

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

Albert H. Santos
 Trustee

Vacant
 Trustee

BOARD OF TRUSTEES
Regular Meeting
 Friday, May 31, 2019, 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 12:30 p.m. Friday, May 31, 2019, 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
 Albert H. Santos, Trustee

Board of Trustees Absent:

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

Staff Present:

Paula Blas, Director
 Jackie Blas, Recording Secretary

Third Party Administrator Present:

Rob Dwyer, Vice President, Government Markets, Empower Retirement
 Bjorn Hauerbach, Director, Client Relations & Plan Counseling, Empower Retirement
 Grace Atalig, Empower Retirement

Investment Consultant Present:

Maggie Ralbovsky, Wilshire Associates

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. April 26, 2019 Regular Meeting

Secretary Antolina Leon Guerrero, seconded by Trustee Albert Santos, moved to approve the Minutes of the April 26, 2019 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 - Director Paula Blas stated that on April 26, 2019, the Retirement Fund Board of Trustees adopted Resolution No. 2019-01 Relative to the Cash Balance Plan Known as the Guam Retirement Security Plan (GRSP). The Retirement Fund finds that it is in the best interest of the Retirement Fund to recommend to the Legislature that the GRSP be repealed retroactively to inception; and to submit draft bill to the Legislature for introduction in accordance with the findings and intent of Resolution No. 2019-01. Director Blas stated that the draft legislation will be transmitted to the Legislature next week.

2. Standard Insurance - Director Blas stated that an updated summary report as of April 30, 2019 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 May 28, 2019, 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 March 31, 2019 were closed on May 2, 2019 and the books for the month ended April 30, 2019 are scheduled to close on May 31, 2019.

V. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – April 2019

Director Blas stated that Grace Atalig of Empower Retirement provided the TPA Report for the month ending April 30, 2019 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan.

Ms. Atalig stated that the 401(a) Plan had total assets of \$352,069,732.46. There was an increase of \$9,459,930.27 or 2.76%. There was a market increase of 1.9% from March 2019 to April 2019. The 457 Deferred Compensation Plan had total assets of \$80,642,534.35. There was an increase of \$2,533,359.35 or 3.24%. There was a market increase of 1.9% from March 2019 to April 2019.

Ms. Atalig stated that the 401(a) Plan had total contributions of \$2,859,866.38. There was an increase in contributions of \$219,033.22 or 8.29%. The 457 Deferred Compensation Plan had total contributions of \$1,024,988.07. There was an increase in contributions of \$72,725.15 or 7.64%.

Ms. Atalig stated that the 401(a) Plan had 179 employee distributions totaling \$2,168,237.02. The 457 Plan had 58 participant distributions totaling \$737,225.68.

Ms. Atalig stated that the 401(a) Plan has a total of 5,681 participants receiving employer contributions. The 457 Plan has 4,677 contributing participants. Ms. Atalig stated that there were 10 retirees in the month of April. The total number of retirees is 1,177.

Mr. Rob Dwyer, Vice President of Empower Retirement introduced Mr. Bjorn Hauerbach, the new Director of Client Relations & Plan Counseling, Empower Retirement. Mr. Dwyer stated that Mr. Hauerbach is a Certified Financial Planner with a Series 65 License. Mr. Hauerbach stated that he is here to help the Guamanian participants in the Retirement Fund achieve bigger and better retirement financial results. Secretary Antolina Leon Guerrero stated that she met with classmates who are members of the DC Plan and they speak highly of Empower's website, how user friendly it is and how it has helped them plan. Secretary Leon Guerrero stated that it's encouraging to hear her classmates say that they've been benefiting from what Empower Retirement has done. Mr. Dwyer thanked Secretary Leon Guerrero for the feedback. Mr. Dwyer stated that Empower Retirement is fully focused on growth in the retirement industry.

VI. STANDING COMMITTEE REPORTS

A. Investment Committee

Vice Chairman Wilfred Leon Guerrero reported that the Investment Committee Meeting was held on May 30, 2019. The Committee reviewed and approved the Investment Committee Meeting Minutes of April 25, 2019.

Next Quarterly Performance Meeting – Vice Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting is tentatively scheduled for July 25, 2019.

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

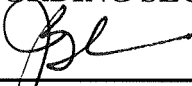
There being no further business before the Board for the Defined Contribution Plan, Secretary Antolina Leon Guerrero moved to adjourn the meeting. Without objection, the meeting was adjourned at 1:08 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of May 31, 2019 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on June 19, 2019.



ANTOLINA S. LEON GUERRERO, Board Secretary

RECORDING SECRETARY:



Jackie Blas