



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, July 31, 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 12:15 p.m. Friday, July 31, 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
 Artemio R.A. Hernandez, Trustee
 Thomas H. San Agustin, Trustee
 David N. Sanford, Trustee
 George A. Santos, Trustee

Board of Trustees Absent:

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

Staff Present:

Paula Blas, Director
 Diana Bernardo, Controller
 Jackie Blas, Recording Secretary

Chairman Leon Guerrero congratulated David Sanford on his appointment to serve as a Member of the Government of Guam Retirement Fund Board of Trustees. The Board of Trustees welcomed Trustee Sanford.

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. June 26, 2020 Regular Meeting

Trustee George Santos, seconded by Vice Chair Antolina Leon Guerrero, moved to approve the Minutes of the June 26, 2020 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 July 24, 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 Retirement Fund was asked to be Lead Plaintiff in both the Apollo Education Group and EQT Corporation lawsuits in which the Board of Trustees agreed. The Apollo case is in the settlement process. Chairman Leon Guerrero inquired about the Retirement Fund's exposure. Director Blas stated that it is \$558,000. Director Blas stated that with the EQT case, EQT filed a Motion to Dismiss and the Retirement Fund filed an Opposition to Defendants' Motion to Dismiss. Nothing has been settled at this time. Trustee Artemio Hernandez stated that BLBG is paid on a contingency basis.

Financial Report

1. *Contributions* - Director Blas stated that as of July 28, 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 June 30, 2020 are scheduled to close today.

3. *Fiscal Year 2020 Retirees' Supplemental Benefits* - Director Blas stated that supplemental benefits for retirees and survivors for the month of July 2020 were paid.

4. *Fiscal Year 2020 Medicare Reimbursements* - Director Blas stated that the Retirement Fund received the July 2020 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

Controller Diana Bernardo stated that the Retirement Fund is operating within its current drawdown authority of up to \$5.5 Million monthly which continues through September 2020. Controller Bernardo stated that she will check on whether the drawdown authority of \$6.5 Million as indicated on the spreadsheet is an error.

Controller Bernardo stated that the agencies are current with the contributions as reported by Director Blas. There are no issues on meeting obligations on a month to month basis. Controller Bernardo stated that there is \$38 Million with Northern Trust and is drawn into Bank of Guam as needed. Vice Chair Antolina Leon Guerrero stated that the Board authorized \$50 Million to be placed into Northern Trust as needed to meet payroll. Controller Bernardo stated that because of the market conditions at the time of when Covid-19 started, the Retirement Fund was concerned as to whether the Government of Guam will still be able to make contribution remittances to Retirement Fund.

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Trustee Hernandez reported that the Investment Committee Meeting was held on July 30, 2020. The Committee reviewed and approved the Investment Committee Meeting Minutes of June 24, 2020 and the May 27 and 28, 2020 Due Diligence Meeting Minutes for the Quarter Ended March 31, 2020. Trustee Hernandez stated that as of July 27, 2020, the size of the Retirement Fund's portfolio is \$1,937,250,168. Trustee Hernandez stated that Trustee David Sanford is a member of the Investment Committee.

Next Quarterly Performance Meeting – Trustee Hernandez informed the Board that the next Quarterly Performance Meeting is tentatively scheduled for August 26 and 27, 2020.

B. Members and Benefits Committee

Vice Chair Leon Guerrero presented the Committee's July 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 12; and Page 13 for the Application for Disabled Adult Survivor Benefits, based on the Committee's review and findings during their meeting of July 24, 2020. Without objection, the motion passed.

VIII. OLD BUSINESS

None

IX. NEW BUSINESS

None

X. OPEN DISCUSSION / GENERAL PUBLIC INPUT

None

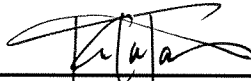
XI. ANNOUNCEMENTS

None

XII. ADJOURNMENT

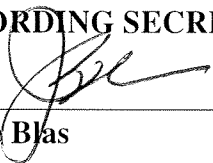
There being no further business before the Board for the Defined Benefit Plan, Trustee George Santos moved to adjourn the meeting. Without objection, the meeting was adjourned at 12:40 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of July 31, 2020 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on August 28, 2020.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Jackie Blas