



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY • SECURITY • REWARDS

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Lieutenant Governor

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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 16, 2017
Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee Meeting for the Defined Benefit Plan was called to order at 1:35 p.m. Thursday, November 16, 2017, in the Retirement Fund Conference Room. Investment Committee Acting Chairman Gerard Cruz officiated.

Board of Trustees Present:

Gerard A. Cruz, Acting Chairman
Albert H. Santos, Trustee

Staff Present:

Paula Blas, Director
Diana Bernardo, Controller

Investment Consultant Present:

Maggie Ralbovsky, Wilshire Associates

II. ACTION ITEMS

- 1. October 19, 2017 Regular Investment Committee Meeting Minutes**
- 2. August 23 and 24, 2017 Due Diligence Meeting for the Quarter Ended June 30, 2017 Minutes**

Committee Acting Chairman Gerard Cruz, seconded by Committee Member Albert Santos, moved to approve the Minutes of the October 19, 2017 Regular Investment Committee Meeting, subject to technical corrections; and to table the Minutes of the August 23 and 24, 2017 Due Diligence Meeting. Without objection, the motion passed.

III. OPEN ITEMS

None

IV. NEW BUSINESS

- 1. Rebalancing Worksheet**

Ms. Maggie Ralbovsky of Wilshire Associates provided a copy of the Rebalancing Worksheet and discussed the process for the transfer of approximately \$200 Million from the Defined Contribution Plan to the Defined Benefit 1.75 Plan. Ms. Ralbovsky stated that the recommended transfers are as follows:

- \$40 Million BlackRock R1000 Index
- \$5 Million BlackRock MSCI ACWI X US Index
- \$10 Million BlackRock Emerging Markets
- \$13 Million Income Research
- \$20 Million Invesco
- \$20 Million Panagora
- \$12 Million Cornerstone
- \$2 Million DFA
- \$58 Million in MLPs
- \$20 Million in Cash Account

Committee Member Albert Santos, seconded by Committee Acting Chairman Gerard Cruz, moved to approve the Rebalancing Worksheet for the Transfer of Approximately \$200 Million from the Defined Contribution Plan to the Defined Benefit 1.75 Plan. Without objection, the motion passed.

Ms. Ralbovsky mentioned that next year she would like to revisit the restructuring of the equity portfolio to add the Smart Beta category.

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: February 21 and 22, 2018

Committee Acting Chairman Cruz informed the Committee that the next due diligence meeting is tentatively scheduled for February 21 and 22, 2018.

IX. ADJOURNMENT


There being no further business before the Investment Committee, a motion was made by Committee Acting Chairman Gerard Cruz, seconded by Committee Member Albert Santos, to adjourn the meeting at 2:00 p.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE M. BLAS
Recording Secretary

AFFIRMED:



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