

**PENSION BENEFITS COUNCIL
BOARD MEETING MINUTES
May 6, 2024**

I. CALL TO ORDER

- A. Location: Bennazar, García & Milián C.S.P. & videoconference
- B. Time: The meeting began at 10:00 am

II. ATTENDANCE

PENSION BENEFITS COUNCIL MEMBER	ATTENDANCE
Financial Oversight and Management Board for Puerto Rico	
Jason Fichtner	Present (Teleconference)
Employees Retirement System	
Sonia Palacios Gerena	Present
Pablo Crespo Claudio	Present
Teachers Retirement System	
Ana Serrano Reyes	Present
Félix Figueroa Correa	Present
Judiciary Retirement System	
Carlos Cabán García	Present
Active Employee	
Carlos Román Espada	Present
American Federation of State, County and Municipal Employees	
Jessica Martínez Santos	Present

Commonwealth of Puerto Rico

Rita González Montalvo in representation of Omar Marrero Díaz	Present (Teleconference)
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Guests: Héctor Mayol and Francisco del Castillo de Bennazar, García & Milián C.S.P.; Jorge Marchand, Iris González, Maricarmen Schell and Male Noguera from Marchand ICS Group.

III. AGENDA

A. Quorum:

1. Ana M. Serrano, Secretary of the Pension Benefits Council, certified the quorum with the attendance of all the members.

B. Presentation from Marchand ICS Group:

1. Jorge Marchand, Iris González, Maricarmen Schell and Male Noguera introduced themselves and explained the work they carry out for the Pension Benefits Council. With the meeting materials, a presentation by Marchand ICS Group was circulated and is included as part of these minutes.
2. Iris González presented the budget for the contract with Marchand ICS Group including the expenses until February 2024. She explained that the budget is separated into the categories of “general communications”, “maintenance and administration services of the Pension Benefits Council website”, “elections”, and “establishment”. The total approved budget was \$385,000.00 and until February 2024, \$318,218.55 has been invoiced, having \$66,781.45 in available funds.
3. Male Noguera presented the communication vehicles of the Pension Benefits Council, which consist of the website (consejotransitorio.org), email (contacto@consejotransitorio.com), the Facebook page ([/consejotransitorio](https://www.facebook.com/consejotransitorio)), associations and allied groups and earned media.
4. Maricarmen Schell discussed several recommendations regarding the electoral process, which included reviewing the Election Regulations to see areas for improvement, recommending that an elections manager should be hired to interact with the elections administrator and review the award to incorporate certain factors to the process. She explained that voter lists must be improved, update addresses and improve the communication and relationship with voters and eligible candidates. On the other hand, she presented a detailed electoral calendar for the next electoral process based on the experience of the time that the different stages can take.
5. Regarding the next steps, Jorge Marchand and Iris González indicated that it is necessary to identify a spokesperson for the Pension Benefits Council,

establish an information protocol to approve content and present positions of the entity, define actions on the digital platforms and continue the communication with the retiree organizations.

6. The members of the Pension Benefits Council asked multiple questions about how to improve communication with retirees, increase retirees' knowledge about the entity, the role of retirement systems and the election process, among others.
7. The Pension Benefits Council agreed to address communications and election issues in the established work committees.

C. Reading and Approval of the Previous Minutes:

1. The Pension Benefits Council approved the minutes of the April 16, 2024, meeting.

D. Renewal of the Certificate of Deposit:

1. The Pension Benefits Board has a certificate of deposit of \$250,000, which is at First Bank with 3% interest and with a maturity date of May 17, 2024. The Pension Benefits Board had agreed that quotes will be requested from banks and cooperatives that are insured.
2. The following entities were contacted and the offers they made are included below:

ENTITY	OFFER	OTHER REQUIREMENTS
First Bank	4% for one year	
Oriental Bank	3.75% for one year	
Cooperativa de Rincón	4.00% for one year	
ValenCoop	4.00% for one year	Required to open a trading account – minimum \$500

3. Mr. Pablo Crespo indicated that his daughter works at First Bank and he recused himself from the process.
4. The Pension Benefits Council agreed to ask the Cooperativa de Rincón and First Bank if they can improve their proposals. Depending on their final answers, the entity that provides the highest interest will be selected. If both entities offer the same interest, the certificate with First Bank will be renewed as it is easier, compared to opening a new certificate with the credit union.

