



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

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**Katherine T.E. Taitano**  
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*Chair, Members and Benefits Committee*

**Gerard A. Cruz**  
*Treasurer*  
*Chair, Investment Committee*

**Artemio R.A. Hernandez, Ph.D.**  
*Trustee*

**Thomas H. San Agustin**  
*Trustee*

**George A. Santos**  
*Trustee*

**INVESTMENT COMMITTEE MEETING**  
**DEFINED BENEFIT PLAN**  
Thursday, February 27, 2020  
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 12:58 p.m. Thursday, February 27, 2020, in the Retirement Fund Conference Room. Investment Committee Chairman Gerard Cruz officiated.

**Board of Trustees Present:**

Gerard A. Cruz, Chairman  
Artemio R.A. Hernandez, Member  
Thomas H. San Agustin, Member

**Staff Present:**

Paula Blas, Director

**Investment Consultant Present:**

Maggie Ralbovsky, Wilshire Associates

## **II. ACTION ITEMS**

### **1. January 28, 2020 Regular Investment Committee Meeting Minutes**

**Committee Member Artemio Hernandez, seconded by Committee Member Thomas San Agustin, moved to approve the Minutes of the January 28, 2020 Regular Investment Committee Meeting, subject to technical corrections. Without objection, the motion passed.**

## **III. OPEN ITEMS**

None

## **IV. NEW BUSINESS**

### **1. DB Plan Quarterly Performance**

Committee Chairman Cruz stated that during the Due Diligence meetings, Maggie Ralbovsky of Wilshire Associates provided an overview of the Global Economic Outlook and the Investment Performance for the quarter ended December 31, 2019. She noted that the Retirement Fund's portfolio outperformed its benchmark index, ranking at the 38th percentile of Wilshire's peer group universe for the quarter. The Retirement Fund Return for the quarter was 5.17% (19.7% for Calendar Year 2019) and the Benchmark Return was 5.04%.

#### **Recommendations:**

##### **a. Place Intech on Watch**

Ms. Ralbovsky stated that due to under performance, Wilshire recommends placing Intech on watch.

**Committee Member Artemio Hernandez, seconded by Committee Member Thomas San Agustin, moved to accept Wilshire Associates' recommendation to place Intech on Watch. Without objection, the motion passed.**

##### **b. Terminate Fisher Investments**

Ms. Ralbovsky stated that Wilshire recommends terminating Fisher Investments and move forward with a Request for Proposal (RFP) for an International Equity Manager.

**Committee Member Artemio Hernandez, seconded by Committee Member Thomas San Agustin, moved to accept Wilshire Associates' recommendation to terminate Fisher Investments and move forward with a Request for Proposal (RFP) for an International Equity Manager. Without objection, the motion passed.**

**c. Issue Request for Proposals (RFPs)**

Ms. Ralbovsky stated that Wilshire recommends issuing RFPs for US Domestic Small Cap Equity and International Developed Non-US Equity Managers.

**Committee Member Artemio Hernandez, seconded by Committee Member Thomas San Agustin, moved to accept Wilshire Associates' recommendation to issue Request for Proposals (RFPs) for US Domestic Small Cap Equity and International Developed Non-US Equity Managers. 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 Cruz stated that as of February 18, 2020, the size of the Retirement Fund's portfolio is \$2,071,862,127.

**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: May 27 and 28, 2020**

Committee Chairman Cruz informed the Committee that the next due diligence meeting is tentatively scheduled for May 27 and 28, 2020. Ms. Ralbovsky stated that she will continue discussion on Smart Beta and Portfolio Hedge during the May due diligence meeting.

**IX. ADJOURNMENT**

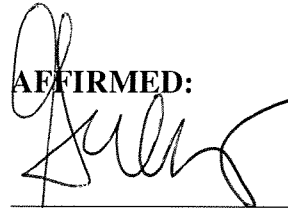
**There being no further business before the Investment Committee, a motion was made by Committee Member Artemio Hernandez, seconded by Committee Member Thomas San Agustin, to adjourn the meeting at 1:20 p.m. Without objection, the motion passed.**

**Respectfully submitted,**



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**JACKIE M. BLAS**  
Recording Secretary

**AFFIRMED:**  


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**GERARD A. CRUZ**  
Investment Committee Chairman