



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.
 Chair, Investment Committee

Thomas H. San Agustin
 Trustee

George A. Santos
 Trustee

David N. Sanford
 Trustee

BOARD OF TRUSTEES
Regular Meeting
 Friday, September 25, 2020, 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 12:20 p.m. Friday, September 25, 2020, 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
 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. August 28, 2020 Regular Meeting

Treasurer Artemio Hernandez, seconded by Trustee George Santos, moved to approve the Minutes of the August 28, 2020 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 August 31, 2020 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 47 LTD Active Claims as of August 31, 2020.

Financial Report

1. *Contributions* - Director Blas stated that as of September 23, 2020, all agencies are current with their Fiscal Year 2020 employee and employer contributions.

2. *Financial Statements* - Director Blas stated that the books for the month ended August 31, 2020 are scheduled to close today.

V. THIRD PARTY ADMINISTRATOR'S REPORT

A. Contribution Report – August 2020

Director Blas stated that Bjorn Hauerbach, Director, Client Relations & Participant Engagement, Empower Retirement, provided the TPA Report for the month ending August 31, 2020 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 \$402,383,208.34. There was an increase of \$14,432,451.54 or 3.72%. There was a market attributable increase of 3.0% from July 2020 to August 2020. The 457 Deferred Compensation Plan had total assets of \$102,266,288.13. There was an increase of \$3,905,206.33 or 3.97%. There was a market attributable increase of 2.8% from July 2020 to August 2020.

Mr. Hauerbach stated that the 401(a) Plan had total contributions of \$2,820,918.72. There was an increase in contributions of \$314,912.29 or 12.57%. The 457 Deferred Compensation Plan had total contributions of \$1,106,468.27. There was an increase in contributions of \$111,982.25 or 11.26%.

Mr. Hauerbach stated that the 401(a) Plan had 200 employee distributions totaling \$2,631,778.54. There were 82 COVID related distributions. The 457 Plan had 56 participant distributions totaling \$923,164.73.

Mr. Hauerbach stated that the 401(a) Plan has a total of 5,862 participants receiving employer contributions. The 457 Plan has 5,344 contributing participants. The 401(a) Plan has 128 first contributions and the 457 Plan has 100 first contributions. Mr. Hauerbach stated that there was 1 retiree in the month of August, which took a full withdrawal and rolled it over to an IRA. The total number of retirees is 1,291.

Mr. Hauerbach stated that 287 participants sought relief relative to the CARES Act. Mr. Hauerbach stated that changes to the investment line-up will take place: 1) October 15, 2020 - Transamerica International Equity Fund will be replaced with a Mercer Multi Manager Fund; and 2) October 19, 2020 - Bank of New York Mellon Global Fixed Income will be replaced with AB Global Fixed Income.

Mr. Hauerbach stated that Empower Retirement sent an email to their payroll contacts throughout the Government of Guam informing them that Empower Retirement is working on modifying and enhancing the system of submitting payroll contributions.

Mr. Hauerbach further stated that Empower Retirement is working with their Communications Team to develop an employee orientation seminar that will be recorded and then posted online; and Empower Retirement is also in the process of planning an employee orientation via WebEx geared towards new employees at Guam Memorial Hospital.

VI. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Artemio Hernandez reported that the Investment Committee Meeting was held on September 23, 2020. The Committee reviewed and approved the Investment Committee Meeting Minutes of August 27, 2020.

Treasurer Hernandez stated that the Investment Committee continues to look into Revenue Sharing and Responsible Investment. Treasurer Hernandez further stated that Mercer's contract will be up for consideration in April 2021.

Next Quarterly Performance Meeting – Treasurer Hernandez informed the Board that the next Quarterly Performance Meeting is scheduled for October 29, 2020.

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, Trustee George Santos moved to adjourn the meeting. Without objection, the meeting was adjourned at 12:30 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of September 25, 2020 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on October 30, 2020.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Jackie Blas