



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, February 10, 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 12:43 p.m. Friday, February 10, 2023, in the Retirement Fund Conference Room. Acting Chair Antolina S. Leon Guerrero officiated.

**Board of Trustees Present:**

Antolina S. Leon Guerrero, Acting Chair  
 Artemio R.A. Hernandez, Treasurer  
 Thomas H. San Agustin, Trustee  
 David N. Sanford, Trustee  
 George A. Santos, Trustee

**Board of Trustees Absent:**

Wilfred P. Leon Guerrero, Chairman (*Excused*)  
 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:**

Norman Taruc, Guam Daily Post

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

### **A. January 20, 2023 Regular Meeting**

**Treasurer Artemio Hernandez, seconded by Trustee George Santos, moved to approve the Minutes of the January 20, 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 January 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 39 active claims as of January 31, 2023.

**2. *Request for Proposal (RFP) No. GGRF-002-22: Plan Administration Services Related to the Defined Contribution Retirement System 401(a), 457 Deferred Compensation Plan, and Welfare Benefits Plan*** – Director Blas stated that the RFP process is still ongoing, however the agreement with the current Third Party Administrator (TPA) is expiring on February 19, 2023. Management is requesting for approval to extend the agreement on a month-to-month term until the evaluations, negotiations and contracting have been completed.

**Trustee George Santos, seconded by Trustee David Sanford, moved to approve to extend the agreement for the Third Party Administrator, Empower Retirement, on a month-to-month term until the evaluations, negotiations and contracting have been completed.**

**Treasurer Artemio Hernandez, seconded by Trustee Thomas San Agustin, moved to amend the motion so that approval of the extension is subject to Legal Counsel's approval. Without objection, the motion passed, as amended.**

### **Financial Report**

**1. *Contributions*** - Director Blas stated that as of February 7, 2023, all agencies are current with their Fiscal Year 2023 employee and employer contributions.

**2. *Financial Statements*** - Director Blas stated that the books for the month ended December 31, 2022 are scheduled to close today and the books for the month ended January 31, 2023 are scheduled to close on February 28, 2023.

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

### **A. Contribution Report – January 2023**

Director Blas stated that Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower, provided the TPA Report for the month ended January 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 \$467,676,846.34. There was an increase of \$27,644,773.71 or 6.28% from the previous month. The 457 Plan had total assets of \$127,872,918.50. There was an increase of \$7,954,602.33 or 6.63% from the previous month.

Mr. Hauerbach stated that the 401(a) Plan had total contributions of \$3,386,296.61. There was an increase in contributions of \$279,999.60 or 9.01% from the previous month. The 457 Plan had total contributions of \$1,132,406.10. There was an increase in contributions of \$149,079.57 or 15.16% from the previous month.

Mr. Hauerbach stated that the 401(a) Plan had disbursements totaling \$2,856,481.92. The 457 Plan had disbursements totaling \$637,545.98.

Mr. Hauerbach stated that the 401(a) Plan has a total of 7,391 participants receiving employer contributions. The 457 Plan has 5,648 actively contributing participants. The 401(a) Plan has 111 first-time contributors and the 457 Plan has 31 first-time contributors. Mr. Hauerbach stated that there were 7 retirees in the month of January; of the 7 retirees, 3 elected a full withdrawal, and 4 elected no distribution. Mr. Hauerbach pointed out that there were 465 walk-ins and 482 other participant engagements for a total of 947 engagements in the month of January. Mr. Hauerbach stated that Empower's off-island Call Center support received 417 participant calls in the month of January. The satisfaction rating arose to 4.76 out of a score of 5.

Mr. Hauerbach provided the following updates:

- Senior Executive Moves within Empower – General Counsel Richard Schultz will be retiring effective March 2, 2023. He will be replaced by Deputy General Counsel Kelly Noble. Empower's Senior Vice President of Participant Communications left the firm and has been replaced by Jennifer Padora.
- Empower Personal Wealth Management - will launch on February 15, 2023. This will bring retirement financial wellness to everyone, not just in the workplace, but Empower's focus will remain in the workplace retirement plan area.
- Financial Wellness Program – only one-third of Americans have expressed satisfaction with the personal financial situation. Similarly, sixty-eight percent of Americans expressed some sort of stress around the financial situation.

## **VI. STANDING COMMITTEE REPORTS**

### **A. Investment Committee**

Treasurer Artemio Hernandez reported that there was no Investment Committee Meeting this month.

*Next Quarterly Performance Meeting* – Treasurer Hernandez informed the Board that the next Quarterly Performance Meeting is scheduled for March 9, 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

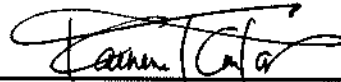
**X. ANNOUNCEMENTS**

None

**XI. ADJOURNMENT**

**There being no further business before the Board for the Defined Contribution Plan, on motion of Treasurer Artemio Hernandez, seconded by Trustee George Santos, and without objection, the meeting was adjourned at 12:52 p.m. Motion passed.**

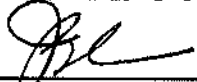
**I hereby certify that the foregoing is a full, true and correct copy of the Minutes of February 10, 2023 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on March 10, 2023.**



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

**RECORDING SECRETARY:**



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**Jackie Blas**