SINGAPORE	389	42,100	0.01
ABN AMRO CRAIGS LTD, AUCKLAND	73	44,485	0.00	COD00000062	44	3,900	0.01
ACADEMY SECURITIES, INC, NEW YORK	552	22,086	0.03	COL FINANCIAL GROUP INC, PASIG CITY	3,113	14,001,400	0.00
ACTINVER CASA DE BOLSA,MEXICO	1,188	414,000	0.00	COMPASS POINT RESEARCH & TR, JERSEY CITY	2,545	67,228	0.04
ALFA CAPITAL HOLDINGS LIMITED, NICOSIA	6,028	1,399,118	0.00	CORNERSTONE MACRO LLC, NEW YORK	4,861	237,954	0.02
ALFA-BANK OPEN JOINT STOCK CO, MOSCOW	821	183,169	0.00	CORREDORES ASOCIADOS SA, BOGOTA	2,963	154,768	0.02
ALLEN & COMPANY LLC, JERSEY CITY	5,001	200,045	0.03	COWEN AND CO LLC, NEW YORK	40,172	3,111,386	0.01
APEX CLEARING CORPORATION, DALLAS	387	11,058	0.04	COWEN AND COMPANY LLC, NEW YORK	82	8,216	0.01
ARQAAM CAP S AFRICA LTD, JOHANNESBURG	8,322	2,948,970	0.00	COWEN AND COMPANY, LLC, JERSEY CITY	983	39,300	0.03
B RILEY AND CO INC, NEW YORK	306	12,235	0.03	CRAIG HALLUM, MINNEAPOLIS	60	1,505	0.04
B RILEY AND CO LLC, NEW YORK	3,299	112,010	0.03	CRAIG HALLUM, NEW YORK	3,944	163,096	0.02
BAADER WERTPAPIERHANDELSBANK, UNTERSCHLE	381	8,790	0.04	CREDIT LYONNAIS SEC, SEOUL	14,461	146,991	0.10
BAIRD, ROBERT W & CO INC, MILWAUKEE	40,702	1,021,278	0.04	CREDIT LYONNAIS SECS (ASIA), HONG KONG	108,577	177,644,432	0.00
BANCO BICE, SANTIAGO	2,912	421,033	0.01	CREDIT LYONNAIS SECS, SINGAPORE	19,790	16,629,814	0.00
BANCO BTG PACTUAL SA, RIO DE JANEIRO	15,665	2,775,830	0.01	CREDIT SUISSE (EUROPE), LONDON	23,944	3,192,464	0.01
BANCO ITAU S.A., NEW YORK	215	17,790	0.01	CREDIT SUISSE (EUROPE), SEOUL	19,790	443,869	0.04
BANCO ITAU, SAO PAULO	17,285	773,757	0.02	CREDIT SUISSE (HK) LIMITED, HONG KONG	30,881	17,214,050	0.00
BANCO MODAL S.A., RIO DE JANEIRO	117	21,360	0.01	CREDIT SUISSE AUSTRALIA EQ, MELBOURNE	48	5,533	0.01
BANCO SANTANDER (BRASIL) S.A, SAO PAULO	274	8,700	0.03	CREDIT SUISSE FIRST BOSTON UK LTD, US	11	2,787	0.00
BANCO SANTANDER, NEW YORK	3,873	460,687	0.01	CREDIT SUISSE UK LTD, LONDON	9	2,396	0.00
BANK J VONTOBEL & CO LTD, ZURICH	1,889	23,002	0.08	CREDIT SUISSE, NEW YORK (CSUS)	125,967	36,609,353	0.00
BANK OF NEW YORK MELLON, NEW YORK	1,048	87,297	0.01	CREDIT SUISSE, SAO PAULO	1,635	782,700	0.00
BANQUE PARIBAS, PARIS	23,759	2,885,416	0.01	CTI CAPITAL INC, MONTREAL	1,920	37,889	0.05
BARCLAYS BANK, NEW YORK	72,135	1,982	36.39	D CARNEGIE AB, STOCKHOLM	7,609	984,018	0.01
BARCLAYS BK PLC, NEW YORK	396	30,451	0.01	DAIWA CAPITAL MKTS AMERICA, INC,NEW YORK	36	1,251	0.03
BARCLAYS CAPITAL INC./LE, NEW JERSEY	5,525	230,123	0.02	DAIWA SECS (HK) LTD, HONG KONG	14,986	4,799,663	0.00
BARCLAYS CAPITAL LE, NEW YORK	96,619	8,730,134	0.01	DAIWA SECS AMER INC, NEW YORK	13,285	1,462,900	0.01
BARCLAYS CAPITAL, LONDON (BARCGB33)	61,801	1,112,331	0.06	DANAREKSA SECURITIES PT, JAKARTA	5,743	69,537,300	0.00
BCS PRIME BROKERAGE LTD, LONDON	9,870	185,377	0.05	DAVIDSON(D) A & CO INC, NEW YORK	1,788	61,312	0.03
BERENBERG GOSSLER & CIE, HAMBURG	62,431	2,562,609	0.02	DAVY STOCKBROKERS, DUBLIN	1,444	56,863	0.03
BERNSTEIN SANFORD C & CO, NEW YORK	57,191	34,675,595	0.00	DBS VICKERS SEC PTE LTD, SINGAPORE	658	10,207,600	0.00
BLAYLOCK & CO INC, JERSEY CITY	747	18,070	0.04	DBT AMERICAS/DEUTSCHE BANK AG, NEW YORK	830	116,360	0.01
BMO CAPITAL MARKETS CORP, NEW YORK	14,934	978,121	0.02	DEN DANSEK BANK, COPENHAGEN	605	35,897	0.02
BNP PARIBAS PEREGRINE SEC LTD, HONG KONG	803	100,083	0.01	DEN NORSEK CREDITBANK, OSLO	1,017	286,758	0.00
BNP PARIBAS SEC SERVICES, MILANO	692	34,063	0.02	DEUTSCHE BK INTL EQ, LONDN (DEUTGB22EEQ)	5,673	468,980	0.01
BNP PARIBAS SEC SRVS SA, SINGAPORE	47,705	7,938,785	0.01	DEUTSCHE BK SEC CORP	15	488,000	0.00
BNP PARIBAS SEC SVCS, LONDON (PARGB2L)	830	121,769	0.01	DEUTSCHE BK SECS INC, NY (NWSCUS33)	58,214	32,734,220	0.00
BNP PARIBAS SECS SERVS, SYDNEY	4,231	1,317,847	0.00	DEUTSCHE MORGAN GRENPELL SEC, SYDNEY	287	70,452	0.00
BNP PARIBAS SECURITIES SVCS, HONG KONG	21,674	13,717,219	0.00	DEUTSCHE SEC ASIA LTD, HONG KONG	1,535	844,200	0.00
BNP PARIBAS U.S.A - NEW YORK BRANCH,NJ	1,244	224,314	0.01	DIRECT TRADING, UNITED STATES	12,824	1,189,401	0.01
BNY CONVERGEX EXECUTION SOL, NEW YORK	152,300	11,719,196	0.01	DOUGHERTY & COMPANY LLC, MINNEAPOLIS	1,906	70,619	0.03
BNY CONVERGEX GROUP, NEW YORK	580	11,200	0.05	DOWNLING AND PARTNERS, NEW YORK	10,398	416,765	0.02
BNY CONVERGEX, NEW YORK	5,595	233,815	0.02	ELECTRONIC BROKERAGE SYSTEMS, CHICAGO	77	4,914	0.02
BOFA SECURITIES, INC, NEW YORK	7,263	666,898	0.01	EQUITA SIM SPA, MILAN	514	78,790	0.01
BRADESCO S.A. CTVM, SAO PAULO	30,650	4,278,900	0.01	ERB EUROBANK SECURITIES S.A., ATHENS	4,056	150,150	0.03
BRADESCO S/A CTVM, SAO PAULO	1,488	93,185	0.02	ERSTE BK BEFETETESI RT, BUDAPEST	5,956	144,675	0.04
BRASIL PLURAL CTVM SA, SAO PAULO	2,788	210,697	0.01	EUROCLEAR BANK SA NV, BRUSSELS	1,230	239,180	0.01
BROADCORT CAPITAL CORP, NEW YORK	2,954	192,115	0.02	EUROCLEAR BANK SAINV, BRUSSELS	909	12,661	0.07
BTG CAPITAL CORP, JERSEY CITY	55	1,847	0.03	EXANE, PARIS (EXANFRPP)	21,147	877,195	0.02
BTIG LLC, NEW YORK	8,448	506,978	0.02	FIDELITY CAPITAL MARKETS, NEW YORK	34	5,639	0.01
BUCKINGHAM RESEARCH GRP INC, BROOKLYN	46	1,540	0.03	FIG PARTNERS LLC, ATLANTA	1,448	35,590	0.04
BUCKINGHAM RESEARCH, NEW YORK	21	710	0.03	FINANCIAL BROKERAGE GROUP (FBG), CAIRO	508	26,280	0.02
CABRERA CAPITAL MARKETS, CHICAGO	2,688	197,763	0.01	FOX RIVER EXECUTION TECH,LLC,JERSEY CITY	512	102,400	0.01
CANACCORD GENUITY CORP, MONTREAL (CCAM)	982	65,888	0.01	FRANK RUSSELL SEC BROADCOR CAP, NEW YORK	120	4,789	0.03
CANACCORD GENUITY LTD, LONDON	364	115,000	0.00	FRIEDMAN, BILLINGS AND RAMSEY, NEW YORK	54	1,347	0.04
CANADIAN IMPERIAL BK COMMERCE, LONDON	7,283	750,797	0.01	FUJI SECURITIES INC, JERSEY CITY	1,428	57,100	0.03
CANTOR CLEARING SERVICE, NEW YORK	3	139	0.02	FX- MORGAN STANLEY & CO, NEW YORK	463	635,000	0.00
CANTOR FITZGERALD & CO INC, NEW YORK	14,501	2,034,351	0.01	GOLDMAN SACHS & CO, NY	222,964	51,080,301	0.00
CANTOR FITZGERALD CAP MKTS, HONG KONG	1,796	9,882,000	0.00	GOLDMAN SACHS ASIA SEC LTD, HONG KONG	237	6,480,200	0.00
CANTOR FITZGERALD EUROPE, LONDON	2,470	755,614	0.00	GOLDMAN SACHS AUSTRALIA PTY LTD,MELBOURN	275	92,314	0.00
CANTOR FITZGERALD, LONDON	36	48,815	0.00	GOLDMAN SACHS INTL, LONDON (GSILGB2X)	69,882	16,964,105	0.00
CAP INSTL SVCS INC - EQUITIES, NEW YORK	4,473	179,290	0.02	GOLDMAN SACHS INTL, NY	1,022	112,913	0.01
CARNEGIE ASA, OSLO	3,767	344,771	0.01	GOLDMAN SACHS INTL, TORONTO (GSCI)	726	193,200	0.00
CARNEGIE SECS LTD, HELSINKI (CASFFH1)	2,125	143,036	0.01	GOODBODY STOCKBROKERS, DUBLIN	1,013	168,732	0.01
CASTLEOAK SECURITIES LP, JERSEY CITY	1,124	124,834	0.01	GOODBODY STOCKBROKERS, DUBLIN	94	25,500	0.00
CELFIN CAPITAL SA CORREDORES, SANTIAGO	3,214	292,865	0.01	GORDON HASKETT CAP CORP, NJ	35	1,400	0.03
CENKOS SECURITIES LIMITED, LONDON	16,963	6,071,351	0.00	GUGGENHEIM CAPITAL MARKETS LLC, NEW YORK	2,170	107,628	0.02
CHINA INTL CAP CORP HK SECS, HONG KONG	4,782	526,215	0.01	GUGGENHEIM CAPITAL MARKETS LLC, NEW YORK	2,184	81,365	0.03
CIBC MELLON GSS, TORONTO (COMO)	432	28,121	0.02	GUZMAN AND COMPANY, NEW YORK	656	26,246	0.03
CIBC WORLD MKTS INC, TORONTO	265	11,553	0.02	HANWHA SECS CO LTD, SEOUL	3,886	133,076	0.03
CIMB GK SECURITIES PTE LTD, SINGAPORE	39	2,100,000	0.00	HAUCK UND AUHAEUSER PRIVATE, FRANKFURT	64	4,231	0.02
CIMB SECURITIES LTD., KOREA BRANCH	49	4,092	0.01	HILLTOP SECURITIES INC, DALLAS	569	28,037	0.02
CITATION GROUP BCC CLRG, NEW YORK	944	30,538	0.03	HONG KONG & SHANGHAI BKG CORP, HONG KONG	13,769	21,829,100	0.00
CITIBANK (COR), NEW YORK	1,901	73,204	0.03	HSBC BANK PLC (MIDLAND BK)(JAC), LONDON	51,176	9,876,204	0.01
CITIBANK (LIM), NEW YORK	2,766	1,317,649	0.00	HSBC BANK PLC (MIDLAND BK)(XXX), LONDON	7,383	33,905,536	0.00
CITIBANK EUROPE PLC AUSTRIA BR, VIENNA	281	16,525	0.02	HSBC BROKERAGE (USA) INC., NEW YORK	48,644	6,215,810	0.01
CITIBANK INTL PLC, LONDON	7,992	366,484	0.02	HSBC JAMES CAPEL, SEOUL	7,230	403,183	0.02
CITIBANK LTD, MELBOURNE	122	31,041	0.00	HSBC SECS INC, NEW YORK	55,139	47,723,183	0.00
CITIBANK NA, LONDON	3,493	779,464	0.00	HSBC SECURITIES (USA) INC, NEW YORK	5,884	340,581	0.02
CITIBANK, BUDAPEST	353	43,709	0.01	HYUNDAI SECURITIES, SEOUL	322	6,960	0.05
CITIBANK, FRANKFURT	2,172	147,868	0.01	ICBC FINCL SVCS, NEW YORK	1,521	90,093	0.02
CITIBANK, NY	33,441	41,150,225	0.00	ICHIYOSHI SEC CO LTD, TOKYO	14	600	0.02
CITIGROUP GBL MKTS AUSTRALIA PTY, SYDNEY	686	295,240	0.00	IM TRUST SA,CORREDORES DE BOLSA,SANTIAGO	830	878,861	0.00
CITIGROUP GBL MKTS COTVM SA, BRAZIL	22,167	3,351,391	0.01	IMPERIAL CAPITAL LLC, NEW YORK	4	381	0.01
CITIGROUP GBL MKTS INC, NEW YORK	42,680	3,088,273	0.01	ING BANK N V, LONDON	1,027	103,051	0.01
CITIGROUP GBL MKTS SINGAPORE SEC PVT LTD	169	957,300	0.00	INSTINET AUSTRALIA CLEARING SERV, SYDNEY	12,014	5,523,893	0.00
CITIGROUP GBL MKTS/SALOMON, NEW YORK	27,053	87,048,787	0.00	INSTINET CLEARING SER INC, NEW YORK	52,108	4,332,505	0.01
CITIGROUP GLOBAL MARKETS LTD, LONDON	207,845	90,538,281	0.00	INSTINET CORP, NEW YORK	10,886	2,400,035	0.00
CITIGROUP GLOBAL MARKETS, INC., NEW YORK	144,205	12,612,287	0.01	INSTINET CORP, NY	374	36,067	0.01
CITIGROUP GLOBAL MARKETS, INC., NEW YORK	13,941	1,731,434	0.01	INSTINET EUROPE LIMITED, LONDON	68,482	14,635,236	0.00
CJS SECURITIES INC, JERSEY CITY	805	53,688	0.02	INSTINET PACIFIC LTD, HONG KONG	55,791	22,829,176	0.00
CLSA AMERICAS, NEW YORK	29,247	881,407	0.03	INSTINET, SINGAPORE	4,514	2,893,684	0.00
CLSA AUSTRALIA PTY LTD, SYDNEY	6,645	1,578,027	0.00	INTERACTIVE BROKERS LLC, GREENWICH	3,557	118,567	0.03

