



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, June 30, 2017, 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 CONTRIBUTION

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 12:29 p.m. Friday, June 30, 2017, 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
 Albert H. Santos, Trustee

Board of Trustees Absent:

David M. O'Brien, Trustee (*Excused*)
 Katherine T.E. Taitano, Trustee (*Excused*)

Staff Present:

Paula Blas, Director
 Diana Bernardo, Controller
 Jackie Blas, Recording Secretary

Third Party Administrator Present:

Alice Tajeron, Director, Client Relations & Plan Counseling, Empower Retirement

Public Present:

Stephen Miller, DOE Retiree
 Atilana T. Rambayan, GCC Retiree

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. May 26, 2017 Regular Meeting

Secretary Antolina Leon Guerrero, seconded by Treasurer Gerard Cruz, moved to approve the Minutes of the May 26, 2017 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 as of June 29, 2017, approximately 46 agencies, out of 53, have been visited and 100 presentations have been conducted. The Retirement Fund would have completed at least one (1) education seminar at all departments by July 14, 2017. Education seminars will continue to be conducted until July 31, 2017. Director Blas stated that 3,700 DC and DB members have attended the seminars; 2,400 have requested for an Estimated Retirement Income Comparison (ERIC); and 400 ERIC letters have been sent out. Vice Chairman Wilfred Leon Guerrero inquired about the turnaround time for the ERIC letters. Director Blas stated that it's about 30-45 days.

Chairman San Agustin asked how many members have made a decision. Director Blas replied, "about 6 or 7." Chairman San Agustin inquired about the election form. Director Blas stated that signing of the election form has to be witnessed by a Retirement Fund Representative or a notary public. Chairman San Agustin stated that the Retirement Fund should make sure that the members are all fully knowledgeable before making their election. Director Blas stated that it is recommended that each member attend the seminar. Vice Chairman Leon Guerrero asked what happens to the members who do not attend the seminar. Director Blas stated that if the members don't attend their agency seminar, they could attend the seminars held here at Retirement Fund. Chairman San Agustin stated that he is concerned about the members that are not attending the seminars. Secretary Antolina Leon Guerrero added that Chairman San Agustin is concerned about how we would document that all DC participants were given the opportunity to attend the education seminar and they either attended it or declined to attend. Alice Taijeron of Empower Retirement stated that the Human Resources Personnel from the different agencies are keeping a tally of their employees' attendance. Vice Chairman Leon Guerrero asked whether attendance is kept at the education seminar. Director Blas replied, "Yes, there is a sign-in sheet at every seminar conducted."

2. *Standard Insurance* - Director Blas stated that an updated summary report as of May 31, 2017 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 June 27, 2017, all agencies are current with their Fiscal Year 2017 employee and employer contributions.

2. **Financial Statements** - Director Blas stated that the books for the month ended May 31, 2017 were closed on June 19, 2017.

VI. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – May 2017

Director Blas stated that Alice Taijeron, Director, Client Relations & Plan Counseling, Empower Retirement provided the TPA Report for the month ending May 31, 2017 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan.

Ms. Taijeron stated that the 401(a) Plan had total assets of \$509,326,905.79. There was an increase of \$8,061,316.02 or 1.61%. There was a market increase of 1.00% from April 2017 to May 2017. The 457 Deferred Compensation Plan had total assets of \$59,497,073.27. There was an increase of \$1,185,370.24 or 2.03%. There was a market increase of 1.00% from April 2017 to May 2017.

Ms. Taijeron stated that the 401(a) Plan had total contributions of \$4,073,825.95. There was an increase in contributions of \$1,086,702.03 or 36.38%. The 457 Deferred Compensation Plan had total contributions of \$756,740.68. There was an increase in contributions of \$212,996.90 or 39.17%. Ms. Taijeron stated that the 401(a) Plan had 153 employee distributions totaling \$1,956,145.61. The 457 Plan had 41 participant distributions totaling \$344,515.80.

Ms. Taijeron stated that a copy of the trend analysis for Secure Foundation for the first quarter of 2013 through the first quarter of 2017 is provided as requested by Chairman San Agustin.

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

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Vice Chairman Leon Guerrero reported that the Investment Committee Meeting was held on June 16, 2017. The Committee reviewed and approved the Investment Committee Meeting Minutes of May 25, 2017.

Next Quarterly Performance Meeting – Vice Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting is scheduled for July 27, 2017.

B. Members and Benefits Committee

This item was covered under the Director's report.

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, Treasurer Gerard Cruz moved to adjourn the meeting. Without objection, the meeting was adjourned at 1:00 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of June 30, 2017 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on July 28, 2017.



ANTOLINA S. LEON GUERRERO, Board Secretary

RECORDING SECRETARY:



Jackie Blas