

BOARD OF TRUSTEES
Regular Meeting
Friday, October 5, 2007, 12:00 p.m.
Retirement Fund Conference Room

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 2:33 p.m. Friday, October 5, 2007, 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
Gerard A. Cruz, Treasurer
James J. Taylor, Secretary
George A. Santos, Trustee
Katherine T.E. Taitano, Trustee
Antolina S. Leon Guerrero, Trustee

Staff Present:

Paula Blas, Director
Diana Bernardo, Controller
Rosalia Bordallo, General Accounting Supervisor
Jackie Blas, Recording Secretary

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. September 14, 2007 Regular Meeting (Pending)

Trustee Antolina Leon Guerrero, seconded by Trustee George Santos, moved to defer approval of the Minutes of September 14, 2007 Regular Meeting. Without objection, the motion passed.

III. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. Request for Proposal (RFP): Third Party Administrator - Director Paula Blas stated that the Office of the Public Auditor (OPA) hired Attorney Robert Cruz as the Procurement Appeals Hearing Officer. Attorney Cruz is currently reviewing the appeals and will be scheduling a pre-hearing for the Great West Retirement Services (GWRS) appeal within the next couple of weeks.

2. INVESCO Stable Value Fund – Director Blas stated that she received a response from Paul Spriggs, INVESCO National Trust Company, regarding INVESCO Stable Value Trust liquidation. Mr. Spriggs stated in his letter that pursuant to Section 11 of the Participation Agreement executed by the Plan and Article VI, Section 9 of the Declaration of Trust (DOT) governing the Fund, plans wishing to redeem their participation in the Fund (other than for the purpose of satisfying bona fide benefit payments or individual participant withdrawal requests) generally are required to give twelve-months' notice of their intention to redeem. This requirement is due to the nature of the investments held by the Fund.

Financial Report

1. Contributions - Director Blas stated that all agencies are current with their Fiscal Year 2007 employee and employer contributions.

2. Financial Statements - Director Blas stated that the books for the month ending September 2007 will be closed by November 7, 2007. The Fiscal Year ending September 30, 2007 books will be closed by November 9, 2007.

IV. INVESTMENT COMMITTEE REPORT

Vice-Chairman Wilfred Leon Guerrero stated that the Investment Committee meeting was held on September 28, 2007. Vice-Chairman Leon Guerrero stated that Management provided the Investment Committee with an update on the status of the Third Party Administrator Request for Proposal (RFP). Director Blas stated that the Office of the Public Auditor (OPA) has hired an attorney. A pre-hearing should be scheduled by next week. Chairman San Agustin mentioned that Great West Retirement Services (Great West) is in no rush to move on this matter. Secretary James Taylor expressed concern about the Retirement Fund using a supposedly liquid money market fund that wouldn't allow a closeout for a whole year. Was this fund chosen by Great West or the Retirement Fund Board?

V. OLD BUSINESS

A. Contribution Report – September 2007

Director Blas stated that Mike Perez, Great West Retirement Services, submitted, for this meeting, a copy of the Defined Contribution and Deferred Compensation report for the month of September 2007.

Mr. Perez's report shows that the Defined Contribution Plan (DC) has 6,640 participants with a total contribution amount of \$850,718.78. The Deferred Compensation Plan has 799 participants with a total contribution amount of \$106,648.95.

VI. NEW BUSINESS

None

VII. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

VIII. ANNOUNCEMENTS

None

IX. ADJOURNMENT

There being no further business before the Board for the Defined Contribution Plan, on motion of Trustee George Santos, seconded by Trustee Antolina Leon Guerrero, and without objection, the meeting was adjourned at 2:45 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of October 5, 2007 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on November 16, 2007.

James J. Taylor, Board Secretary

RECORDING SECRETARY:

Jackie Blas