



GOVERNMENT OF GUAM
RETIREMENT FUND
 STABILITY • SECURITY • REWARDS

Eddie Baza Calvo
 Governor

Ray Tenorio
 Lieutenant Governor

Paula M. Blas
 Director

BOARD OF TRUSTEES
Regular Meeting
 Friday, March 27, 2015, 12:30 p.m.
 Retirement Fund Conference Room

MINUTES

Trustees:

Joe T. San Agustin
 Chairman

Wilfred P. Leon Guerrero, Ed.D.
 Vice-Chairman
 Investment Committee, Chairman

Antolina S. Leon Guerrero
 Secretary

Gerard A. Cruz
 Treasurer
 Audit & Operations Committee,
 Chairman

Katherine T.E. Taitano
 Trustee

Anthony C. Blaz
 Trustee

David M. O'Brien
 Trustee

DEFINED BENEFITS

I. ATTENDANCE, QUORUM, AND CALL TO ORDER

After determining a quorum was present, the Retirement Fund Board of Trustees Regular Meeting for the Defined Benefits Plan was called to order at 1:25 p.m. Friday, March 27, 2015, in the Retirement Fund Conference Room. Chairman Joe T. San Agustin officiated.

Board of Trustees Present:

Joe T. San Agustin, Chairman
 Wilfred P. Leon Guerrero, Vice Chairman
 Antolina S. Leon Guerrero, Secretary
 Gerard A. Cruz, Treasurer
 Anthony C. Blaz, Trustee

Board of Trustees Absent:

David M. O'Brien, Trustee (*Excused*)
 Katherine T.E. Taitano, Trustee (*Excused*)

Staff Present:

Paula Blas, Director
 Rosalia Bordallo, General Accounting Supervisor
 Jackie Blas, Recording Secretary
 Alice Tajeron, Director, Client Relations & Plan Counseling, Empower Retirement

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. February 27, 2015 Regular Meeting

Secretary Antolina Leon Guerrero, seconded by Treasurer Gerard Cruz, moved to approve the Minutes of the February 27, 2015 Regular Meeting, subject to technical corrections. Without objection, the motion unanimously passed.

III. CORRESPONDENCE

None

IV. INFORMATIONAL ITEMS

None

V. DIRECTOR'S REPORT - EXECUTIVE SUMMARY

1. *Candelaria Rios, et al. vs. Joseph Ada, et al. (Special Proceeding Case No. SP206-93)* –

Director Paula Blas stated that 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)* - Director Blas stated that BLBG's Litigation Status Report dated March 20, 2015 on the following lawsuits is provided for the Board's information. Director Blas stated that these cases are highly confidential and BLBG asked that the cases not be discussed in a public forum.

- **MF Global** – Director Blas stated that the depositions have been completed. Treasurer Gerard Cruz testified as the Retirement Fund's designated representative.
- **Invacare Corporation** – Director Blas stated that the parties participated in mediation.

Financial Report

1. *Contributions* - Director Blas stated that as of March 24, 2015, all agencies are current with their Fiscal Year 2015 employee and employer contributions.

2. *Financial Statements* - Director Blas stated that the books for the month ending February 28, 2015 were closed on March 19, 2015.

3. *Fiscal Year 2015 Retirees' Supplemental Benefits* - Director Blas stated that supplemental benefits for retirees and survivors for the month of March 2015 were paid.

4. *Fiscal Year 2015 Medicare Reimbursements* - Director Blas stated that the Retirement Fund received the March 2015 allotment from the General Fund and reimbursements were processed accordingly.

VI. LEGAL COUNSEL'S REPORT

No report was made at this time.

VII. TREASURER'S REPORT OF FINANCIAL STATUS

Treasurer Cruz stated that the Treasurer's Report is provided at this meeting. It covers the Retirement Fund's Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position (unaudited) and Prior Year Receivables for both the Defined Benefit (DB) Plan and the Defined Contribution (DC) Plan for the month ended February 28, 2015. Treasurer Cruz stated that the total combined assets are \$2.1 Billion. Treasurer Cruz informed the Board that the audit report was issued. Treasurer Cruz mentioned that the unfunded liability will show on the financials in the Fiscal Year 2015 audit.

Chairman San Agustin stated that the principal drawdown is still increasing. Treasurer Cruz stated that the total year-to-date drawdown is \$7 Million or one-third of the amount authorized. The authorized monthly drawdown is \$3.5 Million.

VIII. STANDING COMMITTEE REPORTS

A. Investment Committee

Vice Chairman Wilfred Leon Guerrero reported that the Investment Committee Meeting was held on March 20, 2015. The Committee reviewed and approved the Investment Committee Meeting Minutes of February 26, 2015.

Vice Chairman Leon Guerrero stated that as of March 16, 2015, the Retirement Fund's portfolio is \$1.7 Billion.

Secretary Antolina Leon Guerrero asked whether Franklin Templeton has been terminated. Director Blas replied, "Yes."

Next Quarterly Performance Meeting – Vice Chairman Leon Guerrero stated that the next Quarterly Performance Meeting is scheduled for May 27, and 28, 2015.

Trustee Anthony Blaz, seconded by Treasurer Gerard Cruz, moved to accept the Investment Committee Report. Without objection, the motion unanimously passed.

B. Members and Benefits Committee

Secretary Leon Guerrero presented the Committee's March 2015 report to the Board of Trustees.

Secretary Antolina Leon Guerrero, seconded by Treasurer Gerard Cruz, moved to approve the recommendation of the Members and Benefits Committee contained on Pages 4 through 17, including the attached Annuity Worksheets and relevant documents, based on the Committee's review and findings during their meeting of March 18, 2015. Without objection, the motion unanimously passed.

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 Benefits Plan, on motion of Secretary Antolina Leon Guerrero, seconded by Treasurer Gerard Cruz, and without objection, the meeting was adjourned at 1:43 p.m. Motion unanimously passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of March 27, 2015 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on April 24, 2015.



ANTOLINA S. LEON GUERRERO, Board Secretary

RECORDING SECRETARY:



Jackie Blas