



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

Lourdes A. Leon Guerrero
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Joshua F. Tenorio
Lieutenant Governor

Paula M. Blas
Director

Trustees:

Wilfred P. Leon Guerrero, Ed.D.
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Antolina S. Leon Guerrero
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**
Tuesday, October 11, 2022
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 11:42 a.m. Tuesday, October 11, 2022, 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

II. ACTION ITEMS

- 1. September 1, 2022 Regular Investment Committee Meeting Minutes**
- 2. August 31 and September 1, 2022 Due Diligence Meeting Minutes for the Quarter Ended June 30, 2022**

Committee Chairman Hernandez pointed out that on Page 3 of 4, under Item VI Open Discussion where it reads: "Ms. Ralbovsky stated that the portfolio had a very challenging first half" - to add on after first half: "of the calendar year" just to be a little bit more specific.

Committee Member David Sanford, seconded by Committee Member Thomas San Agustin, moved to approve the Minutes of the September 1, 2022 Regular Investment Committee Meeting and the Minutes of the August 31 and September 1, 2022 Due Diligence Meetings, subject to technical corrections. Without objection, the motion passed.

III. OPEN ITEMS

Requests for Proposals (RFPs) for:

- 1. U.S. Small Cap**

Director Paula Blas stated that the RFP for the U.S. Small Cap will be issued next year. Committee Chairman Hernandez stated that Maggie Ralbovsky of Wilshire Associates had mentioned that the RFP could be issued next year because it's a smaller allocation and that we're in the middle of a market turmoil.

2. International Equity

Director Blas stated that the International Equity is still in the contract stage.

IV. OLD BUSINESS

- 1. Review of Investment Strategies**

Director Blas stated that a copy of the final version of the bill was provided to the Board and now the bill will be transmitted to the Legislature sometime this week. Director Blas stated that she will schedule an appointment to meet with Vice Speaker Tina Muna-Barnes to discuss the bill. Director Blas stated that she will inform the Board once a meeting date and time is scheduled.

2. New Building.

Director Blas stated that it is very difficult to be able to get a structural engineer to determine if the building is salvageable or not. Committee Chairman Hernandez suggested to issue a Request for Proposal (RFP) to do an assessment of the building by a structural engineer.

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 October 7, 2022, the size of the Retirement Fund's portfolio is \$1,788,185,640. Committee Chairman Hernandez pointed out that last month's portfolio was \$1.975 Billion, a substantial reduction of over \$200 Million in value.

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

Committee Chairman Hernandez asked if Ms. Ralbovsky could email a mid quarter update or a narrative of what's been happening last month to include its impact. Committee Chairman Hernandez requested to have Ms. Ralbovsky email the market value as of September 30, 2022. Committee Chairman Hernandez also asked for Controller Diana Bernardo to provide value between the last Committee meeting to today to see in which allocation the \$200 Million dropped from. Director Blas stated that she will communicate with Ms. Ralbovsky and Controller Bernardo regarding the requested information.

Committee Chairman Hernandez stated that Bjorn Hauerbach of Empower could also provide a deeper guide into some of the different funds that participants have been investing in and where those drops have been. Director Blas stated that Mercer Investment Consulting could probably provide that information. Committee Chairman Hernandez stated that Mercer could also provide a similar narrative.

VII. CORRESPONDENCE

None

VIII. ANNOUNCEMENTS

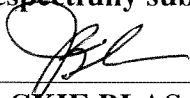
1. Next Due Diligence Meeting: November 8, 2022

Committee Chairman Hernandez informed the Committee that the next due diligence meeting is scheduled for November 8, 2022.

IX. ADJOURNMENT

There being no further business before the Investment Committee, a motion was made by Committee Member Thomas San Agustin, seconded by Committee Member David Sanford, to adjourn the meeting at 12:00 p.m. Without objection, the motion passed.

Respectfully submitted,



JACKIE BLAS
Recording Secretary

AFFIRMED:



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