

GOVERNMENT OF GUAM  
**RETIREMENT FUND**  
 STABILITY · SECURITY · REWARDS  
**BOARD OF TRUSTEES**  
**Regular Meeting**  
 Friday, February 25, 2011, 12:00 p.m.  
 Retirement Fund Conference Room

Eddie Baza Calvo  
 Governor  
 Ray Tenorio  
 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 12:44 p.m. Friday, February 25, 2011, in the Retirement Fund Conference Room. Acting Chairman Wilfred P. Leon Guerrero officiated.

**Board of Trustees Present:**

Wilfred P. Leon Guerrero, Vice-Chairman  
 Antolina S. Leon Guerrero, Secretary  
 Gerard A. Cruz, Treasurer  
 Wilfred G. Aflague, Trustee  
 George A. Santos, Trustee

**Board of Trustees Absent:**

Joe T. San Agustin, Chairman  
 Katherine T.E. Taitano, Trustee

**Staff Present:**

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

**Public Present:**

Ricky Hernandez, Senator Ben Pangelinan's Office of Finance and Budget

## II. REVIEW AND APPROVAL OF BOARD MINUTES

### A. January 28, 2011 Regular Meeting

On motion of Trustee George Santos, seconded by Secretary Antolina Leon Guerrero, and without objection, the Minutes of January 28, 2011 Regular Meeting were approved, subject to technical corrections. Motion unanimously passed.

## III. CORRESPONDENCE

None

## IV. INFORMATIONAL ITEMS

None

## V. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. *Defined Benefit (DB)/Defined Contribution (DC) Plan Alternatives* – Director Paula Blas stated that the Members and Benefits (M&B) Committee met with the other members from the Legislature and the Retirement Fund's Legal Counsel on February 2, 2011. Director Blas stated that further discussion on this matter is deferred to the M&B Committee Report.

### Financial Report

1. *Contributions* – Director Blas stated that as of February 22, 2011, Guam Memorial Hospital Authority (GMHA) has not remitted contributions for ten (10) pay periods totaling \$1,121,718.63. Director Blas stated that all other agencies are current with their Fiscal Year 2011 employee and employer contributions. Director Blas stated that letters were sent to participants regarding GMHA's failure to remit retirement contributions. The Retirement Fund received several calls from participants inquiring as to what they can do. Director Blas stated that the participants were informed to check with their employer.

2. *Financial Statements* – Director Blas stated that the books for the month ending January 2011 were closed on February 18, 2011.

3. *Fiscal Year 2010 Audit* - Director Blas stated that the audit for Fiscal Year Ending September 30, 2010 has been completed. Final audit reports will be issued on Monday, February 28, 2011.

## VI. THIRD PARTY ADMINISTRATOR'S REPORT

### A. Contribution Report – January 2011

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 January 31, 2011 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan. Ms. Taijeron reported that she only had one participant visit their office and he was directed to visit his employer regarding GMHA's failure to remit retirement contributions.

Ms. Taijeron reported that the 401(a) Plan had total assets of \$238,866,932.31 as of January 31, 2011. There was an asset change of \$2,726,442.14 or a percentage change of 1.15% from December 31, 2010. The 457(b) Plan had total assets of \$19,909,075.88 as of January 31, 2011. The asset change was \$394,556.95 or a percentage change of 2.02% from December 31, 2010.

Ms. Taijeron reported that the 401(a) Plan had total contributions of \$2,137,151.66 as of January 31, 2011. There was a contribution change of \$273,557.39 or a percentage change of 14.68% from December 31, 2010. The 457(b) Plan had total contributions of \$306,313.19 as of January 31, 2011. There was a contribution change of \$59,082.84 or a percentage change of 23.90% from December 31, 2010.

Ms. Taijeron reported on participant statistics:

**401(a) Plan**

Active Participants with a Balance	10,667
Active Participants Contributing	6,521
Percent of Active Participants Contributing	64%
Full Withdrawals	107
Financial Hardships	6
First Contributions	20
Participants on Disability	51
Total Retiree Count (as of January 31, 2011)	330

Retiree Breakdown:

01/01/2011 – 01/31/2011	3
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**457(b) Plan**

Active Participants with a Balance	1,298
Active Participants Contributing	963
Percent of Active Participants Contributing	76%
Full Withdrawals	2
Outstanding Loans	245
New Loans Processed	14
First Contributions	4

Ms. Taijeron stated that the count of 107 Full Withdrawals was due to the change of administration. Ms. Taijeron stated that participants are encouraged not to withdraw their contributions. Treasurer Gerard Cruz inquired about Secure Foundation. Ms. Taijeron stated that there is one participant and it was a fund to fund transfer.

Ms. Taijeron stated that she will send letters regarding scheduling of on-site meetings. Ms. Taijeron stated that she will be meeting with Human Resources personnel of the various agencies.

Acting Chairman Leon Guerrero inquired about retrieving records of IRA withdrawals. Ms. Taijeron stated that it is filed with the Department of Revenue and Taxation. Great-West is responsible for record keeping. Acting Chairman Leon Guerrero mentioned that he has trouble obtaining records pertaining to his IRA withdrawals. Is there a fiduciary to maintain records? Ms. Taijeron stated that they (Asian Pacific) have a fiduciary on reporting requirements.

**VII. INVESTMENT COMMITTEE REPORT**

Acting Chairman Leon Guerrero reported that the Investment Committee meeting was held on February 11, 2011. The Committee reviewed and approved the Investment Committee Minutes of December 15, 2010 and January 14, 2011. Acting Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting, for quarter ended December 31, 2010, is scheduled for March 24, and 25, 2011.

**VIII. OLD BUSINESS**

None

**IX. NEW BUSINESS**

None

**X. OPEN DISCUSSION / GENERAL PUBLIC INPUT**

None

**XI. ANNOUNCEMENTS**

None

**XII. ADJOURNMENT**

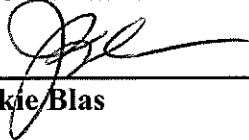
**There being no further business before the Board for the Defined Contribution Plan, on motion of Trustee Antolina Leon Guerrero, seconded by Trustee George Santos, and without objection, the meeting was adjourned at 1:10 p.m. Motion unanimously passed.**

**I hereby certify that the foregoing is a full, true and correct copy of the Minutes of February 25, 2011 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on March 25, 2011.**



**ANTOLINA S. LEON GUERRERO, Board Secretary**

**RECORDING SECRETARY:**



**Jackie Blas**