



GOVERNMENT OF GUAM
RETIREMENT FUND
 STABILITY • SECURITY • REWARDS

BOARD OF TRUSTEES
Regular Meeting
 Friday, June 26, 2009, 12:00 p.m.
 Retirement Fund Conference Room

Felix P. Camacho
 Governor

Michael W. Cruz, M.D.
 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

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 12:25 p.m. Friday, June 26, 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
 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
 Jackie Blas, Recording Secretary
 Alice Taijeron, Great-West Retirement Services

Public Present:

Alfred F. Duenas, Senator Ben Pangelinan's Office

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. March 27, 2009, April 24, 2009 and May 29, 2009 Regular Meetings

Trustee George Santos, seconded by Trustee Antolina Leon Guerrero, moved to table the Minutes of March 27, 2009, April 24, 2009 and May 29, 2009 Regular Meetings. Without objection, the motion passed.

III. CORRESPONDENCE

None

IV. INFORMATIONAL ITEMS

None

V. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. *Third Party Administrator* – Director Paula Blas stated that the Retirement Fund's Legal Counsel and Great-West are working on a couple of procedural issues.
2. *Hybrid* – Director Blas stated that the options will be completed by next week.

Financial Report

1. *Contributions* – Director Blas reported 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 May 31, 2009 were closed.

VI. THIRD PARTY ADMINISTRATOR'S (TPA) REPORT

Director Blas stated that Alice Taijeron of Great-West Retirement Services (Great-West) has provided, at this meeting, the TPA Report for the month ending May 31, 2009 on the Defined Contribution Retirement System 401(a) Plan and the 457 Deferred Compensation Plan.

Trustee Antolina Leon Guerrero inquired about the participation by asset class on Page 1 of 2 of the report. Trustee Leon Guerrero asked whether the asset allocation show where members are at this time. Chairman San Agustin asked Ms. Taijeron to brief the Board on the TPA report. Ms. Taijeron stated the report shows participation. Ms. Taijeron stated that participations have become very conservative and that the participants know to move back out. Ms. Taijeron reported on the Large Cap Index 5 – Ms. Taijeron stated that participants are asking for more investment options. Treasurer Gerard Cruz asked what the participants are asking for. Ms. Taijeron replied, "Gold." Treasurer Cruz asked what the options are for the 457 participants. Ms. Taijeron stated that it is not recommended for them. Chairman San Agustin stated that the Board established investment options. Chairman San Agustin asked whether there are any recommendations from Great-West. Ms. Taijeron stated that there are none known and that if there are any known, the Board will be informed.

Chairman San Agustin asked how performance was. Ms. Tajeron stated that there were huge losses. Chairman San Agustin asked how Great-West is doing compared to other DC plans. Ms. Tajeron stated that she does not have that information. Chairman San Agustin inquired about the trend analysis. Ms. Tajeron stated that she does not have a comparison with other DC plans but that she could make this information available for the next Board meeting.

Vice-Chairman Wilfred Leon Guerrero inquired about BlackRock Aurora being a major buyer of Government of Guam bonds. Ms. Tajeron stated that she will verify that information.

Ms. Tajeron mentioned that notices will be sent out by July 31, 2009 regarding the change from BlackRock Aurora to Hartford.

VII. INVESTMENT COMMITTEE REPORT

Vice-Chairman Wilfred Leon Guerrero reported that the Investment Committee meeting was held on June 12, 2009. The Committee reviewed and approved the Investment Committee Minutes of May 15, 2009.

Hybrid Defined Benefit (DB)/Defined Contribution (DC) Plan: Vice-Chairman Leon Guerrero stated that due to the impact of market volatilities on the DC Plan, the Investment Committee previously requested that Milliman Consulting, Inc. (Milliman) provide an analysis/report of a Hybrid DB/DC Plan. Vice-Chairman Leon Guerrero stated that Mr. Richard Wright of Milliman, discussed the options for the Hybrid Plan at the April 24, 2009 Board meeting. Vice-Chairman Leon Guerrero stated that Management indicated that Milliman is still reviewing other options, which will be discussed with the Board when the reports are completed.

Chairman San Agustin inquired about the May 2009 Due Diligence minutes. Director Blas stated that transcription is partially completed.

Trustee George Santos, seconded by Trustee Antolina Leon Guerrero, moved to approve the Investment Committee report. Without objection, the motion passed.

VIII. OLD BUSINESS

A. Contribution Report – May 2009

Director Blas stated that Alice Tajeron of Great West Retirement Services (Great-West), submitted, for this meeting, a copy of the Defined Contribution (DC) Plan and the Deferred Compensation (457) Plan report for the month of May 2009.

Ms. Tajeron's report shows that the Defined Contribution Plan (DC) has 6,556 participants with a total contribution amount of \$871,646.66. The Deferred Compensation Plan (457) has 842 participants with a total contribution amount of \$102,549.81.

IX. NEW BUSINESS

None

X. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

XI. ANNOUNCEMENTS

None

XII. ADJOURNMENT

There being no further business before the Board for the Defined Contribution Plan, on motion of Treasurer Gerard Cruz, seconded by Trustee Antolina Leon Guerrero, and without objection, the meeting was adjourned at 12:41 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of June 29, 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