



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

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

Thomas H. San Agustin
Trustee

David N. Sanford
Trustee

George A. Santos
Trustee

BOARD OF TRUSTEES
Regular Meeting

Friday, April 28, 2023, 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 12:35 p.m. Friday, April 28, 2023, 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
Artemio R.A. Hernandez, Treasurer
Thomas H. San Agustin, Trustee
David N. Sanford, Trustee
George A. Santos, Trustee

Board of Trustees Absent:

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

Staff Present:

Paula Blas, Director
Jackie Blas, Recording Secretary

Third Party Administrator Present:

Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower

Public Present:

Jonah Benavente, Guam Daily Post

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. March 10, 2023 Regular Meeting

Vice Chair Antolina Leon Guerrero, seconded by Treasurer Artemio Hernandez, moved to approve the Minutes of the March 10, 2023 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 March 31, 2023 on the status of applications and individuals on Group Long Term Disability (LTD) is provided for the Board's information. Director Paula Blas stated that there are 41 active claims as of March 31, 2023.

Financial Report

1. *Contributions* - Director Blas stated that as of April 26, 2023, all agencies are current with their Fiscal Year 2023 employee and employer contributions with the exception of Guam Memorial Hospital Authority (GMHA). GMHA is in arrears for Pay Period Ending April 8, 2023, which was due on April 21, 2023, in the amount of approximately \$386,538.00. Vice Chair Antolina Leon Guerrero inquired about the next step. Director Blas stated that if the Defined Benefit contributions, which are due today are not paid, notice will be sent out next week.

2. *Financial Statements* - Director Blas stated that the books for the month ended March 31, 2023 are scheduled to close today.

V. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – March 2023

Director Blas stated that Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower, provided the TPA Report for the month ended March 31, 2023 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 \$459,356,040.21. There was an increase of \$1,912,888.97 or 0.42% from the previous month. The market effect was -.54%. The 457 Plan had total assets of \$128,191,555.69. There was an increase of \$2,716,547.37 or 2.17% from the previous month. The market effect was .98%.

Mr. Hauerbach stated that the 401(a) Plan had total contributions of \$4,366,216.83. There was an increase in contributions of \$1,147,402.35 or 35.65% from the previous month. The 457 Plan had total contributions of \$1,488,036.09. There was an increase in contributions of \$325,618.22 or 28.01% from the previous month.

Mr. Hauerbach stated that the 401(a) Plan had disbursements totaling \$2,506,060.94. The 457 Plan had disbursements totaling \$1,143,560.00.

Mr. Hauerbach stated that the 401(a) Plan has a total of 7,406 participants receiving employer contributions and 7,381 actively contributing participants. The 457 Plan has 5,651 actively contributing participants. The 401(a) Plan has 135 first-time contributors and the 457 Plan has 54 first-time contributors. Mr. Hauerbach stated that there were 8 retirees in the month of March; of the 8 retirees, 6 elected full distributions, 1 elected a partial distribution, and 1 elected no distribution. Mr. Hauerbach pointed out that there were 454 walk-ins and 473 other participant engagements for a total of 927 on island participant engagements in the month of March. There were 958 calls handled by the off-island Call Center Support Team during the First Quarter of 2023. The average Satisfaction Rating for the quarter is 4.64 and 4.56 for the month of March.

Mr. Hauerbach provided the following updates:

- Grace Atalig has returned from her maternity leave. Ms. Atalig will start reengaging with her online Webinars and getting ready for other educational seminars and the reopening of the DB 1.75.
- Kerry Barnes – Empower hired a new Administrative Support team member. Ms. Barnes started on Monday, April 24, 2023.
- New Communications Campaign: “Saving More” – Empower will encourage participants to save more for retirement.

VI. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Artemio Hernandez reported that there was no Investment Committee Meeting this month. Treasurer Hernandez stated that Due Diligence for the Quarter Ended December 31, 2022 was held on March 9, 2023.

Action Items:

1. *March 9, 2023 Due Diligence Meeting Minutes (Quarter Ended December 31, 2022)*

Open Items:

1. *Request for Proposal (RFP) for Plan Administration Services for 401 and 457 Plans*

Informational Items:

1. *Next Quarterly Performance Review* – Treasurer Hernandez informed the Board that the next Quarterly Performance Review is scheduled for June 15, 2023.

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, on motion of Treasurer Artemio Hernandez, seconded by Vice Chair Antolina Leon Guerrero, and without objection, the meeting was adjourned at 12:47 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of April 28, 2023 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on May 19, 2023.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Jackie Blas