



GOVERNMENT OF GUAM  
**RETIREMENT FUND**  
 STABILITY · SECURITY · REWARDS

**BOARD OF TRUSTEES**  
**Regular Meeting**  
 Friday, March 30, 2012, 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 12:17 p.m. Friday, March 30, 2012, 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  
 Antolina S. Leon Guerrero, Secretary  
 Gerard A. Cruz, Treasurer  
 Wilfred G. Aflague, Trustee  
 George A. Santos, Trustee

**Board of Trustees Absent:**

Katherine T.E. Taitano, Trustee (*Excused*)

**Staff Present:**

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

**Legal Counsel Present:**

Joanne Grimes & Elyze McDonald Iriarte, Carlsmith Ball LLP

**Actuarial Consultant Present:**

Richard Wright, Milliman, Inc.

**Public Present:**

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

## II. REVIEW AND APPROVAL OF BOARD MINUTES

### A. February 24, 2012 Regular Meeting

On motion of Trustee George Santos, seconded by Secretary Antolina Leon Guerrero, and without objection, the Minutes of February 24, 2012 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 Retirement Fund's Legal Counsel prepared draft legislation to create and implement the DB/DC Hybrid Plan. This draft was provided to the Board at the March 29, 2012 working session for their review and discussion. Director Blas stated that this item will be discussed under the DB Plan Meeting.

### Financial Report

1. *Contributions* – Director Blas stated that as of March 27, 2012, all agencies are current with their Fiscal Year 2012 employee and employer contributions.

2. *Financial Statements* – Director Blas stated that the books for the month ending January 2012 were closed on March 8, 2012. The books for the month ending February 2012 were closed today.

## VI. THIRD PARTY ADMINISTRATOR'S REPORT

### A. Contribution Report – February 2012

Director Blas stated that Alice Taijeron of Great-West Retirement Services (Great-West) provided at this meeting, the TPA Report for the month ending February 29, 2012 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan.

Ms. Taijeron stated that the assets increased in the 401(a) Plan by \$9.8 Million with a percentage change of 3.76%. The 457 Plan increased by \$1.0 Million with a percentage change of 4.59%. Chairman San Agustin inquired about the Maxim Secure Foundation's change in assets. Ms. Taijeron stated that it is from the participants making a withdrawal. Chairman San Agustin stated that he is concerned with the drastic change in assets. Ms. Taijeron stated that it is also from the lump sum transfers. Director Blas stated that the change in assets is due to contributions and transfers. Treasurer Gerard Cruz stated that we should expect transfers into Secure Foundation.

Chairman San Agustin asked where the increase in assets go. Treasurer Cruz stated that it goes into the Target Date Funds. Ms. Taijeron stated that it is by default. Chairman San Agustin stated that he is concerned that the participants are taking a risk. Ms. Taijeron stated that she does schedule meetings with the participants. Ms. Taijeron stated that she met with 240 participants on the 457 Plan. Ms. Taijeron stated that there is a new meeting schedule which includes on-site and in-house meetings.

Thursday mornings are set aside for orientation for new employees and 3:00 to 5:00 p.m. is specifically set aside for Department of Education (DOE) employees. Ms. Tajeron stated that she is also working on getting the current DB members to participate in the 457 Plan. Chairman San Agustin inquired about the level of participation in the 457 Plan. Ms. Tajeron stated that it is high.

Ms. Tajeron mentioned that she has a new staff on board – Grace Atalig who is currently working on obtaining her MBA.

## **VII. INVESTMENT COMMITTEE REPORT**

Vice Chairman Wilfred Leon Guerrero reported that the Investment Committee meeting was held on March 9, 2012. The Committee reviewed and approved the Investment Committee Minutes of February 23, 2012. Vice Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting is scheduled for April 26, 2012.

## **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 George Santos, seconded by Secretary Antolina Leon Guerrero, and without objection, the meeting was adjourned at 12:39 p.m. Motion unanimously passed.**

**I hereby certify that the foregoing is a full, true and correct copy of the Minutes of March 30, 2012 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on April 26, 2012.**



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

## **RECORDING SECRETARY:**



---

**Jackie Blas**