

Government of Guam Retirement Fund

*MEMBERS' AND BENEFITS
COMMITTEE*

*OCTOBER, 2004
END OF MONTH REPORT*



George A. Santos
Members' & Benefits Committee, Chairman

Katherine T.E. Taitano
Members' & Benefits Committee, Vice-Chairperson

Gerard A. Cruz
Trustee

November 12, 2004

MEMORANDUM

TO: Chairman, Board of Trustees
Government of Guam Retirement Fund

FROM: Chairman, Members' and Benefits Committee
Government of Guam Retirement Fund

SUBJECT: October, 2004 – End of Month Report

Please find attached the Members' and Benefits Committee's October, 2004 - End of Month Report. This report accurately highlights the significant activities and action items reviewed and administered to during the October period.

Of particular interest is our recommendation to approve a resolution which reaffirms our commitment to adopting the AMA (American Medical Association) standards as our guide to act on applications dealing with medical disabilities and related matters.

Should you require further information concerning this report, feel free to contact me at your earliest convenience.

GEORGE A. SANTOS

I. TOTAL MEMBERS SERVED:

A. No. of Active Members	1. Defined Benefits	4,842	
	2. Defined Contributions	5,482	10,324
B. No. of Retirees	1. Defined Benefits	6,746	
	2. Defined Contributions	<u>106</u>	<u>6,852</u>
			17,176

II. TOTAL STAFFING

A. Benefit Services Department	1. Budget 2005	- 11	8
B. Members' Services Department	2. Budget 2005	- 11	<u>6</u>
			14

III. TOTAL CASES PENDING

A.	Section 8119 Applicants	Pre 10/01/81	20/25/60	
	Section 8120 Applicants	Post 10/01/81	25/30/60	
	Section 8120.1 Applicants	Post 08/22/84	25/30/65	
1.	Age Retirement	A. Regular	2	
		B. ERIP	0	
		C. Optional	2	4
2.	Service Retirement	A. Regular	10	
		B. ERIP	0	10
B.	Section 8123 Applicants.	Medical Disability		9
C.	Section 8126 Applicants.	Medical Appeals		4
D.	Section 8130 Applicants.	Deferred Age		1
E.	Section 8134 Applicants.	(a) Surviving Spouse		7
		(a).3 Minor Children		<u>1</u>
		TOTAL CASES REVIEWED		36

IV. REVIEW AND FINDINGS

Based on our review and findings during our meeting of October 15, 2004 and continuation meetings pertaining thereto, the following applications are recommended for **APPROVAL** to the Board of Trustee:

1. AGE RETIREMENT APPLICANTS (§ 8119, 8120, and 8120.1)

a. Name: George H. Peredo
Date of Birth:
Department: Guam Memorial Hospital Authority
Length of Service: 07 Years 09 Months 15 Days
Service Factor: 7.791
Average Annual Salary: \$ 23,428.15
Annual Annuity: \$ 3,650.64
Percentage Earned: 15.5822802
Effective Date: May 08, 1999

b. Name: Deanna L. Warwick
Date of Birth:
Department: Department of Education
Length of Service: 05 Years 02 Months 15 Days
Service Factor: 5.208
Average Annual Salary: \$ 34,709.59
Annual Annuity: \$ 3,615.36
Percentage Earned: 10.416026
Effective Date: June 17, 1999

2. Optional Service Retirement Applicants

a. Name: Pauline N. Cruz
Date of Birth:
Department: Department of Education
Length of Service: 22 Years 09 Months 15 Days
Service Factor: 22.791
Average Annual Salary: \$ 25,183.11
Annual Annuity: \$ 8,573.76
Percentage Earned: 34.045675
Effective Date: July 06, 2004

b. Name: Joseph SN Duenas
Date of Birth:
Department: Guam Water Works Authority
Length of Service: 24 Years 03 Months 00 Days
Service Factor: 24.250
Average Annual Salary: \$ 71,504.20
Annual Annuity: \$ 23,566.32
Percentage Earned: 32.957952
Effective Date: January 01, 1999