E. Completed and Pending Items: Francisco del Castillo explained:

1. Regarding the completed matters: The Pension Benefits Council agreed to renew the insurance, but the payment process with the Pension Reserve Trust remains pending to be completed.
2. Regarding pending matters:
 - i. Update the list of Officers in the Department of State: The Pension Benefits Council agreed that the Certificate of Incorporation be amended to update the list of officers of the corporation with the Department of State. We are pending to obtain the signature of two past members to submit the request.
 - ii. Time of the representative of active employees: Francisco del Castillo indicated that he received a communication from Rita González, Esq., indicating that the issue of Mr. Carlos Román Espada's official license had been addressed with the head of the agency and that she would subsequently communicate to explain the result. However, it was agreed to establish a certificate of assistance for Mr. Carlos Román Espada that includes a preamble to the case.
 - iii. Amendments to the Guides: for Friday, May 10, 2024, the Regulations Committee has a meeting to discuss the amendments to the Guides recommended by the Transitional Committee and representatives of the Pension Reserve Board will also participate to present their amendments. The objective is for the Regulations Committee to present recommendations on amendments to the Guidelines to the Pension Benefits Council.
 - iv. Tax Exemption Request: is under consideration by the Department of the Treasury.
 - v. Merchant Certificate: expires on August 31, 2024, and its renewal is coordinated with NMA.
 - vi. Audit of the Financial Statements for the Fiscal Year 2023-2024: among the materials, the "engagement letter" from Kevane Grant Thornton with a cost of \$25,000 was included for informational purposes. However, the issue must be preliminarily evaluated by the Executive Committee as part of the preparation of the budget for Fiscal Year 2024-2025.
 - vii. Corporate Transparency Act: pending because it is available until January 1, 2025. It is expected to be worked together with the Pension Reserve Board.

F. Stipends and Invoices from Providers:

- i. Stipends: prior to the meeting, the table with the payment of stipends

from April 2 to May 6, 2024, was circulated. The Pension Benefits Council approved the payment of the stipends.

2. The Pension Benefits Council approved payment of the following invoices:
 - i. Rita Inc. – invoice number 11650 for the April 16, 2024, meeting in the amount of \$358.80.
 - ii. NMA – invoice no. 1016692 for the month of April 2024 for \$1,580.41.
 - iii. Marchand ICS Group – invoice no. CSJO0324 for the month of March 2024, for the amount of \$7,098.17.

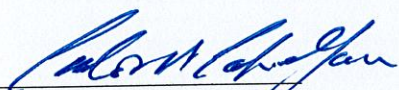
IV. OTHER MATTERS:

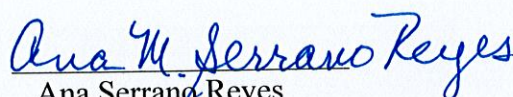
A. Ms. Sonia Palacios presented a letter that she, as well as Mr. Carlos Román and Ana M. Serrano, invited them to participate in the congress of the Trustee Leadership Forum for Retirement Security at the Center for Labor and Just Economy of the School of Harvard Law, in Boston, USA, from June 24 to 26, 2024. The request was that the Pension Benefits Council authorize the participation in order for the expenses to be reimbursed. It was agreed to submit the request by referendum to authorize the participation and to amend the budget to cover the reimbursements.

V. CLOSING:

The meeting adjourned at 1:10 pm.

In San Juan, Puerto Rico, on June, 13, 2024.


Carlos Cabán García
President


Ana Serrano Reyes
Secretary

