



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

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Director

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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 CONTRIBUTION PLAN**

Thursday, December 16, 2021
Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee Meeting for the Defined Contribution Plan was called to order at 11:04 a.m. Thursday, December 16, 2021, in the Retirement Fund Conference Room. Investment Committee Chairman Artemio Hernandez officiated.

Board of Trustees Present:

Artemio R.A. Hernandez, Chairman (*Via Zoom*)
Thomas H. San Agustin, Member (*Via Zoom*)
David N. Sanford, Member (*Via Zoom*)

Staff Present:

Paula Blas, Director

Third Party Administrator Present:

Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower Retirement

Investment Consultant Present:

Cameron Systemans, Mercer Investment Consulting, Inc. (*Via Zoom*)

II. ACTION ITEMS

1. November 18, 2021 Regular Investment Committee Meeting Minutes

Committee Member David Sanford, seconded by Committee Member Thomas San Agustin, moved to approve the Minutes of the November 18, 2021 Regular Investment Committee Meeting, subject to technical corrections. Without objection, the motion passed.

III. OPEN ITEMS

None

IV. OLD BUSINESS

None

V. NEW BUSINESS

1. DC Plan Quarterly Performance

Committee Chairman Hernandez stated that Cameron Systemans of Mercer Investment Consulting, Inc. provided an overview of the DC Plan's Investment Performance for the Quarter Ended September 30, 2021.

Recommendation:

Committee Chairman Hernandez stated that Mercer is recommending to change the share class for the Great West Secure Foundation Balanced Fund from the Investor Share Class to the Institutional Share Class. Committee Chairman Hernandez noted that Mr. Systemans mentioned that this will remove the 35 basis point revenue sharing, but still keep the expense ratio at its current rate.

Committee Member Thomas San Agustin, seconded by Committee Member David Sanford, moved to approve for the Investment Committee to recommend to the Board of Trustees to accept Mercer Investment Consulting, Inc.'s recommendation to change the share class for the Great West Secure Foundation Balanced Fund from the Investor Share Class to the Institutional Share Class. Without objection, the motion passed.

VI. INFORMATIONAL ITEMS

1. 5-Year Plan

A copy of the 5-Year Plan was provided to the Committee for review and informational purposes.

VII. OPEN DISCUSSION

1. Dimensional Fund Advisors / Ninety One

Mr. Systemans stated that Ninety One reached out to him and said that their Fund Administrator, SEI are at an impasse with Empower Retirement on a contracting issue that they would need to resolve in order to complete the on-boarding of their Emerging Market funds. Mr. Systemans stated that Empower might have had some issues in the past with SEI and as a result of that, Empower is pushing SEI to indemnify them to pay all of their expense with no limit if there is a delay in the publication of the daily net asset value. Ninety One has been trying to negotiate with Capital on an estimate of what

the cost would be and Empower hasn't been willing to compromise. Ninety One has indicated that if the issue can't be resolved with Empower, then they won't be able to proceed. Mr. Systemans stated that he has been communicating with Bjorn Hauerbach of Empower Retirement trying to see if he can work with his colleagues to come to some kind of agreement with Ninety One. If the issue is not resolved, a search may have to be conducted. Director Paula Blas requested for Empower to provide something in writing in regards to the issue on the delay in on-boarding Ninety One. Mr. Systemans stated that he'll speak to Mr. Hauerbach regarding this.

VIII. CORRESPONDENCE

None

IX. ANNOUNCEMENTS

1. Next Due Diligence Meeting: March 17, 2022

Committee Chairman Hernandez stated that the next Due Diligence Meeting is tentatively scheduled for March 17, 2022.

X. ADJOURNMENT

There being no further business before the Investment Committee, a motion was made by Committee Member David Sanford, seconded by Committee Member Thomas San Agustin, to adjourn the meeting at 11:15 a.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE BLAS
Recording Secretary

AFFIRMED:



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