



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
 Friday, May 29, 2020, 10:30 A.M.
 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 10:40 a.m. Friday, May 29, 2020, in the Retirement Fund Conference Room. Chairman Wilfred P. 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, Director, Client Relations & Participant Engagement, Empower Retirement

Public Present:

Haidee E. Gilbert, Guam Daily Post

II. REVIEW AND APPROVAL OF BOARD MINUTES

- A. March 19, 2020 Regular Meeting**
- B. April 24, 2020 Regular Meeting**

Vice Chair Antolina Leon Guerrero, seconded by Trustee George Santos, moved to approve the Minutes of the March 19, 2020 Regular Meeting, subject to technical corrections; and to table the Minutes of the April 24, 2020 Regular Meeting. Without objection, the motion passed.

III. CORRESPONDENCE

None

IV. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. *Standard Insurance* - An updated summary report as of April 30, 2020 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 Paula Blas stated that as of May 26, 2020, all agencies are current with their Fiscal Year 2020 employee and employer contributions.

2. *Financial Statements* - Director Blas stated that the books for the month ended February 29, 2020 are scheduled to close on May 29, 2020.

V. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – April 2020

Director Blas stated that Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower Retirement, provided the TPA Report for the month ending April 30, 2020 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 \$349,485,939.44. There was an increase of \$30,525,100.76, or 9.57%. There was a market increase of 8.5% from March 2020 to April 2020. The 457 Deferred Compensation Plan had total assets of \$86,598,666.49. There was an increase of \$8,343,948.16 or 10.66%. There was a market increase of 9.2% from March 2020 to April 2020.

Mr. Hauerbach stated that the 401(a) Plan had total contributions of \$3,443,392.51. There was an increase in contributions of \$2,058,152.10 or 148.58%. The 457 Deferred Compensation Plan had total contributions of \$1,177,174.24. There was an increase in contributions of \$638,940.46 or 118.71%.

Mr. Hauerbach stated that the 401(a) Plan had 63 employee distributions totaling \$226,747.52. The 457 Plan had 13 participant distributions totaling \$39,737.39.

Mr. Hauerbach stated that the 401(a) Plan has a total of 6,324 participants receiving employer contributions. The 457 Plan has 5,695 contributing participants. The 401(a) Plan has 82 first contributions and the 457 Plan has 46. Mr. Hauerbach stated that there were no new retirees in the month of April so the total remains at 1,270. Mr. Hauerbach stated that despite the challenges in their current operations, Empower Retirement managed to have 172 participant meetings.

Mr. Hauerbach stated that a total of 39 participants moved from stable and conservative type of investment to the Large Cap Equity and there were 33 participants that moved from Large Cap Equity to Fixed Income. Vice Chair Antolina Leon Guerrero asked whether these are participants that are in managed account or participants managing their own accounts. Mr. Hauerbach replied, "Participants managing their own accounts."

Mr. Hauerbach stated that since May 5, 2020 there were eleven (11) withdrawals and four (4) loan suspensions under the CARES Act. Director Blas stated that the distributions from the 401(a), loan distributions and loan deferment extends to the end of the year. Mr. Hauerbach pointed out that the CARES Act documents are not on the participant Website as it would sort of be encouraging the participants to make withdrawals. Empower Retirement is not encouraging withdrawals and would like for the CARES Act to be a last resort.

VI. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Gerard Cruz reported that the Investment Committee Meeting was held on May 28, 2020. The Committee reviewed and approved the Investment Committee Meeting Minutes of March 13, 2020.

Next Quarterly Performance Meeting – Treasurer Cruz informed the Board that the next Quarterly Performance Meeting is tentatively scheduled for July 30, 2020.

B. Members and Benefits Committee

No report was made at this time.

VII. OLD BUSINESS

None

VIII. NEW BUSINESS

None

IX. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

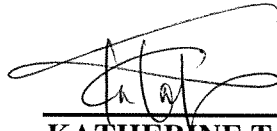
X. ANNOUNCEMENTS

None

XI. ADJOURNMENT

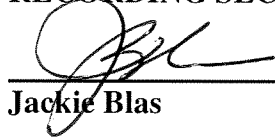
There being no further business before the Board for the Defined Contribution Plan, Vice Chair Antolina Leon Guerrero moved to adjourn the meeting. Without objection, the meeting was adjourned at 10:50 a.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of May 29, 2020 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on June 26, 2020.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Jackie Blas