



GOVERNMENT OF GUAM
RETIREMENT FUND
 STABILITY · SECURITY · REWARDS

Eddie Baza Calvo
 Governor

Ray Tenorio
 Lieutenant Governor

Paula M. Blas
 Director

INVESTMENT COMMITTEE MEETING
DEFINED BENEFIT PLAN
 Friday, March 11, 2016
 Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee Meeting was called to order at 12:25 p.m. Friday, March 11, 2016, in the Retirement Fund Conference Room. Investment Committee Chairman Wilfred P. Leon Guerrero officiated.

Board of Trustees Present:

Wilfred P. Leon Guerrero, Chairman
 Albert H. Santos, Member
 David M. O'Brien, Trustee

Staff Present:

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

Public Present:

Jason Miyashita & Maree Pelkey - Raymond James & Associates, Inc.

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

David M. O'Brien
 Trustee

Albert H. Santos
 Trustee

II. ACTION ITEMS

- 1. February 25, 2016 Regular Investment Committee Meeting Minutes**
- 2. November 18, and 19, 2015 Due Diligence Meeting for the Quarter Ended September 30, 2015 Minutes**
- 3. February 24, and 25, 2016 Due Diligence Meeting for the Quarter Ended December 31, 2015 Minutes**

Committee Member Albert Santos, seconded by Committee Chairman Wilfred Leon Guerrero, moved to approve the Minutes of the February 25, 2016 Regular Investment Committee Meeting, subject to technical corrections; and to table the Minutes of the November 18, and 19, 2015, and February 24, and 25, 2016 Due Diligence Meetings. Without objection, the motion 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. Controller Diana Bernardo stated that as of March 7, 2016, the Retirement Fund's total market value is \$1.5 Billion. Committee Chairman Leon Guerrero asked whether the new asset allocation is in place. Controller Bernardo replied, "No, we're still waiting for signatures on the Invesco contract and the PanAgora contract is also still pending." Committee Chairman Leon Guerrero asked when will the contract be signed. Director Paula Blas stated that if we receive the documents back from Invesco by next week she will have the Board sign it at the March 18, 2016 Board Meeting. Committee Chairman Leon Guerrero inquired about the market allocation. Controller Bernardo stated that most of the mandates are still slightly below target, based on the market and the allocation. Trustee David O'Brien asked what was the high watermark of assets. Rosalie Bordallo, General Accounting Supervisor, stated that it was \$1.7 Billion.

Committee Chairman Leon Guerrero asked whether we have the mandates for the transfers. Director Blas replied, "Yes, it was approved at the February 26, 2016 Board Meeting."

Trustee O'Brien pointed out that the Dow is \$16,995 and the Standard & Poor's (S&P) is \$1990.

2. Income Summary

A summary of interest and dividend income was provided to the Committee for review and informational purposes. Controller Bernardo stated that the total interest and dividend income for February 2016 is \$3.7 Million and \$16.2 Million year to date.

3. Securities Lending

A summary of securities lending earnings was provided to the Committee for review and informational purposes. Controller Bernardo stated that the Securities Lending income for the month of February 2016 is \$10,963 and \$56,365 year to date.

4. 5-Year Plan

A copy of the 5-Year Plan was provided to the Committee for review and informational purposes. Controller Bernardo stated that a Request for Proposal (RFP) for the Investment Adviser will be issued. Committee Chairman Leon Guerrero inquired about the Asset Allocation Study. Director Blas stated that Milliman does the study on asset allocation every five (5) years. Committee Chairman Leon Guerrero asked when was the last study conducted. Director Blas stated that she will check on when the last study was conducted.

VI. OPEN DISCUSSION

None

VII. CORRESPONDENCE

None

VIII. ANNOUNCEMENTS

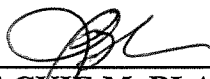
1. Next Due Diligence Meeting: May 25, and 26, 2016

Committee Chairman Leon Guerrero informed the Committee that the next due diligence meeting is tentatively scheduled for May 25, and 26, 2016.

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 12:52 p.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE M. BLAS
Recording Secretary

AFFIRMED:



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