

BOARD OF TRUSTEES
Regular Meeting
Friday, December 14, 2007, 12:00 p.m.
Retirement Fund Conference Room

MINUTES

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| DEFINED CONTRIBUTIONS |
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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 1:36 p.m. Friday, December 14, 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
James J. Taylor, Secretary
George A. Santos, Trustee
Antolina S. Leon Guerrero, Trustee

Board of Trustees Absent:

Gerard A. Cruz, Treasurer (**Excused**)
Katherine T.E. Taitano, Trustee (**Excused**)

Staff Present:

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

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. November 16, 2007 Regular Meeting

Secretary James Taylor stated that he has reviewed and corrections were made on the November 16, 2007 minutes.

On motion of Trustee George Santos, seconded by Trustee Antolina Leon Guerrero, and without objection, the Minutes of November 16, 2007 Regular Meeting were approved, subject to corrections. Motion passed.

III. CORRESPONDENCE

A. November 30, 2007 Letter from Jaime D. Bass Regarding Hardship Withdrawal for Down Payment/Closing Cost

Chairman San Agustin stated that he received a letter from Mr. Jaime Bass regarding the effect of the new hardship policy which would become effective December 22, 2007. Chairman San Agustin stated that Mr. Bass is requesting for withdrawal for a home down payment. This is no longer a condition for hardship. Director Paula Blas stated that the new policy requirements are for medical, funeral expenses and eviction or foreclosure, which would only be once during an entire membership. Chairman San Agustin stated that tuition is no longer a condition for hardship. Director Blas stated that it would take some time for the members to adjust to the amended policy. Vice-Chairman Wilfred Leon Guerrero mentioned that Americans are not saving for retirement. Chairman San Agustin suggested that Management acknowledge receipt of Mr. Bass' letter. Chairman San Agustin referred Mr. Bass' letter to the Members and Benefits Committee. Trustee George Santos stated that he would handle this matter administratively.

IV. INFORMATIONAL ITEMS

None

V. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. Request for Proposal (RFP): Third Party Administrator – Director Blas stated that a decision on the motion filed by Great West Retirement Services (Great West) is expected to be issued by the Procurement Appeals Hearing Officer by today. A pre-hearing on the appeal has been scheduled for December 18, 2007 at the Office of the Public Auditor. Chairman San Agustin asked who would be in attendance at the hearing. Director Blas stated that the Retirement Fund's Legal Counsel, Elyze McDonald from Carlsmith Ball, and Great West Retirement Services' attorney would also be there. Secretary Taylor asked what the motion is. Director Blas stated that the Hearing Officer would rule on the motion filed by Great West to release documents that are confidential.

Financial Report

1. Contributions – Director Blas stated that all agencies are current with their Fiscal Year 2008 employee and employer contributions.

2. Financial Statements – Director Blas stated that the books for the month ending November 2007 were closed on December 13, 2007. The Fiscal Year ending September 30, 2007 audit is ongoing and expected to be issued by February 2008.

VI. INVESTMENT COMMITTEE REPORT

Vice-Chairman Leon Guerrero reported that the Investment Committee meeting was held on November 30, 2007. The Investment Committee reviewed and approved the Investment Committee Minutes of November 15, 2007.

Vice-Chairman Leon Guerrero further reported that Management provided the Investment Committee with an update on the status of the Third Party Administrator Request for Proposal (RFP).

VII. OLD BUSINESS

A. Contribution Report – November 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 November 2007.

Mr. Perez's report shows that the Defined Contribution Plan (DC) has 6,756 participants with a total contribution amount of \$844,156.03. The Deferred Compensation Plan has 817 participants with a total contribution amount of \$110,438.07.

VIII. NEW BUSINESS

None

IX. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

X. ANNOUNCEMENTS

None

XI. 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 1:56 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of December 14, 2007 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on January 11, 2008.

James J. Taylor, Board Secretary

RECORDING SECRETARY:

Jackie Blas