**PENSION FUNDS MANAGEMENT DIVISION
COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Broker Name	\$ Commission	Shares/ Par Value	Avg Comm	Broker Name	\$ Commission	Shares/ Par Value	Avg Comm
INTERNATIONAL TRADING, JERSEY CITY	1	79	0.01	MORGAN STANLEY & CO, LONDON (MSLNGB2X)	45,496	38,100,066	0.00
INTL FCBSTONE FIN INC/BD RATES, NEW YORK	98	3,935	0.03	MORGAN STANLEY DEAN WITTER, SYDNEY	771	223,378	0.00
INVESTEC HENDERSON CROSTHWAITE, LONDON	1,201	218,142	0.01	NATIONAL FINANCIAL SERVICES LLC, BOSTON	1,058	4,008,487	0.00
INVESTEC SECURITIES (331), LONDON	32,570	4,807,035	0.01	NATIONAL FINL SVCS CORP, NEW YORK	103,546	11,484,274	0.01
INVESTEC SECURITIES LTD, JOHANNESBURG	2,677	206,846	0.01	NEEDHAM AND CO LLC, NEW YORK	2,288	77,502	0.03
INVESTMENT TECH GROUP INC, NEW YORK	27,828	2,553,992	0.01	NOMURA SECS INTL INC, NEW YORK	97	375,216	0.00
INVESTMENT TECHNOLOGY GROUP LTD, DUBLIN	36,527	11,442,027	0.00	NORDEA BK PLC, HELSINKI (NDEAFIHH030)	2,766	712,103	0.00
IPOPEMA SECURITIES S.A., WARSZAWA	6,925	200,863	0.03	NORTH SOUTH CAPITAL LLC, CHICAGO, IL	626	43,153	0.01
IS YATIRIM MENKUL DEGERLER AS, ISTANBUL	7,610	6,261,036	0.00	NORTH SOUTH CAPITAL LLC, JERSEY CITY	19,166	827,916	0.02
ISI GROUP INC, NEW YORK	18,199	1,153,962	0.02	NORTHLAND SECURITIES INC., NEW YORK	1,049	37,881	0.03
ITG AUSTRALIA LTD, MELBOURNE	13,090	27,391,050	0.00	NUMIS SECURITIES INC., NEW YORK	2,702	269,204	0.01
ITG CANADA CORP, TORONTO	3,272	944,372	0.00	NUMIS SECURITIES LTD, LONDON	15,116	4,166,087	0.00
ITG HONG KONG LIMITED, HONG KONG	12,976	256,791	0.05	O NEIL WILLIAM CO INC BCC CLRG, NEW YORK	1,001	33,361	0.03
ITG INC, NEW YORK	15,384	1,817,071	0.01	ODDO ET CIE, PARIS	1,282	26,696	0.05
ITG INC, NY	93	25,943	0.00	OPPENHEIMER & CO INC, NEW YORK	11,700	333,844	0.04
IYV SECURITIES INC, GREAT NECK	1,138	113,800	0.01	OSK INVESTMENT BANK BERHAD, KUALA LUMPUR	4,267	2,287,400	0.00
IKE CASA DE BOLSA, SA DE CV, MEXICO	2,915	1,001,000	0.00	OSK SECS PUBLIC CO LTD, BANGKOK	767	74,350	0.01
J & E DAVY, DUBLIN	4,271	421,248	0.01	PANMURE GORDON & CO LTD, LONDON	852	147,429	0.01
J P MORGAN SEC LTD/STOCK LENDING, LONDON	7,403	1,681,234	0.00	PARCEL, PARIS	18,498	639,406	0.03
J P MORGAN SEC, SYDNEY	1,142	516,454	0.00	PEEL HUNT LLP, LONDON	211	149,064	0.00
J P MORGAN SECS LTD, LONDON	168,348	26,299,307	0.01	PENSERRA SECURITIES, NEW YORK	18,810	1,525,923	0.01
J P MORGAN SECURITIES INC, NEW YORK	41,321	2,426,176	0.02	PEREGRINE SECS PHILIPPINES INC, MANILA	179	19,320	0.01
J.P. MORGAN CLEARING CORP, NEW YORK	71,381	8,925,797	0.01	PERSHING LLC, JERSEY CITY	77,925	5,931,315	0.01
J.P. MORGAN SECURITIES, HONG KONG	67,334	61,870,525	0.00	PERSHING SECURITIES LIMITED, LIVERPOOL	138	2,606	0.05
JANNEY MONTGOMERY SCOTT, PHILADELPHIA	1,812	52,023	0.03	PERSHING SECURITIES LTD, LONDON	14,109	40,732,729	0.00
JEFFERIES & CO INC, NEW YORK	142,964	16,100,960	0.01	PERSHING SECURITIES LTD, LONDON	172	219,488	0.00
JEFFERIES & CO LTD, LONDON	34,130	19,674,628	0.00	PIPER JAFFRAY & CO., JERSEY CITY	9,613	326,824	0.03
JEFFERIES HONG KONG LIMITED, HONG KONG	2,653	1,105,600	0.00	RAYMOND JAMES & ASSOC INC, ST PETERSBURG	84,648	2,773,984	0.03
JEFFERIES INTERNATIONAL LTD, LONDON	168	106,423	0.00	RBC CAPITAL MARKETS LLC, NEW YORK	77,633	5,784,662	0.01
JMP SECURITIES, SAN FRANCISCO	1,802	55,838	0.03	RBC DOMINION SECS INC, TORONTO (DOMA)	3,746	261,839	0.01
JONESTRADING INST SVCS LLC, NEW YORK	33,510	1,179,399	0.03	REDBURN PARTNERS LLP, LONDON	598	15,585	0.04
JONESTRADING INSTL SVCS LLC, WESTLAKE	1,841	444,700	0.00	RENAISSANCE CAPITAL LTD, LONDON	18,398	1,121,994	0.02
JP MORGAN SECS (FAR EAST) LTD, SEOUL	1,005	22,082	0.05	RENAISSANCE SECS (CYPRUS) LTD, NICOSIA	1,387	108,170	0.01
JP MORGAN SECS, SINGAPORE	7,858	7,199,256	0.00	ROTH CAPITAL PARTNERS LLC, NEW YORK	660	17,377	0.04
JPMORGAN CHASE BANK/ECLR BANK, NEW YORK	2,249	370,837	0.01	ROYAL BANK OF CANADA EUROPE LTD, LONDON	2,657	384,082	0.01
JPMORGAN SECURITIES INC, NEW YORK	20,834	7,889,990	0.00	ROYAL TR CORP OF CDA/GBL CUSTODY, LONDON	516	151,226	0.00
KAS BANK NV, AMSTERDAM	787	76,915	0.01	S G WARBURG, SEOUL	23,447	848,892	0.03
KEB SALOMON SMITH BARNEY SECS, SEOUL	9,633	192,003	0.05	SAMSUNG SECS, SEOUL	12,899	58,686	0.22
KEEFE BRUYETTE + WOODS INC, NEW YORK	5,277	165,374	0.03	SAMUEL A RAMIREZ & COMPANY, BROOKLYN	910	36,400	0.03
KEPLER EQUITIES, PARIS	7,029	344,581	0.02	SAMUEL A. RAMIREZ & COMPANY INC, JERSEY	2,742	109,674	0.03
KEYBANC CAPITAL MARKETS INC, NEW YORK	18,063	553,947	0.03	SANDLER O'NEILL & PARTNERS LP, NEW YORK	242	24,164	0.01
KEYBANC CAPITAL MARKETS INC, NEW YORK	3,151	126,039	0.03	SANDLER O'NEILL AND PARTNER LP, NEW YORK	4,986	345,582	0.01
KIM ENG SEC LTD, HONG KONG	10,530	6,310,245	0.00	SANFORD C BERNSTEIN & CO INC, LONDON	25,445	3,192,431	0.01
KING (CL) & ASSOCIATES, ALBANY	26,650	1,064,677	0.03	SCOTIA CAPITAL (USA) INC, NEW YORK	4,122	270,555	0.02
KNIGHT EQUITY MARKETS LP, NEW YORK	1,802	147,358	0.01	SCOTIA CAPITAL INC, NEW YORK	10,301	1,028,364	0.01
KOREA INVESTMENT AND SEC CO LTD, SEOUL	1,376	41,602	0.03	SCOTIA CAPITAL MKTS, TORONTO	88	5,936	0.01
LEERINK SWANN AND COMPANY, NEW YORK	6,059	215,859	0.03	SEAPORT GROUP SECURITIES, LLC, NEW YORK	5,896	395,209	0.01
LIBERUM CAPITAL INC, NEW YORK	1,223	148,570	0.01	SG AMERICAS SECURITIES LLC, NEW YORK	740	68,243	0.01
LIBERUM CAPITAL LIMITED, LONDON	2,528	2,156,390	0.00	SG SEC (LONDON) LTD, LONDON	24,315	7,032,044	0.00
LIQUIDNET CANADA INC, TORONTO	3,110	275,362	0.01	SG SECURITIES, HONG KONG	6,665	15,132,994	0.00
LIQUIDNET EUROPE LIMITED, LONDON	1,115	50,532	0.02	SG SECURITIES, HONG KONG	5	434,000	0.00
LIQUIDNET INC, NEW YORK	6,971	379,720	0.02	SHENYIN WANGUO SECS LTD, HONG KONG	9,046	6,634,000	0.00
LIQUIDNET INC, NEW YORK	60,426	3,736,644	0.02	SIDOTI AND COMPANY LLC, NEW YORK	3,871	128,702	0.03
LONGBOW SECURITIES LLC, NEW YORK	353	13,534	0.03	SINGER CAPITAL MARKETS LTD, LONDON	1,122	125,425	0.01
LOOP CAPITAL MARKETS, JERSEY CITY	95,409	7,914,391	0.01	SKANDINAVISKA ENSKILDA BANKEN, COPENHAGE	2,868	92,967	0.03
LUMINEX TRADING AND ANALYTICS, BOSTON	2,472	539,395	0.00	SKANDINAVISKA ENSKILDA BANKEN, LONDON	2,395	317,110	0.01
MACQUARIE BANK LIMITED, HONG KONG	366	728,200	0.00	SKANDINAVISKA ENSKILDA BANKEN, STOCKHOLM	729	36,807	0.02
MACQUARIE BANK LIMITED, SYDNEY	3,394	1,696,976	0.00	SMBC NIKKO SECURITIES LTD, WAN CHAI	179	22,500	0.01
MACQUARIE BANK LTD, HONG KONG	42,126	90,409,824	0.00	SMBC SECURITIES, INC NEW YORK	13,027	561,733	0.02
MACQUARIE CAPITAL (USA) INC., NEW YORK	86,295	2,857,299	0.03	SOCIETE DE BOURSE GILBERT DUPONT, PARIS	2,021	2,457	0.82
MACQUARIE CAPITAL LTD, LONDON	2,716	241,974	0.01	SOCIETE GENERALE LONDON BRANCH, LONDON	30,392	7,118,320	0.00
MACQUARIE SECS (SINGAPORE), SINGAPORE	609	1,910,200	0.00	SOCIETE GENERALE SA, LONDON	148	35,112	0.00
MACQUARIE SECS USA INC, NEW YORK	3,970	425,405	0.01	SOCIETE GENERALE, LONDON	343	32,299	0.01
MACQUARIE SECURITIES LTD, AUCKLAND	37	11,741	0.00	SOCIETE GENERALE, PARIS	2,036	999,704	0.00
MACQUARIE SECURITIES LTD, SEOUL	32,569	887,853	0.04	STANDARD BANK, LONDON	4,941	882,907	0.01
MAINFIRST BANK AG, FRANKFURT AM MAIN	4,571	69,724	0.07	STANDARD BK OF SOUTH AFRICA, JOHANNESBURG	2,331	11,686	0.20
MEDIOBANCA SPA, MILANO	3,510	111,571	0.03	STATE ST GLOBAL MARKETS LLC, NEW YORK	33	1,320	0.03
MERLIN SECURITIES LLC, JERSEY CITY	2,033	225,876	0.01	STEPHENS INC, LITTLE ROCK	21,931	880,915	0.02
MERRILL LYNCH (SINGAPORE) PTE LTD	988	1,572,400	0.00	STIFEL NICOLAUS	23,425	735,719	0.03
MERRILL LYNCH & CO INC, ATLAS GLOBAL, NY	6,501	251,088	0.03	STIFEL NICOLAUS EUROPE LIMITED, LONDON	827	78,728	0.01
MERRILL LYNCH FAR EAST LTD, HONG KONG	83	51,100	0.00	STURDIVANT & CO INC, BROOKLYN	1,568	62,736	0.03
MERRILL LYNCH GILTS LTD, LONDON	11,261	4,106,047	0.00	SUNTRUST CAPITAL MARKETS INC, NEW YORK	14,196	424,930	0.03
MERRILL LYNCH INTL LONDON EQUITIES	142,605	50,240,615	0.00	SVENSKA HANDELSBANKEN, STOCKHOLM	4,014	204,847	0.02
MERRILL LYNCH INTL LTD, LONDON	112	49,900	0.00	TD SECURITIES (USA) LLC, NEW YORK	735	29,407	0.03
MERRILL LYNCH PIERCE FENNER SMITH INC NY	288,354	32,890,398	0.01	TELSEY ADVISORY GROUP LLC, DALLAS	558	22,300	0.03
MERRILL LYNCH PIERCE FENNER, WILMINGTON	22,263	3,982,487	0.01	THE BENCHMARK CO LLC, NEW YORK	300	9,994	0.03
MERRILL LYNCH PROFESSIONAL CLRG, PURCHAS	341	13,492	0.03	THE FIG GROUP LLC, DALLAS	2,358	223,600	0.01
MERRILL LYNCH, SYDNEY	17	4,500	0.00	TORONTO DOMINION SEC, TORONTO	37	7,560	0.00
MIRABAUD SECURITIES LLP, LONDON	41	2,900	0.01	TOURMALINE PARTNERS LLC, NEW YORK	2,694	172,100	0.02
MIRAE ASSET SEC USA, NEW YORK	1,177	28,980	0.04	TROIKA DIALOG USA, NEW YORK	151	2,818	0.05
MIRAE ASSET SECURITIES, SEOUL	1,151	20,786	0.06	UBS AG LONDON BRANCH, LONDON	3,778	769,846	0.00
MISCHLER FINANCIAL GROUP INC, NEW YORK	4,793	233,220	0.02	UBS EQUITIES, LONDON	51,405	13,277,205	0.00
MITSUBISHI UFJ SECS INTL PLC, LONDON	137	23,400	0.01	UBS SECS SINGAPORE PTE LTD	3,804	20,104,406	0.00
MITSUBISHI UFJ SECURITIES, NEW YORK	20,939	482,007	0.04	UBS SECURITIES CANADA, TORONTO (BWIT)	858	52,000	0.02
MIZUHO INTERNATIONAL PLC, LONDON	2,511	390,500	0.01	UBS SECURITIES LLC, STAMFORD	139,430	11,880,572	0.01
MIZUHO SECURITIES ASIA, HONG KONG	19,719	5,889,400	0.00	UBS WARBURG ASIA LTD, HONG KONG	88,549	63,630,809	0.00
MIZUHO SECURITIES USA INC, NEW YORK	8,708	10,312,536	0.00	UBS WARBURG AUSTRALIA EQUITIES, SYDNEY	89	14,175	0.01
MIZUHO SECURITIES USA INC, NEW YORK	2,459	98,376	0.03	UBS WARBURG, LONDON	36,678	9,308,982	0.00
MIZUHO SECURITIES USA, INC., NEW YORK	3,922	108,577	0.04	UNION BANK SWITZERLAND SECS, LONDON	3,513	4,179,300	0.00
MKM PARTNERS LLC, GREENWICH	3,885	156,146	0.02	UOB KAY HIAN PRIVATE LTD, SINGAPORE	65	53,000	0.00
MORGAN J P SECS, NEW YORK	13	484,000	0.00	VIRTU FINANCIAL IRELAND LIMITED, DUBLIN	2,268	1,065,710	0.00
MORGAN OLMSTEAD	395	34,002	0.01	VIRTU FINANCIAL IRELAND LIMITED, DUBLIN	200	405,739	0.00
MORGAN STANLEY & CO INC, NY	242,122	47,485,243	0.01	VTB BANK EUROPE PLC, LONDON	1,448	151,978	0.01
MORGAN STANLEY & CO INTL LTD, SEOUL	41,258	1,462,537	0.03	WALL STREET ACCESS, JERSEY CITY	2,417	241,650	0.01

**PENSION FUNDS MANAGEMENT DIVISION
 COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Broker Name	\$ Commission	Shares/ Par Value	Avg Comm
WEDBUSH MORGAN SECS INC, LOS ANGELES	4,627	172,071	0.03
WEEDEN & CO, GREENWICH	1,469	848,497	0.00
WEEDEN & CO, NEW YORK	72,178	3,537,551	0.02
WELLS FARGO SECURITIES LLC, CHARLOTTE	7,881	652,904	0.01
WELLS FARGO SECURITIES, LLC, NEW YORK	13,581	576,949	0.02
WILLIAM BLAIR & CO, CHICAGO	13,325	323,207	0.04
WILLIAMS CAPITAL GROUP LP, JERSEY CITY	9,188	1,174,225	0.01
WILSON HTM LTD, BRISBANE	37	12,448	0.00
WINTERFLOOD SECS, LONDON	9,452	2,186,952	0.00
WOLFE TRAHAN SECURITIES, NEW YORK	9,651	315,350	0.03
WOOD & COMPANY, PRAGUE	8,267	322,820	0.03
WOORI INVESTMENT & SECURITIES, SEOUL	1,558	22,622	0.07
XP INVESTIMENTOS CCTVM SA,RIO DE JANEIRO	4,860	79,639	0.06
TOTAL:	6,088,389		

Glossary of Terms

Active extension - Active extension is defined as an investment strategy that allows for both long and short positions in an investment portfolio with a gross exposure above 100% of total portfolio value on an absolute basis, while maintaining a beta of one.

Agency Securities - Securities, usually bonds, issued by U.S. Government agencies. These securities have high credit ratings but are not backed by the full faith and credit of the U.S. Government.

All-cap - An investment approach that disregards market capitalization (i.e. small, medium, or large cap) in its security selection process.

Alpha - A coefficient which measures risk-adjusted performance, factoring in the risk due to the specific security, rather than the overall market. A high value for alpha implies that the stock or mutual fund has performed better than would have been expected given its beta (volatility).

Asset - Anything owned that has economic value; any interest in property, tangible or intangible, that can be used for payment of debts.

Asset Backed Security - Bonds or notes collateralized by one or more types of assets including real property, mortgages, and receivables.

At Value - A term used to denote the current value of an asset at a point in time. Generally used in presentations containing a mix of assets some of which are traded on an exchange and some that are valued on an appraisal or similar basis.

Banker's Acceptance (BA) - A high-quality, short-term negotiable discount note, drawn on and accepted by banks which are obligated to pay the face amount at maturity.

Basis Point (bp) - The smallest measure used in quoting yields or returns. One basis point is 0.01% of yield, 100 basis points equals 1%. For example, a yield that changed from 8.75% to 9.50% has increased by 75 basis points.

Benchmark - A standard unit used as the basis of comparison; a universal unit that is identified with sufficient detail so that other similar classifications can be compared as being above, below, or comparable to the benchmark.

Benchmark composite - A term used when reporting on a portfolio containing multiple asset classes. The composite is generally calculated as a weighted average of the benchmarks of the underlying portfolios.

Beta - A quantitative measure of the volatility of a given stock, mutual fund or portfolio relative to the overall market.

Book Value (BV) - The value of individual assets, calculated as actual cost minus accumulated depreciation. Book value may be more or less than current market value.

Buyout - See "Leveraged Buyout"

Capital Gain (Loss) - Also known as capital appreciation (depreciation), capital gain (loss) measures the increase (decrease) in valuation of an asset over time.

Capitalized Fees - Fees (and expenses) that increase the cost basis of an investment.

Certificates of Deposit (CDs) - A debt instrument issued by banks, usually paying interest, with maturities ranging from 3 months to six years.

Citigroup Broad Investment-Grade Bond Index (CBIG) - A market value-weighted index composed of over 4,000 individually priced securities with a quality rating of at least BBB. Each issue has a minimum maturity of one year with an outstanding par amount of at least \$25 million.

Citigroup World Government Bond Index Non-U.S. (CWGBI) - An unhedged index measuring government issues of 12 major industrialized countries.

Close-End fund - Funds that have set limits on the life of the fund and/or the total amount to be invested.

Coefficient of Determination (R2) - A measurement of how closely the returns of an investment portfolio and its benchmark match. An R2 of 1.0 indicates that portfolio returns perfectly match the returns of the benchmark, while a value less than 1.0 indicates that the returns of the portfolio do not match the benchmark return. The closer the value is to 1 the closer the return of the portfolio is to the benchmark.

Collateral - Assets pledged by a borrower to secure a loan or other credit, and subject to seizure in the event of default.

Collateralized Mortgage Obligation (CMO) - A mortgage-backed, investment-grade bond that separates mortgage pools into different maturity classes. CMO payment obligations are backed by mortgage-backed securities with a fixed maturity.

Commercial Paper - Short-term obligations with maturities ranging from 2 to 270 days. An unsecured obligation issued by a corporation or bank to finance its short-term credit needs.

Commingled fund - A fund consisting of assets from multiple investors that are blended together. A mutual fund is a common example of a commingled fund.

Committed capital - Money that is committed by limited partners to a private investment fund. Company risk – The risk of investing in any single company's stock or bonds.

Compounded Annual Total Return - Compounded annual total return measures the implicit annual percentage change in value of an investment, assuming reinvestment of dividends, interest, and realized capital gains, including those attributable to currency fluctuations. In effect, compounded annual total return "smooths" fluctuations in long-term investment returns to derive an implied year-to-year annual return.

Consumer Price Index (CPI) - A measure of change in the cost of a fixed basket of products and services as determined by a monthly survey of the U.S. Bureau of Labor Statistics. Components of the CPI include housing costs, food, transportation, and electricity.

Core real estate strategy - Lower risk, low leverage, vehicles that invest in stabilized income-producing properties that provide steady net operating income or cash flow. Properties are usually located in major regional markets, have investment grade tenants, at-market rents, and high occupancy levels.

Cost basis - The original price paid for an investment.

Counter-party risk - The risk to each party of a contract that the counterparty will not live up to its contractual obligations. Credit default risk - The risk that a debtor will not make payments in accordance with the terms of the debt.

Credit risk - The risk that a borrower will fail to make payments in a timely manner.

Cumulative Rate of Return - A measure of the total return earned for a particular time period. This calculation measures the absolute percentage change in value of an investment over a specified period, assuming reinvestment of dividends, interest income, and realized capital gains. For example, if a \$100 investment grew to \$120 in a two-year period, the cumulative rate of return would be 20%.

Currency exchange risk - The risk that a foreign country's currency may appreciate or depreciate relative to the U. S. dollar, thus impacting the value of foreign investments.

Currency hedging - Transactions intended to manage the foreign exchange rate risk associated with investing in foreign securities.

Currency spot - A contract for the purchase or sale of a commodity, security or currency for settlement (payment and delivery) on the spot date, which is normally two business days after the trade date.

Current Yield - The relationship between the stated annual interest or dividend rate and the market price of a security. In calculating current yield, only income payments are considered; no consideration is given to capital gain/loss.

Default risk - The chance that an issuer will not make the required coupon payments or principal repayments to its debt holders.

Derivative - Derivatives are generally defined as contracts whose value depend on, or are derived from, the value of an underlying asset, reference rate, or index. For example, an option is a derivative instrument because its value derives from an underlying stock, stock index, commodity.

Discount Rate - The interest rate that the Federal Reserve charges banks for loans, using government securities or eligible paper as collateral.

Diversification - A portfolio strategy designed to reduce exposure to risk by putting assets in several different securities or categories of investments.

Drawdown - (a) A request for cash charged against capital committed to a limited partnership, limited liability corporation, or other like entity; (b) a decline in the current value of an investment or other asset. **Duration** - Duration is a measure of the price sensitivity of a fixed-income investment to a change in interest rates. (See Modified and Macaulay Duration).

Economic risk - The risk that economic activities will negatively impact an investment.

Enhanced indexing - Refers to the application of strategies to an index fund designed to generate higher rates of returns.

Equity - The ownership interest possessed by shareholders in a corporation in the form of common stock or preferred stock.

ERISA (Employee Retirement Income Security Act) - The 1974 federal law which established legal guidelines for private pension plan administration and investment practices.

Expense Ratio - Operating costs (including management fees) expressed as a percentage of the fund's average net assets for a given time period.

Fair Value - The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds Rate - The interest rate that banks charge each other for the use of Federal Funds. This rate changes daily and is a sensitive indicator of general interest rate trends.

Federal Reserve Board - The seven member Board of Governors that oversees Federal Reserve Banks, establishes monetary policy and monitors the economic health of the economy.

Fiduciary - A person, company, or association holding assets in trust for a beneficiary. The fiduciary is charged with the responsibility to invest the assets prudently and solely for the beneficiary's benefit.

Fitch Investor Services - A financial services rating agency.

Floating Rate Note - A fixed principal instrument which has a long or even indefinite life and whose yield is periodically reset relative to a reference index rate to reflect changes in short- or intermediate-term interest rates.

Forward contract - A contract between two parties that requires the parties to sell or purchase an asset at a price set when the contract is entered into for settlement at a specified future date.

Funded Capital - Amount of cash invested. **Geopolitical risk** - See "Political risk"

Gross Domestic Product - Total market value of goods and services produced in a country over a particular period of time, usually one year. The GDP growth rate is the primary indicator of the health of the economy.

Hedge - An investment in assets which serves to reduce the risk of adverse price movements in a security, by taking an offsetting position in a related security, such as an option or short sale.

Index - A benchmark of securities used as an independent representation of market performance. Example: S&P 500 index.

Index Fund - A passively managed fund constructed to mirror the performance of a specific index, such as the S&P 500. **Individual company risk** - The risk associated with investment in the securities of any single company.

Inflation - The overall general upward price movement of goods and services in an economy, usually as measured by the Consumer Price Index and the Producer Price Index.

