



MINUTES REGULAR MONTHLY BOARD MEETING

February 15, 2023
Kendall Thomas, Chesley Wood Building
2520 South IH 35, Suite 100, Austin, TX 78704

Board Members Present

Sheldon Askew, Chair
Keith Harrison, Vice Chair
Michael Cowden
Michael Granof
Nick Moore
Christopher Salacki
Diana Thomas
Belinda Weaver
Chesley Wood

Consultants Present

Chuck Campbell
Jorge Padilla
Anais Stevens
Mark Harkrider
Jon Breth
Pete Brown

Staff Present

Pattie Featherston
Tyler Link
Stephanie Willie
John Poth
Michelle Ruland
Deborah Esparza
Amethyst Cosson
Aaron Emma

Board Members Absent

Carl Zimmerman

I. Call to Order and Roll Call

Chair Sheldon Askew called the meeting to order at 1:01 p.m. and roll call was taken.

II. Oath of Office for Newly Appointed Trustee

A. Mackenzie Kelly, City Council Member.

Chair Sheldon Askew tabled this agenda item since CM Kelly was unable to attend due to a Special Called Meeting of the Austin City Council.

III. Public Comment

No public comment.

IV. Consent Agenda

- A. Minutes of the Regular Board Meeting on January 18, 2023
- B. Approval of Member Transactions for January 2023
- C. CONFIDENTIAL MATERIAL
 1. New Retired Members
 2. Forward DROP Activity
 3. PROP Disbursements

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- 4. Service Credit Purchases
- 5. Retiree Survivor & Death Benefit Payments
- D. Treasury Report for December 2022

Motion was made by Michael Cowden to approve the consent agenda. Motion was seconded by Christopher Salacki. Motion passed.

- V. Report of the Investment Committee (Discussion and Possible Action)
 - A. Fourth Quarter Investment Performance Review
 - B. January Monthly Flash Report
 - C. Update on Excelsior Investors Limited
 - D. Annual Review of the Investment Policy Statement including Consideration of Possible Asset Allocation Changes
 - E. Report on Interim Investment Decisions Between Board Meetings

Committee Chair Keith Harrison reported on the review of reports by the System Investment Consultant, AndCo Consulting, including a newly completed Asset Allocation Study.

Motion was made by Keith Harrison to accept AndCo's recommendation to liquidate the remaining APRS position in Excelsior Investors Limited. Motion was seconded by Christopher Salacki. Motion passed.

Motion was made by Keith Harrison to re-adopt the current Investment Policy Statement with an amendment to Attachment B, Asset Allocation Implementation by Manager Styles, as presented by AndCo in the Asset Allocation Study, February 2023, as "Mix 2." Mix 2 includes:

- **Changing the Domestic Equity Target from 42.5% to 40%**
 - **Changing US Midcap Equity Minimum from 7.5% to 5%, Target from 12.5% to 10.0%, Maximum from 17.5% to 15.0%**
- **Changing Total Fixed Income Target from 10.0% to 17.5%**
 - **Changing US Core Fixed Income from 5% to 12.5%**
- **Changing the Multi Asset Class Target from 5% to 0%**

Motion was seconded by Michael Cowden. Motion passed.

- VI. Policy to Determine Funding Goals and Guidelines (Discussion and Possible Action)

Chair Sheldon Askew tabled this agenda item.

- VII. Executive Director Report (Discussion)

The Executive Director reported that the benefits staff has seen an increase in inquiries due to the uncertainty in the police contract. She also reported that APRS will host a

Retirement Seminar on March 1st and that the next APRS board meeting is on March 22th. She reminded Trustees about upcoming conferences and thanked the Trustees for completing their Conflict-of-Interest Disclosures. She also advised that staff and consultants were monitoring the current legislative session and will update the board once all bills have been filed.

Chair Askew advised that he named a working group to assist in the process of formalizing an evaluation process for the Executive Director position. Chair Askew advised the working group will be chaired by Michael Cowden and also includes Michael Granof and Christopher Salacki.

VIII. Update on Hancock Litigation Matter (Discussion Only)

The Board meeting was closed at 1:14 p.m. after a statement read by the Chair which stated, *The Austin Police Retirement System Board of Trustees is now in Executive Session on February 15, 2023, at 1:14 p.m., pursuant to Texas Government Code Section 551.071 regarding legal matters related to litigation.*

The Board meeting re-opened at 1:39 p.m., and the Chair read the following statement, *The Executive Session of the Board of Trustees ended on February 15, 2023, at 1:39 p.m. No action was taken in closed session.*

IX. Adjournment

Chair Sheldon Askew adjourned the meeting at 1:39 p.m.

**Sheldon Askew,
Chair, Board of Trustees**