



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

Lourdes A. Leon Guerrero
Governor

Joshua F. Tenorio
Lieutenant Governor

Paula M. Blas
Director

Trustees:

Antolina S. Leon Guerrero
Chair

George A. Santos
Vice Chair

Thomas H. San Agustin
Secretary

Artemio R.A. Hernandez, Ph.D.
Treasurer
Chair, Investment Committee

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

David N. Sanford
Trustee

Vacant
Trustee

BOARD OF TRUSTEES
Regular Meeting
Friday, June 21, 2024, 12:30 P.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 12:33 p.m. Friday, June 21, 2024, in the Retirement Fund Conference Room. Acting Chair George A. Santos officiated.

Board of Trustees Present:
George A. Santos, Vice Chair
Artemio R.A. Hernandez, Treasurer
Thomas H. San Agustin, Secretary
Katherine T.E. Taitano, Trustee

Board of Trustees Absent:
Antolina S. Leon Guerrero, Chair
David N. Sanford, Trustee

Staff Present:
Paula Blas, Director
Andrea Atalig, Recording Secretary

Third Party Administrator Present:
Grace Atalig, Retirement Plan Counselor, Empower

Investment Consultant Present:
Cameron Systemans, Mercer Investment Consulting, Inc.

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. May 31, 2024 Regular Meeting

Acting Chair George Santos, seconded by Treasurer Artemio Hernandez, moved to approve the Minutes of the May 31, 2024 Regular Meeting, subject to technical corrections. Without objection, the motion passed.

Treasurer Artemio Hernandez, seconded by Secretary Thomas San Agustin requested to insert under item IV. DIRECTORS REPORT – EXECUTIVE SUMMARY, 2. Empower – Third Party Administrator (TPA) Extension of Contract discussion on the Minutes of the May 31, 2024 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 May 2024 on the status of applications and individuals on Group Long Term Disability (LTD) is provided for the Board's information. There are 41 active claims as of May 31, 2024.

Financial Report

1. *Contributions* - Director Paula Blas stated that as of June 18, 2024, all agencies are current with their Fiscal Year 2024 employee and employer contributions.

2. *Financial Statements* - Director Blas stated that the books for the month ended May 31, 2024 are scheduled to close on June 27, 2024.

V. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – May 2024

Director Blas stated that Grace Atalig, Retirement Plan Counselor, Empower, provided the TPA Report for the month ended May 31, 2024 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan.

Mrs. Atalig stated that the 401(a) Plan had total assets of \$420,633,853.69. There was an increase of \$13,323,041.37 or 3.27% from the previous month. The market effect was 106%. The 457 Plan had total assets of \$161,563,342.00. There was an increase of \$6,360,535.48 or 4.10% from the previous month. The market effect was 92%.

Mrs. Atalig stated that the 401(a) Plan had total contributions of \$2,441,424.04. There was a decrease in contributions of \$639,252.93 or -20.75% from the previous month. The 457 Plan had total contributions of \$1,983,731.69. There was an increase in contributions of \$415,165.92 or 26.47% from the previous month.

Treasurer Hernandez inquired if there were any issues with the timing between the two plans. Mrs. Atalig stated that Empower receives the uploads for all agencies in a timely manner but for May they did not received the upload for pay period ending May 18, 2024 from large agencies such as Guam

Department of Education, General Fund, Guam Memorial Hospital, Guam Community College, Guam Housing, and Public Defender until June which caused a big decrease in the 401 (a) Plan. As of today, all agencies for pay period ending June 1, 2024 had been uploaded.

Mrs. Atalig stated that the 401(a) Plan had disbursements totaling \$3,296,647.33. The 457 Plan had disbursements totaling \$1,459,359.33. Mrs. Atalig stated that there were 20 retirees in the month of May.

VI. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Artemio Hernandez reported that the Quarterly Performance Review for the Quarter Ended March 31, 2024 was held on June 20, 2024.

DC Plan Quarterly Performance

Treasurer Hernandez stated that Cameron Systemans of Mercer Investment Consulting, Inc. provided an overview of the Economic Outlook and the DC Plan's Investment Performance for the Quarter Ended March 31, 2024. Mr. Systemans stated that during the due diligence meeting they discussed and reviewed recent developments on the economic and capital market environment and the DC Plan performance.

Mr. Systemans recommends for GGRF to continue to place AB Discovery Value Fund strategy on watch due to underperformance. He also recommends to place AB Global Fixed Income Fund Z strategy and Principal Global Real Estate Fund on watch due to underperformance.

Treasurer Hernandez inquired if it would be possible to place these three items on the agenda for the next board meeting as recommended by Mercer.

Informational Items

1. Next Quarterly Performance Review – Treasurer Hernandez informed the Board that the next Quarterly Performance Review is scheduled for September 26, 2024.

B. Members and Benefits Committee

VII. OLD BUSINESS

None

VIII. NEW BUSINESS

None

IX. OPEN DISCUSSION / GENERAL PUBLIC INPUT

X. ANNOUNCEMENTS

XI. ADJOURNMENT

There being no further business before the Board for the Defined Contribution Plan, on motion of Trustee Katherine Taitano, seconded by Treasurer Artemio Hernandez, and without objection, the meeting was adjourned at 12:44 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of June 21, 2024 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on July 26, 2024.



THOMAS H. SAN AGUSTIN, Board Secretary

RECORDING SECRETARY:



Andrea Atalig