



GOVERNMENT OF GUAM
RETIREMENT FUND
 STABILITY · SECURITY · REWARDS

Lourdes A. Leon Guerrero
 Governor

Joshua F. Tenorio
 Lieutenant Governor

Paula M. Blas
 Director

Trustees:

Wilfred P. Leon Guerrero, Ed.D.
 Chairman

Antolina S. Leon Guerrero
 Vice Chair

Katherine T.E. Taitano
 Secretary
 Chair, Members and Benefits Committee

Gerard A. Cruz
 Treasurer
 Chair, Investment Committee

Artemio R.A. Hernandez, Ph.D.
 Trustee

Thomas H. San Agustin
 Trustee

George A. Santos
 Trustee

BOARD OF TRUSTEES
Regular Meeting
 Thursday, August 29, 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 12:27 p.m. Thursday, August 29, 2019, in the Retirement Fund Conference Room. Chairman Wilfred Leon Guerrero officiated.

Board of Trustees Present:

Wilfred P. Leon Guerrero, Chairman
 Antolina S. Leon Guerrero, Vice Chair
 Gerard A. Cruz, Treasurer
 Artemio R.A. Hernandez, Trustee
 Thomas H. San Agustin, Trustee
 George A. Santos, Trustee

Board of Trustees Absent:

Katherine T.E. Taitano, Secretary (*Excused*)

Staff Present:

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

Third Party Administrator Present:

Bjorn Hauerbach, Client Relations & Participant Engagement, Empower Retirement
 Grace Atalig, Retirement Plan Counselor, Empower Retirement

Investment Consultant Present:

Maggie Ralbovsky, Wilshire Associates

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. July 31, 2019 Regular Meeting

Treasurer Gerard Cruz inquired about the share class changes for Galliard Wells Fargo Stable Return Fund and Vanguard Windsor II Fund. Bjorn Hauerbach, Director, Client Relations and Participant Engagement, Empower Retirement, stated that it has not taken place yet.

Trustee George Santos, seconded by Vice Chair Antolina Leon Guerrero, moved to approve the Minutes of the July 31, 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 a Public Hearing on Bill 177-35 (repeal of the GRSP) has not been scheduled.

2. *Standard Insurance* - Director Blas stated that an updated summary report as of July 31, 2019 on the status of applications and individuals on Group Long Term Disability (LTD) is provided for the Board's information. Director Blas stated that there are currently 52 individuals on LTD.

Financial Report

1. *Contributions* - Director Blas stated that as of August 27, 2019, all agencies are current with their Fiscal Year 2019 employee and employer contributions. Director Blas informed the Board that the Department of Administration (DOA) has changed their payment method from check to EFT and they are currently in the transition process.

2. *Financial Statements* - Director Blas stated that the books for the month ended July 31, 2019 are scheduled to close on August 30, 2019.

V. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – July 2019

Director Blas stated that Bjorn Hauerbach, Director, Client Relations and Participant Engagement, Empower Retirement, provided the TPA Report for the month ending July 31, 2019 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan.

Mr. Hauerbach stated that the 401(a) Plan had total assets of \$353,779,442.44. There was an increase of \$1,278,434.52 or 0.36%. There was a market decrease of -0.3% from June 2019 to July 2019. The 457 Deferred Compensation Plan had total assets of \$82,795,137.96. There was an increase of \$910,533.06 or 1.11%. There was a market increase of 0.1% from June 2019 to July 2019.

Mr. Hauerbach stated that the 401(a) Plan had total contributions of \$2,277,025.73. There was a decrease in contributions of \$9,322.67 or -0.41%. The 457 Deferred Compensation Plan had total contributions of \$850,034.59. There was a decrease in contributions of \$77,311.99 or -8.34%.

Mr. Hauerbach stated that the 401(a) Plan had 226 employee distributions totaling \$2,092,101.84. The 457 Plan had 64 participant distributions totaling \$539,421.21.

Mr. Hauerbach stated that the 401(a) Plan has a total of 5,254 participants receiving employer contributions. The 457 Plan has 4,711 contributing participants. Mr. Hauerbach stated that there were 6 retirees in the month of July and 4 of the 6 retirees took full withdrawal. Mr. Hauerbach stated that they are looking at the trend of withdrawals.

VI. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Cruz reported that the Investment Committee Meeting was held on August 28, 2019. The Committee reviewed and approved the Investment Committee Meeting Minutes of July 30, 2019.

Next Quarterly Performance Meeting – Treasurer Cruz informed the Board that the next Quarterly Performance Meeting is tentatively scheduled for October 28, 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, Trustee George Santos moved to adjourn the meeting. Without objection, the meeting was adjourned at 12:38 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of August 29, 2019 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on September 27, 2019.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Jackie Blas