



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
Wednesday, January 29, 2020, 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 12:33 p.m. Wednesday, January 29, 2020, 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
Artemio R.A. Hernandez, Trustee
Thomas H. San Agustin, Trustee
George A. Santos, Trustee

Board of Trustees Absent:

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

Staff Present:

Paula Blas, Director
Jackie Blas, Recording Secretary

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. December 20, 2019 Regular Meeting

Vice Chair Antolina Leon Guerrero, seconded by Trustee George Santos, moved to approve the Minutes of the December 20, 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 January 22, 2020 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 the Apollo Education Group case is pending disbursement.

Financial Report

1. ***Contributions*** - Director Blas stated that as of January 27, 2020, 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 November 30, 2019 are scheduled to close on January 31, 2020.

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

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

5. ***Fiscal Year 2019 Audit*** - Director Blas stated that the audit for Fiscal Year Ending September 30, 2019 is currently ongoing.

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 January 28, 2020. The Committee reviewed and approved the Investment Committee Meeting Minutes of December 19, 2019. Treasurer Cruz stated that as of January 24, 2020, the size of the Retirement Fund's portfolio is \$2,077,390,577.

Treasurer Cruz stated that the defunding of Fisher has been completed and the funds were placed into the BlackRock EAFE Index Fund. Treasurer Cruz further stated that with the termination of Numeric Investors, the transition of funds out of Numeric Investors into the Russell 2000 Index Fund is ongoing.

Next Quarterly Performance Meeting – Treasurer Cruz informed the Board that the next Quarterly Performance Meeting is scheduled for February 27, 2020.

B. Members and Benefits Committee

Vice Chair Antolina Leon Guerrero presented the Committee's January 2020 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 4 through 17, based on the Committee's review and findings during their meeting of January 27, 2020. Without objection, the motion passed.

DISABILITY CASE NO. 19-002

Vice Chair Leon Guerrero stated that, at the August 29, 2019 Board Meeting, the Board disapproved Disability Case No. 19-002. Vice Chair Leon Guerrero stated that the applicant appealed the Board's decision. Disability Case No. 19-002 was referred back to the M&B Committee and the Committee recommended to refer the applicant to a third Independent Medical Examiner (IME).

Vice Chair Leon Guerrero stated that the Board was concerned that the recommendations from the IMEs who examined the applicant initially were questionable on whether the impairment would preclude the applicant from gainful work. Vice Chair Leon Guerrero stated that Dr. Fred Schroeder gave a rating of 70% whole-person impairment and indicated that the impairment is permanent and indicated that the applicant cannot do current job, cannot drive, but might manage four (4) hour light duty work. Dr. Vincent Duenas gave a rating of 52% whole-person impairment and indicated that the impairment is permanent and precludes the applicant from gainful work.

Vice Chair Leon Guerrero stated that the applicant was referred to a third IME, Dr. Doris Lim. The applicant was examined by Dr. Lim on December 24, 2019. Dr. Lim gave a rating of 82% whole-

person impairment and indicated that the impairment is permanent and precludes the applicant from gainful work. Chairman Leon Guerrero asked what was the reason for the application. Vice Chair Leon Guerrero stated that the applicant has Miniere's Disease, Tinnitus, Diabetes, Stool and Urine Incontinence.

At this time Chairman Leon Guerrero asked whether the applicant is present, noting that if the applicant would like to address the Board, he/she would have to waive his/her right to the privacy of his/her medical records and he/she must state his/her name for the record. Chairman Leon Guerrero indicated that no one came forward.

Vice Chair Antolina Leon Guerrero , seconded by Trustee Artemio Hernandez, moved to approve a full disability pension for Disability Case No. 19-002, based on the findings of the third Independent Medical Examiner (IME), and the review of records. Votes as follows: Yes Votes - Vice Chair Antolina Leon Guerrero, Trustee George Santos, Treasurer Gerard Cruz, Trustee Artemio Hernandez, Trustee Thomas San Agustin, and Chairman Wilfred Leon Guerrero. With six (6) "Yes" votes, the motion passed. Secretary Katherine Taitano was absent.

VIII. OLD BUSINESS

None

IX. NEW BUSINESS

None

X. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

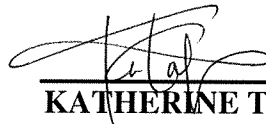
XI. ANNOUNCEMENTS

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 1:03 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of January 29, 2020 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on February 28, 2020.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Jackie Blas