

Government of Guam Retirement Fund

*MEMBERS' AND BENEFITS
COMMITTEE*

*SEPTEMBER, 2004
END OF MONTH REPORT*

R
GOVERNMENT OF GUAM
RETIREMENT FUND
S T A B I L I T Y · S E C U R I T Y · R E W A R D S

October 08, 2004

MEMORANDUM

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

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

SUBJECT: September, 2004 – End of Month Report

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

Worthy of note is our recommendations to correspondences referred to our Committee by the Board of Trustees or the Director of the Retirement Fund. This is a new item in our report and as such, requires board ratification to complete their disposition.

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


GEORGE A. SANTOS

Felix P. Camacho
Governor

Kaleo S. Moylan
Lieutenant Governor

Wilfred G. Aflague
Director

Trustees:

Joe T. San Agustin
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Dr. Wilfred P. Leon Guerrero
Vice-Chairman
Investment Committee, Chairman

James J. Taylor, Ph.D.
Secretary
Investment Committee, Vice-Chairman

Katherine T.E. Taitano
Trustee
Treasurer

George A. Santos
Trustee
Members' & Benefits Committee, Chairman

Anthony C. Blaz
Trustee
Audit & Operations Committee, Chairman

Gerard A. Cruz
Trustee

I. TOTAL MEMBERS SERVED:

A. NO. of Active Members	1. Defined Benefits	4,954	
	2. Defined Contributions	5,289	10,243
B. NO. of Retirees	1. Defined Benefits	6,725	
	2. Defined Contributions	<u>105</u>	<u>6,830</u>
			17,073

II. TOTAL STAFFING

A. Benefit Services Department	1. Budget 2004	- 12	8
B. Members' Services Department	2. Budget 2004	- 8	<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	7
		B. ERIP	0
		C. Optional	2
			9
2.	Service Retirement	A. Regular	11
		B. ERIP	1
			12
B.	Section 8123 Applicants. Medical Disability		14
C.	Section 8126 Applicants. Medical Appeals		4
D.	Section 8130 Applicants. Deferred Age		1
E.	Section 8134 Applicants. (a) Surviving Spouse		5
	(a).3 Minor Children		<u>3</u>
		TOTAL CASES REVIEWED	48

IV. REVIEW AND FINDINGS

Based on our review and findings during our meeting of September 17, 2004 and continuation meetings pertaining thereto, the following applications are recommended for **APPROVAL** to the Board of Trustees:

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

- a. Name: John D. Estes
Date of Birth:
Department: Mental Health & Substance Abuse
Length of Service: 16 Years 05 Months 00 Days
Service Factor: 16.416
Average Annual Salary: \$ 64,890.56
Annual Annuity: \$ 23,386.56
Percentage Earned: 36.0400003
Effective Date: October 01, 1997

- b. Name: James W. Friedenbach
Date of Birth:
Department: University of Guam
Length of Service: 12 Years 03 Months 15 Days
Service Factor: 12.291
Average Annual Salary: \$ 57,186.34
Annual Annuity: \$ 14,712.72
Percentage Earned: 25.727682
Effective Date: January 30, 1999

- c. Name: Jesusa C. Mendiola
Date of Birth:
Department: Department of Education
Length of Service: 11 Years 10 Months 15 Days
Service Factor: 11.875
Average Annual Salary: \$ 28,954.01
Annual Annuity: \$ 7,147.92
Percentage Earned: 24.687150
Effective Date: August 14, 2004

- d. Name: Ramon C. Ocampo
Date of Birth:
Department: Department of Public Works
Length of Service: 14 Years 10 Months 15 Days
Service Factor: 14.875
Average Annual Salary: \$ 45,517.45
Annual Annuity: \$ 14,651.04
Percentage Earned: 32.187743
Effective Date: October 01, 1998
- e. Name: Teresita D. Quinata
Date of Birth:
Department: Department of Education
Length of Service: 11 Years 08 Months 00 Days
Service Factor: 11.666
Average Annual Salary: \$ 21,072.47
Annual Annuity: \$ 5,092.08
Percentage Earned: 24.164609
Effective Date: August 01, 2004
- f. Name: William F. Rymer
Date of Birth:
Department: Department of Education
Length of Service: 14 Years 10 Months 00 Days
Service Factor: 14.833
Average Annual Salary: \$ 60,772.53
Annual Annuity: \$ 19,497.36
Percentage Earned: 32.082521
Effective Date: July 10, 1999
- g. Name: John E. Strattard
Date of Birth:
Department: Department of Corrections
Length of Service: 17 Years 05 Months 00 Days
Service Factor: 17.416
Average Annual Salary: \$ 41,682.41
Annual Annuity: \$ 13,654.80
Percentage Earned: 32.759142
Effective Date: May 30, 1998

