



GOVERNMENT OF GUAM
RETIREMENT FUND
 STABILITY · SECURITY · REWARDS

Eddie Baza Calvo
 Governor

Ray Tenorio
 Lieutenant Governor

Paula M. Blas
 Director

BOARD OF TRUSTEES
Regular Meeting
 Friday, December 28, 2012, 12:00 p.m.
 Retirement Fund Conference Room

MINUTES

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

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 12:35 p.m. Friday, December 28, 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
- George A. Santos, Trustee
- Katherine T.E. Taitano, Trustee

Staff Present:

- Paula Blas, Director
- Rosalia Bordallo, General Accounting Supervisor
- Jackie Blas, Recording Secretary
- Alice Tajeron, Great-West Retirement Services

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. November 30, 2012 Regular Meeting

On motion of Trustee George Santos, seconded by Secretary Antolina Leon Guerrero, and without objection, the Minutes of November 30, 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 Bill 453-31 was not acted on in the 31st Guam Legislature. Therefore, Bill 453-31 will have to be reintroduced in the 32nd Guam Legislature.

Financial Report

1. **Contributions** - Director Blas stated that as of December 26, 2012, all agencies are current with their Fiscal Year 2013 employee and employer contributions.

2. **Financial Statements** - Director Blas stated that the books for the month ending October 2012 were closed on December 13, 2012.

3. **Fiscal Year 2012 Audit** - Director Blas stated that the audit for Fiscal Year ending September 30, 2012 will commence in January 2013. Final audit reports are scheduled to be issued no later than February 28, 2013.

VI. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report - November 2012

Director Blas stated that Alice Taijeron of Great-West Retirement Services (Great-West) provided the TPA Report for the month ending November 30, 2012 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan. Ms. Taijeron reported that there was an increase in assets, contributions are up to date, there are no new participants on disability, there are five (5) new retirees, and Great-West conducted 29 agency education seminars.

Ms. Taijeron stated that there are 23 new participants on the 457 Plan and 21 new loans processed. Ms. Taijeron stated that, per Chairman San Agustin's inquiry on participant diversification, 70% of 401(a) Plan participants and 37% of the 457 Plan participants allocate to the BlackRock LifePath funds.

Chairman San Agustin inquired about the Fiscal Cliff. Ms. Taijeron stated that their Denver Call Center is prepared to field questions regarding the Fiscal Cliff. Ms. Taijeron stated that she had only received one (1) inquiry regarding the Fiscal Cliff. There are only a few participants that are aware of the impact of the Fiscal Cliff. Ms. Taijeron stated that she is informing the participants that the Fiscal

Cliff might impact their tax liability and that they should view their retirement as a long term type of investment and to increase their contributions so it will lower their taxes next year. Ms. Taijeron stated that participants are encouraged not to take distributions if at all possible so that the participant will not incur the taxes and potential penalties.

VII. INVESTMENT COMMITTEE REPORT

Vice Chairman Wilfred Leon Guerrero reported that the regular Investment Committee Meeting was held on December 28, 2012. The Committee tabled the minutes of the November 29, 2012 Regular Investment Committee Meeting, and the minutes of the October 25, 2012 Due Diligence Meeting for the Quarter Ended September 30, 2012.

Quarter Ending December 31, 2012 Performance Meeting – Vice Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting is scheduled for January 24-25, 2013.

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 12:50 p.m. Motion unanimously passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of December 28, 2012 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on January 25, 2013.



ANTOLINA S. LEON GUERRERO, Board Secretary

RECORDING SECRETARY:



Jackie Blas