3. Service Retirement Applicants (Regular)

a. Name: Teresita P. Balajadia
Date of Birth:
Department: Guam Telephone Authority
Length of Service: 27 Years 02 Months 15 Days
Service Factor: 27.208
Average Annual Salary: \$ 29,153.74
Annual Annuity: \$ 18,372.72
Percentage Earned: 63.0201133
Effective Date: February 01, 1997

b. Name: Pelagia M. Barrogo
Date of Birth:
Department: Public Health & Social Service
Length of Service: 33 Years 05 Months 00 Days
Service Factor: 33.416
Average Annual Salary: \$ 36,121.60
Annual Annuity: \$ 28,369.92
Percentage Earned: 78.5400425
Effective Date: October 01, 2003

c. Name: Richard E. Burkhart
Date of Birth:
Department: Department of Education
Length of Service: 26 Years 06 Months 00 Days
Service Factor: 26.500
Average Annual Salary: \$ 44,347.80
Annual Annuity: \$ 27,162.96
Percentage Earned: 61.2498477
Effective Date: August 14, 2004

- d. Name: Juan C. Cruz
Date of Birth:
Department: Guam Water Works Authority
Length of Service: 30 Years 06 Months 15 Days
Service Factor: 30.541
Average Annual Salary: \$ 43,336.80
Annual Annuity: \$ 30,921.84
Percentage Earned: 71.3523841
Effective Date: October 01, 1999
- e. Name: Steve B. Duenas
Date of Birth:
Department: Department of Education
Length of Service: 26 Years 09 Months 00 Days
Service Factor: 26.750
Average Annual Salary: \$ 25,373.33
Annual Annuity: \$ 15,699.84
Percentage Earned: 61.8753628
Effective Date: August 01, 1998
- f. Name: Tita B. Malanum
Date of Birth:
Department: Public Health & Social Services
Length of Service: 25 Years 09 Months 15 Days
Service Factor: 25.791
Average Annual Salary: \$ 34,077.87
Annual Annuity: \$ 20,268.72
Percentage Earned: 59.477661
Effective Date: October 01, 2003
- g. Name: Roque G. Perez
Date of Birth:
Department: Department of Public Works
Length of Service: 30 Years 05 Months 00 Days
Service Factor: 30.416
Average Annual Salary: \$ 52,158.56
Annual Annuity: \$ 37,053.36
Percentage Earned: 71.0398446
Effective Date: January 30, 1999

h. Name: Joseph G. Salas
Date of Birth:
Department: Guam Power Authority
Length of Service: 25 Years 08 Months 15 Days
Service Factor: 25.708
Average Annual Salary: \$ 68,004.34
Annual Annuity: \$ 40,306.08
Percentage Earned: 59.2698642
Effective Date: May 14, 1999

i. Name: Edward C. San Nicolas
Date of Birth:
Department: Department of Education
Length of Service: 36 Years 00 Months 00 Days
Service Factor: 36.000
Average Annual Salary: \$ 40,216.49
Annual Annuity: \$ 34,183.92
Percentage Earned: 85.000000
Effective Date: July 17, 1999

j. Name: Peter M. Santos
Date of Birth:
Department: Department of Pubic Works
Length of Service: 29 Years 05 Months 00 Days
Service Factor: 29.416
Average Annual Salary: \$ 50,402.01
Annual Annuity: \$ 34,545.60
Percentage Earned: 68.5401236
Effective Date: October 01, 1999

B. SECTION 8123 APPLICANTS, MEDICAL DISABILITY - For Interview/Review

1. Name: Mary RF Untalan
Date of Birth:
Department: Department of Education
Length of Service: 11 Years 02 Months 15 Days
Date of Application: July 06, 2004

C. SECTION 8126, MEDICAL DISABILITY - For Appeal

1. Name: Joseph B. Cepeda
Date of Birth:
Department: Guam Economic Development Authority
Length of Service: 18 Years 02 Months 15 Days
Date of Application: March 03, 2003

D. SECTION 8130 APPLICANTS WITHOUT SURVIVOR'S ANNUITY

1. Deferred Age

a. Name: Carol V. McCulloch
Date of Birth:
Department: Department of Education
Length of Service: 13 Years 04 Months 00 Days
Service Factor: 13.333
Average Annual Salary: \$ 42,847.98
Annual Annuity: \$ 12,139.92
Percentage Earned: 28.3325374
Effective Date: August 13, 2004

E. SECTION 8134 APPLICANTS

a. SURVIVOR ANNUITY APPLICANTS

1. Name: Anthony T. Diaz
Date of Death: July 11, 2004
Annuity Due Decease: \$16,866.00
Surviving Spouse: Maria T. Diaz
Survivor's Annuity: \$ 8,433.12
Percentage Earned: 50%
Effective Date: July 11, 2004

2. Name: Robert K. Binford
Date of Death: July 11, 2004
Annuity Due Decease: \$17,041.44
Surviving Spouse: Anne M. Binford
Survivor's Annuity: \$ 8,520.72
Percentage Earned: 50%
Effective Date: July 11, 2004