2. OPTIONAL SERVICE RETIREMENT APPLICANTS

- a. Name: Francisca P. Bernardo
Date of Birth:
Department: Department of Education
Length of Service: 24 Years 09 Months 00 Days
Service Factor: 24.750
Average Annual Salary: \$ 38,851.82
Annual Annuity: \$ 16,130.88
Percentage Earned: 41.518981
Effective Date: October 08, 1997
- b. Name: Arthur W. Meilicke
Date of Birth:
Department: Department of Education
Length of Service: 20 Years 05 Months 15 Days
Service Factor: 20.458
Average Annual Salary: \$ 34,189.28
Annual Annuity: \$ 13,883.52
Percentage Earned: 40.607816
Effective Date: September 13, 1997

3. SERVICE RETIREMENT APPLICANTS (REGULAR)

- a. Name: William M. Aguigui
Date of Birth:
Department: Department of Public Works
Length of Service: 28 Years 02 Months 15 Days
Service Factor: 28.208
Average Annual Salary: \$ 53,064.30
Annual Annuity: \$ 34,767.84
Percentage Earned: 65.5202085
Effective Date: July 26, 2003
- b. Name: Francisco R. Agulto
Date of Birth:
Department: Guam Telephone Authority
Length of Service: 25 Years 09 Months 00 Days
Service Factor: 25.750
Average Annual Salary: \$ 70,061.41
Annual Annuity: \$ 41,598.96
Percentage Earned: 59.3749968
Effective Date: October 01, 1997

- c. Name: Isabel N. Chargualaf
Date of Birth:
Department: Department of Education
Length of Service: 27 Years 03 Months 00 Days
Service Factor: 27.250
Average Annual Salary: \$ 27,063.93
Annual Annuity: \$ 17,084.16
Percentage Earned: 63.1252002
Effective Date: October 01, 1997
- d. Name: Isidro M. Contreras
Date of Birth:
Department: Guam Water Works Authority
Length of Service: 25 Years 06 Months 00 Days
Service Factor: 25.500
Average Annual Salary: \$ 38,025.52
Annual Annuity: \$ 22,339.92
Percentage Earned: 58.7498080
Effective Date: October 01, 1998
- e. Name: Mary B. Mafnas
Date of Birth:
Department: Department of Education
Length of Service: 27 Years 11 Months 15 Days
Service Factor: 27.958
Average Annual Salary: \$ 64,545.87
Annual Annuity: \$ 41,886.96
Percentage Earned: 64.8948724
Effective Date: August 01, 2004
- f. Name: Virgilio L. Obias
Date of Birth:
Department: Guam Environmental Protection Agency
Length of Service: 31 Years 03 Months 15 Days
Service Factor: 31.291
Average Annual Salary: \$ 61,515.33
Annual Annuity: \$ 45,046.08
Percentage Earned: 73.227405
Effective Date: October 01, 1997

- g. Name: Anthony C. Pangelinan
Date of Birth:
Department: Guam Water Works Authority
Length of Service: 27 Years 04 Months 15 Days
Service Factor: 27.375
Average Annual Salary: \$ 58,931.94
Annual Annuity: \$ 37,385.04
Percentage Earned: 63.4376536
Effective Date: June 21, 1998
- h. Name: Julia M. Parks
Date of Birth:
Department: Department of Education
Length of Service: 26 Years 09 Months 15 Days
Service Factor: 26.791
Average Annual Salary: \$ 36,253.70
Annual Annuity: \$ 22,469.04
Percentage Earned: 61.9772326
Effective Date: October 01, 2003
- i. Name: Rosie R. Tainatongo
Date of Birth:
Department: Department of Education
Length of Service: 36 Years 00 Months 00 Days
Service Factor: 36.000
Average Annual Salary: \$ 102,827.21
Annual Annuity: \$ 87,403.20
Percentage Earned: 85.000000
Effective Date: January 01, 2003
- j. Name: David G. Watt
Date of Birth:
Department: Guam Community College
Length of Service: 32 Years 07 Months 15 Days
Service Factor: 32.625
Average Annual Salary: \$ 79,805.84
Annual Annuity: \$ 61,101.36
Percentage Earned: 76.5625172
Effective Date: July 04, 1998

