GL# 34-18-2239

Speaker Benjamin J.F. Cruz

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Received By:

GOVERNMENT OF GUAM
RETIREMENT FUND
STABILITY · SECURITY · REWARDS

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Trustee

August 21, 2018

PeterJohn D. Camacho
Hospital Administrator, Guam Memorial Hospital Authority
850 Governor Carlos Camacho Road
Tamuning, Guam 96913

Re: Delinquent Contributions – Pay Periods Ending 05-26-18, 06-09-18, 06-23-18, 07-07-18, & 07-21-18

Dear Mr. Camacho:

As a follow-up to our July 17, 2018 letter (copy enclosed), the Guam Memorial Hospital Authority (GMHA) continues to remain delinquent in the remittance of member, employer, and unfunded liability, contributions for the Defined Benefit (DB) and Defined Contribution (DC) Plans.

PPE	Due Date	DB Member Share	DB Gov't Share	DB1.75 Member Share	DB1.75 Gov't Share	Unfunded Liability	Interest & Penalty (As of 8/20/18)	TOTAL
05/26/18	06/15/18	$ 0.00	$22,395.48	$0.00	$ 0.00	$183,090.96	$601.93	$206,088.37
06/09/18	06/29/18	0.00	73,926.49	0.00	123,107.33	242,759.44	1,264.24	441,057.50
06/23/18	07/16/18	0.00	73,094.38	0.00	125,250.84	237,008.28	1,275.29	436,628.79
07/07/18	07/30/18	0.00	73,545.74	0.00	124,608.17	232,991.75	1,262.97	432,408.63
07/21/18	08/10/18	0.00	73,264.55	42,830.07	125,232.23	232,258.33	6,253.42	479,838.60
TOTAL		$0.00	$316,226.64	$42,830.07	$498,198.57	$1,128,108.76	$10,657.85	$1,996,021.89

So that no further action on our part will be necessary, we shall expect:

1) Immediate remittance of outstanding contributions, plus interest and penalties, and
2) Remittance of current contributions as they become due.

Not only does GMHA's failure to pay have a negative effect on the Retirement Fund (the "Fund"), but also on GMHA and its employees as noted below:

- In accordance with Public Law 28-38, the full remittance of DB and DC employee and employer contributions, including interest and penalties, for the current fiscal year is required before the Fund can accept retirement applications from employees of your department. Thus, the delinquency prevents GMHA employees from retiring.

- DB, DB1.75, and Unfunded Liability contributions not paid within 10 working days after the issuance of the payroll checks are assessed a 1% penalty, in addition to the delinquent contributions and applicable interest.

- Failure to timely deposit such contributions may result in harm to the member's account. In addition to liability for causing this harm and responsibility to make the account whole, GMHA exposes itself to civil and criminal liability.

- GMHA employees can seek enforcement assistance through the Guam Department of Labor and through U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division, Civil and Criminal penalties can also be assessed against GMHA.

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Your immediate remittance of amounts due will promptly resolve this matter. We look forward to receipt of your payment.

Sincerely,

Paula M. Blas
Director

Enclosures

cc: Governor of Guam
Chief Financial Officer, GMHA
Chairman, GGRF Board of Trustees
Speaker, 34th Guam Legislature
Chairman, GMHA Board of Trustees
Attorney General of Guam
Office of the U.S. Department of Labor