



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY • SECURITY • REWARDS

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Lieutenant Governor

Paula M. Blas
Director

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Joe T. San Agustin
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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

Anthony C. Blaz
Trustee

David M. O'Brien
Trustee

**INVESTMENT COMMITTEE MEETING
DEFINED CONTRIBUTION PLAN**
Thursday, July 24, 2014
Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee Meeting was called to order at 2:35 p.m. Thursday, July 24, 2014, in the Retirement Fund Conference Room. Investment Committee Chairman Wilfred P. Leon Guerrero officiated.

Board of Trustees Present:

Wilfred P. Leon Guerrero, Chairman
Gerard A. Cruz, Vice Chairman
Anthony C. Blaz, Member
Joe T. San Agustin, Ex Officio

Staff Present:

Paula Blas, Director
Diana Bernardo, Controller
Alice Taijeron, Director, Client Relations & Plan Counseling, Great-West Financial

Investment Consultant Present

Terry Dennison, Mercer Investment Consulting, Inc.

II. ACTION ITEMS

- 1. June 20, 2014 Regular Investment Committee Meeting Minutes**
- 2. April 24, 2014 Due Diligence Meeting Minutes for the Quarter Ended March 31, 2014**

A motion was made by Committee Vice Chairman Gerard Cruz, seconded by Committee Member Anthony Blaz, to approve the minutes of June 20, 2014 Regular Investment Committee Meeting and the minutes of the April 24, 2014 Due Diligence Meeting, subject to technical corrections. Without objection, the motion unanimously passed.

III. OPEN ITEM

- 1. Baron Small Cap Fund**

Committee Vice Chairman Gerard Cruz stated that based on the discussion by Mercer Investment Consulting, Inc. during the due diligence meeting, the Investment Committee recommends to accept the proposal to replace the Baron Small Cap Fund with the DFA U.S. Small Cap Portfolio and that Great-West determine an explicit expense ratio to replace the revenue sharing component of the Baron Small Cap Fund.

Committee Vice Chairman Gerard Cruz, seconded by Committee Member Anthony Blaz, moved to approve to replace the Baron Small Cap Fund with the DFA U.S. Small Cap Portfolio; and that Great-West determine an explicit expense ratio to replace the revenue sharing component of the Baron Small Cap Fund. Without objection, the motion unanimously passed.

IV. NEW BUSINESS

- 1. 5-Year Plan**

Committee Chairman Leon Guerrero stated that the Retirement Fund's Third Party Administrator is reviewed annually and a Request for Proposal (RFP) will be reviewed every five (5) years. The next review for an RFP will be in May 2019. The Investment Consultant for the Defined Contribution (DC) Plan is reviewed annually and an RFP will be reviewed every three (3) years. The next review for an RFP will be in March 2017.

V. INFORMATIONAL ITEMS

- 1. Hybrid Legislation**

Director Paula Blas mentioned that Vice Speaker B.J. Cruz had requested for a copy of the Hybrid Plan draft legislation for his review.

VI. OPEN DISCUSSION

None

VII. CORRESPONDENCE

None

VIII. ANNOUNCEMENTS

1. Next Due Diligence Meeting: October 30, 2014

Committee Chairman Leon Guerrero informed the Committee members that the next Quarterly Performance meeting is scheduled for October 30, 2014.

IX. ADJOURNMENT

There being no further business before the Investment Committee, a motion was made by Committee Vice Chairman Gerard Cruz, seconded by Committee Member Anthony Blaz, to adjourn the meeting at 2:55 p.m. Without objection, the motion unanimously passed.

Respectfully submitted,



JACKIE M. BLAS
Recording Secretary

AFFIRMED:



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