k. Name: Glenna F. Woodruff
Date of Birth:
Department: Department of Education
Length of Service: 25 Years 04 Months 15 Days
Service Factor: 25.375
Average Annual Salary: \$ 59,266.97
Annual Annuity: \$ 34,634.16
Percentage Earned: 58.437541
Effective Date: June 26, 2004

4. SERVICE RETIREMENT APPLICANT (EARLY RETIREMENT INCENTIVE PROGRAM)

a. Name: Francisco C. Quitugua
Date of Birth:
Department: Superior Court of Guam
Length of Service: 25 Years 10 Months 15 Days
Service Factor: 25.875
Average Annual Salary: \$ 45,977.66
Annual Annuity: \$ 27,442.80
Percentage Earned: 59.6872481
Effective Date: October 01, 1999

2. SECTION 8123 APPLICANTS, MEDICAL DISABILITY

1. Name: John S. San Agustin
Date of Birth:
Department: Dept. of Parks and Recreation
Length of Service: 21 Years 02 Months 00 Days
Date of Application: July 19, 2004
2. Name: Charles A.S. Taitingfong
Date of Birth:
Department: Port Authority of Guam
Length of Service: 06 Years 02 Months 00 Days
Date of Application: July 14, 2004

3. SECTION 8130 DEFERRED AGE APPLICANT

1. Name: Glenn E. Eldh
Date of Birth:
Department: Department of Education
Length of Service: 20 Years 09 Months 15 Days
Service Factor: 20.791
Average Annual Salary: \$ 41,685.51
Annual Annuity: \$ 19,582.80
Percentage Earned: 46.977474
Effective Date: July 11, 2002

4. SECTION 8134 SURVIVOR ANNUITY APPLICANTS

1. Name: Patricia BV Agualo
Date of Death: June 09, 1998
Annuity Due Decease: \$17,033.76
Surviving Spouse: Andrew N. Agualo
Survivor's Annuity: \$ 8,516.88
Percentage Earned: 50%
Effective Date: June 09, 1998

2. Name: Ernie V. Arile
Date of Death: August 05, 2004
Annuity Due Decease: \$14,201.04
Surviving Spouse: Eufrocina M. Arile
Survivor's Annuity: \$ 7,100.64
Percentage Earned: 50%
Effective Date: August 05, 2004

3. Name: Ronald M. Krull
Date of Death: August 02, 2004
Annuity Due Decease: \$38,901.84
Surviving Spouse: Deborah Krull
Survivor's Annuity: \$19,451.04
Percentage Earned: 50%
Effective Date: August 02, 2004

4. Name: Prizitta D. Macaraeg
Date of Death: August 01, 2004
Annuity Due Decease: \$24,568.80
Surviving Spouse: Godofredo G. Macaraeg
Survivor's Annuity: \$12,284.40
Percentage Earned: 50%
Effective Date: August 01, 2004

5. Name: Servina T. Salas
Date of Death: August 14, 2004
Annuity Due Decease: \$12,388.08
Surviving Spouse: Pedro C. Salas
Survivor's Annuity: \$ 6,194.16
Percentage Earned: 50%
Effective Date: August 14, 2004

b. **MINOR CHILDREN SURVIVOR APPLICANTS**

1. Name: Jo-Jo T. Benavente
Date of Birth:
Name of Retiree: Maria LG Benavente
Department: Guam Memorial Hospital Authority
Survivor's Annuity: \$

2. Name: Brandon L. Mendiola
Date of Birth:
Name of Retiree: Esther M. Mendiola
Department: Guam Legislature
Survivor's Annuity: \$

Furthermore, the Committee recommends **DISAPPROVAL** for the following applications:

