



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, April 12, 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 12:48 p.m. Friday, April 12, 2024, in the Retirement Fund Conference Room. Acting Chair Antolina S. Leon Guerrero officiated.

Board of Trustees Present:

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

Board of Trustees Absent:

Wilfred P. Leon Guerrero, Chairman
Katherine T.E. Taitano, Secretary

Staff Present:

Paula Blas, Director
Andrea Atalig, Recording Secretary

II. REVIEW AND APPROVAL OF BOARD MINUTES

A. March 15, 2024 Regular Meeting

Treasurer Artemio Hernandez, seconded by Trustee Thomas San Agustin, moved to approve the Minutes of the March 15, 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, unable to locate the 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 Daily Post and on the GGRF website. A second publication will be in June 2024. Information provided by individuals who have called in reference to a COLA Awardee will be reviewed to ensure information is complete prior to making any distributions. A COLA awardee's estate less than \$75,000 may be distributed through the Small Estate Affidavit.

2. ***Bernstein Litowitz Berger and Grossmann (BLBG)*** - BLBG's Litigation Status Report dated April 5, 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**

Acting Chair Leon Guerrero inquired if there are any updates to the cases. Director Blas stated the Apollo Education Group is on the last round of final distributions and on this particular settlement GGRF's exposure was under \$500,000. The proceeds are unknown at this time. In regards to EQT Corporation, they are awaiting a session with a mediator and that will take place in June 2024.

Financial Report

1. ***Contributions*** - Director Paula Blas stated that as of April 9, 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 March 2024 are scheduled to close on April 30, 2024.

3. ***Fiscal Year 2024 Retirees' Supplemental Benefits*** - Director Blas stated that supplemental benefits for retirees and survivors for the month of April 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 April 2024 allotment from the General Fund and reimbursements were processed accordingly.

V. LEGAL COUNSEL'S REPORT

None

VI. TREASURER'S REPORT OF FINANCIAL STATUS

A. Audit: Financial Statements for Fiscal Year Ending September 30, 2023

Treasurer Artemio Hernandez stated that in fiscal year ending September 30, 2022 GGRF ended with a negative rate of return of -18.04% and in fiscal year 2023 GGRF ended in a positive rate of return of 11.34%. Asset allocations that we had and the ones that really lead the way was Domestic Equity with International Equity almost over 19%, High Yield Bonds are over 10%, and Global Equity is in a range of 13.20%. On page four, you can see the rate of return is 11.34%. On page eight, Security Ratio has been consistent at 63.76% in fiscal year 2022. Another highlight on page 12, is in fiscal year 2023 was the reopening of the DB 1.75 Plan. There were 2,028 elections to switch from the DC 401 (a) Plan to the DB 1.75 Plan of those 2,028 elections 1,026 members requested ERIC letters.

Director Blas stated the FY-2023 draft audit was sent to the Office of Public Accountability and pending comments. The Audit is expected to be released next week.

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

VII. STANDING COMMITTEE REPORTS

A. Investment Committee

Treasurer Artemio Hernandez reported that there was no Investment Committee Meeting this month. Trustee San Agustin stated that as of April 5, 2024, the size of the Retirement Fund's portfolio was \$2,220,050,455.

Action Items

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 May 29 and 30, 2024.

B. Members and Benefits Committee

Trustee George Santos presented the Committee's April 2024 report to the Board of Trustees.

Trustee George Santos, seconded by Trustee Thomas San Agustin, moved to approve the recommendation of the Members and Benefits Committee contained on Pages 4 through 11, based on the Committee's review and findings of the April 2024 report. Without objection, the motion passed.

VIII. OLD BUSINESS

None

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 Trustee George Santos, seconded by David Sanford, and without objection, the meeting was adjourned at 1:05 p.m. Motion passed.

I hereby certify that the foregoing is a full, true and correct copy of the Minutes of April 12, 2024 Regular Meeting duly adopted and approved by the Government of Guam Retirement Fund Board of Trustees on May 31, 2024.



KATHERINE T.E. TAITANO, Board Secretary

RECORDING SECRETARY:



Andrea Atalig