



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

**Gerard A. Cruz**  
Treasurer  
Chair, Investment Committee

**Artemio R.A. Hernandez, Ph.D.**  
Trustee

**Thomas H. San Agustin**  
Trustee

**George A. Santos**  
Trustee

**BOARD OF TRUSTEES**  
**Regular Meeting**  
Tuesday, October 29, 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 1:15 p.m. Tuesday, October 29, 2019, 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  
Gerard A. Cruz, Treasurer  
Thomas H. San Agustin, Trustee  
George A. Santos, Trustee

**Board of Trustees Absent:**

Katherine T.E. Taitano, Secretary (*Excused*)  
Artemio R.A. Hernandez, Trustee (*Excused*)

**Staff Present:**

Paula Blas, Director  
Jackie Blas, Recording Secretary

## **II. REVIEW AND APPROVAL OF BOARD MINUTES**

### **A. September 27, 2019 Regular Meeting**

Trustee George Santos, seconded by Treasurer Gerard Cruz, moved to approve the Minutes of the September 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 October 24, 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**
- **EQT Corporation**

### **Financial Report**

**1. Contributions** - Director Paula Blas stated that as of October 25, 2019, all agencies are current with their Fiscal Year 2020 employee and employer contributions.

**2. Financial Statements** - Director Blas stated that the books for the month ended September 30, 2019 are scheduled to close on November 8, 2019.

**3. Fiscal Year 2020 Retirees' Supplemental Benefits** - Director Blas stated that supplemental benefits for retirees and survivors for the month of October 2019 will be paid at the end of the month.

**4. Fiscal Year 2020 Medicare Reimbursements** - Director Blas stated that the Retirement Fund received the October 2019 allotment from the General Fund and reimbursements were processed accordingly.

**5. Fiscal Year 2020 Annual COLA** - Director Blas stated that the Annual COLA was released on October 25, 2019.

## **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 March 2020.

## **VII. STANDING COMMITTEE REPORTS**

### **A. Investment Committee**

Treasurer Cruz reported that the Investment Committee Meeting was held on October 28, 2019. The Committee reviewed and approved the Investment Committee Meeting Minutes of September 19, 2019. Treasurer Cruz stated that as of October 24, 2019, the size of the Retirement Fund's portfolio is \$1,998,995,935.

#### **Recommendations for Board Action:**

##### **1. Fisher Investments**

Treasurer Cruz stated that Maggie Ralbovsky of Wilshire Associates submitted her recommendation to terminate Fisher Investments' International Equity investments and transition the account into BlackRock EAFE Index Fund that's already set up in the Retirement Fund's portfolio, as soon as practically possible.

Treasurer Cruz stated that after a lengthy discussion and careful consideration, the Investment Committee recommends to maintain Fisher Investments as a manager, and to defund Fisher Investments' International Equity investments and transition the account as recommended by Wilshire.

**Treasurer Gerard Cruz, seconded by Trustee Thomas San Agustin, moved to accept the Investment Committee's recommendation to keep Fisher Investments on Watch and to defund Fisher Investments' International Equity investments and transition the account into BlackRock EAFE Index Fund. Without objection, the motion passed.**

*Next Quarterly Performance Meeting* – Treasurer Cruz informed the Board that the next Quarterly Performance Meeting is scheduled for November 13 and 14, 2019.

### **B. Members and Benefits Committee**

Vice Chair Antolina Leon Guerrero presented the Committee's October 2019 report to the Board of Trustees.

**Vice Chair Antolina Leon Guerrero, seconded by Trustee George Santos, moved to approve the recommendation of the Members and Benefits Committee contained on Pages 1 through 10, based on the Committee's review and findings during their meeting of October 11, 2019. Without objection, the motion passed.**

#### **DISABILITY CASE NO. 19-002**

Director Blas stated that Disability Case No. 19-002 was disapproved at the August 29, 2019 Board Meeting. Director Blas stated that Robert Koss of the Guam Federation of Teachers (GRT) is requesting for a reconsideration of the case. Chairman Leon Guerrero referred Disability Case No. 19-002 to the Members and Benefits Committee.

**VIII. OLD BUSINESS**

None

**IX. NEW BUSINESS**

**A. Retiree Advocate Report – Fiscal Year 2019/2020 Health Insurance Negotiations**

Director Blas stated that the Retiree Advocate’s report for Fiscal Year 2019/2020 Health Insurance Negotiations is provided for the Board’s information.

**X. OPEN DISCUSSION / GENERAL PUBLIC INPUT**

None

**XI. ANNOUNCEMENTS**

None

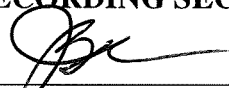
**XII. ADJOURNMENT**

There being no further business before the Board for the Defined Benefit Plan, Trustee George Santos moved to adjourn the meeting. Without objection, the meeting was adjourned at 1:40 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of October 29, 2019 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on November 15, 2019.

  
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KATHERINE T.E. TAITANO, Board Secretary

**RECORDING SECRETARY:**

  
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Jackie Blas