



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, December 16, 2022, 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 12:47 p.m. Friday, December 16, 2022, 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
 David N. Sanford, Trustee (*Via Zoom*)

Board of Trustees Absent:

Thomas H. San Agustin, Trustee (*Excused*)
 George A. Santos, Trustee (*Excused*)
 Katherine T.E. Taitano, Secretary (*Excused*)

Staff Present:

Paula Blas, Director
 Jackie Blas, Recording Secretary

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. November 10, 2022 Regular Meeting

Treasurer Artemio Hernandez, seconded by Vice Chair Antolina Leon Guerrero, moved to approve the Minutes of the November 10, 2022 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 December 9, 2022 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, a third distribution was completed in November 2022. The EQT litigation is ongoing and discovery will continue. Chairman Leon Guerrero inquired about the attorney representing the Retirement Fund. Director Blas stated that it's Hannah Ross.

3. *Bill No. 346-36: An Act to Amend §8502 and §8503, of Article 5, Chapter 8, Title 4 of the Guam Code Annotated Relative to the Defined Benefit 1.75 Retirement System*

Director Blas stated that she attended the Committee of the Whole meeting and Bill 346-36 was resolved in that meeting. Bill 346-36 is up for vote today.

Financial Report

1. *Contributions* - Director Blas stated that as of December 16, 2022, 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 November 30, 2022 are scheduled to close on December 30, 2022.

3. *Fiscal Year 2023 Retirees' Supplemental Benefits* - Director Blas stated that supplemental benefits for retirees and survivors for the month of December 2022 will be paid by the end of the month.

4. **Fiscal Year 2023 Medicare Reimbursements** - Director Blas stated that the Retirement Fund received the December 2022 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 he would like to recommend to extend the current drawdown authorization of up to \$7 Million through March 2023. A copy of the Cash Flow Statement is provided for the Board's review.

Treasurer Artemio Hernandez, seconded by Vice Chair Antolina Leon Guerrero, moved to approve the recommendation to extend the current monthly drawdown authority of up to \$7 Million through March 2023. Without objection, the motion passed.

Chairman Leon Guerrero inquired about retirees' payroll. Director Blas stated that it's \$21 Million per month.

Treasurer Hernandez reiterated that the books for the month ended November 30, 2022 will be closed at the end the month.

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Hernandez reported that the Investment Committee Meeting was held on December 15, 2022. The Committee reviewed and approved the Investment Committee Meeting Minutes of November 8, 2022 and the November 8, 2022 Due Diligence for the Quarter Ended September 30, 2022. Treasurer Hernandez stated that as of December 9, 2022, the size of the Retirement Fund's portfolio was \$1,922,426,832, and as an update as of December 14, 2022, the portfolio was \$1.936 Billion. Treasurer Hernandez stated that both Maggie Ralbovsky of Wilshire Associates and Cameron Systemans of Mercer Investment Consulting, Inc. mentioned that the bonds and stocks are not doing too well.

U.S. Small Cap Request for Proposal (RFP) - Treasurer Hernandez stated that Ms. Ralbovsky recommended to issue the RFP sometime in the middle of next year as it's not feasible to issue the RFP at this time.

Next Quarterly Performance Meeting – Treasurer Hernandez stated that the next Quarterly Performance Meeting is scheduled for February 9, 2023.

B. Members and Benefits Committee

Vice Chair Antolina Leon Guerrero presented the Committee's December 2022 report to the Board of Trustees.

Vice Chair Antolina Leon Guerrero, seconded by Treasurer Artemio Hernandez, moved to approve the recommendation of the Members and Benefits Committee contained on Pages 4 through 15, based on the Committee's review and findings during their meeting of December 7, 2022. Without objection, the motion passed.

VIII. TRAVEL REPORT -

- A. IFEBP 68th Annual Employee Benefits Conference
October 23-26, 2022, Las Vegas, Nevada
(Vice Chair Antolina Leon Guerrero, Treasurer Artemio Hernandez,
Trustee George Santos, Director Paula Blas)**

- B. APAFS 20th Pacific Region Investment Conference
November 17-18, 2022, Manila, Philippines
(Treasurer Artemio Hernandez and Director Paula Blas)**

Chairman Leon Guerrero stated that Vice Chair Leon Guerrero, Treasurer Hernandez, Trustee Santos and Director Blas submitted their travel reports, for the Board's information, on the conferences they attended.

IX. OLD BUSINESS

None

X. NEW BUSINESS

None

XI. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

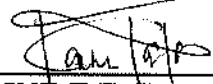
XII. ANNOUNCEMENTS

None

XIII. ADJOURNMENT

There being no further business before the Board for the Defined Benefit Plan, on motion of Treasurer Artemio Hernandez, seconded by Vice Chair Antolina Leon Guerrero, and without objection, the meeting was adjourned at 1:02 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of December 16, 2022 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on January 20, 2023.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Jackie Blas