

GOVERNMENT OF GUAM
RETIREMENT FUND
 STABILITY · SECURITY · REWARDS

Felix P. Camacho
 Governor

Michael W. Cruz, M.D.
 Lieutenant Governor

Paula M. Blas
 Director

BOARD OF TRUSTEES
Regular Meeting
 Friday, February 27, 2009, 12:00 p.m.
 Retirement Fund Conference Room

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

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 12:28 p.m. Friday, February 27, 2009, 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
- Katherine T.E. Taitano, Trustee
- Antolina S. Leon Guerrero, Trustee

Staff Present:

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

Public Present:

- Mark Heath, Metropolitan West Capital Management

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. October 3, 2008, October 31, 2008, December 5, 2008 and January 16, 2009 Regular Meetings

On motion of Trustee George Santos, seconded by Treasurer Gerard Cruz, and without objection, the Minutes of October 3, 2008, October 31, 2008, December 5, 2008 and January 16, 2009 Regular Meetings were approved, subject to corrections. Motion passed.

III. CORRESPONDENCE

None

IV. INFORMATIONAL ITEMS

None

V. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. Request for Proposal (RFP): Third Party Administrator – Director Paula Blas stated that a copy of the draft agreement with Great-West Retirement Services has been provided to the Selection Panel for their review. Upon finalization, the agreement will be circulated to the Board for their signature.

Financial Report

1. Contributions – Director Blas stated that all agencies are current with their Fiscal Year 2009 employee and employer contributions.

2. Financial Statements – Director Blas stated that the books for the month ending January 2009 were closed on February 13, 2009.

VI. INVESTMENT COMMITTEE REPORT

Director Blas stated that this item will be reported out at the March 6, 2008 reconvened meeting.

VII. OLD BUSINESS

A. Contribution Report – January 2009

Director Blas stated that Mike Perez, of 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 January 2009.

Mr. Perez's report shows that the Defined Contribution Plan (DC) has 6,932 participants with a total contribution amount of \$935,065.84. The Deferred Compensation Plan (457) has 872 participants with a total contribution amount of \$131,917.54.

VIII. NEW BUSINESS

None

IX. OPEN DISCUSSION / GENERAL PUBLIC INPUT

Vice-Chairman Wilfred Leon Guerrero inquired about the audit finding on investigating credit. Mr. Perez stated that it is on the 12B-1 fees on mutual funds. It is to off-set fees owed to the plan sponsor. Mr. Perez stated that it is a common practice. Vice-Chairman Leon Guerrero stated that he would like to know the formula used. Mr. Perez stated that it is 25 basis points on a quarterly basis, but it is calculated on a daily basis. Mr. Perez stated that he will provide Controller Diana Bernardo with the information. Chairman San Agustin asked how much is generated from the 12B-1 fees. Chairman San Agustin stated that he would like a historical documentation. Mr. Perez stated that there are no documents. Controller Bernardo stated that the issue the auditor (Dave Berger) raised was that the contract did not indicate that the Retirement Fund was not to receive monies from the 12B-1 fees and if it is being received, how is it calculated. Treasurer Gerard Cruz stated that the Third Party Administrator (TPA) is to be credited. Chairman San Agustin asked whether there is anything in writing, any data. Mr. Perez replied, "Yes." Chairman San Agustin stated that the Board should see the data and that the Board should approve it and use it as a guideline. Chairman San Agustin stated that he would like to resolve this issue before the next Board meeting.

X. ANNOUNCEMENTS

None

XI. RECESS


Trustee George Santos, seconded by Treasurer Gerard Cruz, moved to recess, and without objection, the Board of Trustees meeting for the Defined Contribution Plan recessed at 12:46 p.m. on Friday, February 27, 2009 and will reconvene on Friday, March 6, 2009, at 12:00 Noon in the Retirement Fund Conference Room. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of February 27, 2009 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on July 31, 2009.



Antolina S. Leon Guerrero, Board Secretary

RECORDING SECRETARY:



Jackie Blas