1. **Section 8123 Applicants**

1. Name: Henry D. Leon Guerrero
Date of Birth:
Department: Guam Housing and Urban Renewal Authority
Length of Service: 14 Years 07 Months 00 Days
Date of Application: July 29, 2004

V. REVIEW AND FINDINGS (Correspondences)

1. **COR 04-1** RE: Glenna F. Woodruff
- Request: To obtain credit under the Early Retirement Incentive Program (ERIP) Under PL 25-98.
- Discussion: Eligibility for ERIP requires that an applicant must have applied for such Credit from October 1, 1999 to January 7, 2000.
- Findings: Ms. Woodruff did not file an application during the eligibility period, therefore, we recommend **DISAPPROVAL** of this request.
2. **COR 04-2** RE: Lorraine A. Underwood
- Request: To pay remaining balance of education credit identified by promissory note no. 1720.
- Discussion: Promissory note executed on February 23, 1991. Bi-weekly payments discontinued in July 24, 2004. Since that time, a fire at the Retirement Fund destroyed her records and many years of miscommunications between Ms. Underwood and the Fund.
- Findings: Evidence suggests that administrative error may have occurred between Ms. Underwood and the Fund. However, Ms. Underwood is equally at fault under the terms and conditions outlined in the Promissory Note. Therefore, we recommend **CONDITIONAL APPROVAL** subject to repayment of the balance within thirty (30) days of notice.
3. **COR 04-3** RE: John R. Rider
- Request: Mr. Rider is petitioning the Fund for retirement service credits for contractual services he provided to the University of Guam from September 1991 through December 1993.
- Discussion: Pursuant to §8106. Same. Ineligible Persons. The following employees shall not be eligible for membership:
- (a) Persons whose services are compensated on a fee basis.
 - (b) Independent contractors.
 - (c) Persons whose employment is for a specific project.
 - (d) Persons who are employed in the Senior Citizens Community Employment Program.

Findings: Mr. Rider is ineligible for credit subject to the criteria pursuant to §8106, Title 4, Guam Code Annotated, therefore, we recommend DISAPPROVAL of this request.

4. **COR 04-4** Robin P. Roberson

Request: To obtain prorated interest payment on contributions withdrawn July 26, 2004 (for period October 2003 to June 2003).

Discussion: §8164. Contribution Reserves and Accounts.
(a) Members Contribution Reserve. The amounts contributed by the members shall be credited to this reserve, together with regular interest thereon as herein provided. An individual account shall be maintained for each member, on which shall be credited the amounts of his contributions and interest thereon. Regular interest on such contributions shall be credited annually, as of the close of each year and shall be allowed only on the amount of the accumulated contributions standing to the credit of each member at the close of each year. A statement of account shall be issued to each member, annually, as of the end of each fiscal year, showing the amount of his accumulated contributions plus interest.

Findings: The committee reaffirms the action of the Fund pursuant to §8164, Title 4, Guam Code Annotated and therefore recommends DISAPPROVAL of this request.

5. **COR 04-5** RE: Julie Lujan-Torres

Request: Mrs. Lujan-Torres has submitted her letter dated July 29, 2004, requesting to continue payment for Re-deposit service credit identified under promissory note no. 2982 executed December 15, 1995 with a completion date of December 14, 2002.

Discussion: Pursuant to the Regulations Concerning Claims To Obtain Service Credits. 5.4 Installment Payment Limitations and Restrictions, members who have entered into a promissory note payment arrangement, and due to financial reasons, may present written justification for extension of the final payment date indicated on such promissory note. Members granted this request would require the Fund to calculate the appropriate interest incurred through the duration of the promissory note extended date of final payment received by the Fund.

Findings: Mrs. Lujan-Torres has made "good faith" efforts in living up to her part of the agreement based on the circumstances presented and therefore, we recommend APPROVAL of her request.

6. COR 04-6 RE: Rosario U. Perez

Request: To forgive overpayment owed due to administrative error.

Discussion: Overpayment of Minor Child Stipend for period November 30, 2001 to June 30, 2004 in the amount of \$5,670.00.

Findings: Clearly the Fund made an error but the fact remains that \$5,670.00 was overpaid. Therefore, the Committee reaffirms the action of the Fund and recommends **DISAPPROVAL** of this request.

