



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, February 26, 2016, 12:00 Noon
 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

Katherine T.E. Taitano
 Trustee

David M. O'Brien
 Trustee

Albert H. Santos
 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 1:25 p.m. Friday, February 26, 2016, 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
David M. O'Brien, Trustee	Katherine T.E. Taitano, Trustee
Albert H. Santos, Trustee	

Staff Present:

Paula Blas, Director
 Diana Bernardo, Controller
 Jackie Blas, Recording Secretary
 Alice Taijeron, Director, Client Relations & Plan Counseling, Empower Retirement

Investment Consultant Present:

Maggie Ralbovsky, Wilshire Associates

Public Present:

Janela Carrera, PNC News
 Isa Baza, KUAM
 John O'Connor, Guam Daily Post

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. January 29, 2016 Regular Meeting

Treasurer Gerard Cruz, seconded by Secretary Antolina Leon Guerrero, moved to approve the Minutes of the January 29, 2016 Regular Meeting, subject to technical corrections. Without objection, the motion 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 a Public Hearing on Bill 266-33 is scheduled for Monday, February 29, 2016, at 3:00 p.m. Chairman San Agustin stated that Senator Michael San Nicolas' intention is Social Security for GovGuam employees.. Secretary Antolina Leon Guerrero stated that based on a meeting with Maggie Ralbovsky of Wilshire Associates, Vice Speaker B.J. Cruz is asking for the Retirement Fund to submit a technical commentary on the provisions of Bill 266-33. Trustee David O'Brien stated that the Retirement Fund is not taking a position. Ms. Ralbovsky stated that the testimony she wrote is neutral. Director Blas stated that the testimony is being prepared and should be submitted within ten (10) days.

2. *Standard Insurance* - Director Blas stated that an updated summary report as of January 31, 2016 on the status of applications and individuals on Group Long Term Disability (LTD) is provided for the Board's information.

Financial Report

1. *Contributions* - Director Blas stated that as of February 23, 2016, all agencies are current with their Fiscal Year 2016 employee and employer contributions with the exception of the Guam Memorial Hospital Authority (GMHA).

2. *Financial Statements* - Director Blas stated that the books for the month ended December 31, 2015 were closed on February 10, 2016 and the books for the month ended January 31, 2016 is scheduled to close by March 4, 2016.

VI. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – January 2016

Director Blas stated that Alice Tajeron, Director, Client Relations & Plan Counseling, Empower Retirement provided the TPA Report for the month ending January 31, 2016 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan. Ms. Tajeron stated that GMHA is up to date with 457 loan payments for their employees.

Ms. Tajjeron stated that the 401(a) Plan had total assets of \$402,247,457.02. There was a decrease of \$14,685,117.91 or -3.52%. There was a market decrease of -0.04% from December 2015 to January 2016. There was a market decrease of -3.00% in the Fourth Quarter 2015. The 457 Deferred Compensation Plan had total assets of \$43,587,664.44. There was a decrease of \$1,395,547.64 or -3.10%. There was a market decrease of -0.05% from December 2015 to January 2016. There was a market decrease of -4.00% in the Fourth Quarter 2015.

Ms. Tajjeron stated that the 401(a) Plan had total contributions of \$3,054,233.49. There was a decrease in contributions of \$29,465.63 or -0.96%. The 457 Deferred Compensation Plan had total contributions of \$701,232.11. There was an increase in contributions of \$228,269.50 or 48.26%. Ms. Tajjeron stated that the 401(a) Plan had 149 employee distributions totaling \$1,632,218.87. The 457 Plan had 27 participant distributions totaling \$318,290.68.

Treasurer Gerard Cruz, seconded by Trustee David O'Brien, moved to accept the Third Party Administrator's Report. Without objection, the motion passed.

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Vice Chairman Wilfred Leon Guerrero reported that the Investment Committee Meeting was held on February 25, 2016. The Committee reviewed and approved the Investment Committee Meeting Minutes of December 11, 2015 and the October 29, 2015 Due Diligence Meeting Minutes for the Quarter Ended September 30, 2015.

Next Quarterly Performance Meeting – Vice Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting is scheduled for April 28, 2016.

Treasurer Gerard Cruz, seconded by Trustee David O'Brien, moved to accept the Investment Committee Report. Without objection, the motion passed.

B. Members and Benefits Committee

Secretary Leon Guerrero stated that Management is preparing the technical commentary on Bill 266-33.

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 Treasurer Gerard Cruz, seconded by Trustee David O'Brien, and without objection, the meeting was adjourned at 1:40 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of February 26, 2016 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on March 18, 2016.



ANTOLINA S. LEON GUERRERO, Board Secretary

RECORDING SECRETARY:



Jackie Blas