



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

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Joshua F. Tenorio
Lieutenant Governor

Paula M. Blas
Director

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Vice Chair

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

Artemio R.A. Hernandez, Ph.D.
Treasurer
Chair, Investment Committee

Thomas H. San Agustin
Trustee

David N. Sanford
Trustee

George A. Santos
Trustee

**INVESTMENT COMMITTEE MEETING
DEFINED BENEFIT PLAN**

Thursday, November 19, 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 11:45 a.m. Thursday, November 19, 2020, in the Retirement Fund Conference Room. Investment Committee Chairman Artemio Hernandez officiated.

Board of Trustees Present:

Artemio R.A. Hernandez, Chairman
David N. Sanford, Member

Staff Present:

Paula Blas, Director

Investment Consultant Present:

Maggie Ralbovsky, Wilshire Associates

II. ACTION ITEMS

1. October 29, 2020 Regular Investment Committee Meeting Minutes

Committee Member David Sanford, seconded by Committee Chairman Artemio Hernandez, moved to approve the Minutes of the October 29, 2020 Regular Investment Committee Meeting, subject to technical corrections. Without objection, the motion passed.

III. OPEN ITEMS

- 1. Requests for Proposals for:
 - a. U.S. Small Cap**
 - b. International Equity**
 - c. Global Infrastructure****

Committee Chairman Hernandez inquired about the process of the RFPs. Director Paula Blas stated that the process will take place in the second quarter. Director Blas stated that she has the templates for these types of searches.

IV. NEW BUSINESS

1. DB Plan Quarterly Performance

Committee Chairman Hernandez stated that the Quarterly Performance Meeting for the Quarter Ended September 30, 2020 was held on November 18 and 19, 2020. Committee Chairman Hernandez 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 September 30, 2020. She noted that the Retirement Fund's portfolio outperformed its benchmark index, ranking at the 27th percentile of Wilshire's peer group universe for the quarter. The Retirement Fund Return for the quarter was 5.02% and the Benchmark Return was 5.28%.

Annual reviews were conducted for the following managers:

- Dimensional Fund Advisors
- Invesco
- PanAgora

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 Hernandez stated that as of November 13, 2020, the size of the Retirement Fund's portfolio is \$1,999,855,258.

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

1. Wilshire Associates, Inc. Partnership

Ms. Ralbovsky stated that Wilshire was founded by Dennis Tito, who owns 70% of Wilshire. Mr. Tito turned 80 years old in August and he wanted to retire. Ms. Ralbovsky stated that a Private Equity Firm approached Wilshire who provided an offer and Mr. Tito decided to sell the firm.

Ms. Ralbovsky stated that services with Wilshire will continue with the Retirement Fund as defined in the existing contract. There is no impact on the contract. This is viewed by the Investment Advisers Act of 1940 as a deemed assignment. Wilshire will seek a consent from the Retirement Fund. Director Blas stated that she received a response from the Retirement Fund's Legal Counsel and Legal Counsel recommends that the Investment Committee recommend to the Board to sign the consent to the assignment.

Committee Member David Sanford, seconded by Committee Chairman Artemio Hernandez, moved to recommend to the Board of Trustees to consent to the Assignment of the Advisory Agreement with Wilshire Associates, Inc. Without objection, the motion passed.

VII. CORRESPONDENCE

None

VIII. ANNOUNCEMENTS

1. Next Due Diligence Meeting: February 24 and 25, 2021

Committee Chairman Hernandez informed the Committee that the next due diligence meeting is tentatively scheduled for February 24 and 25, 2021.

IX. ADJOURNMENT

There being no further business before the Investment Committee, a motion was made by Committee Member David Sanford, seconded by Committee Chairman Artemio Hernandez, to adjourn the meeting at 12:18 p.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE M. BLAS
Recording Secretary

AFFIRMED:



ARTEMIO R.A. HERNANDEZ, Ph.D.
Investment Committee Chairman