



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY • SECURITY • REWARDS

Eddie Baza Calvo
Governor

Ray Tenorio
Lieutenant Governor

Paula M. Blas
Director

Trustees:

Joe T. San Agustin
Chairman

Wilfred P. Leon Guerrero, Ed.D.
Vice-Chairman
Investment Committee, Chairman

Antolina S. Leon Guerrero
Secretary

Gerard A. Cruz
Treasurer
Audit & Operations Committee,
Chairman

Katherine T.E. Taitano
Trustee

David M. O'Brien
Trustee

Albert H. Santos
Trustee

INVESTMENT COMMITTEE MEETING
DEFINED BENEFIT PLAN
Thursday, August 25, 2016
Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee Meeting was called to order at 1:10 p.m. Thursday, August 25, 2016, in the Retirement Fund Conference Room. Investment Committee Chairman Wilfred P. Leon Guerrero officiated.

Board of Trustees Present:

Wilfred P. Leon Guerrero, Chairman
Gerard A. Cruz, Vice Chairman
Albert H. Santos, Trustee

Staff Present:

Paula Blas, Director
Diana Bernardo, Controller

Investment Consultant Present:

Maggie Ralbovsky, Wilshire Associates

II. ACTION ITEMS

- 1. July 28, 2016 Regular Investment Committee Meeting Minutes**
- 2. May 25, and 26, 2016 Due Diligence Meeting for the Quarter Ended March 31, 2016 Minutes**

Committee Vice Chairman Gerard Cruz, seconded by Committee Member Albert Santos, moved to approve the Minutes of the July 28, 2016 Regular Investment Committee Meeting, subject to technical corrections; and to table the Minutes of the May 25, and 26, 2016 Due Diligence Meeting. Without objection, the motion passed.

III. OPEN ITEMS

None

IV. NEW BUSINESS

- 1. Termination of Eaton Vance**

Maggie Ralbovsky of Wilshire Associates stated that Wilshire's recommendation is to terminate Eaton Vance due to several turnovers of their management team over the past years, or to keep them on Watch until October 2017 as approved by the Investment Committee at their May 26, 2016 meeting. Vice Chairman Gerard Cruz suggested to transfer Eaton Vance's assets to Numeric Investors. Ms. Ralbovsky stated that Northern Trust could conduct the transition, if necessary.

Committee Vice Chairman Gerard Cruz, seconded by Committee Member Albert Santos, moved to accept Wilshire's recommendation to terminate Eaton Vance and to transfer their assets to Numeric Investors. Without objection, the motion passed.

- 2. Keep Capital International on Watch**

Ms. Ralbovsky stated that Wilshire's recommendation is to keep Capital International on Watch.

Committee Vice Chairman Gerard Cruz, seconded by Committee Member Albert Santos, moved to accept Wilshire's recommendation to keep Capital International on Watch. Without objection, the motion passed.

- 3. Place Earnest Partners on Watch**

Ms. Ralbovsky stated that Wilshire's recommendation is to place Earnest Partners on Watch.

Committee Vice Chairman Gerard Cruz, seconded by Committee Member Albert Santos, moved to accept Wilshire's recommendation to place Earnest Partners on Watch. Without objection, the motion passed.

4. Smart Beta

Committee Chairman Leon Guerrero stated that the Investment Committee recommends tabling discussion on "Smart Beta" until the next Due Diligence Meeting in November 2016.

V. INFORMATIONAL ITEMS

1. Asset Allocation Summaries

A copy of the asset allocation summary statements was provided to the Committee for review and informational purposes.

2. Income Summary

A summary of interest and dividend income was provided to the Committee for review and informational purposes.

3. Securities Lending

A summary of securities lending earnings was provided to the Committee for review and informational purposes.

4. 5-Year Plan

A copy of the 5-Year Plan was provided to the Committee for review and informational purposes.

VI. OPEN DISCUSSION

None

VII. CORRESPONDENCE

None

VIII. ANNOUNCEMENTS

1. Next Due Diligence Meeting: November 16, and 17, 2016

Committee Chairman Leon Guerrero informed the Committee that the next due diligence meeting is tentatively scheduled for November 16, and 17, 2016.

IX. ADJOURNMENT

There being no further business before the Investment Committee, a motion was made by Committee Vice Chairman Gerard Cruz, seconded by Committee Member Albert Santos, to adjourn the meeting at 1:25 p.m. Without objection, the motion passed.

Respectfully submitted,

AFFIRMED:



JACKIE M. BLAS
Recording Secretary



WILFRED P. LEON GUERRERO, Ed.D.
Investment Committee Chairman