3. Name: Tomas R. Fejeran
Date of Death: September 05, 2004
Annuity Due Decease: \$11,408.88
Surviving Spouse: Lourdes B. Fejeran
Survivor's Annuity: \$ 5,704.56
Percentage Earned: 50%
Effective Date: September 05, 2004

4. Name: Jack L. Neuber
Date of Death: June 08, 2004
Annuity Due Decease: \$30,052.80
Surviving Spouse: Nora A. Neuber
Survivor's Annuity: \$15,026.40
Percentage Earned: 50%
Effective Date: June 08, 2004

5. Name: Vicente D. Quitariano
Date of Death: September 04, 2004
Annuity Due Decease: \$30,335.76
Surviving Spouse: Alejandrina D. Quitariano
Survivor's Annuity: \$15,168.00
Percentage Earned: 50%
Effective Date: September 04, 2004

6. Name: Felix SA San Agustin
Date of Death: May 17, 2000
Annuity Due Decease: \$47,076.48
Surviving Spouse: Frances SN San Agustin
Survivor's Annuity: \$23,538.24
Percentage Earned: 50%
Effective Date: May 17, 2000

7. Name: Francisco SN Taijeron
Date of Death: September 05, 2004
Annuity Due Decease: \$37,164.96
Surviving Spouse: Beatrice F. Taijeron
Survivor's Annuity: \$18,582.48
Percentage Earned: 50%
Effective Date: September 05, 2004

Furthermore, the Committee recommends that the following application be **TABLED** pending completion of lawsuit filed against the Fund.

1. Section 8126, MEDICAL DISABILITY Applicant (for Appeal)

1. Name: David J. Lubofsky
Date of Birth:
Department: Department of Education
Length of Service: 12 Years 07 Months 15 Days
Date of Application: March 25, 2003

V. REVIEW AND FINDINGS (Correspondences)

1. **COR 04-7** RE: Oliver D. Wood

Request: To review the formula for annuity computation, pursuant to Title 4, Chapter 8, §8122.

(1) An amount equal to two percent (2.0%) of average annual salary for each of the first ten (10) years of credited service, and two and one-half percent (2.5%) of average annual salary for each year, or part thereof, of credited service over ten (10) years:

Service History:

Guam Power Authority	07/20/80 to 10/10/98
Guam Legislature	10/30/95 to 09/30/96
Military Credit Purchased (§8108)	03 Years 00 Months 00 Days
Education Credit Purchased (PL18-46)	<u>03 Years 09 Months 00 Days</u>
Retired 09/30/96	25 Years 00 Months 15 Days

Annuity Benefits:

Semi-Monthly Annuity	\$ 1,872.19
Monthly Annuity	\$ 3,744.38
Annual Annuity	\$ 44,932.56

Discussion: The Fund has requested legal counsel to review this statute and render an opinion. The findings have concluded that the Fund has been consistent with prior and current interpretation, implementation and calculations of the pro-rated credited services, in achievement of individual retirement annuity benefits.

Findings: The committee reaffirms the action of the Fund pursuant to §8122, Title 4, Guam Code Annotated and therefore, we recommend **DISAPPROVAL** of this request.

2. **COR 04-8** RE: William Don Parkinson

Request: To review the formula for annuity computation, pursuant to Title 4, Chapter 8, §8122.

(1) An amount equal to two percent (2.0%) of average annual salary for each of the first ten (10) years of credited service, and two and one-half percent (2.5%) of average annual salary for each year, or part thereof, of credited service over ten (10) years:

Service History:

Department of Law	02/15/76 to 08/26/77
Guam Legislature	01/03/83 to 05/02/94
Military Credit Purchased (§8108)	02 Years 10 Months 00 Days
Education Credit Purchased (PL18-46)	<u>06 Years 09 Months 00 Days</u>
Retired 09/30/96	25 Years 00 Months 00 Days

Annuity Benefits:

Semi-Monthly Annuity	\$ 2,056.50
Monthly Annuity	\$ 4,113.00
Annual Annuity	\$ 49,356.00

Discussion: The Fund has requested legal counsel to review this statute and render an opinion. The findings have concluded that the Fund has been consistent with prior and current interpretation, implementation and calculations of the pro-rated credited services, in achievement of individual retirement annuity benefits.

Findings: The committee reaffirms the action of the Fund pursuant to §8122, Title 4, Guam Code Annotated and therefore, we recommend **DISAPPROVAL** of this request.