



GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

Lourdes A. Leon Guerrero
Governor

Joshua F. Tenorio
Lieutenant Governor

Paula M. Blas
Director

BOARD OF TRUSTEES
Regular Meeting
Friday, July 26, 2024, 12:30 P.M.
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 1:02 p.m. Friday, July 26, 2024, in the Retirement Fund Conference Room. Chair Lina Leon Guerrero Santos officiated.

Board of Trustees Present:

Antolina S. Leon Guerrero, Chair
George A. Santos, Vice Chair
Artemio R.A. Hernandez, Treasurer
Thomas H. San Agustin, Secretary
David N. Sanford, Trustee

Board of Trustees Absent:

Katherine T.E. Taitano, Trustee

Staff Present:

Paula Blas, Director
Andrea Atalig, Recording Secretary

Trustees:

Antolina S. Leon Guerrero
Chair

George A. Santos
Vice Chair

Thomas H. San Agustin
Secretary

Artemio R.A. Hernandez, Ph.D.
Treasurer
Chair, Investment Committee

Katherine T.E. Taitano
Trustee
Chair, Members and Benefits Committee

David N. Sanford
Trustee

Vacant
Trustee

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. June 21, 2024 Regular Meeting

Treasurer Artemio Hernandez, seconded by Vice Chair George Santos, moved to approve the Minutes of the June 21, 2024 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. The Retirement Fund published a list of deceased COLA Awardees with the department they retired from on February 2, 2024 in the Guam Post and on GGRF's website. A second publication will be in July 2024.

2. *Bernstein Litowitz Berger and Grossmann (BLBG)* - BLBG's Litigation Status Report dated July 12, 2024 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 July 24, 2024, all agencies are current with their Fiscal Year 2024 employee and employer contributions.

2. *Financial Statements* - Director Blas stated that the books for the month ended June 2024 are scheduled to close on August 9, 2024.

3. *Fiscal Year 2024 Retirees' Supplemental Benefits* - Director Blas stated that supplemental benefits for retirees and survivors for the month of July 2024 will be paid by the end of the month.

4. *Fiscal Year 2024 Medicare Reimbursements* - Director Blas stated that the Retirement Fund received the July 2024 allotment from the General Fund and reimbursements were processed accordingly.

V. LEGAL COUNSEL'S REPORT

None

VI. TREASURER'S REPORT OF FINANCIAL STATUS

Treasurer Artemio Hernandez stated that the Retirement Fund is operating within its current drawdown authority of up to \$7 Million monthly which continues through September 2024. A copy of the Cash Flow Statement is provided for the Board's review.

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Hernandez reported that there was no Investment Committee Meeting this month. Treasurer Hernandez stated that as of July 19, 2024, the size of the Retirement Fund's portfolio was \$2,286,542,362.

Informational Items

- 1. *Asset Allocation Summaries***
- 2. *Income summary***
- 3. *Securities Lending***
- 4. *5 Year Plan***
- 5. *Next Quarterly Performance Review*** - Treasurer Hernandez stated that the next Quarterly Performance Review is scheduled for August 28-29, 2024.

B. Members and Benefits Committee

Vice Chair Santos presented the Committee's June 2024 report to the Board of Trustees.

Vice Chair George Santos, seconded by Treasurer Thomas San Agustin, moved to approve the recommendation of the Members and Benefits Committee contained on Pages 4 through 14, based on the Committee's review and findings of the July 2024 report. Without objection, the motion passed.

DISABILITY CASE

1. Disability Case No. 23-004

Chair Leon Guerrero stated the application was tabled during the May 31, 2024 meeting primarily since we did not have responses from the Independent Medical Examiner (IME), Dr. E Schroeder. Chair Leon Guerrero stated the applicant is a 56-year-old, Teacher at GDOE with 27 years and 8 months of service. The reason for the application is major depression, generalized anxiety disorder, and monitoring for bi-polar disorder. The applicant was examined by Dr. E. Schroeder on January 18, 2024. Dr. E. Schroeder estimates the impairment of the whole person at 39%, he does not consider that the impairment would preclude the applicant from work and it is uncertain that this condition will be permanent. Dr. E Schroeder noted that per the AMA guidelines the rating may underestimate the applicant's true disability and he suggests a psychiatrist or psychologist be consulted. Dr. D. Lim examined the applicant on March 6, 2024 and estimates the impairment of the whole person at 60%, indicates the impairment to be permanent and will preclude the applicant from work.

Chair Leon Guerrero points out that legislation in the statute as it pertains to disability pensions requires total and permanent disability: one which results from some impairment of body or mind which can be expected to result in death, or can be expected to last for a continuous period of not less than twelve (12) months. The impairment shall be one that substantially precludes a person from performing with reasonable regularity the substantial and material parts of any gainful work or occupation that he

would be competent to perform were it not for that impairment, and if founded upon condition which render it reasonably certain that it will continue indefinitely.

Chair Antolina Leon Guerrero, seconded by Trustee David Sanford, moved to disapprove a full disability pension for Disability Case No. 23-004, based on the findings of Dr. E. Schroeder the impairment of the whole person at 39% and uncertainly with regards to the condition being permanent and Dr. D. Lim's estimation at 60% of the whole person.

Treasurer Hernandez inquired if this precludes the applicant from reapplying. Director Blas stated it does not preclude the applicant from reapplying and they are allowed to reapply within six months or sooner if the impairment progresses. Secretary San Agustin inquired if the applicant seeks a phycologist will GGRF be the one to pay the doctor to perform the exam. Director Blas stated if the applicant is disapproved for disability benefits, GGRF will not be paying for the exam. Dr. Schroder suggests the applicant consult with other medical professionals that may include a psychologist or psychiatrist. Vice Chair Santos states that if the Board makes a decision the applicant as suggested by the Chair consult with other medical professionals and therefore may benefit from that.

On the motion, votes as follows: Yes Votes – Treasurer Artemio Hernandez, Secretary Thomas San Agustin, Trustee David Sanfor, Vice Chair George Santos, and Chair Antolina Leon Guerrero. With five (5) “Yes” votes, the motion unanimously passed.

VIII. OLD BUSINESS

IX. NEW BUSINESS

A. Trustee Standing Committee Assignments

1. Members and Benefits Committee

Chair Leon Guerrero inquired if those sitting on the Members and Benefits Committee would continue to serve. Vice Chair Santos and Chair Leon Guerrero agreed to serve on the committee.

Members and Benefits Committee

Katherine Taitano, Chair,
George Santos, Member
Antolina Leon Guerrero, Member

2. Investment Committee

Chair Leon Guerrero inquired if those sitting on the Investment Committee would continue to serve. Treasurer Hernandez, Secretary San Agustin, and Trustee Sanford agreed to serve on the committee. Investment Committee Chair and Treasurer Hernandez also agreed to serve as GGRF's representative on the Asia Pacific Association for Fiduciary Studies (APAFS) Board.

Investment Committee

Artemio Hernandez, Chair
Thomas San Agustin, Member
David Sanford, Member

X. OPEN DISCUSSION / GENERAL PUBLIC INPUT

XI. ANNOUNCEMENTS

XII. ADJOURNMENT

There being no further business before the Board for the Defined Benefit Plan, on motion of Vice Chair George Santos, seconded by Secretary Thomas San Agustin, and without objection, the meeting was adjourned at 1:24 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of July 26, 2024 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on August 30, 2024.



THOMAS H. SAN AGUSTIN, Board Secretary

RECORDING SECRETARY:



Andrea Atalig