Inflation risk - The risk that the value of an investment will erode as a result of inflationary pressures.

Interest rate risk - The risk that changes in the general level of interest rates will adversely affect the fair value of an investment.

Investment Income - The equity dividends, bond interest, and/or cash interest paid on an investment.

J-Curve - An economic theory stating that a policy designed to have one effect will initially have the opposite effect. With regard to closed end commingled fund investments, this generally refers to a trend whereby a fund's return tends to be negative in the early years of a fund's existence until income and valuations increase in the later periods as investments mature and as the relative size of fees and other costs diminish relative to the value of invested capital.

JP Morgan Emerging Markets Bond Index Plus (EMBI+) - An index which tracks total returns for traded external debt instruments in the emerging markets. The instruments include external-currency-denominated Brady bonds, loans and Eurobonds, as well as U.S. dollar denominated local market instruments. The EMBI+ expands upon JP Morgan's original Emerging Markets Bond Index, which was introduced in 1992 and covers only Brady bonds.

Letter of Credit - An instrument or document issued by a bank, guaranteeing the payment of a customer's drafts up to a stated amount for a specified period. It substitutes the bank's credit for the buyer's and reduces the seller's risk.

Leverage - The use of borrowed funds to increase purchasing power and, ideally, to increase profitability of an investment transaction or business.

Leveraged buyout - A leveraged buyout (LBO) is an acquisition (usually of a company) financed through a combination of equity and debt and in which the cash flows or assets of the target are used to secure and repay the debt used to finance the acquisition.

Liability - The claim on the assets of a company or individual - excluding ownership equity. An obligation that legally binds an individual or company to settle a debt.

Limited Partnership - A partnership formed by two or more entities with at least one limited partner and one general partner. Limited partner responsibility for debts and losses is limited to the amount of their investment in the partnership. In addition, the limited partner does not participate in the activities of the partnership. The general partner has control over the management of the partnership and has unlimited liability for partnership debt and losses.

Liquidity risk - The risk that an investment cannot be immediately liquidated unless discounted in value.

Macaulay Duration - The weighted-average term to maturity of a bond's cash flows. The weighting is based on the present value of each cash flow divided by price.

Management risk - The risks associated with ineffective, destructive or underperforming management.

Marked-to-market pricing - An accounting practice in which the price of an investment recorded within the accounting records is the market value at the end of the month.

Market Risk - The risk that fluctuations in the overall market for securities will impact an investment portfolio.

Market Value - A security's last reported sale price or its current bid and ask prices. The price as determined dynamically by buyers and sellers in an open market.

Master Custodian - An entity, usually a bank, used for safekeeping of securities and other assets. May be responsible for other functions including accounting, performance measurement and securities lending.

Maturity Date - The date on which the principal amount of a bond or other debt instrument becomes payable or due.

Mezzanine Debt - Debt that incorporates equity-based options, such as warrants, and is subordinated debt.

MFR Index (iMoneyNet's First Tier Institutional-only Rated Money Fund Report Averages™ Index) - An index which represents an average of the returns of institutional money market mutual funds that invest primarily in first tier (securities rated A-1, P-1) taxable securities.

Modified Duration - A measure of the price sensitivity of a bond to interest rate movements. It is the primary basis for comparing the effect of interest rate changes on prices of fixed income securities.

Money Market Fund - An open-ended mutual fund that invests in commercial paper, bankers' acceptances, repurchase agreements, government securities, certificates of deposit, and other highly liquid and safe securities and pays money market rates of interest. The fund's net asset value remains a constant \$1 per share - only the interest rate goes up or down.

Moody's (Moody's Investors Service) - A financial services rating agency.

MSCI EAFE - Morgan Stanley Europe Australasia Far East foreign equity index. An arithmetic value weighted average of the performance of over 900 securities on the stock exchanges of 23 countries on three continents. NCREIF (National Council of Real Estate Investment Fiduciaries) - National Council of Real Estate Investment Fiduciaries, a non-profit organization established to serve the institutional real estate investment community as a non-partisan collector, processor, validator and disseminator of real estate performance information.

Net Asset Value (NAV) - The total assets (including any valuation gains or losses on investments or currencies) minus total liabilities divided by shares outstanding.

Netted Fees - Refers to instances in which investment management fees/expenses are offset against income normally distributed to investors. May also refer to practices whereby investment management fees/expenses are added to the cost basis of an investment.

NPI - NCREIF Property Index. The NCREIF Property Index is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only. Properties comprising this benchmark, which include wholly owned and joint venture investments, are held on an all-cash, non-leveraged basis, and is restricted to investmentgrade, nonagricultural, and income-producing properties.

Open-End fund - A fund operated by an investment company in accordance with a stated set of objectives. Open-end funds raise money by periodically selling shares of the fund to the public.

Operations risk - The risk associated with negative operating events (net operating losses, inventory write-downs, breakdown in internal procedures, etc).

Par Value - The stated or face value of a stock or bond. While it has little significance for common stocks, for bonds, it specifies the payment amount at maturity.

Pension Fund - A fund set up by a corporation, labor union, governmental entity, or other organization to provide retirement income.

Percentile - A description of the percentage rank of a portfolio's performance, relative to a larger universe of portfolios.

Political Risk - The risk resulting from political changes or instability in a country's system of government, laws or regulation. Prepayment risk - The risk associated with the prepayment of fixed income investments in a declining rate environment.

Present Value - The current value of a future cash flow or series of cash flows discounted at an appropriate interest rate or rates. For example, at a 12% interest rate, the value of one dollar a year from now has a present value of \$0.89286.

Price/Book (P/B) - A ratio showing the price of a stock divided by its book value per share. The P/B measures the multiple at which the market is capitalizing the net asset value per share of a company at any given time.

Price/Earnings (P/E) - A ratio showing the price of a stock divided by its earnings per share. The P/E measures the multiple at which the market is capitalizing the earnings per share of a company at any given time.

Principal - Face value of an obligation, such as a bond or a loan, that must be repaid at maturity. Product risk - The risk associated with the introduction of a new product or process.

Prudent Person Rule - The standard adopted by some states to guide those fiduciaries with responsibility for investing the money of others. Such fiduciaries must act as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Purchasing power risk- See "Inflation risk"

Pure indexing - Refers to the application of strategies to an index fund designed to exactly match the returns of the portfolio benchmark.

R2 - See "Coefficient of Determination"

Real interest rate - An interest rate that has been adjusted to remove the effects of inflation.

Real rate of return - The return realized on an investment adjusted for changes due to inflation or other external effects.

Realized Gain (Loss) - A gain (loss) that has occurred financially.

The difference between the principal amount received and the cost basis of an asset realized at sale.

Reinvestment risk - The risk that cash flows received from a security will be reinvested at lower rates due to declining interest rates.

Relative Volatility - The standard deviation of the Fund divided by the standard deviation of its selected benchmark. A relative volatility greater than 1.0 suggests comparatively more volatility in Fund returns than those of the benchmark.

Repurchase Agreements ("Repos") - A contract in which the seller of securities, such as Treasury Bills, agrees to buy them back at a specified time and price. Repos are widely used as a money market instrument.

Return on Equity (ROE) - Net income of a company (after payment of preferred stock dividends but before payment of common stock dividends) divided by common shareholder equity. Reverse Repurchase Agreements ("Reverse Repos") - A purchase of securities with an agreement to resell them at a higher price at a specific future date.

Risk Adjusted Return - A measure of investment return which accounts for the amount of risk taken over a specified period.

Russell 3000 - An equity index comprised of the securities of the 3,000 largest public U.S. companies as determined by total market capitalization. This index represents approximately 98% of the U.S. equity market's capitalization.

Securities Lending - A collateralized process of loaning portfolio positions to custodians, dealers, and short sellers who must make physical delivery of positions. Securities lending may reduce custody costs or enhance annual returns by a full percentage point or more in certain market environments.

Senior debt securities - Debt that must be paid off before other liabilities in the event of a business failure or bankruptcy.

Separate accounts - An investment portfolio managed by a third party investment manager in which the investor directly owns the securities within the portfolio.

Soft Dollars - The value of research or other services that brokerage houses and other service entities provide to a client "free of charge" in exchange for the client's brokerage.

S&P 500 (Standard & Poor's) - A basket of 500 stocks chosen for market size, liquidity and industry grouping, among other factors, designed to represent a US equity universe of large capitalization stocks.

S&P Credit Ratings Service - A financial services rating agency.

Special situations - Private equity investments in a variety of securities (Debt, Preferred Equity and/or Common Equity) in portfolio companies at a variety of stages of development (Seed, Early Stage, Later Stage).

Standard Deviation - A measure of the dispersion of a set of data from its mean. Often used as a measure of investment volatility or risk, it measures how much an investment return may vary from its average return.

Tail risk - The risk that a loss (or gain) would be three standard deviations from the mean or current price.

Treasury Bill (T-Bill) - Short-term, highly liquid government securities issued at a discount from the face value and returning the face amount at maturity.

Treasury Bond or Note - Debt obligations of the Federal government that make semiannual coupon payments and are sold at or near par value in denominations of \$1,000 or more.

Trust - A fiduciary relationship in which a person, called a trustee, holds title to property for the benefit of another person, called a beneficiary.

TUCS - Trust Universe Comparison Service. TUCS is a universe based upon a pooling of quarterly trust accounting data from participating banks and other organizations that provide custody for trust assets.

Turnover - Security purchases and sales divided by the fiscal year's average market value $\{(P+S)/[(BMV+EMV)/2]\}$ for a given portfolio.

Unhedged - Not protected from market actions.

Un-levered - Investments made without the use of debt or debt like securities.

Unrealized Gain (Loss) - A profit (loss) that has not been realized through the sale of a security. The gain (loss) is realized when a security or futures contract is actually sold or settled.

Variable Rate Note - Floating rate notes with a coupon rate adjusted at set intervals, such as daily, weekly, or monthly, based on different interest rate indices, such as LIBOR, Fed Funds, and Treasury Bills.

Vintage year - The year in which a capital commitment is made to an investment, most often applied to real estate and private equity investments.

Volatility - A statistical measure of the tendency of a market price or yield to vary over time. Volatility is said to be high if the price, yield, or return typically changes dramatically in a short period of time.

Warrant - A security that entitles the holder to buy a specific security at a specified price within a specified time frame.

Yield - The income return on an investment.

Yield Curve - A graph showing the term structure of interest rates by plotting the yields of all bonds of the same quality with maturities ranging from the shortest to the longest. The Y-axis represents the interest rate and the X-axis represents time, generally with a normal curve that is convex in shape.

Zero Coupon Bond - A bond paying no interest that sells at a discount and returns principal only at maturity.

UNDERSTANDING INVESTMENT PERFORMANCE

Introduction

This section discusses the Treasury's approach to measuring performance, including risk and return of the Connecticut Retirement Plans and Trust Funds (CRPTF).

Understanding Performance

To measure success in achieving the primary objective of the Asset Allocation Plan, the Fund's performance is evaluated in two principal areas: risk and return. The results of these reviews, coupled with information on portfolio characteristics, are used to monitor and improve the performance of the Fund's external investment managers.

To monitor and evaluate Fund performance and measurements of risk and return, CRPTF performance is compared to those of similarly structured peer groups and indices. In addition, the performance of the Combined Investment Funds (CIF) invested in by the various plans and trusts is compared to the performance of their respective benchmarks. Each CIF's benchmark is selected on the basis of portfolio composition, investment style, and objectives. The benchmark comparisons enable plan participants, the Treasurer and the Investment Advisory Council, to determine whether and by how much CIF returns exceeded or fell short of their respective benchmarks. The comparisons provide an understanding of the reason for the CIF's performance relative to their benchmarks.

Comparative performance is reviewed over both the near-term and the long-term for two reasons. First, pension management is, by its very nature, a long-term process. While both young and old employees comprise the pool of plan beneficiaries, the increasing life span of plan participants makes it important that plan assets be managed for the long term. Second, as experience has shown, results attained in the short term are not necessarily an indicator of results to be achieved over the long term. Performance must be viewed in a broad context.

Overall performance is measured by calculating monthly returns and linking them to provide one-, three-, five- and ten-year histories of overall investment performance. Short-term performance is measured by total return over one-month, quarter-end, and trailing one-year time periods. Risk is also measured over both short- and long-term periods.

Risk

The measurement of risk is a critical component in investment management. It is the basis for both strategic decision-making and investment evaluation. Investors assume risk to enhance portfolio returns. The primary objective is to generate returns in excess of those available in "risk-free" investments, such as Treasury Bills. The amount of excess returns varies in magnitude according to the degree of risk assumed. Many investors focus on the negative aspects of risk and in doing so forego substantial upside potential, which can significantly enhance long-term returns. Thus, while risk can never be completely eliminated from a portfolio, the prudent management of risk can maximize investment returns at acceptable levels of risk. Risk can take several forms and include: market risk, the risk of fluctuations in the overall market for securities; company risk, the risk of investing in any single company's stock or bonds; currency-exchange risk, the risk that a foreign country's currency may appreciate or depreciate relative to the U.S. dollar, thus impacting the value of foreign investments; and political risk, risk incurred through investing in foreign countries with volatile economies and political systems. With respect to fixed income investments, investors also assume: reinvestment risk, the risk that cash flows received from a security will be reinvested at lower rates due to declining interest rates; credit or default risk, the risk that the issuer of a fixed income security may fail to make principal and interest payments on the security; interest rate risk, the risk that the market value of fixed coupon bonds will decline in the event of rising market interest rates; and inflation or purchasing power risk, the risk that the real value of a security and its cash flows may be reduced by inflation. The level of risk incurred in fixed income investing increases as the investment time horizon is lengthened. This is demonstrated by the comparatively higher yields available on "long bonds," or bonds maturing in 20 to 30 years, versus those available on short-term fixed income securities.

In the alternative investment category, risks are significantly greater than those of publicly traded investments. Assessment of progress is more tenuous and valuation judgments are more complex. The investor assumes not only management, product, market, and operations risk, similar to equity investing, but also assumes liquidity

risk, the risk that one's investment cannot be immediately liquidated at other than a substantially discounted value. An additional risk to this category is transparency risk, the risk associated with not knowing the underlying investments within a portfolio.

Volatility

To measure the effects of risk on the portfolio, the volatility of returns is calculated over time. Volatility, viewed as the deviation of returns from an average of these returns over some period of time, is measured statistically by standard deviation. Funds with high standard deviations are considered riskier than those with low standard deviations.

To evaluate the significance of the CIF's standard deviation, each CIF's relative volatility, or the ratio of the CIF's standard deviation to that of the benchmark is calculated. A relative volatility greater than 1.0 indicates that the CIF is more volatile than the benchmark while a measure less than 1.0 indicates less volatility. A relative volatility of 1.0 indicates that the volatility of the CIF is the same as the benchmark.

As an extension of standard deviation, each CIF's beta, (a measure of the relative price fluctuation of the CIF to its benchmark) is also calculated. The measurement of beta allows one to evaluate the sensitivity of Fund returns to given movements in the market and/ or its benchmark. A beta greater than 1.0 compared to the selected market benchmark signifies greater price sensitivity while a beta less than 1.0 indicates less sensitivity.

To measure the degree of correlation between CIF returns and the benchmark, the Division calculates the coefficient of determination, or R². This calculation, which is used in conjunction with beta, allows one to evaluate how much of the volatility in CIF returns is explained by returns in the selected market benchmark. An R² of 1.0 indicates that CIF returns are perfectly explained by returns of the benchmark, while a value less than 1.0 indicates that the returns

of the benchmark explain only a portion of the fund return. Finally, to evaluate how well each of the above measures actually predicted returns of the CIF, a calculation is performed on the CIF's alpha. This calculation measures the absolute difference between the CIF's monthly return and that predicted by its beta. Used together, these measures provide a comprehensive view of a CIF's relative risk profile.

Return

The Pension and Trust Funds are managed to maximize return and minimize risk. Return, viewed in this context, includes realized and unrealized gains in the market value of a security, including those attributable to currency fluctuations, as well as income distributed by a security such as dividends and interest. Return is measured through two calculations: compounded annual total return and cumulative total return.

Compounded Annual Total Return - This return measure evaluates performance over the short and longterm. Compounded annual total return measures the implicit annual percentage change in value of an investment, assuming reinvestment of dividends, interest, and realized and unrealized capital gains, including gains attributable to currency fluctuations. In effect, compounded annual total return "smooths" fluctuations in long-term investment returns to derive an implied year-to-year annual return.

Cumulative Total Return - This calculation measures the absolute percentage change in value of an investment over a specified period, assuming reinvestment of dividends, interest income, and realized capital gains. While this calculation does not "smooth" year-to-year fluctuations in long-term returns to derive implied annual performance, cumulative total return allows one to see on an absolute basis the percentage increase in the total Fund's value over a specified time. Viewed graphically, cumulative total return shows one what a \$10 million investment in the CRPTF a set number of years ago would be worth today.

**DEBT MANAGEMENT DIVISION
CHANGES IN DEBT OUTSTANDING - STATUTORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Bond Finance Type	Outstanding June 30, 2018	FY 2019			Outstanding June 30, 2019	FY 2019 ⁽¹⁾ Interest Paid
		Issued	Retired	Refunded or Defeased		
General Obligation - Tax Supported ⁽²⁾	\$ 13,723,453,503	\$ 1,889,200,000	\$ 1,264,831,471	\$ 256,000,000	\$ 14,091,822,032	\$ 586,494,274
General Obligation - Bond Anticipation Notes ⁽²⁾	400,000,000		400,000,000		-	14,611,111
General Obligation - Teachers' Retirement Fund Bonds ⁽³⁾	2,208,066,524				2,208,066,524	118,400,521
General Obligation - GAAP Conversion Bonds ⁽⁴⁾	459,690,000		36,430,000		423,260,000	21,940,563
Special Tax Obligation	5,540,495,000	850,105,000	323,470,000	109,490,000	5,957,640,000	276,633,769
Bradley International Airport	109,330,000		7,225,000		102,105,000	4,259,753
Clean Water Fund	909,420,000		60,950,000		848,470,000	42,624,973
UConn 2000 ⁽⁵⁾	1,661,785,000	239,465,000	129,010,000	72,060,000	1,700,180,000	78,230,360
CI Increment Financing ⁽⁶⁾	22,610,000		1,980,000		20,630,000	1,036,629
CHEFA Childcare Facilities Program ⁽⁷⁾	51,140,000		2,540,000		48,600,000	2,239,806
Juvenile Training School ⁽⁸⁾	11,765,000		670,000		11,095,000	560,850
Bradley International Parking Operations	25,265,000		2,935,000		22,330,000	1,569,167
CHFA Special Needs Housing Bonds ⁽⁹⁾	52,745,000	15,090,000	4,110,000	15,160,000	48,565,000	1,967,983
CHFA Emergency Mortgage Assistance Program ⁽¹⁰⁾	35,955,000		2,210,000		33,745,000	1,760,660
CRDA Bonds ⁽¹¹⁾	79,315,000	16,365,000	3,720,000	17,665,000	74,295,000	1,891,580
Total	\$ 25,291,035,027	\$ 3,010,225,000	\$ 2,240,081,471	\$ 470,375,000	\$ 25,590,803,556	\$ 1,154,221,998

(1) Includes interest rate swap payments and variable rate bond fees.

(2) On December 21, 2017, the State issued \$400,000,000 Bond Anticipation Notes (BANs) Series A. On September 13, 2018, \$400,000,000 General Obligation Bonds, 2018 Series E were issued to retire the 2017 BANs.

(3) General Obligation Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund \$2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and cost of issuance.

(4) General Obligation GAAP Conversion Bonds were issued in fiscal year 2014 to fund half of the General Fund GAAP deficit at that time and commit the State to funding the balance over time through budget appropriation as part of a bond covenant.

(5) UConn 2000 Bonds were authorized in three stages in a total amount of \$4.3 billion over a 32 year period to be paid by the University of Connecticut from a State debt service commitment. As each series is issued, the debt service is appropriated from the State's General Fund.

(6) Connecticut Innovations (CI) has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.

(7) On July 1, 1999, the Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.

(8) A lease purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.

(9) Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Steps Initiative. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer and the Secretary of the Office of Policy and Management.

(10) Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer and the Secretary of the Office of Policy and Management.

(11) Capital Region Development Authority (CRDA) Bonds were issued to provide funding for the Adriaen's Landing development project in Hartford. The bonds, issued in a combination of fixed rate and variable rate securities, have a final maturity of 2034. The State is required to make debt service payments on the bonds up to a maximum amount of \$9 million pursuant to a contract for financial assistance agreement between CRDA, the State Treasurer, and the Secretary of the Office of Policy and Management. CRDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

Note 1: In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appears in the Budget Act enacted by the General Assembly. The accounting standards that were applied in this legislation and Budget Act enacted for the 2019 fiscal year is a basis of accounting other than Generally Accepted Accounting Principles. In order to be consistent with the Comptroller's statements and the Budgetary Act, the State Treasurer has employed the same statutory basis of accounting for the presentation of this schedule.

Note 2: GAAP accounting requires that Long-Term debt obligations be segregated into the portion payable within the next fiscal year (the current portion) and the remaining portion that is not due until after the next fiscal year. This manner of presentation is not used for the statutory basis presentation.

