



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

Lourdes A. Leon Guerrero  
 Governor

Joshua F. Tenorio  
 Lieutenant Governor

Paula M. Blas  
 Director

**BOARD OF TRUSTEES**  
**Regular Meeting**  
 Friday, March 15, 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 12:55 p.m. Friday, March 15, 2024, in the Retirement Fund Conference Room. Acting Chair Antolina S. Leon Guerrero officiated.

**Board of Trustees Present:**  
 Antolina S. Leon Guerrero, Vice Chair  
 Thomas H. San Agustin, Trustee  
 David N. Sanford, Trustee  
 George A. Santos, Trustee

**Board of Trustees Absent:**  
 Wilfred P. Leon Guerrero, Chairman  
 Katherine T.E. Taitano, Secretary  
 Artemio R.A. Hernandez, Treasurer

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

**Third Party Administrator Present:**  
 Alice Taijeron, Director, Client Relations & Participant Engagement, Empower  
 Grace Atalig, Retirement Plan Counselor, Empower

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

Trustees:

Wilfred P. Leon Guerrero, Ed.D.  
 Chairman

Antolina S. Leon Guerrero  
 Vice Chair

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

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

Thomas H. San Agustin  
 Trustee

David N. Sanford  
 Trustee

George A. Santos  
 Trustee

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

### **A. February 16, 2024 Regular Meeting**

**Trustee Thomas San Agustin, seconded by Trustee George Santos, moved to approve the Minutes of the February 16, 2024 Regular Meeting, subject to technical corrections. Without objection, the motion passed.**

## **III. CORRESPONDENCE**

None

## **IV. DIRECTOR'S REPORT - EXECUTIVE SUMMARY**

**1. *Standard Insurance*** - An updated summary report as of February 2024 on the status of applications and individuals on Group Long Term Disability (LTD) is provided for the Board's information. There are 40 active claims as of February 29, 2024.

### **Financial Report**

**1. *Contributions*** - Director Paula Blas stated that as of March 13, 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 February 29, 2024 are scheduled to close on March 29, 2024.

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

### **A. Contribution Report – February 2024**

Director Blas stated that Alice Taijeron, Director, Client Relations & Participant Engagement, Empower, provided the TPA Report for the month ended February 29, 2024 on the DC Retirement System 401(a) Plan and the 457 Deferred Compensation Plan.

Mrs. Taijeron stated that the 401(a) Plan had total assets of \$409,101,405.91. There was an increase of \$12,893,099.30 or 3.25% from the previous month. The 457 Plan had total assets of \$155,344,669.53. There was an increase of \$5,421,586.25 or 3.62% from the previous month.

Mrs. Taijeron stated that the 401(a) Plan asset components net investment gain is \$11,657,670.77 and the asset change for the month is \$12,893,099.30 or 90% increase from the previous month. The 457 Plan asset components net investment gain was \$4,748,475.71 and the asset change for the month is \$5,421,586.25 or 88% increase from the previous month.

Mrs. Taijeron stated that the 401(a) Plan had total contributions of \$3,135,211.06. There was a decrease in contributions of \$1,041,410.27 or -24.93% from the previous month. The 457 Plan had total contributions of \$1,395,403.18. There was a decrease in contributions of \$419,637.72 or -23.12% from the previous month.

Mrs. Taijeron stated that the 401(a) Plan had disbursements totaling \$1,899,782.53. The 457 Plan had disbursements totaling \$722,292.64.

Mrs. Taijeron provided the following updates:

- A participant can retire under the 401(a) Plan, get rehired in the government and still be considered a retiree.
- Deferred Retirement - Prior to resigning it is encouraged to come in to speak to Empower about Deferred retirement on the 401(a) Plan, if you met the age with 5 years of government service regardless if it was consecutive or not, or if you are not 55 years of age but have the years of government service, you are able to defer retirement. When you reach the age of retirement and retire, you will be eligible for health insurance, life insurance and COLA.
- During the month of February Empower participated in two employee fairs with Guam Power Authority and Guam Community College. There will be more outreach and education to be given to those in the 457 Plan with more information on increasing their contributions.

Trustee George Santos inquired if an employee retires from both the DB 1.75 Plan and the 401(a) Plan, will they receive COLA from both plans. Director Blas stated they will only receive one payment for COLA.

Mrs. Taijeron stated that out of the participants who transferred to the DB 1.75 Plan there are 991 members with excess balances in their 401(a) account. Director Blas stated that number will change due to participants who will be using their excess funds in the 401(a) Plan and/or their 457 balances to repay their DC withdrawals for retirement creditable service. Mrs. Taijeron stated letters were sent out to participants informing them of their balance and the opportunity to use those balances to repay their withdrawals.

## **VI. STANDING COMMITTEE REPORTS**

### **A. Investment Committee**

Trustee Thomas San Agustin reported that the Quarterly Performance Review for the Quarter Ended December 31, 2023 was held on March 14, 2024.

#### **DC Plan Quarterly Performance**

Trustee San Agustin 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 December 31, 2023. 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 stated that there were very strong returns on both stocks and bonds for the Quarter Ended December 31, 2023. Performance for the plan line up as positive for the 4<sup>th</sup> quarter and performance for all investment options remain in line with expectations with the exception of the AB Discovery Value Fund who was placed on watch. Mr. Systemans stated due to underperformance it is recommended to continue to place AB Discovery Value Fund Strategy on watch.

**Informational Items**

**I. Next Quarterly Performance Review** – Trustee San Agustin informed the Board that the next Quarterly Performance Review is scheduled for June 20, 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, on motion of Trustee George Santos, seconded by Trustee Thomas San Agustin, and without objection, the meeting was adjourned at 1:10 p.m. Motion passed.**

**I hereby certify that the foregoing is a full, true and correct copy of the Minutes of March 15, 2024 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on April 12, 2024.**



**KATHERINE T.E. TAITANO, Board Secretary**

**RECORDING SECRETARY:**



**Andrea Atalig**