


GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

Felix P. Camacho
Governor

Kaleo S. Moylan
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
Trustee
Treasurer

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

Anthony C. Blaz
Trustee
Audit & Operations Committee, Chairman

Katherine T.E. Taitano
Trustee

January 5, 2007

To: Joe T. San Agustin, Board Chairman
From: Wilfred Leon Guerrero, Investment Committee Chairman
Subject: Investment Committee Meeting of December 29, 2006

The Fund held its regular Investment Committee meeting on December 29, 2006. In attendance were Trustees Dr. Taylor, Gerard Cruz, Joe T. San Agustin and I. Other attendees were Paula Blas, Diana Bernardo and Peter Sgro.

The following was discussed and approved by the committee for Board action.

Great West's Reality Investing Advisory Services Agreement

During the November 2006 Board Meeting, Mike Perez of Great West presented an overview of Great West's Reality Investing Advisory Services to the Board. During the December 2006 Board Meeting, a copy of the written agreement was presented to the Board. The Board referred the agreement to the Investment Committee and requested that it be reviewed by legal counsel.

Recommendation:

Since evaluations are on-going for proposals received in response to the RFP for a Third Party Administrator (TPA), the Committee recommends that review by the Committee and by legal counsel be placed on hold pending selection and awarding of the contract for the TPA.

Informational Items

1. Receivables as of November 2006

During the December 2006 Board Meeting, the receivables listed on the Treasurer's Report were referred to the Investment Committee for review. The Committee reviewed the listing and requested that the report be revised to clearly identify long-term receivables from various Gov Guam Agencies. The Committee also directed Management to provide the report for review by the Committee on a quarterly basis.

2. Business Plan for a New Hospital

Mr. Pete Sgro the Chairman of the Guam Hospital Development Forum provided the Investment Committee with an overview of the Forum's Business Plan for the Development of a Guam Private Hospital. He indicated that it represents a private sector initiative to entice investors to build a Private Hospital on Guam.

3. Investment Committee Minutes

During the December 29, 2006 meeting, the Committee reviewed and approved the minutes for the following meetings:

- October 6 and 17, 2006
- October 27, 2006
- November 24, 2006

4. Mercer's Quarterly Meetings and Annual Manager Reviews

The next quarterly meeting/annual manager reviews are scheduled for March 7 and 8, 2007.