For a detailed listing of debt outstanding for the fiscal year ended June 30, 2019, please see Statutory Appendix.

DEBT MANAGEMENT DIVISION
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000 ⁽¹⁾
FISCAL YEAR ENDED JUNE 30, 2019

Name of Firm	Description of Services	Aggregate Compensation Paid in FY 2019	Status as of 6/30/2019
Acacia Financial Group, Inc.	Financial Advisor	\$ 98,328	Active
AMTEC	Arbitrage Calculation/Verification Agent Fees	15,800	Active
Barclay's Capital, Inc.	Management Fees	150,000	Active
Day Pitney, LLP	Bond/Disclosure Counsel	944,685	Active
Dornenburg Kallenbach Advertising	Web Site Improvements	18,312	Active
Fitch Ratings	Rating Agency	304,000	N/A
Hardwick Law Firm LLC	Bond Counsel	54,184	Active
Hawkins, Delafield & Wood, LLP	Arbitrage Calculation Fees/Bond Counsel	131,719	Active
Hilltop Securities	Financial Advisor	55,505	Active
ImageMaster	Financial Printer	30,442	Active
Kroll Bond Rating Agency, Inc.	Rating Agency	180,000	N/A
Lamont Financial Services	Financial Advisor	10,308	Active
Law Offices of Joseph C Reid, PA	Bond Counsel	28,829	Active
Lewis & Munday	Bond Counsel	143,115	Active
Mahoney Sabol & Co., LLP	Auditor	75,650	Active
Moody's Investors Service	Rating Agency	259,500	N/A
Orrick, Herrington & Sutcliffe, LLP (BondLogistix)	Arbitrage Calculation Fees	16,000	Active
Piper Jaffray & Co.	Management Fees	85,000	Active
Public Financial Management	Financial Advisor	179,764	Active
Public Resources Advisory Group	Financial Advisor	89,966	Active
Pullman & Comley, LLC	Bond Counsel	284,079	Active
Ramirez & Co., Inc.	Management Fees	50,000	Active
Raymond James & Associates, Inc.	Management Fees	100,000	Active
Robinson & Cole	Bond/Tax Counsel	281,488	Active
Seward and Monde	Auditor	46,640	Active
Shipman & Goodwin, LLP	Bond Counsel	134,172	Active
Siebert Cisneros Shank & Co., L.L.C.	Management Fees	55,000	Active
Soeder & Associates	Tax/Disclosure Counsel	174,948	Active
Squire, Patton, Boggs (US) LLP	Bond Counsel	91,979	Active
S&P Global Ratings	Rating Agency	356,913	N/A
U. S. Bank, NA	Administrative/Escrow/Trustee Fees	197,905	Active
Updike, Kelly & Spellacy	Bond Counsel	175,870	Active
Total		\$ 4,820,101	

(1) Expenses are presented on a cash basis. Debt Management expenses are comprised of payments to vendors made through the Treasury Business Office, fees netted at bond closings, and fees and expenses paid from Cost of Issuance accounts. The amounts shown do not include bond issuance expenses paid on behalf of the State and counsel fees for firms representing the underwriter's, banks or trustees. Also excluded are bond sales charges which are paid to the Senior Manager and distributed by agreement of the underwriters, whether netted from bond proceeds or funded from the Treasury Business Office, as well as bond remarketing and liquidity fees which are accounted for as part of interest cost paid during the fiscal year. Also not included are amounts paid to the IRS for arbitrage rebate payments in accordance with IRS regulations.

**CASH MANAGEMENT DIVISION
ACTIVITY STATEMENT
FISCAL YEAR ENDED JUNE 30, 2019**

	<u>2019</u>
INFLOWS	
Receipts:	
Deposits	\$ 33,320,680,427 ⁽¹⁾
Bad checks	(15,636,205) ⁽²⁾
Treasury initiated transfers	3,319,986,819 ⁽³⁾
Total Receipts	<u>\$ 36,625,031,041</u>
Transfers:	49,160,639,950 ⁽⁴⁾
Other Inflows:	
Internal bank transfers	\$ 45,251,984,312 ⁽⁵⁾
Interbank transfers	21,339,275,846 ⁽⁶⁾
Total Other Inflows	<u>\$ 66,591,260,158</u>
TOTAL INFLOWS	<u>\$ 152,376,931,149</u>
OUTFLOWS	
Disbursements:	
Vendor	\$ 31,909,967,803 ⁽⁷⁾
Payroll	4,639,454,486 ⁽⁸⁾
Total Disbursements	<u>\$ 36,549,422,289</u>
Transfers:	49,192,021,701 ⁽⁴⁾
Other Outflows:	
Internal bank transfers	\$ 45,251,984,312 ⁽⁵⁾
Interbank transfers	21,339,275,846 ⁽⁶⁾
Total Other Outflows	<u>\$ 66,591,260,158</u>
TOTAL OUTFLOWS	<u>\$ 152,332,704,148</u>

- (1) Deposits - revenue received from taxes, licenses, lottery fees, federal grants and other sources.
- (2) Bad Checks - checks issued with insufficient funds in the originator's bank account.
- (3) Treasury Initiated Transfers - To record debt service payments to the proper bank account and transfer investment income to the proper fund.
- (4) Transfers - income earned from short and long-term investments, transfers of cash from one fund to the other, investment activity, and Certificates of Deposit purchased and sold with Connecticut banks under the Treasurer's Community Bank and Credit Union Initiative.
- (5) Internal Bank Transfers - transfers of money from concentration accounts to zero balance accounts with the same depository institution to provide funds to cover authorized disbursements and invest excess cash.
- (6) Interbank Transfers - transfers of state moneys between banks to invest excess cash or to cover authorized disbursements.
- (7) Vendor - expenditures for goods and services provided to the State by vendors, along with other payments, such as refunds of payments made to State agencies, restitution payments directed by the courts, and State grant payments.
- (8) Payroll - expenditures for the State's personnel and retirement payrolls.

**CASH MANAGEMENT DIVISION
 CIVIL LIST FUNDS
 SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS ⁽¹⁾
 FISCAL YEAR ENDED JUNE 30, 2019
 PRESENTED UNDER STATUTORY BASIS OF ACCOUNTING ^{(3) (4)}**

	<u>2019</u>
Cash Balance, July 1, 2018	\$ (313,120,545)
Receipts	36,625,031,041
Disbursements	(36,549,422,289)
Transfers	<u>(31,381,751)</u>
Cash Balance, June 30, 2019	(268,893,544)
Other net Adjustments ⁽²⁾	<u>104,216,076</u>
Adjusted Cash Balance, June 30, 2019	\$ <u><u>(164,677,468)</u></u>

- (1) Detailed information on activity within each individual fund (formerly provided in the Statutory Appendix) can be obtained from the Comptroller's Annual Report.
- (2) Other Net Adjustments have been included to bring the Treasurer's cash balance presentation into conformance with the Comptroller's cash balance presentation.
 These adjustments include the following:
 - Cash held in agency checking accounts.
 - Petty cash balance.
- (3) In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appears in the Budget Act enacted by the General Assembly. The Budget Act enacted for the 2019 fiscal year is presented on a comprehensive basis of accounting other than General Accepted Accounting Principals. In order to be consistent with the Comptroller's statements and the Budgetary Act, the State Treasurer has employed the same comprehensive basis of accounting for the presentation of the Civil List Funds Summary Schedule of Cash Receipts and Disbursements.
- (4) GAAP accounting requires that investment balances be presented to include the accrued interest earned. This manner of presentation is not used for the statutory basis presentation.

CASH MANAGEMENT DIVISION
CIVIL LIST FUNDS
SUMMARY SCHEDULE OF CASH AND INVESTMENTS ⁽¹⁾
FISCAL YEAR ENDING JUNE 30, 2019
PRESENTED UNDER STATUTORY BASIS OF ACCOUNTING ^{(2) (3)}

Description	Total All Funds
General Investments	
Cash	\$ (164,677,467.69)
STIF	4,901,028,967.07
Investments with Treasurer as Trustee	
Short-Term	2,167,283,074.42
Long-Term	35,757,796,097.69
Investments with Others as Trustee	
Short-Term	798,676,294.66
Long-Term	267,921,270.31
Total	\$ <u><u>43,728,028,236.46</u></u>

Reconciliation Between Treasurer & Comptroller ⁽⁴⁾

Office of the Comptroller

Cash and STIF June 30, 2019 (Annual Statutory Report)	\$ 5,102,489,193.53
Cash and Investments with Trustee Fund #12016	1,251.03
Cash and Investments with Trustee Fund #12035	21,868.63
Cash and Investments with Trustee Fund #14005	763,417,543.02
Cash and Investments with Trustee Fund #21008	16,015,638.66
Cash and Investments with Trustee Fund #21009	183,354,280.03
Cash and Investments with Trustee Fund #21015	344,668,655.98
Cash and Investments with Trustee Fund #31009	(5.00)
Cash and Investments with Trustee Fund #31010	(0.10)
Cash and Investments with Trustee Fund #21018	112,664,129.02
Cash and Investments with Treasurer Fund #35017	381,002,019.00
Total	\$ <u><u>6,903,634,573.80</u></u>

Office of the Treasurer

Cash	\$ (164,677,467.69)
STIF	4,901,028,967.07
STIF/Investment with Treasurer as Trustee	2,167,283,074.42
Total	\$ <u><u>6,903,634,573.80</u></u>

(1) For a detailed listing of the Civil List Investments for the Fiscal Year Ending June 30, 2019, please see Statutory Appendix.

(2) In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appears in the budget act enacted by the General Assembly. The Budget Act enacted for the 2019 fiscal year is presented on a comprehensive basis of accounting other than general accepted accounting principals. In order to be consistent with the Comptroller's statements and the budgetary act, the State Treasurer has employed the same comprehensive basis of accounting for the presentation of the Summary Schedule of Cash and Investments.

(3) GAAP accounting requires that investment balances be presented to include the accrued investment earnings. This manner of presentation is not used for the statutory basis presentation.

(4) Reconciliation of Cash Equivalents Per Comptroller's Books to Cash and General Investments and Short-Term Investments per Treasury Books.

**CASH MANAGEMENT DIVISION
CIVIL LIST FUNDS
INTEREST CREDIT PROGRAM ⁽¹⁾ (Continued)
FISCAL YEAR ENDING JUNE 30, 2019**

Fund	Participant	Agency	SID	Interest Earned
	ENHANCED 911 TELECOMMUNICATIONS FUND	DPS32000	35190	\$ 1,106,693.51
	FEDERAL ASSET FORFEITURE	DPS32000	20493	9,907.07
	BRAIN INJURY PROVENTION AND SERVICE ACCT.	DSS60000	35308	704.21
	OFFICE OF TOURISM	ECD46000	30207	902.81
	CITIZEN'S ELECTION FUND GRANT	ELE13500	35339	233,988.79
	CITIZEN'S ELECTION FUND RESERVE ACCT.	ELE13500	30422	1,582.80
	CLIENT SECURITY FUND	JUD95000	35205	317,343.03
	CRIMINAL VIOLENCE VICTIMS ESCROW ACCT.	JUD95000	35203	-
	DMHAS-COMMISSIONERS OFFICE PRE-TRIAL ACCOUNT	MHA53000	35166	3,798.27
	DRUG ASSET FORFEITURE PROGRAM	MIL36000	35112	1,210.14
	Children's Welfare Fund	OEC64800	30219	255.59
	JUSTICE ASSISTANCE GRANT 21921	OPM20000	21921	62,573.33
	JUVENILE ACCOUNTABILITY INCENTIVE BLOCK GRANT	OPM20000	21672	0.11
	CARE FOR CEMETARY LOTS	OTT14000	35577	6,240.36
	INVESTMENT FUND	OTT14000	35101	389,190.24
	MUNICIPAL PARTICAPATION FUND	OTT14000	35269	304.22
	SECOND INJURY	OTT14000	35105	46,096.17
	SECOND INJURY STIPULATION & REIMBURSEMENT	OTT14000	35111	64,394.77
	FINANCIAL LITERACY - MDI	SDE64000	35380	2,423.75
	FINANCIAL LITERACY - UBS	SDE64000	35358	120.87
	FINANCIAL LITERACY INITIATIVES	SDE64000	35351	0.39
	ANN COROTEAU MEMORIAL FUND	SDR63500	30113	107.31
	CHARLES PRECOURT MEMORIAL FUND	SDR63500	30104	96.25
	FAUCHTSWANGER FUND	SDR63500	30030	201.59
	FRAUENHOFER FUND	SDR63500	30042	486.10
	MISCELLANEOUS GRANTS	SDR63500	30070	318.57
	SARA BROWN FUND	SDR63500	30092	5,748.17
	VENDING FACILITIES PROGRAM-STATE AND LOCAL INCOM	SDR63500	35149	21,640.26
	HELP AMERICA VOTE	SOS12500	21465	107,943.70
				2,999,899.24
21005	Auto Emissions Inspection Fund			
	Department of Motor Vehicles	DMV35000		125,502.28
21009	Bradley International Airport Operations			
	BRADLEY ENTERPRISE FUND	APT59500		90,768.89
21019	Stadium Facility Enterprise Fund			
	STADIUM ENTERPRISE FUND	OPM20000		4,697.45
21021	General Aviation Airport Enterprise FD			
	CONNECTICUT AIRPORT AUTHORITY	APT59500		17,310.31
22001	Correction Industries			
	CORRECTIONAL COMMISSARY FUND	DOC88000	42304	74,939.27
31001	State Employees Retirement System			
	STATE EMPLOYEE RETIREMENT FUND	OSC15000		1,941,931.86
31003	General Assembly Retirement			
	OFFICE OF THE COMPTROLLER	OSC15000		306.95
31005	Public Defenders Retirement			
	OFFICE OF THE COMPTROLLER	OSC15000		8,533.81
31006	Teachers Retirement System			
	TEACHERS RETIREMENT BOARD OPERATING FUND	TRB77500		185,712.39
31008	Municipal Employees Retirement - Fund B			
	MUNICIPAL EMPLOYEE RETIREMENT FUND	OSC15000		165,621.51

**CASH MANAGEMENT DIVISION
 CIVIL LIST FUNDS
 INTEREST CREDIT PROGRAM ⁽¹⁾ (Continued)
 FISCAL YEAR ENDING JUNE 30, 2019**

Fund	Participant	Agency	SID	Interest Earned
31011	OPEB Fund			
	OPEB - EMPLOYEE CONTRIBUTION	OSC15000	43440	\$ 141,965.95
	OPEB - OPERATING APPROPRIATIONS	OSC15000	40001	150,736.59
	OPEB - RETIREE MED. EMPL. SHARE	OSC15000	43426	(1,116,649.69)
	OPEB - RETIREE PHARMANCY	OSC15000	43427	<u>2,030,562.48</u>
				1,206,615.33
31012	Teachers Retirement System			
	TEACHERS RETIREMENT OPEB	TRB77500	42358	123,528.00
34003	Funds Awaiting Distribution			
	EARLY RETIREE RECOVERIWS	OSC15000	43483	-
35001	Connecticut Health Club Guaranty Fund			
	HEALTH CLUB GUARANTY	DCP39500		7,292.86
35002	Real Estate Guaranty			
	REAL ESTATE GUARANTY	DCP39500		6,240.83
35003	Home Improvement Guaranty Fund			
	HOME IMPROVEMENT GUARANTY	DCP39500		17,367.18
35006	New Home Construction Guaranty Fund			
	NEW HOME CONSTRUCTION GUARANTY	DCP39500		16,855.34
35007	Tobacco and Health Trust Fund			
	TOBACCO HEALTH TRUST FUND	OPM20000		49,651.21
35008	Biomedical Research Trust Fund			
	BIOMEDICAL RESEARCH FUND	DPH48500		16,873.48
35009	Endowed Chair Investment Fund			
	ENDOWED CHAIRS	DHE66500		70,223.81
35012	Various Treasurers Trust Funds			
	IRWIN LEPOW TRUST FUND	CME49500	42354	656.83
	R. GRAEME SMITH	DPS32000	42353	163.41
	POSTHUMOUS FITCH	DVA21000	42356	802.67
	JOHN H. KING	JUD95000	42355	<u>3,002.49</u>
				4,625.40
		Grand Total		<u>\$ 31,391,114.82</u>

- (1) Interest is earned at the monthly simple interest rate of the Treasurer's Short-Term Investment Fund. Interest is calculated on the average monthly balance of the fund or account, and credited to the fund or account on a quarterly basis.
- (2) Interest is earned by the participant and allocated to the constituent units

CASH MANAGEMENT DIVISION
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000 ⁽¹⁾
FISCAL YEAR ENDED JUNE 30, 2019

Name of Firm	Description of Services	Contact Date	Aggregate Compensation Paid in FY 2019	Status as of 6/30/2019
Bank of America	Banking Services	Dec-17	\$ 1,995,075 ⁽²⁾	Active
People's United Bank	Banking Services	Apr-16	622,584 ⁽²⁾	Active
Bank Of New York Mellon	Master Custody	Oct-16	282,375	Active
Webster Bank	Banking Services	Jun-98	137,732 ⁽²⁾	Active
Hartford Yard Goats	Catering Service	N/A	12,553	Closed
Standard & Poor Financial Services LLC	Subscription & Rating	N/A	45,000	Active
US Bank National Assn	Bond Trustee & Paying Agent	Jul-06	106,000	Active
Bloomberg Financial LP	Subscription & Research	N/A	45,214	Active
Key Bank	Banking Services	Jan-18	89,398 ⁽²⁾	Active
Moody's Investors Services	Credit Research	N/A	28,100	Active
Spectra Food Services & Hospitality	Catering Service	N/A	11,833	Active
Total			\$ 3,375,864	

(1) Expenses are presented on a cash basis.

(2) Includes compensation realized through bank balances and fees.

UNCLAIMED PROPERTY DIVISION
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000 ⁽¹⁾
FISCAL YEAR ENDED JUNE 30, 2019

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2019
A & A Office Systems, Inc.	Photocopier lease	N/A	\$ 5,784
Audit Services US LLC	Identification & collection of property	May-14	633,862
Avenu SLS Holdings LLC	Claims processing & database management	June-19	436,271
Avenu SLS Holdings LLC	Securities custodian	June-19	52,083
Conduent State & Local Solutions	Claims processing & database management	July-06	452,656
Conduent State & Local Solutions	Securities custodian	Aug-94	351,650
Dornenburg Group LLC	Advertising/Marketing	N/A	5,653
Hallmark TotalTech Inc.	Temporary services	N/A	14,631
Kelmar Associates LLC	Identification & collection of property	Jul-14	331,891
Murphy Security Services LLC	Security services	N/A	13,513
Russell Implementation Services, Inc.	Security commission expense	May-09	14,736
Verus Analytics LLC	Identification & collection of property	Jun-19	10,710
Verus Financial LLC	Identification & collection of property	Jul-14	349,200
William B Meyer Inc	Record storage	N/A	6,332
Total			\$ 2,678,972

(1) Expenses are presented on a cash basis.

**UNCLAIMED PROPERTY DIVISION
FIVE YEAR SELECTED FINANCIAL INFORMATION
FISCAL YEAR ENDED JUNE 30,**

	2019	2018	2017	2016	2015
Gross Receipts (1)	\$ 137,783,574	\$ 138,725,122	\$ 129,187,512	\$ 111,446,654	\$ 147,656,895
Claims paid (1)	56,005,570	58,182,884	41,105,448	57,568,310	61,090,933
Transfer to citizens election fund (2)	11,901,953	11,634,363	11,428,647	11,349,203	11,281,219
Administrative expenses:					
Salaries & fringe benefits	3,921,196	3,584,769	3,692,758	3,786,288	3,539,983
Data processing & hardware	2,614,602	1,770,305	2,329,983	1,837,988	2,696,640
All other	101,940	136,104	112,478	68,760	76,916
Total Disbursements	74,545,261	75,308,425	58,669,314	74,610,549	78,685,691
Excess (deficiency) of receipts over disbursements (3)	\$ 63,238,313	\$ 63,416,697	\$ 70,518,198	\$ 36,836,105	\$ 68,971,204
Approximate market value of securities at fiscal year end:					
Total securities inventory (1)	\$ 1,193,918	\$ 3,906,687	\$ 4,208,673	\$ 3,773,812	\$ 543,458
Securities liquidated	\$ 39,588,509	\$ 44,034,620	\$ 28,946,243	\$ 17,632,827	\$ 41,815,320
Number of claims paid	16,954	18,472	16,670	15,758	17,888

(1) The amounts disclosed above as "gross receipts" and "claims paid" represent actual cash flows and do not include the value of marketable securities received by the Unclaimed Property Division, nor the value of the securities returned to owners. However, the amounts disclosed above as fiscal year end market values of securities help provide a general indication of the relative net activity in such assets over time. Receipts include the proceeds from securities liquidated in a given year.

(2) P.A. 05-5, October 25, 2005 special session required Unclaimed Property Division to deposit certain funds into the Citizens' Election Fund and the balance is deposited into the General Fund.

