



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, November 17, 2016
Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee Meeting was called to order at 1:15 p.m. Thursday, November 17, 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
Joe T. San Agustin, Ex Officio

Staff Present:

Paula Blas, Director
Diana Bernardo, Controller

Investment Consultant Present:

Maggie Ralbovsky, Wilshire Associates

II. ACTION ITEMS

- 1. October 27, 2016 Regular Investment Committee Meeting Minutes**
- 2. August 24, and 25, 2016 Due Diligence Meeting for the Quarter Ended June 30, 2016 Minutes**

Committee Vice Chairman Gerard Cruz, seconded by Committee Member Albert Santos, moved to approve the Minutes of the October 27, 2016 Regular Investment Committee Meeting, subject to technical corrections; and to table the Minutes of the August 24, and 25, 2016 Due Diligence Meetings. Without objection, the motion passed.

III. OPEN ITEMS

None

IV. NEW BUSINESS

- 1. Termination of Capital Guardian and Earnest Partners**

Maggie Ralbovsky of Wilshire Associates stated that Wilshire's recommendation is to terminate Capital Guardian and Earnest Partners. Their assets will then be combined and moved into the existing BlackRock All Country World Index (ACWI) Fund, subject to review of the Request for Proposal (RFP) that resulted in the hiring of Fisher Investment. If Fisher's mandate can not be redefined as ACWI, the Retirement Fund will add an Emerging Market Index Fund so that the Retirement Fund's entire allocation is not under weighing Emerging Markets. If Fisher's mandate can be redefined as ACWI, the entire \$95 Million will be moved into the ACWI X US Index Fund. If Fisher's mandate can not be redefined as ACWI, \$71 Million will then be moved into the ACWI X US Index Fund and \$24 Million will be moved into an Emerging Market Index Fund.

Committee Vice Chairman Gerard Cruz, seconded by Committee Member Albert Santos, moved to accept Wilshire's recommendation to terminate Capital Guardian and Earnest Partners and to transfer their combined assets of \$95 Million into the ACWI X US Index Fund; and if Fisher's mandate can not be redefined as ACWI, then \$71 Million will be transferred into the ACWI X US Index Fund and \$24 Million into an Emerging Market Index Fund. Without objection, the motion passed.

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.

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 Vice Chairman Gerard Cruz, seconded by Committee Member Albert Santos, to adjourn the meeting at 1:35 p.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE M. BLAS
Recording Secretary

AFFIRMED:



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