

GOVERNMENT OF GUAM  
**RETIREMENT FUND**  
STABILITY · SECURITY · REWARDS

**Felix P. Camacho**  
Governor

**Michael W. Cruz, M.D.**  
Lieutenant Governor

**Paula M. Blas**  
Director

*Trustees:*

**Joe T. San Agustin**  
Chairman

**Wilfred P. Leon Guerrero, Ed.D.**  
Vice-Chairman  
Investment Committee, Chairman

**James J. Taylor, Ph.D.**  
Secretary  
Investment Committee, Vice-Chairman

**Gerard A. Cruz**  
Treasurer  
Audit & Operations Committee,  
Chairman

**George A. Santos**  
Members' & Benefits Committee,  
Chairman

**Katherine T.E. Taitano**  
Trustee

**Antolina S. Leon Guerrero**  
Trustee

**INVESTMENT COMMITTEE MEETING  
DEFINED BENEFIT PLAN**

Friday, August 8, 2008, 12:00pm  
Retirement Fund Conference Room

**MINUTES**

**I. CALL TO ORDER**

The Retirement Fund Investment Committee meeting was called to order at 12:25pm on Friday, August 8, 2008, in the Retirement Fund Conference Room. Investment Committee Chairman Wilfred Leon Guerrero officiated.

**Board of Trustees Present:**

Wilfred Leon Guerrero, Chairman  
Gerry Cruz, Member

**Staff Present:**

Paula M. Blas, Director  
Diana Bernardo, Controller  
Rosalie Bordallo, General Accounting Supervisor  
Stephanie Herrera, Recording Secretary

**II. ACTION ITEMS**

**1. Approval of Minutes – July 11, 2008**

A motion was made by Committee Member Cruz, to approve the minutes of July 11, 2008, subject to correction. Without objection, the motion was passed.

### **III. OPEN ITEMS**

#### **1. Contracts Pending**

**As reported by Director Blas:**

**a. Custodial Bank Services**

A meeting is scheduled for Friday, August 15, 2008 at 9am.

**b. REITS – Real Estate Investment Trusts**

**1. Cornerstone RE Advisors**

Cornerstone is ready for funding; however, the Fund is waiting until the end of the month Board meeting to confirm the Board's approval of the percentage of the asset class.

**2. Security Capital Research Mgmt**

Security Capital agreed with the Funds terms, with regards to the liability. The selection panel is reviewing a few more items and will proceed with routing the contract.

**c. U.S. Domestic Large Cap Growth Equity**

**1. INTECH**

The Fund is waiting for INTECH's Legal Counsel to agree with the Fund's terms.

**2. Winslow Capital**

Winslow is waiting for word from Revenue & Taxation with regards to their licensing and registration. A certificate of authority to conduct business as an investment advisor on Guam and confirmation that the advisor meets the requirements of the Guam Securities Act to obtain a securities license is required.

General Accounting Supervisor stated that because Terry Dennison, Mercer will be coming on August 28, 2008 to discuss the re-assessment of the total asset allocation, the Fund should hold off on funding any new accounts until then. She stated that she will email Mercer to determine if the re-assessment of the asset allocation will affect funding Cornerstone RE Advisors and Thompson Horstmann Bryant (THB). Director Blas added that because fixed income is moving from one manager to another, the Fund will proceed with funding at this time.

**2. Proxy Voting RFP**

Director Blas stated that the Investment Committee had approved to issue the RFP and move forward with making the selection. The selection panel will then make their recommendation once decided, to the Board.

**IV. NEW BUSINESS**

**1. Draft Proxy Voting Policy**

Item was not discussed.

**2. Cornerstone's July 31, 2008 Letter**

General Accounting Supervisor Bordallo explained that it is in the statute that the managers could not go more than 5% in one company. Cornerstone issued a letter to the Board requesting to invest more than 5% in a single investment and can do so without violating the legal restrictions. Committee Member Cruz recommended having it forwarded to Legal Counsel for interpretation.

**V. INFORMATIONAL ITEMS**

None.

**VI. OPEN DISCUSSION**

None.

**VII. CORRESPONDENCE**

None.

**VIII. ANNOUNCEMENTS**

None.

**IX. ADJOURNMENT**


There being no further business before the Investment Committee, Committee Chairman Leon Guerrero, seconded by Committee Member Cruz moved to adjourn the meeting at 1:10pm.

Respectfully submitted,



**STEPHANIE A. HERRERA**  
Recording Secretary

**AFFIRMED:**



**Wilfred Leon Guerrero, Chairman**