



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, January 29, 2021, 12:00 Noon
Retirement Fund Conference Room

MINUTES

DEFINED BENEFIT

I. ATTENDANCE, QUORUM, AND CALL TO ORDER

After determining a quorum was present, the Retirement Fund Board of Trustees Regular Meeting for the Defined Benefit Plan was called to order at 12:35 p.m. Friday, January 29, 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
- Katherine T.E. Taitano, Secretary
- Artemio R.A. Hernandez, Treasurer
- Thomas H. San Agustin, Trustee
- David N. Sanford, Trustee
- George A. Santos, Trustee

Staff Present:

- Paula Blas, Director
- Jackie Blas, Recording Secretary

II. REVIEW AND APPROVAL OF BOARD MINUTES
A. December 18, 2020 Regular Meeting

Trustee George Santos, seconded by Vice Chair Antolina Leon Guerrero, moved to approve the Minutes of the December 18, 2020 Regular Meeting, subject to technical corrections. Without objection, the motion passed.

III. CORRESPONDENCE

None

IV. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. *Candelaria Rios, et al. vs. Joseph Ada, et al. (Special Proceeding Case No. SP206-93)* - The Retirement Fund maintains a list of deceased COLA Awardees who did not name a beneficiary, or whose beneficiary may be deceased. COLA award disbursements for these individuals will be made to their respective estates.

2. *Bernstein Litowitz Berger and Grossmann (BLBG)* - BLBG's Litigation Status Report dated January 22, 2021 on the following lawsuits is provided for the Board's information. These cases are highly confidential and BLBG asked that the cases not be discussed in a public forum.

- **Apollo Education Group**
- **EQT Corporation**

Director Paula Blas stated that on the Apollo case, the second distribution of the settlement proceeds will take place in July 2021. Director Blas stated that on the EQT case, the Attorneys are in the process of negotiating a discovery schedule for the case with Defendants. A conference with the Court is scheduled for February 20, 2021 where the Court will set the official case schedule.

Financial Report

1. *Contributions* - Director Blas stated that as of January 26, 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 December 31, 2020 are scheduled to close today.

3. *Fiscal Year 2021 Retirees' Supplemental Benefits* - Director Blas stated that supplemental benefits for retirees and survivors for the month of January 2021 were paid.

4. *Fiscal Year 2021 Medicare Reimbursements* - Director Blas stated that the Retirement Fund received the January 2021 allotment from the General Fund and reimbursements were processed accordingly.

V. LEGAL COUNSEL'S REPORT

No report was made at this time.

VI. TREASURER'S REPORT OF FINANCIAL STATUS

Treasurer Artemio Hernandez stated that the Retirement Fund is operating within its current drawdown authority of up to \$6 Million monthly which continues through March 2021.

Treasurer Hernandez stated that there is about \$14.5 Million remaining on the \$50 Million that was placed into a cash account with Northern Trust to cover liquidity shortfalls.

Treasurer Hernandez stated that the Fiscal Year ending September 30, 2020 audit is supposed to be closed today.

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Hernandez reported that the Investment Committee Meeting was held on January 28, 2021. The Committee reviewed and approved the Investment Committee Meeting Minutes of December 16, 2020. Treasurer Hernandez stated that as of January 27, 2021, the market value of the total fund is \$2,175,540,530.

Treasurer Hernandez stated that the manager search process will begin in the 1st Quarter of the Calendar Year for the Global Infrastructure and then the U.S. Small Cap and International Equity will begin in the 2nd Quarter. Treasurer Hernandez stated that Maggie Ralbovsky of Wilshire Associates will submit comments on her recommendation at the February 2021 Investment Committee Meeting.

Chairman Leon Guerrero inquired about something going on with the market. Treasurer Hernandez stated that retail traders were betting for GameStop. The price of GameStop shares increased from \$2.00 to \$400.00. Treasurer Hernandez stated that he will bring this up with Ms. Ralbovsky at next month's Due Diligence Meeting.

Next Quarterly Performance Meeting – Treasurer Hernandez informed the Board that the next Quarterly Performance Meeting is tentatively scheduled for February 24 and 25, 2021.

B. Members and Benefits Committee

Secretary Katherine Taitano presented the Committee's January 2021 report to the Board of Trustees.

Secretary Katherine Taitano, seconded by Trustee George Santos, moved to approve the recommendation of the Members and Benefits Committee contained on Pages 4 through 13, based on the Committee's review and findings during their meeting of January 22, 2021. Without objection, the motion passed.

DISABILITY CASE NO. 20-001

Vice Chair Antolina Leon Guerrero stated that the applicant is a 59 year old Homemaker with the Department of Public Health & Social Services with approximately 11+ years of service. The date of application for disability is June 4, 2020. The reason for application is Severe Spinal Cord Compression Secondary to Two Herniated Cervical Disks; Spinal Cord Injury with Myelopathy. The applicant's primary physician, Dr. Hoa Nguyen, referred the applicant to neurologist Dr. David Weingarten. The applicant was subsequently examined by two Independent Medical Examiners (IMEs): Dr. Vincent Duenas on November 4, 2020 and Dr. E. Fred Schroeder on November 20, 2020. Dr. Duenas gave a rating of 78% whole-person impairment and indicated that the impairment is permanent and precludes the applicant from gainful work. Dr. Duenas noted that the applicant needs help with all Activities of Daily Living (ADL) and that the applicant is wheelchair bound. Dr. Schroeder gave a rating of 73% whole-person impairment and also indicated that the impairment is permanent and precludes the applicant from gainful work. Dr. Schroeder noted that he thinks that this number under-states the applicant's impairment and with the applicant currently unable to walk, he does not see how the applicant can work.

At this time Chairman Leon Guerrero asked whether the applicant is present, noting that if the applicant would like to address the Board, he/she would have to waive his/her right to the privacy of his/her medical records and he/she must state his/her name for the record. Chairman Leon Guerrero indicated that no one came forward.

Vice Chair Antolina Leon Guerrero, seconded by Trustee George Santos, moved to approve a full disability pension for Disability Case No. 20-001, based on the findings of the two (2) Independent Medical Examiners (IMEs), and the review of records. Votes as follows: Yes Votes - Vice Chair Antolina Leon Guerrero, Trustee George Santos, Trustee Thomas San Agustin, Treasurer Artemio Hernandez, Secretary Katherine Taitano, Trustee David Sanford, and Chairman Wilfred Leon Guerrero. With seven (7) "Yes" votes, the motion unanimously passed.

VIII. OLD BUSINESS

None

IX. NEW BUSINESS

None

X. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

XI. ANNOUNCEMENTS

None

XII. ADJOURNMENT

There being no further business before the Board for the Defined Benefit Plan, Vice Chair Antolina Leon Guerrero moved to adjourn the meeting. 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 January 29, 2021 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on February 26, 2021.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Jackie Blas