(3) Deficiency of receipts over disbursements are covered by transfers from the General Fund, whereas excess of receipts over disbursements are remitted to the General Fund. Regardless, all amounts collected remain liabilities of the State until returned to rightful owners.

**SUMMARY OF GROSS RECEIPTS
FISCAL YEAR ENDED JUNE 30, 2019**

Financial institutions	\$ 24,292,973
Other corporations	54,379,164
Insurance companies	12,118,679
Govern agency/ public authorities	5,437,312
Dividends on securities held	233,288
Securities tendered	16,764
Securities sold	39,588,509
Sale of property lists, copying and other charges	6,000
Reciprocal exchange program with other states	1,710,885
Total Gross Receipts	\$ 137,783,574

**SECOND INJURY FUND
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000 ⁽¹⁾
FISCAL YEAR ENDED JUNE 30, 2019**

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2019	Status as of 6/30/2019
A & A Office Systems Inc.	Photocopier lease	N/A	\$ 9,119	Active
Advance Corporate Networking	Computer equipment	N/A	6,483	Active
Automatic Data Processing Inc.	Check processing	Apr-06	10,110	Active
Coventry Healthcare Workers Compensation Inc.	Provider bill audit services	Feb-06	83,187	Active
Dell Market	Maintenance & support	N/A	5,598	Active
Hallmark TotalTech Inc.	Temporary services	N/A	14,631	Active
MCMC, LLC	IME/Case mgmt./Job placement	Jan-06	15,241	Active
Murphy Security Service, LLC	Security services	N/A	21,019	Active
PCC Technology Group	Maintenance & support	N/A	66,560	Active
PCC Technology Group	Hosting service & managed svcs	N/A	127,400	Active
Security Services of Connecticut Inc.	Surveillance services	Dec-13	5,801	Active
SHI International Corp	Maintenance & support	N/A	6,012	Active
West Group	Subscription services	Jul-16	11,041	Active
Total			\$ 382,202	

(1) Expenses are presented on a cash basis. This schedule only includes services that were retained directly by the Fund and does not include medical services ordered by Workers Compensation Commissioners, claimants or their treating physicians.

Executive Office

DUTIES OF THE STATE TREASURER BOARDS, COMMITTEES AND COMMISSIONS

Connecticut state statutes provide that the State Treasurer serves as a member, ex-officio member or can designate a representative on a number of State boards, commissions and legislatively-mandated committees. The Treasurer served on the following boards, commissions and committees during Fiscal Year 2019, listed in alphabetical order.

Banking Commission (§ 36A-70(H)(1) Cgs)

The Banking Commission approves all applications for the creation of state banks or trust companies. As part of this process, the Commission holds public hearings on applications prior to granting approval. The Commission members are the Treasurer, Comptroller and Banking Commissioner.

State Bond Commission (§ 3-20(C) Cgs)

As authorized by the General Assembly, all projects and grants funded from State bonds, as well as the issuance of the bonds, must be authorized by the State Bond Commission. The members of the Commission include the Governor, Treasurer, Comptroller, Attorney General, Secretary of the Office of Policy and Management (OPM), Commissioner of Public Works, and the Co-chairpersons and the ranking minority members of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding.

Connecticut Airport Authority (§ 15-120Bb Cgs)

The CAA was established to develop, improve and operate Bradley International Airport and the five stateowned general aviation airports (Danielson, Groton/New London, Hartford Brainard, Waterbury-Oxford, and Windham Airports) and for the subsequent purchase of other general aviation airports. An eleven member board

governs the authority including the Treasurer, the Commissioner of Transportation, the Commissioner of Economic and Community Development, four members appointed by the Governor, and four members appointed by legislative leaders.

Connecticut Data Analysis Technology Advisory Board (Cgs 18-175, Particularly § 3)

The Connecticut Data Analysis Technology Advisory Board advises various governmental agencies, departments and offices on data policy. The Board has 16 members, eight who have expertise in data analysis, management, policy or related fields, and the Treasurer, the Commissioner of Administrative Services, the Executive Director of the Freedom of Information Commission, the Attorney General, the Chief Court Administrator, the State Librarian, the Comptroller, and the Chief Data Officer, serving as board chairperson.

Connecticut Green Bank (§ 16-245N Cgs)

The Connecticut Green Bank leverages public and private funds to accelerate the growth of green energy in Connecticut. The members of its Board consist of 11 members as follows: The Treasurer, the Commissioner of Energy and Environmental Protection, the Commissioner of Economic and Community Development, four members appointed by the Legislature, and four members appointed by the Governor.

Connecticut Health And Educational Facilities Authority (Chefa) Board Of Directors (§ 10A-179 Cgs)

CHEFA is a conduit bond issuer for hospitals, nursing homes, private universities, private secondary schools and day care facilities. The board members include the Treasurer, Secretary of OPM, and eight members appointed by the Governor.

Connecticut Higher Education Supplemental Loan Authority (Chesla) Board Of Directors (§ 10A-179(A) Cgs)

CHESLA finances supplemental student loans and issues bonds every two years. The Board consists of eight members including the Treasurer, Commissioner of Higher Education, Secretary of OPM, and five members appointed by the Governor.

Connecticut Higher Education Trust (Chet) Advisory Committee (§ 3-22E(A) Cgs)

This committee advises the Treasurer on policies concerning CHET. The Connecticut Higher Education Trust allows families to make tax deferred investments for higher education costs. The Commissioner of Higher Education, the Secretary of OPM, the Co-chairpersons and ranking members of the Legislature's education and finance, revenue and bonding committees, and four representatives of private and public higher education serve with the Treasurer on this board.

Connecticut Housing Finance Authority (Chfa) (§ 8-244(A) Cgs)

CHFA was created to increase the supply of, and encourage and assist in the purchase, development and construction of, housing for low and moderate-income families and persons throughout the State. It provides mortgages for single family homeowners at below market rates, mortgages for multi-family developers, and construction financing. The members of the board include the Treasurer, Commissioner of Economic and Community Development, Secretary of OPM, Banking Commissioner, seven members appointed by the Governor, and four members appointed by legislative leaders.

Connecticut Innovations, Incorporated (Ci) (§32-35 Cgs)

CI is a quasi-public organization dedicated to driving an entrepreneurial, technology-based economy in Connecticut. CI stimulates high-tech growth by investing in early-stage Connecticut technology companies, university/industry research collaborations and technology transfer and collaborating with government, business, nonprofit and academic organizations to advance technology growth and promote public policies consistent with CI's mission. The members of the board include the Treasurer, Commissioner of Economic and Community Development, Secretary of OPM, the president of the Board of Regents for Higher Education, nine members appointed by the Governor and four members appointed by legislative leaders.

Connecticut lottery corporation board of directors (§ 12-802(b) cgs)

The Connecticut Lottery Corporation manages the State lottery and is responsible for maximizing the efficiency of operations in order to provide a greater return to the general fund. The thirteen member Board of Directors includes the Treasurer, the Secretary of OPM, as well as appointees by the Governor and legislative leaders.

Connecticut Port Authority (§ 32-435 Cgs)

The purposes of the Connecticut Port Authority shall be to coordinate the development of Connecticut's ports and harbors, work with the Department of Economic and Community Development and establish maritime policy for the State. The powers of the authority shall be exercised by board members including the Treasurer, the Commissioner of Energy and Environmental Protection, the Commissioner of Transportation, the Commissioner of Economic and Community Development, the Secretary of OPM, four appointed by the Governor and six appointed by legislative leaders.

Connecticut Retirement Security Authority (§ 31-410 Cgs)

The Authority is charged with designing and implementing a program to provide private-sector employees with retirement savings accounts if their employer does not offer one. The Authority is governed by a fifteen member Board of Directors consisting of the Treasurer, the Comptroller, the Secretary of OPM, the Banking Commissioner, the Labor Commissioner, four appointments by the Governor and six appointments by legislative leaders.

Connecticut Student Loan Foundation (§ 10A-203(A)(B)(1)Cgs)

The Student Loan Foundation is a non-profit corporation created to improve educational opportunity and promote repayment of loans. The corporation is governed by a board of directors consisting of fourteen members including the chairperson of the Board of Governors of Higher Education and the Commissioner of Higher Education; six public members appointed by the Governor; four members with knowledge of business or finance appointed by the legislature leadership; and the Treasurer.

Finance Advisory Committee (§ 4-93 Cgs)

The Finance Advisory Committee approves budget transfers recommended by the Governor and has other such powers over the State budget when the General Assembly is not in session. The Committee members are the Governor, Lieutenant Governor, Treasurer, Comptroller, two Senate members who are members of the legislature's Appropriations Committee and three House members who are members of the legislature's Appropriations Committee.

Governor's Council On Women And Girls

The purpose of the Council is to provide a coordinated state response to issues that impact the lives of women and, their families, and the State of Connecticut. The Council is charged with focusing on four areas of impact: education and STEAM; economic opportunity and workforce equity; leadership; and health and safety.

Investment Advisory Council (§ 3-13B(A) Cgs)

The Investment Advisory Council advises on investment policy and guidelines, and also reviews the assets and performance of the pension funds. Additionally, the Council advises the Treasurer with respect to the hiring of outside investment advisors and on the appointment of the Chief Investment Officer. The Investment Advisory Council consists of the Treasurer, the Secretary of OPM and ten appointees of the Governor and legislative leaders.

Municipal Accountability Review Board (Marb) (Section 367 Of Public Act 17-2)

The MARB provides technical, financial and other assistance and related accountability for municipalities experiencing various levels of fiscal distress. Its members include the Treasurer and Secretary of the OPM as co-chairs, five members appointed by the governor, and four members appointed by legislative leaders.

Nitrogen Credit Advisory Board (§ 22A-523 Cgs)

The Nitrogen Credit Advisory Board assists and advises the Commissioner of Energy and Environmental Protection in administering the nitrogen credit exchange program. The board consists of the Commissioner, the Treasurer, the Secretary of OPM, eight public members to be appointed by legislative leaders, and one to be appointed by the Governor.

Pension Sustainability Commission (Section 180 Of Public Act 17-2)

The commission was established to study the feasibility of placing state capital assets in a trust and maximizing those assets for the benefit of the state pension system. The commission has 13 members, consisting of Treasurer, the Attorney General, the Comptroller, the Secretary of OPM, the Commissioner of Administrative Services, one appointed by the Governor and seven appointed by legislative leaders.

The Standardization Committee (§ 4A-58(A) Cgs)

The standardization committee approves or grants waivers to existing purchasing regulations when it is in the best interests of the

State to do so. The members of this committee include the Treasurer, Comptroller, Commissioner of Administrative Services, and such administrative heads of State departments as are designated for that duty by the Governor.

State Employees' Retirement Commission (§5-155A)

The Connecticut State Employees Retirement Commission administers the provisions of the State Employees Retirement System, the Municipal Employees Retirement System, and all other state retirement and pension plans except the Teachers' Retirement System. The Commission consists of the Treasurer, the Comptroller, six members representing employees who are appointed by the bargaining agents, six management members who are members of the State Employees Retirement System two actuarial members who are enrolled actuaries and Fellows of the Society of Actuaries and one neutral trustee who is chairman of the Commission and is enrolled in the National Academy of Arbitrators.

Teachers' Retirement Board (§10-183L)

The Teachers' Retirement Board administers the Connecticut Teachers' Retirement System. The Board consists of 14 members: four active teacher members, two retired teacher members, the State Treasurer, the Secretary of OPM, the Commissioner of the State Board of Education, and five public members appointed by the Governor.

Teachers' Retirement System Viability Commission (Section 59 Of Public Act 17-2)

The commission, comprised of the members of the Teachers' Retirement Board, was established to develop a plan to maintain the financial viability of the Connecticut Teachers' Retirement System.

Transportation Policy Advisory Council (Public Act No.17-192)

The Transportation Policy Advisory Council has various responsibilities related to transportation policy, including reviewing the five-year transportation capital plan developed annually by the Department of Transportation (DOT). The council has 18 members, consisting of the Treasurer, the Secretary of OPM, the Commissioner of Economic and Community Development, the Commissioner of Energy and Environmental Protection, the Housing Commissioner, the Commissioner of Transportation, the chairpersons and ranking members of the legislature's Transportation Committee, two appointments of the Governor, and six appointments of legislative leaders.

**EXECUTIVE OFFICE
TOTAL ADMINISTRATIVE EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>%</u>
GENERAL FUND		
Personal Services	\$ 2,770,107	2.60%
Other Expenses	122,683	0.12%
Capital Equipment	2,101	0.00%
TOTAL	<u>2,894,892</u>	<u>2.71%</u>
PENSION FUNDS		
Personal Services	5,092,955	4.77%
Other Expenses	82,395,176	77.25%
Capital Equipment	879	0.00%
TOTAL ⁽²⁾	<u>87,489,010</u>	<u>82.02%</u>
SECOND INJURY FUND		
Personal Services	7,179,049	6.73%
Other Expenses	514,493	0.48%
Capital Equipment	6,670	0.01%
TOTAL	<u>7,700,211</u>	<u>7.22%</u>
UNCLAIMED PROPERTY FUND		
Personal Services	3,919,637	3.67%
Other Expenses	2,715,226	2.55%
Capital Equipment	2,876	0.00%
TOTAL	<u>6,637,739</u>	<u>6.22%</u>
SHORT-TERM INVESTMENT FUND		
Personal Services	1,398,010	1.31%
Other Expenses	543,373	0.51%
Capital Equipment	3,719	0.00%
TOTAL	<u>1,945,101</u>	<u>1.82%</u>
Other Financing Sources ⁽¹⁾	<u>383,605</u>	<u>0.36%</u>
TOTAL AGENCY	\$ <u><u>106,666,953</u></u>	<u><u>100.00%</u></u>

⁽¹⁾ Other Financing Sources include: Clean Water Fund and the Capital Equipment Fund.

EXECUTIVE OFFICE
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000⁽¹⁾
FISCAL YEAR ENDED JUNE 30, 2019

Name of Firm	Description of Services	Contract Date	Aggregate Compensation Paid in FY 2019	Status as of 6/30/2019
A&A Office	Office Equipment	N/A	\$ 11,214	Active
Aon Hewitt Investing Consulting	Consultant Services	Sep-17	102,150	Active
Council of Institutional Investors	Dues	N/A	23,000	Active
Dell Marketing LP	Computer Equipment	N/A	39,386	Active
Lexus-Nexis	Subscription	N/A	7,386	Active
JP Morgan Chase Bank	P-Card Purchase	N/A	27,383	Active
Murphy Security Service LLC	Premises Security Services	May-10	21,770	Active
MSCI	Subscription	N/A	15,750	Active
PRI Association	Subscription	N/A	11,326	Active
Practising Law Institute	Subscription	N/A	6,500	Active
Total			\$ 265,865	

⁽¹⁾ Expenses are presented on a cash basis.

Statutory Appendix



**DEBT MANAGEMENT DIVISION
SCHEDULE OF DEBT OUTSTANDING⁽¹⁾ - STATUTORY BASIS
JUNE 30, 2019**

Issue Date	Outstanding June 30, 2018	FY 2019		Outstanding June 30, 2019	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2019 ⁽²⁾	Interest Paid During FY 2019 ⁽³⁾	
		Issued	Retired								Refunded or Defeased
BOND TYPE: GENERAL OBLIGATION - TAX SUPPORTED⁽⁴⁾											
09/01/1997	\$ 2,094,308	\$ -	\$ 1,088,182	\$ -	5.081	5.081	03/01/2020	03/01/2020	\$ -	\$ 106,412	
09/30/1997	235,000	-	100,000	-	5.081	5.081	03/01/2020	03/01/2020	-	11,940	
05/01/1999	4,804,560	-	923,040	-	4.633	4.633	09/01/2019	09/01/2022	-	201,213	
05/06/1999	505,000	-	160,000	-	4.633	4.633	09/01/2019	09/01/2022	-	19,690	
06/12/2001	390,000	-	140,000	-	4.650	4.650	10/01/2019	10/01/2022	-	16,391	
06/12/2001	3,029,635	-	580,249	-	4.652	4.652	10/01/2019	10/01/2022	-	127,437	
03/16/2005	10,000,000	-	-	-	1.700	1.700	03/01/2023	03/01/2023	-	333,701	
04/27/2005	151,630,000	-	69,250,000	-	5.250	5.250	06/01/2020	06/01/2020	-	7,960,575	
04/27/2005	20,000,000	-	-	-	5.200	5.200	06/01/2020	06/01/2020	-	1,040,000	
11/06/2008	283,000,000	-	27,000,000	256,000,000	-	-	-	-	-	707,250	
02/26/2009	261,000,000	-	15,000,000	246,000,000	3.125	5.000	02/15/2020	02/15/2029	-	12,390,228	
03/26/2009	35,000,000	-	11,000,000	24,000,000	4.000	5.000	03/01/2020	03/01/2023	-	1,477,850	
03/26/2009	8,000,000	-	8,000,000	-	-	-	-	-	-	436,800	
12/23/2009	450,000,000	-	-	450,000,000	4.950	5.632	12/01/2020	12/01/2029	-	24,355,000	
04/28/2010	184,250,000	-	37,500,000	146,750,000	4.437	5.257	04/01/2020	04/01/2026	-	8,876,978	
06/23/2010	27,750,000	-	27,750,000	-	-	-	-	-	-	569,775	
06/23/2010	119,495,000	-	5,825,000	113,670,000	3.000	5.000	12/01/2019	12/01/2021	-	5,360,825	
10/19/2010	40,250,000	-	2,995,000	37,255,000	3.000	5.000	10/01/2019	10/01/2022	-	1,809,300	
10/19/2010	203,400,000	-	-	203,400,000	5.295	5.295	10/01/2029	10/01/2029	-	10,770,030	
10/19/2010	22,205,000	-	-	22,205,000	5.305	5.305	10/01/2030	10/01/2030	-	1,177,975	
10/19/2010	294,395,000	-	9,935,000	294,395,000	5.090	5.090	10/01/2025	10/01/2030	-	14,984,706	
05/31/2011	25,000,000	-	25,000,000	-	2.500	5.000	05/15/2020	05/15/2023	-	7,300,403	
11/14/2011	2,610,000	-	-	2,610,000	5.000	5.000	11/01/2019	11/01/2019	-	626,199	
11/14/2011	412,500,000	-	47,300,000	365,200,000	2.250	5.000	11/01/2019	11/01/2031	-	130,500	
04/26/2012	259,600,000	-	-	259,600,000	2.000	5.000	04/15/2021	04/15/2032	-	18,550,725	
04/26/2012	33,200,000	-	8,300,000	24,900,000	2.534	2.934	04/15/2020	04/15/2022	-	12,340,744	
04/26/2012	70,800,000	-	23,600,000	47,200,000	2.250	2.250	04/15/2020	04/15/2020	-	872,081	
06/29/2012	396,045,000	-	47,350,000	348,695,000	2.250	5.000	06/01/2020	06/01/2025	-	1,845,449	
10/04/2012	280,135,000	-	-	280,135,000	2.000	5.000	09/15/2020	09/15/2032	-	19,465,538	
10/04/2012	50,000,000	-	25,000,000	25,000,000	2.580	2.580	09/15/2019	09/15/2019	-	12,057,875	
11/16/2012	124,785,000	-	25,000,000	99,785,000	1.896	2.551	10/15/2019	10/15/2022	-	763,616	
11/28/2012	150,215,000	-	-	150,215,000	3.000	5.000	10/15/2022	10/15/2032	-	2,468,765	
03/28/2013	155,430,000	-	2,050,000	153,380,000	2.000	5.000	03/01/2020	03/01/2033	-	6,587,850	
03/28/2013	144,570,000	-	17,950,000	126,620,000	2.510	2.850	03/01/2020	03/01/2025	-	6,257,719	
08/07/2013	160,000,000	-	10,000,000	150,000,000	4.000	5.000	07/15/2019	07/15/2033	-	3,240,569	
08/29/2013	55,000,000	-	15,000,000	40,000,000	2.480	2.620	08/15/2019	08/15/2020	-	7,587,500	
08/29/2013	260,000,000	-	10,000,000	250,000,000	3.500	5.000	08/15/2019	08/15/2033	-	1,050,170	
08/29/2013	65,000,000	-	5,000,000	60,000,000	2.721	3.817	08/15/2019	08/15/2023	-	12,176,750	
03/26/2014	278,000,000	-	-	278,000,000	2.500	5.000	03/01/2020	03/01/2034	-	2,130,560	
03/26/2014	6,000,000	-	6,000,000	-	2.500	5.000	03/01/2020	03/01/2019	-	12,462,500	
03/26/2014	22,000,000	-	-	22,000,000	2.450	2.870	03/01/2020	03/01/2023	-	240,000	
03/26/2014	14,000,000	-	14,000,000	-	-	-	-	-	-	517,563	
06/04/2014	237,525,000	-	57,045,000	180,480,000	2.500	5.000	12/15/2019	12/15/2025	-	205,094	
06/26/2014	160,000,000	-	10,000,000	150,000,000	3.000	5.000	06/15/2020	06/15/2034	-	10,687,650	
08/28/2014	255,000,000	-	15,000,000	240,000,000	4.000	5.000	09/01/2019	09/01/2034	-	7,542,460	
08/28/2014	140,000,000	-	20,000,000	120,000,000	2.000	3.100	09/01/2019	09/01/2024	-	11,175,000	
08/28/2014	140,000,000	-	-	140,000,000	2.000	3.100	09/01/2019	09/01/2024	-	3,280,000	

