

BOARD OF TRUSTEES
Regular Meeting
Friday, July 25, 2008, 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 3:15 p.m. Friday, July 25, 2008, 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
George A. Santos, Trustee
Katherine T.E. Taitano, Trustee
Antolina S. Leon Guerrero, Trustee

Board of Trustees Absent:

James J. Taylor, Secretary

Staff Present:

Paula Blas, Director
Diana Bernardo, Controller
Rosalia Bordallo, General Accounting Supervisor
Jackie Blas, Recording Secretary

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. April 25, 2008, May 29, 2008, and June 27, 2008 Regular Meetings

On motion of Trustee George Santos, seconded by Treasurer Gerard Cruz, and without objection, the Minutes of April 25, 2008, May 29, 2008, and June 27, 2008 Regular Meetings were approved, subject to corrections. Motion passed.

III. CORRESPONDENCE

None

IV. INFORMATIONAL ITEMS

Director Paula Blas stated that Great West Retirement Services (Great West) provided, for informational purposes, their July 2008 Economic Review and Outlook.

V. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. Request for Proposal (RFP): Third Party Administrator (TPA) - Director Blas stated that negotiations with Great West Retirement Services (Great West) are still ongoing. Director Blas stated that selection will be made by next week. Chairman San Agustin stated that based on the Office of the Public Auditor's (OPA's) decision, the panel has gone back to negotiations. Director Blas stated that the OPA made a recommendation for Chairman San Agustin to recuse himself during negotiations. Director Blas stated that the OPA agreed that Chairman San Agustin may vote. Treasurer Gerard Cruz stated that he will have a report by next week Friday. Treasurer Cruz stated that the panel is negotiating on fees only. Great West has agreed on the conditions of the fee structure. Treasurer Cruz stated that Great West could explore the custody side with Northern Trust. Rosalia Bordallo, General Accounting Supervisor, stated that she is concerned about what services the accounting office is going to be dealing with. Treasurer Cruz suggested that the Retirement Fund put the improvements expected in writing and that there would be penalty clauses if Great West does not meet the Retirement Fund's expectations.

On another matter, Chairman San Agustin requested for a full accounting report on the disability insurance with Standard Insurance. Treasurer Cruz stated that a report will be provided.

Financial Report

1. Contributions - Director Blas stated that all agencies are current with their Fiscal Year 2008 employee and employer contributions.

2. Financial Statements - Director Blas stated that the books for the month ending June 2008 were closed on July 11, 2008.

VI. INVESTMENT COMMITTEE REPORT

Vice-Chairman Wilfred Leon Guerrero reported that the Investment Committee meeting was held on July 11, 2008. The Committee reviewed and approved the Investment Committee Minutes of June 13, 2008.

Vice-Chairman Leon Guerrero stated that during the Investment Committee meeting, Management provided the Committee with an update on the status of the TPA RFP.

VII. OLD BUSINESS

A. Contribution Report – July 2008

Director Blas stated that Mike Perez, Great West Retirement Services, submitted, for this meeting, a copy of the Defined Contribution (DC) Plan and the Deferred Compensation (457) Plan report for the month of July 2008.

Mr. Perez's report shows that the Defined Contribution Plan (DC) has 5,973 participants with a total contribution amount of \$794,216.63. The Deferred Compensation Plan (457) has 862 participants with a total contribution amount of \$109,099.78.

VIII. NEW BUSINESS

None

IX. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

X. ANNOUNCEMENTS

None

XI. ADJOURNMENT

There being no further business before the Board for the Defined Contribution Plan, on motion of Trustee George Santos, seconded by Trustee Antolina Leon Guerrero, and without objection, the meeting was adjourned at 3:30 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of July 25, 2008 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on October 31, 2008.

James J. Taylor, Board Secretary

RECORDING SECRETARY:

Jackie Blas