

**PENSION BENEFITS COUNCIL
BOARD MEETING MINUTES
November 21, 2023**

I. CALL TO ORDER

- A. Location: Bennazar, García & Milián C.S.P. & videoconference
- B. Time: The meeting began at 10:06 am

II. ATTENDANCE

PENSION BENEFITS COUNCIL MEMBER	ATTENDANCE
Financial Oversight and Management Board for Puerto Rico	
Mr. Jason Fichtner	Present (Teleconference)
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 (Teleconference)
Mrs. Wanda G. Santiago López	Present
Carlos A. Cabán García, Esq.	Present
American Federation of State, County and Municipal Employees	
Mr. Iram Ramírez Linares	Absent
Mrs. Sandra Pacheco Santiago	Absent
Commonwealth of Puerto Rico	
Rita González, Esq. in representation of Omar Marrero Díaz	Present (Teleconference)
Guests: Héctor Mayol and Francisco del Castillo from Bennazar, García & Milián C.S.P.	

III. AGENDA

A. Quorum:

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

B. Reading and Approval of the Previous Minutes:

1. The Pension Benefits Council unanimously approved the minutes from the meeting of October 24, 2023.

C. Appeal to the Election Process:

1. Francisco del Castillo explained that on Friday, November 3, 2023, we received by mail the appeal from Domingo Madera Ruiz, who competed in the Teacher Retirement System's elections. On the appeal he alleges that he was affected because in the ballot he appears as "Vote for Mr. Ruiz." Previously, Domingo Madera Ruiz sent a letter to the Election Administrator and the Pension Benefits Council requesting that the ballot be corrected and by letter dated September 21, 2023, the Pension Benefits Council responded the letter.
2. The appeal was referred to the Arbitrator, Emmalind Garcia, Esq., who by order of November 7, 2023, determined that the Pension Benefits Council respond the appeal on or before November 17, 2023. On November 14, 2023, the Arbitrator issued another order establishing that the discovery of evidence will end on November 27, 2023, the pre-hearing conference will be held on November 29, 2023, and the arbitration hearing will be held on December 5, 2023.
3. On November 15, 2023, the Bennazar law firm appeared assuming legal representation of the Pension Benefits Council and requesting that an initial hearing be held to discuss the administration of the case, discovery of evidence and hearing dates. On Friday, November 17, 2023, we received a call from the legal representation of Domingo Madera Ruiz, José A. Carlo, Esq., who would assume the legal representation. The Arbitrator scheduled the initial hearing for November 28, 2023 at 9:30 am.
4. On November 17, 2023, the appeal was answered, and included:
 - i. An account was made of the entire election process and the results.
 - ii. It indicated that the redundant omission did not affect the appellant.
 - iii. It is indicated that no calls or questions were received about how to vote for the appellant.

- iv. It was established that in the electronic vote, where the ballot was corrected, the appellant came second to last.
 - v. It was established that re-running the election has a substantial cost.
 - vi. There is no evidence that around 1,389 voters were confused, so that the appellant could have come in second place and be part of the Pension Benefits Council.
5. On the other hand, on November 3, 2023, the legal representatives of the Pension Benefits Council had a conference call with elected candidates to explain the next steps for their orientation and swearing-in. Two possibilities were explained:
- i. There are no appeals – orientation and acceptance of the position would take place by December, beginning their terms in January 2024.
 - ii. There is an appeal – the arbitration process was explained and that it could end in early 2024. Therefore, their appointment would be later, when the case was final.
6. Also, the situation of Carlos Román Espada was discussed with Rita González, Mr. Román Espada is a Government employee in the Public Service Appeal Commission and the time that he is going to dedicate to the Pension Benefits Council should be considered official for employment purposes. Rita González requested that the employer's information be sent to her so she could communicate with the Agency. In addition, it was agreed that a letter from the Pension Benefits Council would be sent to Mr. Roman Espada's employer.

D. Additional Contribution to the Pension Reserve Trust:

1. As agreed at the Council meeting of October 24, on October 26, 2023, a letter was sent to the Government of PR requesting that it timely make the additional contribution to the Pension Reserve Trust and that a conversation be held about logistics issues that may affect payment.
2. By letter dated November 1, 2023, the Government responded explaining its efforts to protect retirees and requesting that dialogue be carried out with the Pension Benefits Council regarding the additional contribution.
3. On November 6, 2023, we received an email from Atty. Mohammad Yassim to discuss an agreement on the issue of payment of the contribution. We are pending receipt of a draft for evaluation.

E. Amendments to the Bylaws:

1. The draft amendments to the Bylaws that were worked on by the

Regulations Committee were included among the materials. Among the topics addressed were the provisions on the contracts and documents of the Pension Benefits Council.

