



GOVERNMENT OF GUAM
RETIREMENT FUND
 STABILITY · SECURITY · REWARDS

Eddie Baza Calvo
 Governor

Ray Tenorio
 Lieutenant Governor

Paula M. Blas
 Director

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

BOARD OF TRUSTEES
Regular Meeting
 Friday, September 28, 2018, 12:00 Noon
 Retirement Fund Conference Room

MINUTES

DEFINED CONTRIBUTION

Katherine T.E. Taitano
 Trustee

David M. O'Brien
 Trustee

Albert H. Santos
 Trustee

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 12:30 p.m. Friday, September 28, 2018, 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
 David M. O'Brien, Trustee
 Albert H. Santos, Trustee

Board of Trustees Absent:

Antolina S. Leon Guerrero, Secretary (*Excused*)
 Katherine T.E. Taitano, Trustee (*Excused*)

Staff Present:

Paula Blas, Director
 Jackie Blas, Recording Secretary

Third Party Administrator Present:

Alice Tajeron, Relationship Manager, Empower Retirement

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. August 31, 2018 Regular Meeting

Trustee David O'Brien, seconded by Trustee Albert Santos, moved to approve the Minutes of the August 31, 2018 Regular Meeting, subject to technical corrections. Without objection, the motion passed.

III. CORRESPONDENCE

None

IV. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. Defined Benefit 1.75 (DB 1.75), Defined Contribution Retirement System (DCRS) and Government Retirement Security Plan (GRSP) Plans - The Retirement Fund has completed the reconciliation process with Empower Retirement regarding the required funds to be transferred from DCRS participant accounts for DB 1.75 members.

2. Standard Insurance - Director Paula Blas stated that an updated summary report as of August 31, 2018 on the status of applications and individuals on Group Long Term Disability (LTD) is provided for the Board's information. Vice Chairman Wilfred Leon Guerrero asked why the summary report is stamped "Confidential." Director Blas stated that the report contains personal information of the individuals on LTD.

Financial Report

1. Contributions - Director Blas stated that as of September 25, 2018, all agencies are current with their Fiscal Year 2018 employee and employer contributions. Director Blas stated that Guam Memorial Hospital Authority (GMHA) is up to date with their contributions. The bulk of payment was received on Friday, September 21, 2018 and the balance was received on Monday, September 24, 2018. Vice Chairman Leon Guerrero inquired about legal fees. Director Blas stated that the Retirement Fund incurred the legal fees. Vice Chairman Leon Guerrero also inquired about a statement made by the Retirement Fund's Legal Counsel that "he would talk to the Retirement Fund Board to discuss the matter." Director Blas stated that the Retirement Fund's Legal Counsel made that statement for the record that he will discuss with the Board on whether the Board wants Judge Vernon Perez to consider moving forward with issuing the Writ due to GMHA's record of non-payment of contributions. Chairman San Agustin questioned why there should be an outstanding Writ. Director Blas stated that the next time GMHA does not make payment, the Retirement Fund does not have to file another Writ. The Retirement Fund could just file an Order to Show Cause. Chairman San Agustin stated that he is not comfortable with having a Writ outstanding.

2. Financial Statements - Director Blas stated that the books for the month ended August 31, 2018 are scheduled to close today.

V. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – August 2018

Director Blas stated that Alice Taijeron, Relationship Manager, Empower Retirement provided the TPA Report for the month ending August 31, 2018 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan.

Ms. Tajeron stated that the 401(a) Plan had total assets of \$346,882,753.58. There was an increase of \$4,526,419.45 or 1.32%. There was a market increase of 1.00% from July 2018 to August 2018. The 457 Deferred Compensation Plan had total assets of \$75,358,656.81. There was an increase of \$1,428,938.01 or 1.93%. There was a market increase of 1.00% from July 2018 to August 2018.

Ms. Tajeron stated that the 401(a) Plan had total contributions of \$2,083,908.52. There was a decrease in contributions of \$42,199.85 or -1.98%. The 457 Deferred Compensation Plan had total contributions of \$731,329.36. There was a decrease in contributions of \$16,068.79 or -2.15%.

Ms. Tajeron stated that the 401(a) Plan had 194 employee distributions totaling \$2,355,219.96. The 457 Plan had 53 participant distributions totaling \$616,689.08. Ms. Tajeron stated that there were 12 retirees for the month of August 2018. Director Blas stated that for the month of September, there will be about 12 GMHA retirees.

Ms. Tajeron informed the Board that Vice President Rob Dwyer of Empower Retirement will be on island during the October 2018 Due Diligence Meeting.

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

VI. STANDING COMMITTEE REPORTS

A. Investment Committee

Vice Chairman Leon Guerrero reported that the Investment Committee Meeting was held on September 21, 2018. The Committee reviewed and approved the Investment Committee Meeting Minutes of August 30, 2018.

Trustee David O'Brien pointed out that the TPA Request for Proposal (RFP) is in June 2019 which is right after the Board election. Director Blas stated that the TPA contact expires August 2019. Director Blas stated that the Retirement Fund could end up issuing an RFP sometime in March or April 2019.

Next Quarterly Performance Meeting – Vice Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting is scheduled for October 24, 2018.

B. Members and Benefits Committee

An update of the DB 1.75, DCRS and GRSP Plans was covered under the Director's report.

VII. OLD BUSINESS

None

VIII. NEW BUSINESS

None

IX. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

X. ANNOUNCEMENTS

None

XI. ADJOURNMENT

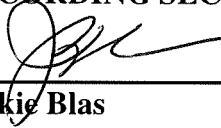
There being no further business before the Board for the Defined Contribution Plan, Treasurer Gerard Cruz moved to adjourn the meeting. Without objection, the meeting was adjourned at 12:55 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of September 28, 2018 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on October 24, 2018.



ANTOLINA S. LEON GUERRERO, Board Secretary

RECORDING SECRETARY:



Jackie Blas