



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
Friday, December 9, 2016
Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee Meeting was called to order at 12:26 p.m. Friday, December 9, 2016, in the Retirement Fund Conference Room. Investment Committee Chairman Wilfred P. Leon Guerrero officiated.

Board of Trustees Present:

Wilfred P. Leon Guerrero, Chairman
Albert H. Santos, Member

Staff Present:

Paula Blas, Director
Diana Bernardo, Controller
Jackie Blas, Recording Secretary

II. ACTION ITEMS

- 1. November 17, 2016 Regular Investment Committee Meeting Minutes**
- 2. August 24, and 25, 2016 Due Diligence Meeting for the Quarter Ended June 30, 2016 Minutes**
- 3. November 16, and 17, 2016 Due Diligence Meeting for the Quarter Ended September 30, 2016 Minutes**

Committee Member Albert Santos, seconded by Committee Chairman Wilfred Leon Guerrero, moved to approve the Minutes of the November 17, 2016 Regular Investment Committee Meeting, subject to technical corrections; and to table the Minutes of the August 24, and 25, 2016, and November 16, and 17, 2016 Due Diligence Meetings. Without objection, the motion passed.

III. OPEN ITEMS

None

IV. NEW BUSINESS

None

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. Controller Diana Bernardo stated that as of December 5, 2016, the Retirement Fund's total market value of assets was \$1.619 Billion. Controller Bernardo stated that the report still shows the funding for Earnest Partners and Capital Guardian, which were approved for termination by the Board of Trustees. Controller Bernardo stated that Maggie Ralbovsky of Wilshire Associates recommended to wait until January 2017 to make the change into Emerging Markets.

- 2. Income Summary**

A summary of interest and dividend income was provided to the Committee for review and informational purposes. Controller Bernardo stated that the total interest and dividend income for November 2016 was \$2.3 Million and \$4.9 Million year to date (October and November 2016).

- 3. Securities Lending**

A summary of securities lending earnings was provided to the Committee for review and informational purposes. Controller Bernardo stated that the Securities Lending income for the month of October 2016 was \$12,000. Controller Bernardo stated that the total for November 2016 was not available at the time of this report.

4. 5-Year Plan

A copy of the 5-Year Plan was provided to the Committee for review and informational purposes. Controller Bernardo stated that the annual review for Fisher Investments and Dimensional Fund Advisers will be conducted in February 2017.

Committee Chairman Leon Guerrero inquired about staff that are knowledgeable about investment. Director Paula Blas stated that she has five (5) employees that are exposed to investment (Diana Bernardo, Rosalia Bordallo, Vivian Mantanona, Barbara Okada, and Lorie Borja). Committee Chairman Leon Guerrero stated that he would like to see someone on board with credentials. Committee Chairman Leon Guerrero suggested for Management to work on proposing to the Civil Service Commission the creation of an Investment Specialist position. Committee Chairman Leon Guerrero stated that it is important to create personnel incentive and look at securing that position. Controller Bernardo stated that we should probably hire someone that is certified in investments. Director Blas stated that the position has to be created and the person coming on board should already be certified or licensed. Committee Chairman Leon Guerrero stated that he will leave it up to Management to get someone on board with investment credentials.

VI. OPEN DISCUSSION

None

VII. CORRESPONDENCE

None

VIII. ANNOUNCEMENTS

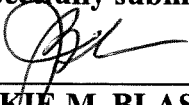
- 1. Next Due Diligence Meeting: February 22, and 23, 2017**

Committee Chairman Leon Guerrero informed the Committee that the next due diligence meeting is tentatively scheduled for February 22, and 23, 2017.

IX. ADJOURNMENT

There being no further business before the Investment Committee, a motion was made by Committee Member Albert Santos, seconded by Committee Chairman Wilfred Leon Guerrero, to adjourn the meeting at 12:55 p.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE M. BLAS
Recording Secretary

AFFIRMED:



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