

BOARD OF TRUSTEES
Regular Meeting
Friday, May 4, 2007, 12:00 p.m.
Retirement Fund Conference Room

MINUTES

DEFINED CONTRIBUTIONS

I. ATTENDANCE, QUORUM, AND CALL TO ORDER

After determining a quorum was present, the Retirement Fund Board of Trustees Regular Meeting for the Defined Contribution Plan was called to order at 2:30 p.m. Friday, May 4, 2007, in the Retirement Fund Conference Room. Chairman Joe T. San Agustin officiated.

Board of Trustees Present:

Joe T. San Agustin, Chairman
Wilfred P. Leon Guerrero, Vice-Chairman
Gerard A. Cruz, Treasurer
James J. Taylor, Secretary
George A. Santos, Trustee

Board of Trustees Absent:

Katherine T.E. Taitano, Trustee

Staff Present:

Paula Blas, Director
Diana Bernardo, Controller
Rosalia Bordallo, General Accounting Supervisor
Mike Perez, Great West Retirement Services
Jackie Blas, Recording Secretary

Public Present:

Michelle Diego, Administrative Services Corporation (ASC)

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. March 9, 2007 and April 13, 2007 Regular Meetings (Pending)

Secretary James Taylor, seconded by Treasurer Gerard Cruz, moved to defer approval of the Minutes of March 9, 2007 and April 13, 2007 Regular Meetings. Without objection, the motion passed.

III. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. Request for Proposal (RFP): Third Party Administrator - Director Paula Blas stated that evaluations are ongoing. It will soon be in the process of negotiations.

2. Organic Act Citizen and U.S. Federal Estate Tax Law: ERISA 404(c) - Director Blas stated that she will have Legal Counsel's opinion by next week.

Financial Report

1. Contributions - Director Blas stated that all agencies are current with their Fiscal Year 2007 employee and employer contributions except the Guam Election Commission (GEC). Rosalia Bordallo, General Accounting Supervisor, mentioned that payment was just received from GEC. Director Blas stated that the reason GEC was behind is because they were using a different payroll provider (Premier Business Solutions).

2. Financial Statement - Director Blas stated that the books for the month ending April 2007 will be closed on May 9, 2007.

IV. OLD BUSINESS

A. Contribution Report – April 2007

Director Blas stated that Mike Perez, Great West Retirement Services, submitted, at this meeting, a copy of the Defined Contribution and Deferred Compensation report for the month of April 2007.

Director Blas stated that all agencies are current except the General Fund. Mrs. Bordallo stated that the data was not submitted by the General Fund.

Mr. Perez reported that the Defined Contribution Plan (DC) has 6,352 participants with a total contribution amount of \$793,551.10. Mr. Perez further reported that the Deferred Compensation Plan has 764 participants with a total contribution amount of \$98,007.12.

V. NEW BUSINESS

A. Investment Committee Report

1. April 20, 2007 Email from Daniel Roland, Consulting Group, Regarding INVESCO Stable Value Fund

Vice-Chairman Wilfred Leon Guerrero stated that there is a recommendation from Mercer Consulting, Inc. to terminate INVESCO. Mr. Perez reported that there is no impact in terminating INVESCO. Chairman San Agustin asked whether the Defined Contribution Plan will notify the participants to shift their funds out of INVESCO.

Chairman San Agustin suggested having Great West find out whether there is an alternative to INVESCO. Secretary James Taylor stated that the question the Defined Contribution Plan would have is where to put the participants' money. Chairman San Agustin asked what should be done after the Board approves the termination of INVESCO. Mr. Perez stated that he could come up with a short list within a week. Secretary Taylor stated that it would help to get a short list from Great West as soon as possible. Chairman San Agustin suggested having the Investment Committee meet with Great West regarding the short list and also to delegate the Investment Committee to accept the list on behalf of the Board of Trustees. Chairman San Agustin stated that the Retirement Fund does not have to wait until the next Board meeting before any money could be moved. Secretary Taylor stated that he would like to review the list of funds that are being proposed before any money is moved.

Trustee George Santos, seconded by Secretary James Taylor, moved to accept Mercer Consulting, Inc.'s recommendation to terminate INVESCO and to have the Investment Committee meet with Great West Retirement Services regarding the short list and also to delegate the Investment Committee to accept the list on behalf of the Board of Trustees. Without objection, the motion passed.

VI. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

VII. ANNOUNCEMENTS

None

VIII. ADJOURNMENT

There being no further business before the Board for the Defined Contribution Plan, on motion of Trustee George Santos, seconded by Treasurer Gerard Cruz, and without objection, the meeting was adjourned at 2:44 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of May 4, 2007 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on July 13, 2007.

James J. Taylor, Board Secretary

RECORDING SECRETARY:

Jackie Blas