
Minutes

A meeting of the Investment Advisory Committee of the Virginia Retirement System was held on March 13, 2018 with the following members present:

Larry Kochard, Chairperson
Michael Beasley – exited at 3:40 p.m.
Theodore Economou
Thomas Gayner
Bryan Lewis – entered at 2:09 p.m.
Hance West

The following Board members were present:

Diana Cantor
Wallace Harris
William Leighty
Mitch Nason
Troilen Seward

The following staff members were in attendance:

Trish Bishop, Ron Schmitz, Stephen Adelaar, John Alouf, Kelly Baker, Katie Baskind, Parham Behrooz, Matthew Bennett, Erica Billingslea, Warren Chang, Matt Clayton, Tom Coleman, Perry Corsello, Josh Fox, Bryan Gardiner, Katie Grawe, JT Grier, Ross Kasarda, Kristina Koutrakos, Matt Lacy, Vu Le, Chung Ma, Jennifer MacKnight, Curt Mattson, Steve McClelland, Scott Mootz, Tom Mulvin, Alex Muniz, Laurie Nelson, Walker Noland, Greg Oliff, Jummai Sarki-Hurd, Dan Schlusser, Jennifer Schreck, Lisa Turner, David Waltenbaugh, Dan Whitlock, and Steve Woodall.

Also in attendance were Justin Ferrell and Zachary Borgerding of APA, and Joe McMahon of JLARC.

Mr. Kochard called the meeting to order at 1:00 p.m.

Minutes

A motion was made and seconded to approve the November 14, 2017 minutes. The motion was unanimously approved.

CIO Report

Mr. Schmitz then gave a brief overview of current economic and market conditions. Mr. Schmitz reviewed plan performance, asset allocation and risk management information, including fund volatility, tracking error and

information ratio. Mr. Schmitz then reviewed the New Investments and Terminations Report.

Asset Class Reviews

Mr. Gardiner provided an annual review of the Fixed Income program. Annual review topics included: program overview, people, philosophy, performance, positioning, and forward looking information.

Mr. McClelland provided an annual review of the Credit Strategies program. Annual review topics included: program overview, results, market update, positioning, and managers.

Mr. Whitlock provided an annual review of the Public Equity program. Annual review topics included: market update, team and process, and results and portfolio positioning.

Mr. Lacy provided an annual review of the Internal Equity Management (IEM) program. Annual review topics included: IEM overview, philosophy and process, and positions and performance.

Mr. Noland provided an annual review of the Real Assets program. Annual review topics included: overview of real assets program, portfolio returns, sector and market update, program snapshots, managers, and calendar year 2018 focus.

Mr. Alouf provided an annual review of the Private Equity program. Annual review topics included: market conditions – fundraising, pricing, and returns; and VRS portfolio – historical results, performance, current portfolio, forward looking information, women & minority, and co-investments.

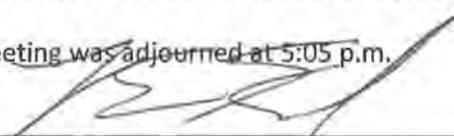
Mr. Ma provided an annual review of the Active Currency program. Annual review topics included: currency risk, people, performance, projects, and takeaways.

The Committee members engaged in general discussion throughout all of the reviews provided.

There was no review of the Strategic Opportunities Portfolio because a review was provided at the November 14, 2017 IAC meeting.

Adjournment

The meeting was adjourned at 5:05 p.m.



Larry Kochard, Chairperson