



GOVERNMENT OF GUAM
RETIREMENT FUND
 STABILITY · SECURITY · REWARDS

Lourdes A. Leon Guerrero
 Governor

Joshua F. Tenorio
 Lieutenant Governor

Paula M. Blas
 Director

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

Albert H. Santos
 Trustee

Vacant
 Trustee

BOARD OF TRUSTEES
Regular Meeting
 Friday, April 26, 2019, 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 12:47 p.m. Friday, April 26, 2019, 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
 Albert H. Santos, Trustee

Board of Trustees Absent:

Katherine T.E. Taitano, Trustee (*Excused*)

Staff Present:

Paula Blas, Director
 Jackie Blas, Recording Secretary

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. March 27, 2019 Regular Meeting

Secretary Antolina Leon Guerrero, seconded by Trustee Albert Santos, moved to approve the Minutes of the March 27, 2019 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 April 18, 2019 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**
- **MF Global**

Financial Report

1. *Contributions* - Director Paula Blas stated that as of April 23, 2019, all agencies are current with their Fiscal Year 2019 employee and employer contributions.

2. *Financial Statements* - Director Blas stated that the books for the month ended February 28, 2019 were closed on March 29, 2019 and the Books for the month ended March 31, 2019 are scheduled to close on April 29, 2019.

3. *Fiscal Year 2019 Retirees' Supplemental Benefits* - Director Blas stated that supplemental benefits for retirees and survivors for the month of April 2019 were paid.

4. *Fiscal Year 2019 Medicare Reimbursements* - Director Blas stated that the Retirement Fund received the April 2019 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 Gerard Cruz stated that the Retirement Fund is operating within its current drawdown authority of up to \$5.5 Million monthly which continues through September 2019.

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Vice Chairman Wilfred Leon Guerrero reported that the Investment Committee Meeting was held on April 25, 2019. The Committee reviewed and approved the Investment Committee Meeting Minutes of March 15, 2019. Vice Chairman Leon Guerrero stated that as of April 22, 2019, the size of the Retirement Fund's portfolio is \$1,969,836,951.

Next Quarterly Performance Meeting – Vice Chairman Leon Guerrero informed the Board that the next Quarterly Performance Meeting is scheduled for May 29 and 30, 2019.

Treasurer Cruz stated that he attended the BLBG Sponsored Institutional Investor Forum in New Orleans on April 10-13, 2019. Treasurer Cruz had the following takeaways for the Board to consider: 1) All the Pension Funds that were represented at the forum have multiple securities litigation firms watching their fund exposure. Pension Funds are hiring additional firms to do securities litigation on a 100% contingency; and 2) A recent Supreme Court Ruling (Morrison vs. Australia National Bank) regarding international holdings stipulates that litigation must be conducted in the country where the company is domiciled. Treasurer Cruz stated that the will include the cost to litigate abroad and differences in rules of law . Vice Chairman Leon Guerrero suggested to have the Retirement Fund's Legal Counsel review the Supreme Court Ruling. Chairman San Agustin agreed with Vice Chairman Leon Guerrero. Executive Director Blas will have Legal Counsel review the Supreme Court Ruling.

B. Members and Benefits Committee

Secretary Antolina Leon Guerrero presented the Committee's April 2019 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 1 through 15, based on the Committee's review and findings during their meeting of April 10, 2019. Without objection, the motion passed.

VIII. TRAVEL REPORT

A. Vice Chairman Wilfred Leon Guerrero: 37th Annual Wilshire Consulting Client Conference - March 24-26, 2019, Yountville, California

Chairman San Agustin stated that Vice Chairman Leon Guerrero submitted his travel report, for the Board's information, on the conference he attended.

IX. OLD BUSINESS

None

X. NEW BUSINESS

A. Director's Position

Chairman San Agustin informed the Board that the director's contract expires in May 2020. Chairman San Agustin recommended extending the director's contract to provide continuity and preserve

institutional knowledge for the new incoming Board members. Chairman recommended a contract extension for another three years through May 2023.

Chairman Joe San Agustin, seconded by Secretary Antolina Leon Guerrero, moved to approve to extend the Retirement Fund Director's Employment Agreement for an additional three years from May 2020, which will then expire in May 2023. Without objection, the motion passed.

XI. OPEN DISCUSSION / GENERAL PUBLIC INPUT

Treasurer Cruz mentioned that Elyse from SSI Investment will be in the area and would like to make a courtesy call with the Board or attend the May Board Meeting. Vice Chairman Leon Guerrero stated that the Board Meeting is open to the public and she can attend.

XII. ANNOUNCEMENTS

None

XIII. ADJOURNMENT

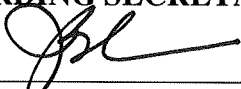
There being no further business before the Board for the Defined Benefit Plan, Secretary Antolina Leon Guerrero moved to adjourn the meeting. Without objection, the meeting was adjourned at 1:27 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of April 26, 2019 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on May 31, 2019.



ANTOLINA S. LEON GUERRERO, Board Secretary

RECORDING SECRETARY:



Jackie Blas