



GOVERNMENT OF GUAM  
**RETIREMENT FUND**  
 STABILITY · SECURITY · REWARDS

**Lourdes A. Leon Guerrero**  
 Governor

**Joshua F. 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

**Katherine T.E. Taitano**  
 Trustee

**David M. O'Brien**  
 Trustee

**Albert H. Santos**  
 Trustee

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

**MINUTES**

**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 12:32 p.m. Friday, December 28, 2018, in the Retirement Fund Conference Room. Acting Chairman Wilfred P. Leon Guerrero officiated.

**Board of Trustees Present:**

Wilfred P. Leon Guerrero, Acting Chairman  
 Antolina S. Leon Guerrero, Secretary  
 Gerard A. Cruz, Treasurer  
 David M. O'Brien, Trustee  
 Albert H. Santos, Trustee  
 Katherine T.E. Taitano, Trustee

**Board of Trustees Absent:**

Joe T. San Agustin, Chairman (*Excused*)

**Staff Present:**

Paula Blas, Director  
 Jackie Blas, Recording Secretary

**Third Party Administrator Present:**

Alice Taijeron, Relationship Manager, Empower Retirement

## **II. REVIEW AND APPROVAL OF BOARD MINUTES**

### **A. November 16, 2018 Regular Meeting**

Secretary Antolina Leon Guerrero, seconded by Trustee Albert Santos, moved to approve the Minutes of the November 16, 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 November 30, 2018 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 December 27, 2018, all agencies are current with their Fiscal Year 2019 employee and employer contributions.

**2. Financial Statements** - Director Blas stated that the books for the month ended October 31, 2018 were closed on December 20, 2018.

## **V. THIRD PARTY ADMINISTRATOR'S REPORT**

### **A. Contribution Report – November 2018**

Director Blas stated that Alice Taijeron, Relationship Manager, Empower Retirement provided the TPA Report for the month ending November 30, 2018 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 \$331,508,559.63. There was an increase of \$5,788,821.15 or 1.78%. There was a market increase of 1.0% from October 2018 to November 2018. The 457 Deferred Compensation Plan had total assets of \$73,805,497.75. There was an increase of \$1,888,966.31 or 2.63%. There was a market increase of 1.3% from October 2018 to November 2018.

Ms. Taijeron stated that the 401(a) Plan had total contributions of \$2,672,828.81. There was an increase in contributions of \$8,801.81 or 0.33%. The 457 Deferred Compensation Plan had total contributions of \$950,805.93. There was an increase in contributions of \$100,126.93 or 11.8%.

Ms. Taijeron stated that the 401(a) Plan had 158 employee distributions totaling \$1,613,521.38. The 457 Plan had 42 participant distributions totaling \$289,184.19. Ms. Taijeron stated that there are 5,449 DC members; and 1,119 DC retirees. There were 4 retirees in the month of November 2018.

Ms. Tajeron informed the Board that she had asked Vice President Rob Dwyer of Empower Retirement if he could be on island for the January 2019 due diligence meeting.

## **VI. STANDING COMMITTEE REPORTS**

### **A. Investment Committee**

Acting Chairman Leon Guerrero reported that the Investment Committee Meeting was held on December 14, 2018. The Committee reviewed and approved the Investment Committee Meeting Minutes of November 15, 2018.

*Next Quarterly Performance Meeting* – Acting Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting is scheduled for January 24, 2019.

Acting Chairman Leon Guerrero mentioned that the transcription of the due diligence meeting minutes was discussed at the December 14, 2018 Investment Committee Meeting. Director Blas stated that she looked into the on-line services that are available and she will be submitting a sample of the audio of the meetings. Acting Chairman Leon Guerrero stated that his main concern is that the required question asked at every meeting of whether there are any regulatory or legal issues or changes in personnel, are on record. Trustee David O'Brien suggested summarizing the minutes. Secretary Antolina Leon Guerrero agreed with Trustee O'Brien, but also suggested to have the Retirement Fund's Legal Counsel comment on and confirm that the change from verbatim transcriptions to summaries is appropriate. Acting Chairman Leon Guerrero stated that Director Blas is addressing the situation and that she will be reporting back to the Board.

### **B. Members and Benefits Committee**

Secretary Leon Guerrero stated that the M&B Committee met on December 19, 2018 and the Committee would like to move forward with the recommendation submitted to the Legislature to amend the law with regards to the Guam Retirement Security Plan (GRSP). Secretary Leon Guerrero stated that the law currently calls for the GRSP to be the Default Plan and the recommendation is to eliminate the GRSP from the Statute as the Default Plan and to make the Defined Contribution Plan the Default Plan.

**Secretary Antolina Leon Guerrero, seconded by Trustee David O'Brien, moved to accept the Members and Benefits Committee's recommendation to move forward with the 35th Guam Legislature on eliminating the Guam Retirement Security Plan (GRSP) from the Statute as the Default Plan for new employees and to make the Defined Contribution Plan the Default Plan. Without objection, the motion passed.**

## **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 12:50 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of December 28, 2018 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on January 25, 2019.



---

ANTOLINA S. LEON GUERRERO, Board Secretary

**RECORDING SECRETARY:**



---

Jackie Blas