

**Pension Benefits Council
BOARD MEETING MINUTES
July 19, 2022**

I. CALL TO ORDER

- A. Location: O'Neill & Borges LLC & videoconference
- B. Date: July 19, 2022
- C. Time: 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
Carlos A. Cabán García, Esq.	Present
American Federation of State, County and Municipal Employees	
Genoveva Valentín Soto, Esq.	Present
Mrs. Sandra Pacheco Santiago	Present (Videoconference)
Commonwealth of Puerto Rico	
Rita González, Esq. in representation of Omar Marrero Díaz	Present

III. AGENDA

A. Quorum:

1. Secretary Wanda Santiago certified the quorum for the meeting with the attendance of all the members of the Pension Benefits Council.

B. Reading and Approval of the Previous Minutes:

1. Prior to the meeting, the minutes of the June 28 and July 6, 2022, meetings of the Pension Benefits Council were circulated.
2. Blanca Paniagua presented a motion for the minutes to be approved and both Juan Ortíz and Carlos Cabán seconded the motion. There being no objections, the minutes of June 28 and July 6, 2022, were approved by the Pension Benefits Council.

C. Request of proposal for accounting:

1. Francisco del Castillo explained that in recent weeks they have been working on the requests for proposals (RFP) for financial advisors, communications agent and accounting services. Regarding the accounting services and communications agent, representatives of the Oversight Board requested that the services be extended to the Pension Reserve Board.
2. In terms of the RFP for accounting services, the representatives of the Oversight Board made some changes, and they were circulated prior to the meeting and discussed by the Pension Benefits Council.
3. The Benefits Council agreed to: (a) approve the RFP with the changes recommended by the Oversight Board, (b) request the College of Certified Public Accountants, and the Oversight Board to publish the accounting services RFP on their web pages. The deadline to submit proposals was established to be August 12, 2022, until 5:00 pm. However, it was agreed that since the accounting firm will also provide services to both entities, the dates and the process will have to be discussed with the Pension Reserve Board in order to reach an agreement and finally publish the RFP.

D. Service Proposals from financial advisor and communications agent:

1. Carmen Núñez indicated that for the financial advisor only one invitation was sent to FTI Consulting who presented a proposal. For the communications agent, 2 companies were invited, OCR Marketing Solutions and Marchand ICS Group, but only Marchand ICS Group presented a proposal.
2. Francisco del Castillo discussed the service proposals received, the costs, and the compliance with the RFP by FTI Consulting and Marchand ICS

Group. The members of the Pension Benefits Council asked several questions about the services to be provided, the costs and other aspects of the proposals received.

3. The Benefits Council agreed to open the process to receive additional proposals and to request the Fiscal Oversight Board to post the financial advisor and communications agent RFPs on its page. The service proposals would be the same used in the previous invitation process. August 5, 2022, at 5:00 p.m. was established as the deadline for submitting the proposals. Also, providers who already submitted proposals will be notified that they will be considered, but they will also have the opportunity to submit a new proposal within the new established deadline.

E. Discussion of Attendance Table:

1. Prior to the meeting, a table was circulated with the attendance of the members of the Pension Benefits Council to meetings from April 6 to June 28, 2022.
2. The Pension Benefits Council agreed and determined: (a) that although Andrew Biggs attended the April 6, 2022 meeting on behalf of the Oversight Board, he did not accept the appointment and is not eligible to receive a stipend for his participation in that meeting, (b) Rita González is a public servant and will not receive a stipend for her participations in the meetings because it could be considered double compensation, (c) that the acceptance of the appointment by each member of the Pension Benefits Council be considered a meeting for purposes of payment of the stipend, and (d) with the aforementioned changes, the Pension Benefits Council approved the Attendance Table that is included as an Exhibit to this minute and authorized the payment of the stipends.

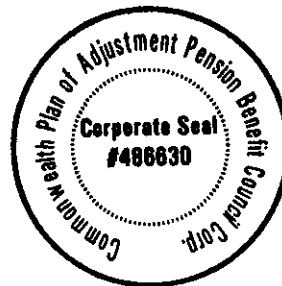
F. Discussion of Pending Items:

1. Francisco del Castillo discussed a table with pending issues and the status of different issues:
 - i. Budget for Fiscal Year 2021-2022: pending its approval by the Oversight Board.
 - ii. Budget for Fiscal Year 2022-2023: The recommendation was that to the extent that service proposals are received, the budget can be addressed at a future meeting.
 - iii. Bylaws: The Temporary Administrative Resolution expires on August 31, and the recommendation is that on or before that date work begins on a draft of the bylaws.
 - iv. Bank Account: It was pending that the signatory members of the

Pension Benefits Council sign the documents required by the bank for the change of signatures, and that provisional checks will also be requested.

- v. Insurance: Insurance agent Ana Casiano indicated that Berkley and AIG insurance companies declined to make a proposal to insure the Pension Benefits Council. However, she is requesting coverage from other insurers locally and in the United States.
- vi. Expenses and Travel Policy: will be included as part of the discussion of the bylaws.
- vii. Corporate Seal: During the meeting, a corporate seal with the following characteristics was presented: (a) circular form, (b) with an outer circle including the name of the "Commonwealth Plan of Adjustment Pension Benefits Council Corp.", and (c) with a central circle that includes the text of: "Corporate Seal" and the registration number of the Department of State "#486630".

The Benefits Council agreed to adopt the following seal as the seal of the Commonwealth Plan of Adjustment Pension Benefits Council Corp., and that it be affixed to corporate resolutions and minutes of the corporation:



- viii. Notification of Contracts to the Comptroller's Office: In order to make payments to professional service providers, the contracts must be registered in the Comptroller's Office. For the afternoon of July 19, 2022, Héctor Mayol and Francisco del Castillo scheduled a call with the Comptroller of Puerto Rico and her staff to discuss the contract notification process.
- ix. In addition, other issues were discussed that will have to be addressed in the future by the Pension Benefits Council, such as: hiring election administrator, review of the PayGo charge, election procedure, annual audit of 2022 & 2023, annual report, create web page, evaluation of annual contribution to the trust and receive

quarterly reports from the Pension Reserve Trust.

2. Also, completed matters were discussed, such as: (a) the incorporation of the Pension Benefits Council, (b) the employer's social security was obtained, (c) the Government of Puerto Rico deposited the \$5 million dollars for administrative expenses of the Pension Benefits Council and Pension Reserve Board. The funds are deposited in an account under the control of the Oversight Board, (d) the legal advisor was hired, (e) a Board of Directors to the Pension Benefits Council was elected, (f) the two appointments were made to the Pension Reserve Board with the required certifications, (g) the orientation program was carried out and only Omar Marrero is pending to receive it, and (h) a temporary administrative resolution was approved for the operation of the Pension Benefits Council.

G. Other Matters:

1. It was agreed to have the next meeting of the Pension Benefits Council on August 17, 2022, at 10:00 a.m., at Bennazar, García & Milián C.S.P.
2. It was determined that the invoices of providers and professional services be circulated to all members of the Pension Benefits Council. Carmen Núñez and Genoveva Valentín will authorize their payment.

IV. CLOSING

- A. The meeting adjourned at 12:04 p.m.

In San Juan, Puerto Rico, on August, 17, 2022.


Carmen Núñez Rodríguez
President


Wanda Santiago López
Secretary

