



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

**Anthony C. Blaz**  
Trustee

**David M. O'Brien**  
Trustee

**INVESTMENT COMMITTEE MEETING**  
**DEFINED BENEFIT PLAN**  
Friday, September 11, 2015  
Retirement Fund Conference Room

**MINUTES**

**I. CALL TO ORDER**

The Retirement Fund Investment Committee Meeting was called to order at 1:00 p.m. Friday, September 11, 2015, in the Retirement Fund Conference Room. Investment Committee Chairman Wilfred P. Leon Guerrero officiated.

**Board of Trustees Present:**

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

**Staff Present:**

Paula Blas, Director  
Rosalia Bordallo, General Accounting Supervisor  
Jackie Blas, Recording Secretary

## **II. ACTION ITEMS**

- 1. August 27, 2015 Regular Investment Committee Meeting Minutes**
- 2. August 27, 2015 Due Diligence Meeting for the Quarter Ended June 30, 2015 Minutes**

**Committee Member Anthony Blaz, seconded by Committee Chairman Wilfred Leon Guerrero, moved to approve the Minutes of the August 27, 2015 Regular Investment Committee Meeting, subject to technical corrections; and to table the Minutes of the August 27, 2015 Due Diligence Meeting. Without objection, the motion unanimously 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 the Retirement Fund's portfolio as of September 7, 2015 is \$1.5 Billion. There was a market loss of \$100 Million.

**Risk Parity** - Committee Chairman Leon Guerrero inquired about the status of the Request for Proposals (RFP) for Risk Parity. Ex Officio Joe San Agustin stated that the Selection Panel has not made a recommendation to the Board. Director Paula Blas stated that she will meet with the Selection Panel sometime next week and then the Selection Panel will make a recommendation to the Board. When the Board approves the Selection Panel's recommendation, then it is up to the Investment Committee to decide when to allocate the funds. The recommended allocation is 8%. Director Blas stated that she has some reading materials on Risk Parity for informational purposes.

- 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

**Investing Locally** – Ex Officio San Agustin stated that he would like to start discussions and have the Investment Committee consider investment opportunities on the Guam Regional Medical City (GRMC). This is investing on a federally guaranteed program. Committee Member Anthony Blaz suggested to be cautious since GRMC just opened their facilities. We need to consider the progress or lack thereof with GRMC before thinking of investing on the hospital. Ex Officio San Agustin stated that it's all preliminary at this time. Committee Chairman Leon Guerrero asked how do we find the investors. Ex Officio San Agustin stated that the Committee could meet with the investment managers at the upcoming APAFS Conference in Manila.

## VII. CORRESPONDENCE

None

## VIII. ANNOUNCEMENTS

### 1. Next Due Diligence Meeting: November 18, and 19, 2015

Committee Chairman Leon Guerrero informed the Committee that the next due diligence meeting is tentatively scheduled for November 18, and 19, 2015.

Director Blas mentioned that at the August 27, 2015 Due Diligence Meeting, there was a concern with the merger of Numeric Investors with Man Group. A clarification from the Retirement Fund's Legal Counsel stated that Numeric's fiduciary relationship with the Retirement Fund was not affected by the merger. Committee Chairman Leon Guerrero stated that the Investment Committee acknowledges receipt of Legal Counsel's memorandum regarding the merger.

## IX. ADJOURNMENT

**There being no further business before the Investment Committee, a motion was made by Committee Chairman Wilfred Leon Guerrero, seconded by Committee Member Anthony Blaz, to adjourn the meeting at 1:30 p.m. Without objection, the motion unanimously 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