



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, May 21, 2021, 12:00 Noon  
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 12:25 p.m. Friday, May 21, 2021, 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  
George A. Santos, Trustee

**Board of Trustees Absent:**

Katherine T.E. Taitano, Secretary (*Excused*)  
David N. Sanford, Trustee (*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

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

### **A. April 30, 2021 Regular Meeting**

Vice Chair Antolina Leon Guerrero, seconded by Trustee George Santos, moved to approve the Minutes of the April 30, 2021 Regular Meeting, subject to technical corrections. Without objection, the motion passed.

## **III. CORRESPONDENCE**

None

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

**I. Standard Insurance** - An updated summary report as of April 30, 2021 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 42 active claims as of April 30, 2021.

### **Financial Report**

**1. Contributions** - Director Blas stated that as of May 18, 2021, all agencies are current with their Fiscal Year 2021 employee and employer contributions.

**2. Financial Statements** - Director Blas stated that the books for the month ended April 30, 2021 are scheduled to close today.

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

### **A. Contribution Report – April 2021**

Director Blas stated that Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower Retirement, provided the TPA Report for the month ended April 30, 2021 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 \$478,281,813.43. There was an increase of \$15,715,694.78 or 3.40% from the previous month. The market effect was 2.74%. The 457 Plan had total assets of \$123,949,993.72. There was an increase of \$4,744,627.78 or 3.98% from the previous month. The market effect was 3.16%.

Mr. Hauerbach stated that the 401(a) Plan had total contributions of \$3,059,765.42. There was an increase in contributions of \$93,050.11 or 3.14% from the previous month. The 457 Plan had total contributions of \$983,219.39. There was a decrease in contributions of \$221,814.57 or -18.41% from the previous month. Mr. Hauerbach stated that the decrease in contributions is due to timing issues related to payroll contributions.

Mr. Hauerbach stated that the 401(a) Plan had disbursements totaling \$1,472,642.69. The 457 Plan had disbursements totaling \$536,906.90.

Mr. Hauerbach stated that the 401(a) Plan has a total of 6,557 participants receiving employer contributions. The 457 Plan has 5,725 contributing participants. The 401(a) Plan has 98 first-time contributors and the 457 Plan has 52 first-time contributors. Mr. Hauerbach stated that there were 3

retirees in the month of April; of the 3 retirees, 1 took a full withdrawal and 2 with no distribution taken.

Mr. Hauerbach provided an update on the following:

- Secure Foundation - Notices will be sent out in July for an October consolidation. The 2020-2023 funds will merge into the balance fund and the 2035 fund and beyond will be eliminated.
- First Floor Office Space - Still working with Retirement Fund on coordinating and planning of occupying an office space downstairs. Finalized plans should be ready by Monday for Retirement Fund to review. Controller Diana Bernardo stated that Retirement Fund Management is concerned that the total plan cost is \$36,000.00. Mr. Hauerbach stated that \$20,000 of that amount is for security measures that will benefit the whole building.
- Webinar - There's been an average turnout. Empower Retirement is in the process of publishing a new schedule on Monday which covers up to August.
- Expanded Participant Services Coverage - Currently participants are only able to speak to a live representative until 12:00 p.m. Participants could now reach a live services representative until 4:00 p.m. Tuesday through Saturday. There are two designated representatives who are able to deal with the local participants. The designated representatives will be able to answer specific questions and are allowed to have access to the forms. The Expanded Participant Services Coverage launched on May 10, 2021.

Controller Bernardo asked whether staffing locally is sufficient. The Retirement Fund has been receiving complains from participants that no one answers the phones or no one is there when turning in documents. Controller Bernardo stated that she is concerned and asked Mr. Hauerbach to work on that so that the problem could be eliminated. Mr. Hauerbach stated that he believes that his office is adequately staffed. Mr. Hauerbach stated that he will be looking at how to ensure that these type of situations do not occur. Having the office space downstairs will certainly help. Vice Chair Antolina Leon Guerrero asked whether voicemail is available. Mr. Hauerbach stated that voicemail is available on their main phone line (475-8945).

## **VI. STANDING COMMITTEE REPORTS**

### **A. Investment Committee**

Treasurer Artemio Hernandez reported that the Investment Committee Meeting was held on May 20, 2021. The Committee reviewed and approved the Investment Committee Meeting Minutes of April 28, 2021 and the April 28, 2021 Due Diligence Meeting Minutes for the Quarter Ended March 31, 2021.

***Third Party Administrator Annual Review*** - Treasurer Hernandez stated that the annual review for Empower Retirement will take place on June 16, 2021.

***Next Quarterly Performance Meeting*** – Treasurer Hernandez informed the Board that the next Quarterly Performance Meeting is tentatively scheduled for July 15, 2021. Vice Chair Leon Guerrero asked whether the Board meeting dates are going to be changed. Director Blas stated that the Board meetings are now on the third Fridays. Director Blas stated that with the change of the Board meeting dates, the DC Due Diligence meetings are going to be too close to the quarter-end and the reports may not be ready on time. Vice Chair Leon Guerrero stated that she thought the Board meetings were

going to be moved to the first Fridays. Director Blas stated that the only problem with moving the meeting to the first Fridays is that the DC Due Diligence meeting quarter-end reports won't be ready on time. Director Blas stated that DC Due Diligence meetings are just too close to the quarter-end. Vice Chair Leon Guerrero suggested to look at the calendar and work out the dates afterwards.

**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

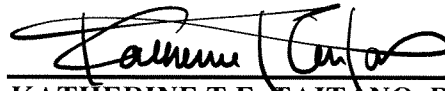
**X. ANNOUNCEMENTS**

None

**XI. ADJOURNMENT**

**There being no further business before the Board for the Defined Contribution Plan, on motion of Trustee George Santos, seconded by Treasurer Artemio Hernandez, and without objection, the meeting was adjourned at 12:48 p.m. Motion passed.**

**I hereby certify that the foregoing is a full, true and correct copy of the Minutes of May 21, 2021 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on June 18, 2021.**



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

**RECORDING SECRETARY:**

  
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**Jackie Blas**