



GOVERNMENT OF GUAM  
**RETIREMENT FUND**  
 STABILITY · SECURITY · REWARDS

**Lourdes A. Leon Guerrero**  
 Governor

**Joshua F. Tenorio**  
 Lieutenant Governor

**Paula M. Blas**  
 Director

**INVESTMENT COMMITTEE MEETING  
 DEFINED BENEFIT PLAN**  
 Thursday, May 30, 2019  
 Retirement Fund Conference Room

**MINUTES**

*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

**Albert H. Santos**  
 Trustee

**Vacant**  
 Trustee

**I. CALL TO ORDER**

The Retirement Fund Investment Committee Meeting for the Defined Benefit Plan was called to order at 1:05 p.m. Thursday, May 30, 2019, in the Retirement Fund Conference Room. Investment Committee Chairman Wilfred Leon Guerrero officiated.

**Board of Trustees Present:**

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

**Staff Present:**

Paula Blas, Director

**Investment Consultant Present:**

Maggie Ralbovsky, Wilshire Associates

## **II. ACTION ITEMS**

- 1. April 25, 2019 Regular Investment Committee Meeting Minutes**
- 2. May 23 and 24, 2018 Due Diligence Meeting Minutes for the Quarter Ended March 31, 2018**
- 3. August 29 and 30, 2018 Due Diligence Meeting Minutes for the Quarter Ended June 30, 2018**
- 4. November 14 and 15, 2018 Due Diligence Meeting Minutes for the Quarter Ended September 30, 2018**
- 5. February 20 and 21, 2019 Due Diligence Meeting Minutes for the Quarter Ended December 31, 2018**

**Committee Member Albert Santos, seconded by Committee Chairman Wilfred Leon Guerrero, moved to approve the Minutes of the April 25, 2019 Regular Investment Committee Meeting, subject to technical corrections; and to table the Minutes of the May 23 and 24, 2018, August 29 and 30, 2018, November 14 and 15, 2018 and February 20 and 21, 2019 Due Diligence Meetings. Without objection, the motion passed.**

## **III. OPEN ITEMS**

None

## **IV. NEW BUSINESS**

- 1. Due Diligence Meeting for the Quarter Ended March 31, 2019**

During the Due Diligence meetings, Maggie Ralbovsky of Wilshire Associates discussed Investment Manager Performance and also provided an overview of the Defined Benefit Plan's Investment Performance. She noted that for the quarter ended March 31, 2019, the Retirement Fund portfolio underperformed its benchmark index, ranking at the 14th percentile of Wilshire's peer group universe for the quarter.

- Retirement Fund Return 9.55%
- Benchmark Return 10.38%

Ms. Ralbovsky stated that annual reviews were conducted for the following Managers:

- Income Research Management
- Garcia Hamilton & Associates
- Hotchkis & Wiley
- Aegon Asset Management
- Nomura Corporate Research & Asset Management

**Recommendation:**

**1. Numeric Investors**

Ms. Ralbovsky stated that Wilshire recommends keeping Numeric Investors on Watch and will re-evaluate their performance at the November 2019 quarterly review.

**Committee Member Albert Santos, seconded by Committee Chairman Wilfred Leon Guerrero, moved to accept the Wilshire's recommendation to keep Numeric Investors on Watch until November 2019. 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. Committee Chairman Leon Guerrero stated that as of May 23, 2019, the size of the Retirement Fund's portfolio is \$1,962,722,906.

**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: August 28 and 29, 2019**

Committee Chairman Leon Guerrero informed the Committee that the next due diligence meeting is tentatively scheduled for August 28 and 29, 2019.

**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 1:25 p.m. Without objection, the motion passed.**

Respectfully submitted,



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**JACKIE M. BLAS**  
Recording Secretary

**AFFIRMED:**



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