



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

George A. Santos
 Members' & Benefits Committee,
 Chairman

Katherine T.E. Taitano
 Trustee

Wilfred G. Aflague
 Trustee

**INVESTMENT COMMITTEE MEETING
 DEFINED BENEFIT PLAN**

Friday, October 14, 2011, 12:00pm
 Retirement Fund Conference Room

MINUTES

I. CALL TO ORDER

The Retirement Fund Investment Committee meeting was called to order at 12:20pm on Friday, October 14, 2011, in the Retirement Fund Conference Room. Investment Committee Chairman Leon Guerrero officiated.

Board of Trustees Present:

Wilfred P. Leon Guerrero, Chairman
 Gerard A. Cruz, Member
 Joe T. San Agustin, Ex-Officio

Staff Present:

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

II. ACTION ITEMS

1. **July 27 & 28, 2011 -- Due Diligence Mtg for the Quarter Ended 3/31/11**
2. **August 24 and 25, 2011 -- Due Diligence Mtg for Quarter Ended 6/30/11**

A motion was made by Committee Chairman Leon Guerrero, seconded by Committee Member Cruz to approve the minutes of

July 27 & 28, 2011, subject to correction. Without objection, the motion was passed. The minutes of August 24 and 25, 2011 were tabled pending completion.

III. OPEN ITEMS

1. Investment Committee 5 Year Plan

Item was tabled.

IV. NEW BUSINESS

None.

V. INFORMATIONAL ITEMS

1. Asset Allocation Summaries

Asset allocation summary statements were provided to the Committee for review and informational purposes. As of 9/30/11 the total market value was \$1.175 billion. The latest information is as of 10/11/11 where the total market value was \$1.208 billion.

2. Income Summary

An income summary report was provided to the Committee for review and informational purposes.

VI. OPEN DISCUSSION

None.

VII. CORRESPONDENCE

1. Wilshire Email – High Yield

An email was received from Maggie Ralbovsky, Wilshire Consulting offering to provide an education on high yield investments. The Committee agreed that they are interested in having a lecture on high yield bonds and to inform Maggie Ralbovsky to include an emphasis on what the default rate is.

2. Memo From Ruby Menon

As requested by Committee Chairman Leon Guerrero, a memo was received from Ruby Menon, of Robbins Geller Rudman & Dowd LLP on the benefits of participating in their firm's proprietary and secure

Portfolio Monitoring Program as a second monitoring firm for the Fund. Director Blas stated that as per Legal Counsel, an RFP would have to be issued because this is an unsolicited proposal and their firm is not the only firm to offer this service. A motion was made by Committee Chairman Leon Guerrero, seconded by Committee Member Cruz to recommend to the Board to issue an RFP for an additional firm (a second firm) to provide securities litigation legal service. BLBG currently provides securities litigation legal services to the Fund.

VIII. ANNOUNCEMENTS

a. Schedule for 9/30/11 Due Diligence Meeting: 11/30/11-12/1/11

The Due Diligence Meeting for quarter ending 9/30/11 is scheduled for 11/30/11-12/1/11. The Board Meeting will follow on 12/2/11.

IX. ADJOURNMENT

There being no further business before the Investment Committee, a motion was made by Committee Chairman Leon Guerrero, seconded by Committee Member Cruz to adjourn the meeting at 1:00pm.

Respectfully submitted,



STEPHANIE A. HERRERA
Recording Secretary

AFFIRMED:



Wilfred P. Leon Guerrero, Chairman