**DEBT MANAGEMENT DIVISION
SCHEDULE OF DEBT OUTSTANDING⁽¹⁾ - STATUTORY BASIS (Continued)
JUNE 30, 2019**

Issue Date	Outstanding June 30, 2018	FY 2019		Outstanding June 30, 2019	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accrued Through FY 2019 ⁽²⁾	Interest Paid During FY 2019 ⁽³⁾
		Issued	Retired							
12/10/2014	185,895,000	-	50,575,000	135,320,000	5.000	5.000	11/15/2019	11/15/2025	-	8,030,375
12/10/2014	195,000,000	-	15,000,000	180,000,000	2.000	5.000	11/15/2019	11/15/2034	-	8,615,900
12/10/2014	60,000,000	-	-	60,000,000	3.250	5.000	11/15/2028	11/15/2031	-	2,765,563
03/25/2015	330,000,000	-	10,000,000	320,000,000	3.250	5.000	03/15/2020	03/15/2035	-	15,152,700
03/25/2015	80,000,000	-	20,000,000	60,000,000	2.294	3.127	03/15/2020	03/15/2025	-	1,972,600
05/28/2015	452,130,000	-	2,790,000	449,340,000	2.000	5.000	06/15/2020	06/15/2035	-	21,121,800
05/28/2015	158,310,000	-	-	158,310,000	2.250	2.700	06/15/2020	06/15/2024	-	4,081,786
05/28/2015	64,525,000	-	-	64,525,000	2.450	2.600	06/15/2021	06/15/2022	-	1,598,968
08/19/2015	209,560,000	-	44,710,000	164,850,000	4.000	5.000	08/01/2019	08/01/2035	-	8,860,250
08/19/2015	200,000,000	-	25,000,000	175,000,000	2.250	3.330	08/01/2019	08/01/2025	-	5,131,634
12/01/2015	520,000,000	-	32,500,000	487,500,000	2.000	5.000	11/15/2020	11/15/2034	-	22,865,056
12/01/2015	65,000,000	-	-	65,000,000	2.000	5.000	11/15/2019	11/15/2035	-	3,093,600
03/30/2016	465,000,000	-	30,735,000	434,265,000	2.250	5.000	03/15/2020	03/15/2036	-	20,961,888
06/14/2016	459,370,000	-	46,675,000	412,695,000	2.000	5.000	05/15/2020	05/15/2027	-	22,130,050
06/14/2016	300,000,000	-	11,765,000	288,235,000	3.500	3.500	05/15/2020	05/15/2034	-	6,303,762
08/17/2016	237,500,000	-	12,500,000	225,000,000	3.000	5.000	08/15/2019	08/15/2026	-	10,062,500
08/17/2016	225,000,000	-	25,000,000	200,000,000	1.300	2.600	08/15/2019	08/15/2026	-	4,210,000
10/26/2016	552,500,000	-	32,500,000	520,000,000	2.000	5.000	10/15/2019	10/15/2036	-	24,592,475
10/26/2016	65,000,000	-	-	65,000,000	4.000	5.000	10/15/2030	10/15/2031	-	3,161,650
12/21/2016	276,850,000	-	84,500,000	192,350,000	3.000	5.000	11/01/2019	11/01/2023	-	11,219,450
04/19/2017	169,185,000	-	17,150,000	152,035,000	3.000	5.000	04/15/2020	04/15/2028	-	7,616,850
04/19/2017	507,500,000	-	26,715,000	480,785,000	3.000	5.000	04/15/2020	04/15/2037	-	23,735,725
06/28/2017	300,000,000	-	15,785,000	284,215,000	2.450	2.450	06/01/2021	06/01/2037	-	7,746,576
06/28/2017	134,865,000	-	45,000,000	89,865,000	3.500	3.500	03/01/2020	09/15/2024	-	3,501,814
12/21/2017	450,000,000	-	45,000,000	405,000,000	2.510	3.750	01/15/2020	01/15/2028	-	14,630,400
04/11/2018	276,440,000	-	37,590,000	238,850,000	4.000	5.000	04/15/2020	04/15/2028	-	13,879,876
04/11/2018	250,000,000	-	12,500,000	237,500,000	3.750	5.000	04/15/2020	04/15/2038	-	12,340,611
06/20/2018	400,000,000	-	20,000,000	380,000,000	3.500	5.000	06/15/2020	06/15/2038	-	18,508,665
06/20/2018	92,105,000	-	-	92,105,000	5.000	5.000	04/15/2022	04/15/2027	-	3,773,747
09/13/2018	-	400,000,000	-	400,000,000	4.000	5.000	09/15/2019	09/15/2037	-	9,881,993
09/13/2018	-	239,200,000	-	239,200,000	4.000	5.000	09/15/2019	09/15/2028	-	5,915,025
09/13/2018	-	250,000,000	-	250,000,000	3.471	4.000	09/15/2019	09/15/2028	-	4,733,643
04/11/2019	-	750,000,000	-	750,000,000	3.000	5.000	04/15/2020	04/15/2039	-	-
04/11/2019	-	250,000,000	-	250,000,000	2.921	3.500	04/15/2020	04/15/2029	-	-
SUBTOTAL	\$ 13,723,453,503	\$ 1,889,200,000	\$ 1,264,831,471	\$ 256,000,000					\$ -	\$ 586,494,274
BOND TYPE: GENERAL OBLIGATION - BOND ANTICIPATION NOTES⁽⁴⁾										
12/21/2017	\$ 400,000,000	\$ -	\$ 400,000,000	\$ -				09/14/2018	\$ -	\$ 14,611,111
SUBTOTAL	\$ 400,000,000	\$ -	\$ 400,000,000	\$ -					\$ -	\$ 14,611,111
BOND TYPE: GENERAL OBLIGATION TEACHERS' RETIREMENTS FUNDS⁽⁵⁾										
04/30/2008	\$ 2,026,530,000	\$ -	\$ -	\$ 2,026,530,000	5.690	5.850	03/15/2023	03/15/2032	\$ -	\$ 118,029,871
04/30/2008	170,946,524	-	-	170,946,524	6.158	6.270	03/15/2022	03/15/2025	167,924,696	-
08/28/2014	10,590,000	-	-	10,590,000	3.500	3.500	09/01/2027	09/01/2027	-	370,650
SUBTOTAL	\$ 2,208,066,524	\$ -	\$ -	\$ 2,208,066,524					\$ 167,924,696	\$ 118,400,521

**DEBT MANAGEMENT DIVISION
SCHEDULE OF DEBT OUTSTANDING⁽¹⁾ - STATUTORY BASIS (Continued)
JUNE 30, 2019**

Issue Date	Outstanding June 30, 2018	FY 2019		Outstanding June 30, 2019	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2019 ⁽²⁾	Interest Paid During FY 2019 ⁽³⁾	
		Issued	Retired								Refunded or Defeased
BOND TYPE: GAAP CONVERSION BONDS⁽⁶⁾											
10/24/2013	\$ 459,690,000	\$ -	\$ 36,430,000	\$ -	4.00	5.00	10/15/2019	10/15/2027	\$ -	\$ 21,940,563	
SUBTOTAL	\$ 459,690,000	\$ -	\$ 36,430,000	\$ 423,260,000					\$ -	\$ 21,940,563	
BOND TYPE: SPECIAL TAX OBLIGATION											
11/15/2004	\$ 16,765,000	\$ -	\$ 10,465,000	\$ -	5.250	5.250	07/01/2019	07/01/2019	\$ -	\$ 605,456	
10/01/2008	7,080,000	-	-	7,080,000	4.000	4.125	02/01/2021	02/01/2022	-	285,444	
12/10/2008	123,455,000	-	13,965,000	-	3.900	4.250	02/01/2020	02/01/2022	-	345,700	
01/29/2009	116,700,000	-	48,870,000	-	3.500	4.500	12/01/2019	12/01/2029	-	5,181,925	
11/10/2009	47,760,000	-	22,175,000	-	4.855	5.740	12/01/2020	12/01/2029	-	1,521,778	
11/10/2009	304,030,000	-	-	304,030,000	5.000	5.000	11/01/2019	11/01/2019	-	16,663,351	
11/10/2010	52,340,000	-	25,515,000	-	4.126	5.459	11/01/2020	11/01/2030	-	1,979,125	
11/10/2010	400,430,000	-	-	400,430,000	4.000	5.000	11/01/2019	11/01/2022	-	20,678,185	
11/10/2010	79,705,000	-	11,435,000	-	3.375	5.000	12/01/2019	12/01/2031	-	3,507,625	
12/15/2011	181,525,000	-	9,210,000	-	3.000	5.000	12/01/2019	12/01/2022	-	8,638,413	
12/15/2011	74,425,000	-	8,670,000	-	3.000	5.000	12/01/2020	12/01/2033	-	2,837,950	
12/21/2012	408,875,000	-	19,140,000	-	3.000	5.000	01/01/2020	01/01/2033	-	19,766,200	
12/21/2012	97,450,000	-	10,135,000	-	5.000	5.000	01/01/2020	01/01/2025	-	4,872,500	
11/21/2013	521,435,000	-	21,940,000	-	3.000	5.000	10/01/2019	10/01/2033	-	25,282,025	
10/16/2014	117,295,000	-	11,995,000	-	4.000	5.000	09/01/2019	09/01/2034	-	5,391,050	
10/16/2014	550,925,000	-	22,065,000	-	3.000	5.000	09/01/2019	09/01/2034	-	28,839,100	
10/15/2015	656,660,000	-	23,065,000	-	4.000	5.000	08/01/2019	08/01/2035	-	31,979,975	
10/15/2015	139,770,000	-	139,770,000	-	2.000	5.000	08/01/2019	08/01/2027	-	6,539,075	
09/28/2016	775,605,000	-	25,390,000	-	4.000	5.000	09/01/2019	09/01/2036	-	36,511,400	
09/28/2016	68,265,000	-	-	68,265,000	4.000	5.000	09/01/2019	09/01/2028	-	3,278,750	
02/08/2018	800,000,000	-	28,280,000	-	4.000	5.000	01/01/2020	01/01/2038	-	35,567,728	
10/25/2018	-	750,000,000	-	750,000,000	5.000	5.000	10/01/2019	10/01/2038	-	16,250,000	
10/25/2018	-	100,105,000	-	100,105,000	3.000	5.000	10/01/2020	10/01/2026	-	2,111,414	
SUBTOTAL	\$ 5,540,495,000	\$ 850,105,000	\$ 323,470,000	\$ 5,957,640,000					\$ -	\$ 276,633,769	
BOND TYPE: BRADLEY INTERNATIONAL AIRPORT											
03/31/2011	\$ 65,600,000	\$ -	\$ 4,335,000	\$ -	4.393	4.393	10/01/2019	10/01/2031	-	2,628,327	
03/31/2011	43,730,000	-	2,890,000	-	4.463	4.463	10/01/2019	10/01/2031	-	1,631,426	
SUBTOTAL	\$ 109,330,000	\$ -	\$ 7,225,000	\$ 102,105,000					\$ -	\$ 4,259,753	
BOND TYPE: CLEAN WATER FUND											
06/25/2009	\$ 14,645,000	\$ -	\$ 14,645,000	\$ -	4.000	5.000	10/01/2019	06/01/2019	\$ -	657,250	
07/30/2009	51,385,000	-	9,435,000	-	3.000	5.000	01/01/2020	01/01/2022	-	2,240,625	
03/24/2011	98,315,000	-	16,210,000	-	3.000	5.000	01/01/2020	01/01/2028	-	4,543,604	
02/21/2013	110,050,000	-	6,420,000	-	2.000	5.000	03/01/2020	03/01/2031	-	5,270,850	
02/21/2013	37,235,000	-	-	37,235,000	2.000	5.000	07/01/2019	07/01/2027	-	1,560,063	
05/06/2015	243,810,000	-	12,500,000	-	3.125	5.000	03/01/2020	03/01/2035	-	11,032,881	
06/15/2017	248,855,000	-	1,740,000	-	3.000	5.000	05/01/2020	05/01/2037	-	12,063,450	
06/15/2017	105,125,000	-	-	105,125,000	5.000	5.000	06/01/2020	06/01/2027	-	5,256,250	
SUBTOTAL	\$ 909,420,000	\$ -	\$ 60,950,000	\$ 848,470,000					\$ -	\$ 42,624,973	

**DEBT MANAGEMENT DIVISION
SCHEDULE OF DEBT OUTSTANDING⁽¹⁾ - STATUTORY BASIS (Continued)
JUNE 30, 2019**

Issue Date	Outstanding June 30, 2018	FY 2019		Refunded or Defeased	Outstanding June 30, 2019	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2019 ⁽²⁾	Interest Paid During FY 2019 ⁽³⁾	
		Issued	Retired									
BOND TYPE: UCONN 2000⁽⁷⁾												
04/16/2009	\$ 79,410,000	\$ -	\$ 7,350,000	\$ 72,060,000	\$ -	3.000	5.000	02/15/2020	02/15/2030	\$ -	\$ 3,633,899	
05/25/2010	58,255,000	-	4,855,000	-	53,400,000	3.000	5.000	02/15/2020	02/15/2030	-	2,729,271	
05/25/2010	11,450,000	-	5,355,000	-	6,095,000	3.000	5.000	02/15/2020	02/15/2021	-	505,938	
12/08/2011	17,340,000	-	2,820,000	-	14,520,000	4.000	5.000	02/15/2020	02/15/2023	-	865,250	
12/08/2011	116,805,000	-	8,985,000	-	107,820,000	3.000	5.000	02/15/2020	02/15/2031	-	5,577,025	
07/31/2013	138,125,000	-	8,635,000	-	129,490,000	4.000	5.000	08/15/2019	08/15/2033	-	6,452,600	
07/31/2013	38,930,000	-	4,635,000	-	34,295,000	5.000	5.000	02/15/2020	02/15/2024	-	1,946,500	
04/22/2014	87,235,000	-	5,455,000	-	81,780,000	2.500	5.000	02/15/2020	02/15/2034	-	3,827,450	
04/22/2014	9,675,000	-	-	-	9,675,000	3.000	5.000	02/15/2020	02/15/2025	-	481,850	
04/16/2015	187,145,000	-	11,010,000	-	176,135,000	2.125	5.000	02/15/2020	02/15/2035	-	8,929,306	
04/16/2015	27,620,000	-	3,485,000	-	24,135,000	5.000	5.000	02/15/2020	02/15/2026	-	1,381,000	
04/21/2016	235,350,000	-	13,075,000	-	222,275,000	3.000	5.000	03/15/2020	03/15/2036	-	10,803,300	
04/21/2016	53,380,000	-	21,525,000	-	31,855,000	5.000	5.000	03/15/2020	03/15/2027	-	2,669,000	
01/19/2017	295,640,000	-	15,560,000	-	280,080,000	3.000	5.000	01/15/2020	01/15/2037	-	14,453,800	
01/19/2017	29,350,000	-	2,465,000	-	26,885,000	4.000	5.000	01/15/2020	01/15/2022	-	1,389,450	
05/03/2018	276,075,000	-	13,800,000	-	262,275,000	3.000	5.000	04/15/2020	04/15/2038	-	12,594,721	
05/08/2019	-	174,785,000	-	-	174,785,000	3.000	5.000	11/01/2019	11/01/2038	-	-	
05/08/2019	-	64,680,000	-	-	64,680,000	5.000	5.000	11/01/2019	11/01/2028	-	-	
SUBTOTAL	\$ 1,661,785,000	\$ 239,465,000	\$ 129,010,000	\$ 72,060,000	\$ 1,700,180,000					\$ -	\$ 78,230,360	
BOND TYPE: INCREMENT FINANCING⁽⁸⁾												
10/05/2004	\$ 3,705,000	\$ -	\$ 465,000	\$ -	\$ 3,240,000	3.875	5.000	10/15/2019	10/15/2024	\$ -	\$ 156,269	
12/20/2006	2,580,000	-	825,000	-	1,755,000	3.850	4.000	12/15/2019	12/15/2020	-	84,585	
05/22/2014	16,325,000	-	690,000	-	15,635,000	3.500	5.000	04/15/2020	04/15/2034	-	795,775	
SUBTOTAL	\$ 22,610,000	\$ -	\$ 1,980,000	\$ -	\$ 20,630,000					\$ -	\$ 1,036,629	
BOND TYPE: CHEFA CHILDCARE FACILITIES PROGRAM⁽⁹⁾												
08/19/2011	\$ 20,525,000	\$ -	\$ 1,535,000	\$ -	\$ 18,990,000	4.500	5.000	07/01/2019	07/01/2031	\$ -	\$ 976,300	
04/01/2015	30,615,000	-	1,005,000	-	29,610,000	3.000	5.000	07/01/2019	07/01/2038	-	1,263,506	
SUBTOTAL	\$ 51,140,000	\$ -	\$ 2,540,000	\$ -	\$ 48,600,000					\$ -	\$ 2,239,806	
BOND TYPE: JUVENILE TRAINING SCHOOL⁽¹⁰⁾												
02/15/2001	\$ 11,765,000	\$ -	\$ 670,000	\$ -	\$ 11,095,000	4.750	5.000	12/15/2019	12/15/2030	\$ -	\$ 560,850	
SUBTOTAL	\$ 11,765,000	\$ -	\$ 670,000	\$ -	\$ 11,095,000					\$ -	\$ 560,850	
BOND TYPE: BRADLEY INTERNATIONAL PARKING OPERATIONS												
03/15/2000	\$ 25,265,000	\$ -	\$ 2,935,000	\$ -	\$ 22,330,000	6.600	6.600	07/01/2019	07/01/2024	\$ -	\$ 1,569,167	
SUBTOTAL	\$ 25,265,000	\$ -	\$ 2,935,000	\$ -	\$ 22,330,000					\$ -	\$ 1,569,167	

**DEBT MANAGEMENT DIVISION
SCHEDULE OF DEBT OUTSTANDING⁽¹⁾ - STATUTORY BASIS (Continued)
JUNE 30, 2019**

Issue Date	Outstanding June 30, 2018	FY 2019		Outstanding June 30, 2019	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2019 ⁽²⁾	Interest Paid During FY 2019 ⁽³⁾	
		Issued	Retired								Refunded or Defeased
BOND TYPE: CHFA SPECIAL NEEDS HOUSING BONDS⁽¹¹⁾											
09/13/2007	\$ 15,160,000	\$ -	\$ -	\$ 15,160,000	-	-	-	-	\$ -	\$ -	
05/19/2009	25,075,000	-	1,840,000	-	3.625	5.000	06/15/2020	06/15/2029	-	1,074,069	
10/19/2010	12,510,000	-	800,000	-	4.000	5.000	06/15/2020	06/15/2031	-	562,200	
08/28/2018	-	15,090,000	1,470,000	-	2.100	3.500	06/15/2020	06/15/2027	-	331,714	
SUBTOTAL	\$ 52,745,000	\$ 15,090,000	\$ 4,110,000	\$ 15,160,000					\$ -	\$ 1,967,983	
BOND TYPE: CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM⁽¹²⁾											
10/19/2010	\$ 20,820,000	\$ -	1,325,000	\$ -	4.650	5.350	06/15/2020	06/15/2030	\$ -	1,039,110	
11/14/2011	15,135,000	-	885,000	-	3.720	5.000	06/15/2020	06/15/2031	-	721,550	
SUBTOTAL	\$ 35,955,000	\$ -	\$ 2,210,000	\$ -					\$ -	\$ 1,760,660	
BOND TYPE: CRDA BONDS⁽¹³⁾											
07/21/2004	\$ 53,490,000	\$ -	2,140,000	\$ -	3.960	3.960	06/15/2020	06/15/2034	\$ -	883,215	
08/04/2005	8,160,000	-	715,000	-	5.000	5.000	06/15/2020	06/15/2029	-	408,000	
12/16/2008	17,665,000	-	-	17,665,000	-	-	-	-	-	-	
9/13/2018	-	16,365,000	865,000	-	4.000	5.000	06/15/2020	06/15/2034	-	600,364	
SUBTOTAL	\$ 79,315,000	\$ 16,365,000	\$ 3,720,000	\$ 17,665,000					\$ -	\$ 1,891,580	
GRAND TOTAL	\$ 25,291,035,027	\$ 3,010,225,000	\$ 2,240,081,471	\$ 25,590,803,556					\$ 167,924,696	\$ 1,154,221,998	

(1) Includes all outstanding debt issued by the State of Connecticut as of June 30, 2019.

(2) Includes interest accreted on Capital Appreciation Bonds (CABs) only. Interest on CABs accretes over the life of the bond and is paid at maturity. This amount is not included in the column shown as outstanding at June 30, 2019.

(3) Includes interest rate swap payments and variable rate bond fees.

