

**PENSION BENEFITS COUNCIL
MINUTES OF THE QUARTERLY MEETING WITH THE
PENSION RESERVE BOARD
June 8, 2023**

I. CALL TO ORDER

- A. Location: Residence Inn Isla Verde
- B. Time: The meeting began at 10:00 am

II. ATTENDANCE

PENSION BENEFITS COUNCIL MEMBER	ATTENDANCE
Financial Oversight and Management Board for Puerto Rico	
Mr. Jason Fichtner	Present
Official Committee of Retirees of the Commonwealth of Puerto Rico	
Mrs. Carmen H. Núñez Rodríguez	Present
Mrs. Blanca E. Paniagua Adorno	Present
Mr. Juan Ortiz Curet	Present
Mrs. Wanda G. Santiago López	Present (Teleconference)
Carlos A. Cabán García, Esq.	Present
American Federation of State, County and Municipal Employees	
Mr. Iram Ramírez Linares	Present
Mrs. Sandra Pacheco Santiago	Present
Commonwealth of Puerto Rico	
Rita González, Esq. in representation of Omar Marrero Díaz	Present

Pension Reserve Board: Joshua Gotbaum, Desirée Mieses, Jason Fichtner, Gabriel Olivera and Michael Finke were present. They were accompanied by María López, Executive Director and Julián Bayne, Chief Financial Officer of the Pension Reserve Board and by Rafael Santiago and Vanessa Media from the Marichal, Hernández, Santiago & Juarbe LLC law firm.

Guests: Héctor Mayol and Francisco del Castillo from Bennazar, García & Milián C.S.P.; Jorge Marchand, Iris González, María Schell and Male Noguera from Marchand ICS Group; Craig Johnson, Nicole Reynoso and Elcida Salguero from Kroll Restructuring Administration LLC.

III. AGENDA

A. Quorum:

1. Wanda Santiago, Secretary, certified the quorum with the attendance of nine members of the Pension Benefits Council.

B. Presentation of the Pension Reserve Board:

1. Joshua Gotbaum was in charge of making the presentation of the quarterly report from the Pension Reserve Board to the Pension Benefits Council (the Presentation and copy of the Investment Policy are included as an exhibit). However, all members of the Pension Reserve Board intervened during the presentation to provide additional information and provide their point of view on the topics discussed.
2. The presentation included an explanation of the actions taken since the last meeting with the Pension Benefits Council. In particular, they indicated that the investment policy was developed and approved, they determined where to invest the assets, selected the custodian bank, rented the premises and are in the process of moving to an office and collaborated with the Pension Benefits Council to transfer the assets for its budget.
3. On the other hand, they indicated that the assets of the Pension Reserve Trust that were invested had a return of approximately \$39 million dollars. They presented the investment expenses of the Trust and their comparison with similar entities that are 30% above the established structure for the Trust. In addition, they discussed the investment policy and how they determined to invest the funds in different asset classes. The investment strategy is conservative and is comprised of 55% low-risk bonds, 10% of bonds with more risk, 25% stocks and equities, and 10% other diversified investments.
4. Finally, they discussed the pending issues, among which is the implementation of the asset allocation, continuing to establish the entire operation of the Trust, reports on investments and publishing the website.
5. María López presented the web page of the Pension Reserve Board, explaining each of its parts and the content that would be included.
6. Members of the Pension Benefits Council asked several questions about

different aspects of the presentation, emphasized the importance of communication with retirees about the performance and the funds in the Trust, the content of the web page, and received the presentation.

IV. CLOSING

A. The meeting adjourned at 11:30 a.m.

In San Juan, Puerto Rico, on July 18, 2023.


Carmen Núñez Rodríguez
President


Wanda Santiago López
Secretary