2. The changes to the Bylaws were the following:
 - i. Article 2.1 of definitions was amended to temper it with the new definitions related to the regulation on documents of the Pension Benefits Council.
 - ii. Quorum Article 4.4.1 was amended to state that the quorum is 6 of 9 members or 2/3 in case of vacancies on the Pension Benefits Board. Furthermore, once the meeting has started, if the quorum is lost, it must be terminated.
 - iii. Article 6.7 on purchases is amended because a Purchase Regulation separate from the statutes was approved.
 - iv. Article 6.10 was established to regulate the administration, disposition, and access of Pension Benefits Council documents. Providing that the Pension Benefits Board amended subsection (B) of Section 6.10.3 entitled "Retention of Documents" to read:

"Section 6.10.3 – Document Retention: Pension Benefits Council documents will be retained following the following standards:

 - A. Administrative Documents: will be retained for five (5) years.
 - B. Election Documents: will be retained for six (6) months after the results of the election have been certified by the Pension Benefits Council.
 - C...."
 - v. New articles 7.4, 7.5 and 7.6 were established to regulate everything related to the contracts of the Pension Benefits Council.

F. Request of Funds for the Budget:

1. On October 24, 2023, the Pension Benefits Council approved the second amendment to the FY 2023-2024 budget to cover election expenses. Among the materials are letters notifying the second amendment to the Fiscal Oversight Board and the Director of the Office of Budget Management. The increase in election spending is \$799,804 for a new budget total of \$2,302,484.
2. The Pension Benefits Council agreed to authorize the withdrawal of funds from the Pension Reserve Trust in the amount of \$799,804 pursuant to

Section 5.2 (A) of the Guidelines.

G. Completed and Pending Items:

1. Francisco del Castillo explained regarding the completed matters:
 - i. The results of the election were certified, the letters were sent to the candidates and the press release was published.
 - ii. The additional contribution to the Pension Reserve Trust was received.
 - iii. Letters with the election results were sent to the Executive Director of the Oversight Board and the Pension Reserve Board.
 - iv. Additionally, letters were sent to the Director of the Office of Management and Budget and the Oversight Board regarding the second amendment to the budget for Fiscal Year 2023-2024.
2. Regarding pending issues, Francisco del Castillo indicated:
 - i. Audit of financial statements for the fiscal years 2021-2022 and 2022-2023: At this time there are two pending issues, the first is the interest accrued by the bank account and the comments that the accounting firm may have to the statements.
 - ii. Annual Report of the Pension Benefits Council: once the requests for reimbursement of expenses have been received, the draft will be prepared for the consideration of the Pension Benefits Council.
 - iii. The 2023 Annual Report Department of State: pending with accounting company.
 - iv. Orientation Program: the date will be pending to be coordinated once the election appeal process is concluded.

H. Stipends, Expense Reports and Invoices from Providers:

1. Stipends: Among the materials, the report prepared by Carlos Cabán, Treasurer, was circulated on the stipends to be paid from September 15 to November 21, 2023. The report and payment of the stipends was approved by the Pension Benefits Council.
2. Expense Reimbursement: the accounting firm's analysis of expense reimbursements were circulated. As for Blanca Paniagua and Juan Ortiz, they needed to be signed, but this step has already been completed.
3. Invoices: The Pension Benefits Council agreed to pay the following invoices:

- i. Emmalind García: Invoice #1 for arbitration services until October 31, 2023 for \$400.00.
- ii. Marchand ICS Group: Invoice CSJO0923 for services for the month of September 2023 in the amount of \$127,296.39.
- iii. Bennazar, García & Milián C.S.P.: Invoice #231001 for the month of October 2023 for the amount of \$26,448.17.
- iv. Kevane, Grant Thornton: Invoice #20477 for the month of October 2023 in the amount of \$7,398.75.
- v. Rita Inc.: Invoice \$10,895 for services for the October 24, 2023, meeting, in the amount of \$208.00.
- vi. NMA Certified Public Accountants:
 - a. Invoice #1012824 August 2023 – audit support for \$76.30.
 - b. Invoice #1013620 for the month of September 2023 – audit support for \$188.03.
 - c. Invoice #1012764 for services for the month of October 2023 for \$1,580.41.

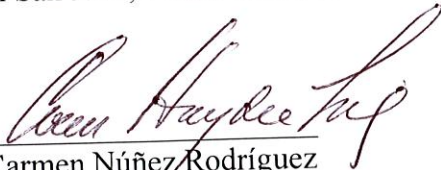
IV. OTHER MATTERS:

- A. The Pension Benefits Council agreed to establish that the next two meetings will be held on December 12, 2023 and January 16, 2024 at 10:00 am.
- B. Letters to AFSCME:
 1. The Pension Benefits Council agreed to send a letter to the union to appoint its representative after the end of the Transition Period established in the Guidelines.
 2. Send a letter to AFSCME about the status of the appointment of Iram Ramírez Linares to the Pension Benefits Council.

V. CLOSING

- A. The meeting adjourned at 11:02 pm.

In San Juan, Puerto Rico, on December 12, 2023.


Carmen Núñez Rodríguez
President


Wanda Santiago López
Secretary