(4) On December 21, 2017, the State issued \$400,000,000 Bond Anticipation Notes (BANs) Series A. On September 13, 2018, \$400,000,000 General Obligation Bonds, 2018 Series E were issued to retire the 2017 BANs

(5) General Obligation Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund \$2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and cost of issuance.

(6) General Obligation GAAP Conversion Bonds were issued in fiscal year 2014 to fund half of the General Fund GAAP deficit at that time and commit the State to funding the balance over time through budget appropriation as part of a bond covenant.

(7) UConn 2000 Bonds were authorized in three stages, in a total amount of \$4.3 billion over a 28 year period to be paid by the University of Connecticut from a State debt service commitment. As each series is issued, the debt service is appropriated from the State's General Fund.

(8) Connecticut Innovations (CI) has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.

(9) On July 1, 1999, the Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.

(10) A lease purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.

(11) Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Step Initiative. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer and the Secretary of the Office of Policy and Management.

(12) Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer and the Secretary of the Office of Policy and Management.

DEBT MANAGEMENT DIVISION
SCHEDULE OF DEBT OUTSTANDING⁽¹⁾ - STATUTORY BASIS (Continued)
JUNE 30, 2019

(13) Capital Region Development Authority (CRDA) Bonds were issued to provide funding for the Adriaen's Landing development project in Hartford. The bonds, issued in a combination of fixed and variable rate securities, have a final maturity of 2034. The State is required to make debt service payments on the bonds up to a maximum annual amount of \$9 million pursuant to a contract for financial assistance agreement between CRDA, the State Treasurer, and the Secretary of the Office of Policy and Management. CRDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

NOTE 1: In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appear in the budget enacted by the General Assembly. The accounting standards that were applied in this legislation and the Budget Act enacted for the 2019 fiscal year is a basis of accounting other than Generally Accepted Accounting Principles. In order to be consistent with the Comptroller's statements and the Budgetary Act, the State Treasurer has employed the same statutory basis of accounting for the presentation of this schedule.

NOTE 2: GAAP accounting requires that Long-Term debt obligations be segregated into the portion payable within the next fiscal year (the current portion) and the remaining portion that is not due until after the next fiscal year. This manner of presentation is not used for the statutory basis presentation.

**DEBT MANAGEMENT DIVISION
SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING⁽¹⁾
JUNE 30, 2019**

CORE Fund No.	Name	Inception to Date		Principal Outstanding June 30, 2019	Interest Accreted Through Fiscal Year 2019 ⁽²⁾	Outstanding Incl. Accreted Interest June 30, 2019
		Amount Authorized	Amount Issued			
BOND TYPE: GENERAL OBLIGATION TAX SUPPORTED						
12033	ECONOMIC DEVELOPMENT FUND	\$ 145,930,000	\$ 140,430,000	\$ 8,965,000	\$ -	\$ 8,965,000
12034	ECONOMIC DEVELOPMENT ASSISTANCE	1,876,800,000	1,488,838,342	664,742,482	-	664,742,482
12036	ECONOMIC STABILIZATION FUND	95,000,000	95,000,000	8,537,294	-	8,537,294
12050	LOCAL CAPITAL IMPROVEMENT FUND	950,000,000	900,000,000	282,490,000	-	282,490,000
12051	CAPITAL EQUIPMENT PURCHASE FUND	517,540,000	487,408,375	30,000,947	-	30,000,947
12052	GRANTS TO LOCAL GOVTS. & OTHERS	4,830,647,737	3,701,988,001	1,131,972,676	-	1,131,972,676
12055	HOUSING HOMELESS PERSONS	28,386,280	7,488,825	393,129	-	393,129
12059	HARTFORD REDEVELOPMENT	491,880,000	491,880,000	16,070,000	-	16,070,000
12063	HOUSING BONDS	1,359,382,689	1,043,402,988	373,001,216	-	373,001,216
12066	DECD - HOUSING TRUST FUND	315,000,000	233,553,752	98,004,356	-	98,004,356
12067	CT BIOSCIENCE COLLABORATION PROGRAM	269,550,000	242,359,000	85,660,000	-	85,660,000
12068	CT BIOSCIENCE INNOVATION FUND	80,000,000	64,569,463	64,569,463	-	64,569,463
13009	SCHOOL CONSTRUCTION	1,859,239,500	1,854,139,500	5,100,000	-	5,100,000
13010	MAGNET SCHOOLS	10,350,130,770	10,048,929,343	4,493,574,649	-	4,493,574,649
13015	AGRICULTURAL LAND PRESERVATION	165,250,000	130,248,716	45,750,000	-	45,750,000
13019	GRANTS FOR URBAN ACTION	1,784,487,544	1,449,612,246	338,427,024	-	338,427,024
13048	CSUS 2020 FUND INFRASTRUCTURE PROGRAM	943,500,000	765,138,723	599,023,723	-	599,023,723
17011	GENERAL STATE PURPOSES	564,326,029	551,032,612	40,000,000	-	40,000,000
17021	GENERAL STATE PURPOSES	443,943,095	445,038,198	5,903,752	-	5,903,752
17041	GENERAL STATE PURPOSES	249,581,385	249,332,976	46,137,893	-	46,137,893
17051	GENERAL STATE PURPOSES	175,929,116	175,929,116	3,429,116	-	3,429,116
17061	GENERAL STATE PURPOSES	168,994,995	168,636,646	57,616,192	-	57,616,192
17071	GENERAL STATE PURPOSES	34,119,304	335,665,798	123,434,646	-	123,434,646
17081	GENERAL STATE PURPOSES	217,535,361	201,585,444	178,082,628	-	178,082,628
17091	GENERAL STATE PURPOSES	11,600,000	11,600,000	11,600,000	-	11,600,000
17101	GENERAL STATE PURPOSES	19,138,454	16,138,454	12,963,111	-	12,963,111
17111	GENERAL STATE PURPOSES	67,876,234	63,098,403	51,678,403	-	51,678,403
17121	GENERAL STATE PURPOSES	315,011,406	284,636,193	222,643,490	-	222,643,490
17131	GENERAL STATE PURPOSES	600,996,338	569,847,233	509,308,312	-	509,308,312
17141	GENERAL STATE PURPOSES	306,702,986	263,765,893	182,171,835	-	182,171,835
17151	GENERAL STATE PURPOSES	374,113,098	273,137,001	252,224,536	-	252,224,536
17161	GENERAL STATE PURPOSES	349,813,300	256,696,042	185,919,793	-	185,919,793
17171	GENERAL STATE PURPOSES	524,872,176	206,879,571	104,646,508	-	104,646,508
17181	GENERAL STATE PURPOSES	240,836,905	31,575,763	31,575,763	-	31,575,763
17861	GENERAL STATE PURPOSES	119,859,926	119,463,359	8,100,000	-	8,100,000
17891	GENERAL STATE PURPOSES	416,558,089	414,478,686	2,000,000	-	2,000,000
17931	GENERAL STATE PURPOSES	628,254,036	626,235,971	10,500,000	-	10,500,000
17961	GENERAL STATE PURPOSES	262,574,910	260,374,910	4,703,097	-	4,703,097
17971	GENERAL STATE PURPOSES	195,280,711	191,057,040	2,500,000	-	2,500,000
17981	GENERAL STATE PURPOSES	208,069,445	208,049,656	1,205,000	-	1,205,000
17991	GENERAL STATE PURPOSES	291,703,004	290,897,814	44,773,966	-	44,773,966
21014	CLEAN WATER FUND - STATE	1,643,132,510	1,289,848,884	469,662,032	-	469,662,032
21017	DRINKING WATER FUND - STATE	20,000,000	17,500,000	17,500,000	-	17,500,000
59999	GENERAL OBLIGATION BOND ANTICIPATION NOTES ROLLOVER FUND ⁽³⁾⁽⁴⁾	-	1,734,330,000	863,225,000	-	863,225,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2005 B ⁽⁴⁾	-	335,550,000	102,380,000	-	102,380,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2010 C ⁽⁴⁾	-	258,235,000	113,670,000	-	113,670,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2010 D ⁽⁴⁾	-	47,035,000	37,255,000	-	37,255,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2011 E ⁽⁴⁾	-	150,820,000	2,610,000	-	2,610,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2012 C ⁽⁴⁾	-	523,245,000	348,695,000	-	348,695,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2014 C ⁽⁴⁾	-	822,225,000	180,480,000	-	180,480,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2014 H ⁽⁴⁾	-	256,620,000	135,320,000	-	135,320,000

**DEBT MANAGEMENT DIVISION
SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING⁽¹⁾ (Continued)
JUNE 30, 2019**

CORE Fund No.	Name	Inception to Date		Principal Outstanding June 30, 2019	Interest Accrued Through Fiscal Year 2019 ⁽²⁾	Outstanding Incl. Accrued Interest June 30, 2019
		Amount Authorized	Amount Issued			
	GENERAL OBLIGATION SIFMA REFUNDING BONDS SERIES 2015 D ⁽⁶⁾	-	180,745,000	64,525,000	-	64,525,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2016 B ⁽⁶⁾	-	501,440,000	412,695,000	-	412,695,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2016 G ⁽⁶⁾	-	327,440,000	192,350,000	-	192,350,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2017 B ⁽⁶⁾	-	197,025,000	152,035,000	-	152,035,000
	GENERAL OBLIGATION SIFMA REFUNDING BONDS SERIES 2017 B ⁽⁶⁾	-	134,865,000	89,865,000	-	89,865,000
	GENERAL OBLIGATION REFUNDING BONDS 2018 SERIES B ⁽⁶⁾	-	276,440,000	238,850,000	-	238,850,000
	GENERAL OBLIGATION REFUNDING BONDS 2018 SERIES D ⁽⁶⁾	-	92,105,000	92,105,000	-	92,105,000
	GENERAL OBLIGATION REFUNDING BONDS 2018 SERIES F ⁽⁶⁾	-	239,200,000	239,200,000	-	239,200,000
	SUBTOTAL	\$ 34,820,624,333	\$ 36,724,808,917	\$ 14,091,822,032	\$ -	\$ 14,091,822,032
	BOND TYPE: GENERAL OBLIGATION TEACHERS' RETIREMENT FUND BONDS⁽⁶⁾					
31006	TEACHER'S RETIREMENT FUND GO BONDS TAXABLE SERIES 2008	2,276,578,271	2,276,578,271	2,197,476,524	167,924,696	2,365,401,220
	TAXABLE GO TEACHER'S RETIREMENT REFUNDING BONDS ⁽⁶⁾	-	10,590,000	10,590,000	-	10,590,000
	SUBTOTAL	\$ 2,276,578,271	\$ 2,287,168,271	\$ 2,208,066,524	\$ 167,924,696	\$ 2,375,991,220
	BOND TYPE: GENERAL OBLIGATION GAAP CONVERSION BONDS⁽⁶⁾					
50001	GAAP CONVERSION BONDS	560,430,000	560,430,000	423,260,000	-	423,260,000
	SUBTOTAL	\$ 560,430,000	\$ 560,430,000	\$ 423,260,000	\$ -	\$ 423,260,000
	BOND TYPE: SPECIAL TAX OBLIGATION					
13033	INFRASTRUCTURE IMPROVEMENT	17,650,632,852	12,270,170,752	5,252,805,000	-	5,252,805,000
14005	SPECIAL TAX OBLIGATION REFUNDING BONDS ⁽⁴⁾	-	1,927,140,000	704,835,000	-	704,835,000
	SUBTOTAL	\$ 17,650,632,852	\$ 14,197,310,752	\$ 5,957,640,000	\$ -	\$ 5,957,640,000
	BOND TYPE: BRADLEY INTERNATIONAL AIRPORT					
	BRADLEY AIRPORT GENERAL REVENUE REFUNDING BONDS ⁽⁴⁾	-	183,020,000	102,105,000	-	102,105,000
	SUBTOTAL	\$ -	\$ 183,020,000	\$ 102,105,000	\$ -	\$ 102,105,000
	BOND TYPE: CLEAN WATER FUND					
21015	CLEAN WATER FUND - FEDERAL ACCOUNT	3,521,467,442	2,010,507,408	563,840,550	-	563,840,550
21018	DRINKING WATER FUND - FEDERAL REVOLVING	362,612,558	206,082,592	100,319,450	-	100,319,450
	CLEAN WATER REFUNDING BONDS ⁽⁴⁾	-	618,430,000	184,310,000	-	184,310,000
	SUBTOTAL	\$ 3,884,080,000	\$ 2,835,020,000	\$ 848,470,000	\$ -	\$ 848,470,000
	BOND TYPE: UCONN 2000⁽⁷⁾					
13045	UCONN 2000	3,125,495,370	3,124,237,147	1,488,040,000	-	1,488,040,000
	UCONN 2000 REFUNDING BONDS ⁽⁴⁾	-	749,870,000	212,140,000	-	212,140,000
	SUBTOTAL	\$ 3,125,495,370	\$ 3,874,107,147	\$ 1,700,180,000	\$ -	\$ 1,700,180,000
	BOND TYPE: CI INCREMENT FINANCING⁽⁸⁾					
	CI CABELAS'S INC. TAX INCREMENTAL FINANCING	9,950,000	9,825,000	1,755,000	-	1,755,000
	CI BASS PRO SHOPS TAX INCREMENTAL FINANCING	22,000,000	18,885,000	15,635,000	-	15,635,000
	CI REFUNDING BONDS SERIES A, B & C ⁽⁴⁾	-	22,435,000	3,240,000	-	3,240,000
	SUBTOTAL	\$ 31,950,000	\$ 51,145,000	\$ 20,630,000	\$ -	\$ 20,630,000

**DEBT MANAGEMENT DIVISION
SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING⁽¹⁾ (Continued)
JUNE 30, 2019**

CORE Fund No.	Name	Inception to Date		Principal Outstanding June 30, 2019	Interest Accreted Through Fiscal Year 2019 ⁽²⁾	Outstanding Incl. Accreted Interest June 30, 2019
		Amount Authorized	Amount Issued			
BOND TYPE: CHEFA CHILDCARE FACILITIES PROGRAM⁽⁹⁾						
	CHEFA CHILDCARE REFUNDING BONDS SERIES 2011 ⁽⁴⁾	\$ -	\$ 28,840,000	\$ 18,990,000	\$ -	\$ 18,990,000
	CHEFA CHILDCARE REFUNDING BONDS SERIES 2015 ⁽⁴⁾	-	33,475,000	29,610,000	-	29,610,000
	SUBTOTAL	\$ -	\$ 62,315,000	\$ 48,600,000	\$ -	\$ 48,600,000
BOND TYPE: JUVENILE TRAINING SCHOOL⁽¹⁰⁾						
	88800 CT JUVENILE TRAINING SCHOOL ENERGY CENTER PROJECT	\$ -	\$ 19,165,000	\$ 11,095,000	\$ -	\$ 11,095,000
	SUBTOTAL	\$ -	\$ 19,165,000	\$ 11,095,000	\$ -	\$ 11,095,000
BOND TYPE: BRADLEY INTERNATIONAL PARKING OPERATIONS						
	21008 BRADLEY INTERNATIONAL PARKING OPERATIONS	\$ 55,000,000	\$ 53,800,000	\$ 22,330,000	\$ -	\$ 22,330,000
	SUBTOTAL	\$ 55,000,000	\$ 53,800,000	\$ 22,330,000	\$ -	\$ 22,330,000
BOND TYPE: CHFA SPECIAL NEEDS HOUSING BONDS⁽¹¹⁾						
	12060 CHFA SUPPORTIVE HOUSING BONDS	\$ 85,000,000	\$ 83,540,000	\$ 34,945,000	\$ -	\$ 34,945,000
	CHFA 2018 REFUNDING BONDS ⁽⁴⁾	-	15,090,000	13,620,000	-	13,620,000
	SUBTOTAL	\$ 85,000,000	\$ 98,630,000	\$ 48,565,000	\$ -	\$ 48,565,000
BOND TYPE: CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM⁽¹²⁾						
	15999 CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM	\$ 50,000,000	\$ 50,000,000	\$ 33,745,000	\$ -	\$ 33,745,000
	SUBTOTAL	\$ 50,000,000	\$ 50,000,000	\$ 33,745,000	\$ -	\$ 33,745,000
BOND TYPE: CRDA BONDS⁽¹³⁾						
	12060 CAPITAL REGION DEVELOPMENT AUTHORITY	\$ -	\$ 110,000,000	\$ 58,795,000	\$ -	\$ 58,795,000
	CRDA 2018 REFUNDING BONDS ⁽⁴⁾	-	16,365,000	15,500,000	-	15,500,000
	SUBTOTAL	\$ -	\$ 126,365,000	\$ 74,295,000	\$ -	\$ 74,295,000
	GRAND TOTAL	\$ 62,539,790,826	\$ 61,123,285,087	\$ 25,590,803,556	\$ 167,924,696	\$ 25,758,728,252

- (1) Includes all outstanding debt issued by the State of Connecticut as of June 30, 2019. All debt except refunding issues are authorized by the General Assembly and the State Bond Commission prior to issuance. Total amount issued includes refunding issues for which no additional authorization is required. Does not include authorizations that are fully issued and bonds are no longer outstanding.
- (2) Includes interest accreted on Capital Appreciation Bonds (CABs) only. Interest on CABs accretes over the life of the bond and is paid at maturity. This amount is not included in the principal outstanding as of June 30, 2019.
- (3) On April 28, 2009, the State issued \$681,245,000 Bond Anticipation Notes (BANs) Series A and Series B. On April 28, 2010, \$353,085,000 BANs were issued to pay down the 2009 Series A BANs maturing on April 28, 2010. The 2009 B and 2010 A BANs were refunded with General Obligation Bonds on May 19, 2011 and May 31, 2011. On February 25, 2015 \$400,000,000 BANs Series A were issued. On March 25, 2015 \$00,000,000 General Obligation Bonds 2015 A and 2015 A Taxable were issued and used to retire the 2015 A BANs. On December 21, 2017, the State issued \$400,000,000 Bond Anticipation Notes (BANs) Series A, and Series B. On September 13, 2018, \$400,000,000 General Obligation Bonds, 2018 Series E were issued to retire the 2017 BANs.
- (4) Refunding issues. Proceeds were used to refund other bonds reducing overall debt service expense.
- (5) General Obligation Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund \$2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and costs of issuance.
- (6) General Obligation GAAP Conversion Bonds were issued in fiscal year 2014 to fund half of the General Fund GAAP deficit at that time and commit the State to funding the balance over time through budget appropriation as part of a bond covenant.
- (7) UConn 2000 Bonds were authorized in three stages in a total amount of \$4.3 billion over a 32 year period to be paid by the University of Connecticut from a State debt service commitment. As each series is issued, the debt service is appropriated from the State's General Fund.
- (8) Connecticut Innovations (CI), has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.
- (9) On July 1, 1999, the State Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.
- (10) A lease purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.
- (11) Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Step initiative. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer, and the Secretary of the Office of Policy and Management.

DEBT MANAGEMENT DIVISION
SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING⁽¹⁾ (Continued)
JUNE 30, 2019

(12) Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer, and the Secretary of the Office of Policy and Management.

