



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, August 25, 2023, 12:30 P.M.
 Retirement Fund Conference Room

MINUTES

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

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 12:35p.m. Friday, August 25, 2023, in the Retirement Fund Conference Room. Vice Chair Antolina S. Leon Guerrero officiated.

Board of Trustees Present:

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:

Wilfred P. Leon Guerrero, Chairman (*Excused*)
 Katherine T.E. Taitano, Secretary (*Excused*)

Staff Present:

Paula Blas, Director
 Ariane Bocago, Recording Secretary

Third Party Administrator Present:

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

DB Investment Consultant Present:

Maggie Ralbovsky, Wilshire Consulting

Public Present:

Jonah Benavente, The Guam Daily Post

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. July 28, 2023 Regular Meeting

Trustee George Santos, seconded by Treasurer Artemio Hernandez moved to approve the Minutes of the July 28, 2023 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 July 31, 2023 on the status of applications and individuals on Group Long Term Disability (LTD) is provided for the Board's information. There are 42 active claims as of July 31, 2023.

Financial Report

I. *Contributions* - Director Paula Blas stated that as of August 22, 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 July 31, 2023 is scheduled to close on August 29, 2023.

V. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – July 2023

Director Blas stated that Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower, provided the TPA Report for the month ended July 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 \$ 500,388,494.47. There was an increase of \$ 12,974,540.16 or 2.66% from the previous month. The 457 Plan had total assets of \$140,234,248.12. There was an increase of \$4,447,935.26 or 3.28 % from the previous month.

Mr. Hauerbach stated that the 401(a) Plan had total contributions of \$3,535,422.58. There was a decrease in contributions of \$1,008,648.90 or -22.20% from the previous month. The 457 Plan had total contributions of \$1,382,414.89. There was a decrease in contributions of \$49,751.16 or -3.47% from the previous month.

Mr. Hauerbach stated that the 401(a) Plan had disbursements totaling \$2,458,198.61. The 457 Plan had disbursements totaling \$468,469.84.

Mr. Hauerbach stated that the 401(a) Plan has a total of 7020 participants receiving employer contributions. The 457 Plan has 5471 actively contributing participants. The 401(a) Plan has 90 first-time contributors and the 457 Plan has 45 first-time contributors. Mr. Hauerbach stated that there were 3 retirements in the month of July; of the 3 retirees, 2 elected a full withdrawal, and 1 elected a partial withdrawal.

Treasurer Artemio Hernandez asked about the interest rate on the loans. Mr. Hauerbach stated that for general purpose loans it is between 2-3% plus prime - about 7%, repayment term is between 1 to 5 years, and for the purchase of a primary residence, it's extended up to 15 years with a maximum of \$50,000 or 50% of their contribution. Vice Chair Antolina Leon Guerrero asked the difference between Members Receiving Employer Contribution and Actively Contributing Member. Mr. Hauerbach stated that there are new hired employees that are being proactive and started making contributions before receiving proper documents that is usually received by the 20th and 30th of the month and the Actively Contributing are the regular employee members.

Mr. Hauerbach pointed out that there were 585 walk-ins and 340 other participant engagements for a total of 925 engagements in the month of July. There were 197 off island participant calls with an average satisfaction rating of 4.5%.

Mr. Hauerbach provided the following updates:

- Webinars – twice weekly with an average of 12-14 participants
- National Retirement Security Month in October – collaborate with email provider agency with National Retirement security council to create customized empower. The target are those participants who have not yet registered for an online account. For those participants who have already registered online, we encourage them to secure second factor authentication. Regardless of which version the participants or member receives, the campaign will actively promote engagement with a financial representative.
- Save More – campaign to engage with participants and educating them about manage accounts.

VI. STANDING COMMITTEE REPORTS

A. Investment Committee

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

Informational Items

I. Next Quarterly Performance Review – Treasurer Hernandez informed the Board that the next DC Quarterly Performance Review is scheduled for September 21, 2023.

B. Members and Benefits Committee

No report was made at this time.

VII. OLD BUSINESS

None

VIII. NEW BUSINESS

None

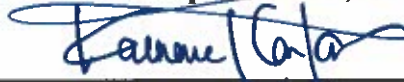
IX. OPEN DISCUSSION / GENERAL PUBLIC INPUT

X. ANNOUNCEMENTS

XI. ADJOURNMENT

There being no further business before the Board for the Defined Contribution Plan, on motion of George Santos, seconded by Treasurer Artemio Hernandez, and without objection, the meeting was adjourned at 12:49 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of August 25, 2023 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on September 22, 2023.



KATHERINE T.E. TAIFANO, Board Secretary

RECORDING SECRETARY:



Ariane Bocago