



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, September 21, 2018
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 12:39 p.m. Friday, September 21, 2018, 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
Jackie Blas, Recording Secretary

II. ACTION ITEMS

- 1. August 30, 2018 Regular Investment Committee Meeting Minutes**
- 2. May 23 and 24, 2018 Due Diligence Meeting Minutes for the Quarter Ended March 31, 2018**

Committee Member Albert Santos, seconded by Committee Chairman Wilfred Leon Guerrero, moved to approve the Minutes of the August 30, 2018 Regular Investment Committee Meeting, subject to technical corrections; and to table the Minutes of the May 23 and 24, 2018 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. Committee Chairman Leon Guerrero stated that as of September 17, 2018, the size of the Retirement Fund's portfolio is \$2,011,280,468.

- 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. Committee Chairman Leon Guerrero inquired about the Custodial Bank contract review. Director Paula Blas stated that the Custodial Bank's performance and services is reviewed on an annual basis. Director Blas stated that the Retirement Fund has no issues with cost or performance. Director Blas stated that with regards to cost, the Retirement Fund is provided lower fees.

Committee Chairman Leon Guerrero inquired about satisfying the review process. Director Blas stated that if the Retirement Fund is looking at value for the dollar or if there is anything new that should be provided or even to benchmark them against their peers, then the Retirement Fund would have to issue a Request for Proposal (RFP). Director Blas stated that she will find out with Maggie Ralbovsky of

Wilshire Associates if she could do a benchmark with other peers without going through the RFP process. Committee Chairman Leon Guerrero stated that the Retirement Fund should modify its 5 year review policy or obtain a statement from Ms. Ralbovsky that there are only six (6) banks in the country that could accommodate our needs and that the Retirement Fund does not need to review its contract every 5 years. Committee Chairman Leon Guerrero stated that whatever recommendation Management or Ms. Ralbovsky comes up with should be presented to the Board for approval.

VI. OPEN DISCUSSION

None

VII. CORRESPONDENCE

None

VIII. ANNOUNCEMENTS

1. Next Due Diligence Meeting: November 14 and 15, 2018

Committee Chairman Leon Guerrero informed the Committee that the next due diligence meeting is scheduled for November 14 and 15, 2018. Director Blas stated that Global REITs, Risk Parity, INTECH, and Northern Trust are up for review at that time.

IX. ADJOURNMENT

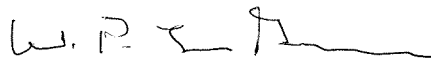
There being no further business before the Investment Committee, a motion was made by Committee Member Albert Santos, seconded by Committee Chairman Wilfred Leon Guerrero, to adjourn the meeting at 12:52 p.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE M. BLAS
Recording Secretary

AFFIRMED:



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