(13) Capital Region Development Authority (CRDA) Bonds were issued to provide funding for the Adriaen's Landing development project in Hartford. The bonds, issued in a combination of fixed rate and variable rate securities, have a final maturity of 2034. The State is required to make debt service payments on the bonds up to a maximum amount of \$9 million pursuant to a contract for financial assistance agreement between CRDA, the State Treasurer, and the Secretary of the Office of Policy and Management. CRDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

**CASH MANAGEMENT DIVISION
CIVIL LIST FUNDS
SCHEDULE OF INVESTMENTS ^{(1) (2)}
FISCAL YEAR ENDING JUNE 30, 2019
PRESENTED UNDER STATUTORY BASIS OF ACCOUNTING ^{(4) (5)}**

Legal No.	GAAP No.	Type	Fund Name	STIF Investments 6/30/19		Investments with Treasurer as Trustee 6/30/19		Investments with Others as Trustee 6/30/19		Total
				Short-Term 6/30/19	Long-Term 6/30/19	Short-Term 6/30/19	Long-Term 6/30/19	Short-Term 6/30/19	Long-Term 6/30/19	
GENERAL FUND⁽³⁾										
11000	Gen. Fund	1100	General Fund	\$ 1,846,836,229.73 ⁽³⁾	\$ 1,831,246,575.39 ^{(1) (2)}	\$ 1,831,246,575.39	\$ -	\$ -	\$ -	\$ 3,478,182,805.12
SUBTOTAL GENERAL FUND				\$ 1,846,836,229.73	\$ 1,831,246,575.39	\$ 1,831,246,575.39	\$ -	\$ -	\$ -	\$ 3,478,182,805.12
SPECIAL REVENUE FUNDS										
12001	Spec.Rev.	1201	Transportation	\$ 208,436,240.89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 208,436,240.89
12005	Spec.Rev.	1215	Probate Court Administration	12,327,586.68						12,327,586.68
12012	Spec.Rev.	1215	Municipal Employees Retirement Administration	1,255,268.13						1,255,268.13
12013	Spec.Rev.	1208	Regional Market Operation	100.33						100.33
12018	Spec.Rev.	1203	Recreation and Natural Heritage Trust Fund	1,624,665.71						1,624,665.71
12018	Spec.Rev.	2107	University Health Center Operating Fund	70,562.17						70,562.17
12021	Spec.Rev.	1215	Grants - Tax Exempt Proceeds	3,455,525.11						3,455,525.11
12023	Spec.Rev.	2107	University Health Center Research Foundation	36,373,207.30						36,373,207.30
12032	Spec.Rev.	1210	Employment Security - Special Administration	63,769.15						63,769.15
12035	Spec.Rev.	1212	Economic Assistance Revolving Fund	28,399,573.59						28,399,573.59
12038	Spec.Rev.	1212	Individual Development Account Reserve Fund		49,624.72					49,624.72
12047	Spec.Rev.	1212	Child Care Facilities	224,132.18						224,132.18
12050	Spec.Rev.	1212	Local Capital Improvements Fund	45,424,030.71						45,424,030.71
12051	Spec.Rev.	1215	Capital Equipment Purchase Fund	4,677,586.47						4,677,586.47
12053	Spec.Rev.	1213	Economic Development and Other Grants	759,824.61						759,824.61
12060	Spec.Rev.	1211	Federal And Other Restricted Accounts	205,768.17						205,768.17
12062	Spec.Rev.	1211	Transportation Grants And Restricted Accounts	167,162.88						167,162.88
12065	Spec.Rev.	1214	Housing Assistance Bond Fund - Tax Exempt	32,799,664.85						32,799,664.85
12066	Spec.Rev.	1214	Housing Trust Fund - Taxable	9,109.10						9,109.10
12067	Spec.Rev.	1214	CT. Bioscience Collaboration		49,624.72					49,624.72
SUBTOTAL SPECIAL REVENUE FUNDS				\$ 376,273,778.03	\$ 49,624.72	\$ -	\$ -	\$ -	\$ -	\$ 376,273,402.75
CAPITAL PROJECTS FUNDS										
13009	Cap. Proj.	1212	School Construction	\$ 1,013,658.37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,013,658.37
13010	Cap. Proj.	1212	School Construction - Magnet Schools	159,788,608.42						159,788,608.42
13015	Cap. Proj.	1212	Agricultural Land Preservation	4,013,569.77						4,013,569.77
13019	Cap. Proj.	1212	Community Conservation and Development	70,131,548.27						70,131,548.27
13033	Cap. Proj.	1302	Infrastructure Improvement Fund	345,735,747.65						345,735,747.65
13042	Cap. Proj.	1301	University and State University Facilities	1,447,786.22						1,447,786.22
13048	Cap. Proj.	1301	CSUS 2020	37,788,569.62						37,788,569.62
17001	Cap. Proj.	1301	Capital Improvements and Other Purposes	1,907,621.41						1,907,621.41
17011	Cap. Proj.	1301	Capital Improvements and Other Purposes	7,900,747.13						7,900,747.13
17021	Cap. Proj.	1301	Capital Improvements and Other Purposes	1,398,649.02						1,398,649.02
17041	Cap. Proj.	1301	Capital Improvements and Other Purposes	6,412,919.49						6,412,919.49
17051	Cap. Proj.	1301	Capital Improvements and Other Purposes	1,047,994.93						1,047,994.93
17061	Cap. Proj.	1301	Capital Improvements and Other Purposes	3,443,697.70						3,443,697.70
17071	Cap. Proj.	1301	Capital Improvements and Other Purposes	18,794,050.22						18,794,050.22
17091	Cap. Proj.	1301	Capital Improvements and Other Purposes	6,351.22						6,351.22
17111	Cap. Proj.	1301	Capital Improvements and Other Purposes	2,138,670.32						2,138,670.32
17121	Cap. Proj.	1301	Capital Improvements and Other Purposes	4,990,685.73						4,990,685.73
17131	Cap. Proj.	1301	Capital Improvements and Other Purposes	7,005,725.37						7,005,725.37
17131	Cap. Proj.	1301	Capital Improvements and Other Purposes	700,000.00						700,000.00
17141	Cap. Proj.	1301	Capital Improvements and Other Purposes	17,400,778.99						17,400,778.99
17151	Cap. Proj.	1301	Capital Improvements and Other Purposes	38,862,765.99						38,862,765.99
17161	Cap. Proj.	1301	Capital Improvements and Other Purposes	61,364,956.02						61,364,956.02
17171	Cap. Proj.	1301	Capital Improvements and Other Purposes	21,560,520.96						21,560,520.96
17171	Cap. Proj.	1301	Capital Improvements and Other Purposes	487,723.63						487,723.63
17831	Cap. Proj.	1301	Capital Improvements and Other Purposes	3,021,978.87						3,021,978.87
17851	Cap. Proj.	1301	Capital Improvements and Other Purposes	2,594,200.63						2,594,200.63
17861	Cap. Proj.	1301	Capital Improvements and Other Purposes	8,061,559.47						8,061,559.47
17891	Cap. Proj.	1301	Capital Improvements and Other Purposes	472,214.85						472,214.85
17901	Cap. Proj.	1301	Capital Improvements and Other Purposes	969,704.27						969,704.27
17921	Cap. Proj.	1301	Capital Improvements and Other Purposes	1,499,411.19						1,499,411.19
17951	Cap. Proj.	1301	Capital Improvements and Other Purposes	1,187,165.89						1,187,165.89
17961	Cap. Proj.	1301	Capital Improvements and Other Purposes	195,200.21						195,200.21

**CASH MANAGEMENT DIVISION
CIVIL LIST FUNDS
SCHEDULE OF INVESTMENTS ^{(1) (2)}
FISCAL YEAR ENDING JUNE 30, 2019
PRESENTED UNDER STATUTORY BASIS OF ACCOUNTING ^{(4) (5)}**

Legal No.	GAAP No.	Type	Fund Name	STIF Investments 6/30/2019		Investments with Treasurer as Trustee 6/30/19		Investments with Others as Trustee 6/30/19		Total
				Short-Term 6/30/19	Long-Term 6/30/19	Short-Term 6/30/19	Long-Term 6/30/19			
17971	Cap. Proj.	1301	Cap.Proj.	1,888,508.55						1,888,508.55
17991	Cap. Proj.	1301	Cap.Proj.	6,895,104.09						6,895,104.09
				<u>\$ 842,128,394.47</u>						<u>\$ 842,128,394.47</u>
			SUBTOTAL CAPITAL PROJECTS FUNDS							
			DEBT SERVICE FUNDS							
14002	Debt Service	2109	Enterprise	\$ 76,710,719.02				\$ 227,810,550.00 ⁽⁶⁾		\$ 76,710,719.02
14005	Debt Service	1401	Debt Service	763,417,543.02 ⁽⁶⁾						991,228,093.02
				<u>\$ 840,128,262.04</u>				<u>\$ 227,810,550.00</u>		<u>\$ 1,067,938,812.04</u>
			SUBTOTAL DEBT SERVICE FUNDS							
			ENTERPRISE FUNDS							
21008	Enterprise	2110	Enterprise	\$ 16,015,638.66 ⁽⁶⁾						\$ 16,015,638.66
21009	Enterprise	2101	Enterprise	183,354,280.03 ⁽⁶⁾						183,354,280.03
21011	Enterprise	1212	Spec.Rev.	1,844,882.17						1,844,882.17
21014	Enterprise	1213	Spec.Rev.	87,535,998.92 ⁽⁷⁾						88,265,998.92
21015	Enterprise	2105	Non-Exp.	344,669,803.33 ⁽⁶⁾				345,000.00 ⁽⁷⁾		433,726,251.91
21016	Enterprise	1213	Spec.Rev.	2,603,326.60				31,814,145.73 ⁽⁸⁾		2,603,326.60
21017	Enterprise	1213	Spec.Rev.	9,277,028.66						9,277,028.66
21018	Enterprise	2111	Spec.Rev.	112,667,205.42 ⁽⁶⁾				7,951,574.58 ⁽⁸⁾		124,238,223.80
				<u>\$ 757,988,163.79</u>				<u>\$ 40,110,720.31</u>		<u>\$ 859,325,630.75</u>
			SUBTOTAL ENTERPRISE FUNDS							
			FIDUCIARY FUNDS							
31001	Pension	3103	Pension	\$ 101,345,301.51		\$ 13,149,493,430.49 ⁽⁶⁾				\$ 13,250,838,732.00
31002	Pension	3106	Pension	19,721.23		2,045,017.77 ⁽⁶⁾				2,064,739.00
31003	Pension	3104	Pension	1,278,659.25		234,530,578.75 ⁽⁶⁾				235,809,238.00
31006	Pension	3107	Pension	178,353,868.39		18,314,182,044.61 ⁽⁶⁾				18,492,535,913.00
31008	Pension	3109	Pension	23,126,885.75		2,686,729,465.25 ⁽⁶⁾				2,709,856,351.00
31009	Other Em.	Bene13102	Agency	412,557.04		36,252,629.96 ⁽⁶⁾				36,665,187.00
31010	Pension	3108	Pension	5,555,917.39		104,069,301.61 ⁽⁶⁾				109,625,219.00
31011	Other Em.	Bene13109	Agency	24,439,495.93		1,132,535,107.07 ⁽⁶⁾				1,156,974,603.00
31012	Other Em.	Bene13101	Agency							52,786,358.44
35010	Fiduciary	1502	Permanent	112,619.26		20,146,017.74 ⁽⁶⁾				20,258,637.00
35011	Fiduciary	1501	Non-Exp.	1,391,473.28		77,662,879.72 ⁽⁶⁾				79,054,353.00
35014	Fiduciary	2103	Exp.Trust					737,429,548.01 ⁽¹¹⁾		737,429,548.01
35015	Fiduciary	2107	Enterprise							3,485,303.19
35016	Fiduciary	2103	Exp.Trust							320,458.38
35017	Fiduciary	Exp.Trust								381,002,019.00
				<u>\$ 437,594,193.07</u>		<u>\$ 35,757,746,472.97</u>				<u>\$ 37,268,306,659.02</u>
			SUBTOTAL FIDUCIARY FUNDS							
			TOTAL CIVIL LIST FUNDS							
				<u>\$ 4,901,028,967.07</u>		<u>\$ 2,167,283,074.42</u>		<u>\$ 798,676,294.66</u>		<u>\$ 267,921,270.31</u>
										<u>\$ 43,892,705,704.15</u>

(1) Detailed information on the adjusted cash balances and total STIF balances within each individual fund can be obtained from the Comptroller's Annual Report.

(2) Short-term investments shown at amortized cost which, due to their short-term nature, approximates market.

(3) Represents assets of the Common Cash Pool which is not a component of the General Fund. The Common Cash Pool is comprised of the investable balances of a number of individual funds and, for purposes of administration only, is shown as an investment of the General Fund. The General Fund is commonly in a net borrowing position from the resources of the other funds within the pool.

(4) In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole, in the same form and in the same categories as appears in the budget act enacted by the General Assembly. The Budget Act enacted for the 2019 fiscal year is presented on a comprehensive basis of accounting other than general accepted accounting principals.

(5) GAAP accounting requires that investment balances be presented to include the accrued interest earned. This manner of presentation is not used for the statutory basis presentation.

(6) Short-term investments consist of STIF Accounts held by US Bank as Trustee. Investments are held by US Bank as Trustee. For description of program, see Debt Management Division.

(7) Short-term and Long-term investments consist of State of Connecticut General Obligation Bonds, which are shown at par. Investments are held by US Bank as Trustee. For description of program, see Debt Management Division.

(8) Short-term and Long-term investments consist of Money Market Funds, State of Connecticut General Obligation Bonds and GICs. Both short-term and long-term investments are held by US Bank as Trustee. For description of program, see Debt Management Division.

(9) STIF investments consist of both Treasury directed and trustee directed accounts.

(10) Represents market or fair value of shares held by various retirement plans in the Treasurer's Combined Investment Funds.

(11) Cash on deposit with Federal Government.

(12) Investments in bank deposit instruments.

(13) Information on cash balances can be obtained from the Comptroller's Annual Report.

(14) STIF investment consists of trustee directed account.

**CASH MANAGEMENT DIVISION
SECURITIES HELD IN TRUST FOR POLICYHOLDERS
JUNE 30,2019**

Name of Insurance Company	Par Amount of Collateral	Market Value
The following securities are on deposit with the State Treasurer for the Insurance Department under Sec 38a-83:		
Ace Life Insurance Co	\$ 2,650,000	\$ 2,714,430
Aetna Better Health	500,000	504,405
Aetna Health Inc Ct	525,000	553,012
Aetna Hlth & Life Ins	3,075,000	3,118,874
Aetna Ins Co Of Conn	2,550,000	2,573,140
Aetna Life Ins Co	1,600,000	1,645,762
Aim Mutual	50,000	52,277
Allianz Reins America Inc	6,000,000	7,267,560
American Equity Spec	2,600,000	2,845,680
American Maturity Lif	6,550,000	6,621,012
Anthem Health Pl	500,000	509,653
Arbella Indemnity Ins	50,000	65,203
Arbella Protection	50,000	65,203
Associated Employer	50,000	50,024
Atlantic Charter Ins Co Pri	50,000	53,681
Auto Ins Of Htfd	4,050,000	4,440,850
Axis Specialty Ins	3,000,000	2,940,616
Beazley Ins Co	2,500,000	2,516,093
Beazley America Insurance Company,Inc. PRIN	2,500,000	2,573,549
C M Life Ins	1,600,000	1,591,898
California Co	17,420,000	17,462,383
Carepartners Of Conn Inc	521,000	529,659
Carolina Cas Ins	200,000	218,695
Charter Oak Fire	4,525,000	5,109,338
Cigna Health & Life	2,600,000	2,801,439
Cigna Healthcarect	525,000	545,924
Connecticare Inc	2,500,000	2,632,030
Covenant Ins Company	600,000	782,438
Ct Gen Life Ins	1,735,000	1,794,206
CT Dental Practice Organiz-Pri	502,000	505,032
Discover Prop & Cas	3,120,000	3,232,412
Discover Specialty	2,750,000	2,978,596
Electric Ins Co	60,000	66,257
Employers Compensation Ins Co Pri	180,000	180,550
Exec Risk Spec Ins Co	3,115,000	3,153,378
Explorer Ins Co	100,000	107,730
Farmers Insurance Exchange Pri	100,000	104,213
Farmington Cas	3,000,000	3,519,370
Finial Reinsurance Co	3,550,000	3,554,304
Fire Insurance Exchange Pri	100,000	104,213
Firemans Fd Ins	16,615,000	19,005,101
First State Ins	2,200,000	2,196,909
Fitchburg Mutual	50,000	50,139
General Re Life Corp	1,500,000	1,556,572
General Star Ind	3,258,000	3,276,767
Genworth Mtg Ins Nc	60,000	60,567
Greystone Insurance Company	3,000,000	3,000,656
Gulf Underwriters Ins	3,000,000	3,298,392
Hartford Fire Ins	3,300,000	3,845,907
Hne Of Connecticut Inc	499,000	504,674
Hphc-Ct	500,000	678,770
Hsb Specialty Ins Co	2,575,000	2,571,904
Htfd A & I Co	3,810,000	3,931,421

**CASH MANAGEMENT DIVISION
SECURITIES HELD IN TRUST FOR POLICYHOLDERS (Continued)
JUNE 30,2019**

Name of Insurance Company	Par Amount of Collateral	Market Value
Htfd Ins Co Of The Se	\$ 2,710,000	\$ 2,828,894
Htfd Life & Acc	1,915,000	2,206,304
Htfd Steam Boiler	4,000,000	4,055,126
Htfd Steam Of Ct	4,000,000	3,984,788
Htfd Underwriters	3,250,000	3,792,997
Idealife Ins Co	1,611,500	1,622,110
Ins Co Of The West	100,000	112,565
Knight Of Columbus	2,000,000	2,338,347
Liberty Mutual	50,000	51,357
Ma Mut Life Ins	1,600,000	1,801,033
Maxum Casualty Ins Co. Pri	2,750,000	2,730,976
Maxum Indemnity Company Pri	2,750,000	2,723,820
Members Life Ins Co	350,000	370,885
Mid-Century Ins Co-Prin	100,000	106,320
Mml Bay State Life	1,500,000	1,492,405
Nassau Life And Annuity Company	1,540,000	1,581,000
National Liab & Fire	2,750,000	2,787,462
New Eng Reinsur	3,225,000	4,381,225
New England Ins Co	2,995,000	3,034,018
New London Cnty	125,000	126,272
Northland Casualty	2,560,000	2,730,274
Northland Insurance	2,675,000	2,688,640
Nutmeg Ins Co	3,282,000	3,738,766
Odyssey Reinsurance	5,000,000	5,086,913
Oxford Health PI Ct	520,000	529,189
Pacific Insurance Co	2,820,000	3,584,592
Patrons Mutual Ins Co	131,404	134,101
Phi Variable Ins Co	1,500,000	1,610,678
Phoenix Ins Co	4,645,000	5,282,957
Prudential Ann Life	1,500,000	1,862,728
Prudential Ret & Annu	5,015,000	5,134,018
Rvi America Ins	2,550,000	2,745,490
Safeco Surplus Lines	100,000	119,372
Seneca Ins Co	260,000	260,639
Sentinel Ins Co	3,610,000	3,759,924
Sequoia Insurance Co	125,000	132,756
Sparta Insurance Co	3,070,000	3,078,244
St Paul Fire & Marine	3,250,000	3,876,112
St Paul Guardian Ins	2,675,000	2,782,625
St Paul Mercury Ins	2,550,000	2,830,457
St Paul Protective	4,100,000	4,462,480
Standard Fire Ins	4,000,000	4,883,680
Starstone Natl Ins Co	100,000	101,017
Talcott Res Intl Life Re	5,645,000	6,499,131
Talcott Res Life &Ann Ins	2,860,000	3,250,836
Talcott Res Life Ins Co	2,350,000	2,391,529
Thames Ins Co	125,000	126,272
The Ins Co	300,000	304,668
Tig Insurance Co	2,610,000	2,607,994
Trav Cas & Sur Of Am	3,200,000	3,201,507
Travco Ins Co	4,875,000	5,460,954
Traveler Pro Cas Ofam	3,005,000	3,283,126
Travelers Cas & Sure	3,000,000	3,211,178
Travelers Cas Of Ct	2,500,000	2,643,055
Travelers Casualty Am	3,400,000	3,643,521

**CASH MANAGEMENT DIVISION
SECURITIES HELD IN TRUST FOR POLICYHOLDERS (Continued)
JUNE 30,2019**

Name of Insurance Company	Par Amount of Collateral	Market Value
Travelers Casualty Co	\$ 2,940,000	\$ 3,082,542
Travelers Commer Cas	3,500,000	3,521,000
Travelers Commercial	2,150,000	2,142,009
Travelers Constitutio	3,000,000	2,987,510
Travelers Excess/Surp	3,000,000	2,987,510
Travelers Home & Mar	5,125,000	5,655,863
Travelers Ind Co Amer	3,565,000	3,628,717
Travelers Ind Co Of C	3,000,000	3,420,561
Travelers Indem Co	6,630,000	7,046,906
Travelers Personal In	5,500,000	5,744,649
Travelers Prop Cas In	2,050,000	2,260,415
Travelers Psnl Sec	4,200,000	4,388,253
Trenwick Amer Reins Corp	1,580,000	1,608,447
Truck Ins Exchge	370,000	370,680
Trumbull Ins Co	2,680,000	3,284,172
Unitedhealthcare Ins	1,610,000	1,683,323
Us Fidelity Guaranty	6,000,000	6,945,880
Vantis Life Ins Co	2,325,000	2,706,965
Voya Retirement Ins Annuit	3,750,000	3,734,387
Wellcare Of Ct	535,000	535,000
Zenith Ins Co	1,111,000	1,096,513
TOTAL	\$ 321,870,904	\$ 345,061,497

**CASH MANAGEMENT DIVISION
UNEMPLOYMENT COMPENSATION FUND
JUNE 30, 2019**

On Account with the Secretary of the Treasury of the United States as Trustee of the Unemployment Compensation Fund

	<u>2019</u>
BALANCE at JUNE 30, 2018	\$ 576,873,522
Deposits	\$ 739,489,399
Combined wage transfers to Connecticut	13,991,283
Interest on deposits	13,984,886
Federal employee & ex-servicemen contributions	3,346,000
FUTA credit reductions	<u>349,400</u>
	<u>771,160,968</u>
TOTAL CASH AVAILABLE	\$ 1,348,034,490
Withdrawals for benefits	596,054,000
Combined wage withdrawals	6,387,384
Federal employee & ex-servicemen withdrawals	3,346,000
Returned excess federal funds	4,585,504
Refund of reduced FUTA tax credits	45,490
Social security act Title IX	<u>186,564</u>
	<u>610,604,942</u>
BALANCE at JUNE 30, 2019	\$ <u><u>737,429,548</u></u>

The Act which established Unemployment Compensation provides that contributions from employers be collected by the Labor Commissioner as Administrator of the Act and be deposited with the State Treasurer. (Chapter 2, Public Act, Special Session 1936). These funds are then sent to the Secretary of the Treasury of the United States. The Administrator requests withdrawals as needed to pay benefits to employees.



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