



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, October 20, 2023, 12:30 P.M.
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 12:52 p.m. Friday, October 20, 2023, in the Retirement Fund Conference Room. Vice Chair Lina Leon Guerrero presided.

Board of Trustees Present:
Wilfred P. Leon Guerrero, Chairman
Antolina S. Leon Guerrero, Vice Chair
David N. Sanford, Trustee
George A. Santos, Trustee

Board of Trustees Absent:
Katherine T.E. Taitano, Secretary
Artemio R.A. Hernandez, Treasurer
Thomas H. San Agustin, Trustee

Staff Present:
Paula Blas, Director
Andrea Atalig, Recording Secretary

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. September 22, 2023 Regular Meeting

Trustee George Santos, seconded by Trustee David Sanford, moved to approve the Minutes of the September 22, 2023 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. The Retirement Fund will publish a list of deceased COLA Awardees with their COLA award balances every six months for one year beginning in January 2024.

2. *Bernstein Litowitz Berger and Grossmann (BLBG)* - BLBG's Litigation Status Report dated October 13, 2023 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

Financial Report

1. *Contributions* - Director Paula Blas stated that as of October 17, 2023, all agencies are current with their Fiscal Year 2024 employee and employer contributions.

2. *Financial Statements* - Director Blas stated that the books for the month ended September 2023 is scheduled to close on November 3, 2023.

3. *Fiscal Year 2024 Retirees' Supplemental Benefits* - Director Blas stated that supplemental benefits for retirees and survivors for the month of October 2023 will be paid by the end of the month.

4. *Fiscal Year 2024 Medicare Reimbursements* - Director Blas stated that the Retirement Fund received the October 2023 allotment from the General Fund and reimbursements were processed accordingly.

5. *Fiscal Year 2024 Cost of Living Allowance (COLA)* - Director Blas stated that the FY-2024 annual COLA for retiree and survivors in the amount of \$2,300.00 was paid on October 17, 2023.

V. LEGAL COUNSEL'S REPORT

None

VI. TREASURER'S REPORT OF FINANCIAL STATUS

Trustee David Sanford stated that the Retirement Fund is operating within its current drawdown authority of up to \$7 Million monthly which continues through December 2023. A copy of the Cash Flow Statement is provided for the Board's review.

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Trustee David Sanford reported that there was no Investment Committee Meeting this month. Trustee Sanford stated that as of October 16, 2023, the size of the Retirement Fund's portfolio was \$ 1,872,540,575.

Action Items

Informational Items

- 1. Asset Allocation Summaries**
- 2. Income summary**
- 3. Securities Lending**
- 4. 5 Year Plan**
- 5. Next Quarterly Performance Review** – Trustee Sanford stated that the next Quarterly Performance Review is scheduled for November 15 and 16, 2023.

B. Members and Benefits Committee

Trustee George Santos presented the Committee's October 2023 report to the Board of Trustees.

Trustee George Santos, seconded by Trustee David Sanford, moved to approve the recommendation of the Members and Benefits Committee contained on Pages 4 through 11, based on the Committee's review and findings of the October 2023 report. Without objection, the motion passed.

VIII. OLD BUSINESS

None

IX. NEW BUSINESS

A. Retiree Advocate Report – Fiscal Year 2024 Health Insurance Negotiations

Director Blas stated that the Retiree Advocate's report for Fiscal Year 2024 Health Insurance Negotiations is provided for the Board's review. Director Blas stated that the FY2024 Group Health Insurance is now a self-funded medical, pharmacy and dental plan. Director Blas stated the Third-Party Administrators (TPA) that were awarded the FY2024 Group Health Insurance are SelectCare for medical and pharmacy and NetCare for dental. Vice-Chair Leon Guerrero asked if there will be any impact to the retirees. Director Paula Blas stated that the retirees under the Retiree Supplemental Plan (RSP) will see a significant savings in premiums and the government will be absorbing most of the cost. For active employees who were enrolled with SelectCare in FY2023, they will be seeing a reduction in their premiums; and for many who

were enrolled in TakeCare in FY2023, they may or may not see any movement in premiums. Vice-Chair Leon Guerrero asked about the benefits that are included in the FY2024 Group Health Insurance. Director Blas stated the government adopted the same plan designs as FY2023 - HSA2000, PPO1500 and the RSP plans. She also stated the dental benefits has increased from \$1,000.00 to \$1,500.00 and the premiums have slightly increased. Chairman Leon Guerrero asked how the Government of Guam self-insurance works. Director Blas stated the TPA will be the coordinator of benefits between the members and the providers of care; adjudicate claims for services; and the government will pay for claims through the TPA. For Retirees under RSP - Medicare is the primary insurance which normally covers 80% of costs, and the RSP plan covers the remaining 20% of eligible expenses.

X. OPEN DISCUSSION / GENERAL PUBLIC INPUT

XI. ANNOUNCEMENTS

XII. ADJOURNMENT

There being no further business before the Board for the Defined Benefit Plan, on motion of Trustee George Santos, seconded by Trustee David Sanford, and without objection, the meeting was adjourned at 1:11 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of October 20, 2023 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on November 17, 2023.



KATHERINE M. TAITANO, Board Secretary

RECORDING SECRETARY:



Andrea P. Atalig