



## *Fall 2025 Newsletter*

### BOARD OF TRUSTEES

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Keith Harrison, Vice Chair

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City Council Member  
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Retired Police Member  
Chris Perkins

Police Member  
Christopher Salacki

City Member  
City Deputy CFO  
Diana Thomas

Citizen Member  
Chesley Wood



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### Letter from Board Chair, Sheldon Askew

I'm pleased to share that 2024 was another strong year for the Austin Police Retirement System. Despite early caution and ongoing geopolitical uncertainty, disciplined investors were rewarded with broad-based market gains—underscoring the importance of long-term strategy and diversified portfolios.

Equities led the way, delivering one of the most impressive performances in recent history. The S&P 500 reached new all-time highs on 57 separate occasions. Meanwhile, fixed income markets found stability as inflation eased, and central banks began to lower interest rates.

For the fiscal year 2024, APRS achieved a net return of **8.59%**, exceeding our assumed rate of return of **7.25%**. For a detailed overview of our financial performance, please refer to the Annual Financial Report on page 3.

I am also excited to announce the appointment of Chris Perkins to the APRS Board of Trustees. Chris will fill a vacant retiree position on the Board. Additional information about Chris Perkins can be found on page 2.



### **AUSTIN POLICE RETIREMENT SYSTEM**

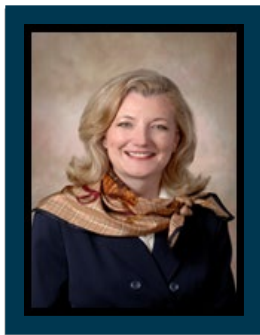
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MEMBERDIRECT: [WWW.MD.AUSPRS.ORG](http://WWW.MD.AUSPRS.ORG)



## Letter from Executive Director, Pattie Featherston

Earlier this year, we introduced MemberDirect, a secure self-service portal designed to streamline retirement-related processes for our members. Since its launch, we've received overwhelmingly positive feedback and have successfully supported online retirements, refunds, and updates to member accounts through this intuitive platform.

We encourage all members—both active officers and retirees—to enroll at [www.md.ausprs.org](http://www.md.ausprs.org). Once registered, active members can update beneficiaries, generate benefit estimates, review service purchase costs, and more. Retirees can conveniently manage banking details, beneficiary designations, and withholding elections directly through the portal.

It is with deep appreciation that we announce the retirement of John Poth, APRS Director of Finance. John joined APRS in April 2017 as Finance Manager and was later promoted to Director of Finance. He brought with him over two decades of financial expertise, having previously served at Northwestern Mutual, World Savings Bank, and the Employees Retirement System of Texas.

We extend our sincere gratitude to John for his dedicated service and valuable contributions to the System. His leadership and professionalism have left a lasting impact, and we wish him all the best in his retirement.

## New Trustee

The Austin Police Retirement System (APRS) announces the appointment of Mr. Chris Perkins to the APRS Board of Trustees. Mr. Perkins was selected by the Board's selection committee to fill the retiree member vacancy and was formally sworn in on August 21, 2025, upon taking the Oath of Office.

Mr. Perkins began his career with the Austin Police Department in 1999 and served the City of Austin for 23 years until his retirement. Throughout his career, he held several leadership positions within the Austin Police Association, including Secretary, Political Action Committee Chairman, appointed Vice President, and Chair of the 2018 Police Contract negotiations with the City of Austin. In addition, Mr. Perkins previously completed a full elected term on the APRS Board of Trustees from January 2012 through December 2015.

The APRS Board congratulates Mr. Perkins on his appointment and looks forward to his continued service on behalf of the System's members and retirees.

## ACTUARIAL VALUATION

On June 18, 2025, the Board of Trustees received the annual actuarial valuation for data as of December 31, 2024. It showed the value of total actuarial assets is \$1,095,007,001, and the total actuarial liability is \$1,877,635,572. The unfunded actuarial accrued liability (UAAL) is \$782,628,571, bringing the funded ratio to 58.3%.

Thanks to the passage of legislation in 2021, the actuarial valuation calculates the actuarially determined employer contribution rate necessary to cover the normal cost of each member, which is paid by the City of Austin. Along with the legacy liability payments made by the City to pay of the unfunded liability identified at the time of the legislation, this funding mechanism continues to be best practice in addressing the cost of public retirement systems.

## Annual Financial Report

The APRS Board adopted and published the final 2024 audited Annual Financial Report, which is posted on the website at <https://www.ausprs.org/publications/annual-financial-reports/>. The System's independent auditor, Montemayor Britton Bender Carey PC, issued an unqualified opinion on the System's financial statements. The opinion is the best report an independent auditor may issue. It indicates the APRS financial statements are presented fairly and are prepared in accordance with Generally Accepted Accounting Principles in the U.S. (GAAP).

The Annual Report includes the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the fiscal year ending December 31, 2023. APRS also received the 2024 Public Pension Standards Award for Funding and Administration, as presented by the Public Pension Coordinating Council, a confederation of the National Association of State Retirement Administrators (NASRA), the National Conference on Public Employee Retirement Systems (NCPERS), and National Council on Teacher Retirement (NCTR).

### **Highlights of the 2024 Annual Financial Report include:**

The total market value of assets increased from \$1.01 billion as of December 31, 2023, to \$1.08 billion as of December 31, 2024. The increase of \$68 million in 2024 was primarily attributed to stock advances in nearly all developed markets, especially U.S. domestic stocks.

Total contributions in 2024 increased by \$6.6 million, primarily due to the System receiving additional payments from the City to amortize the unfunded Legacy Liability defined by state law as amended in 2021.

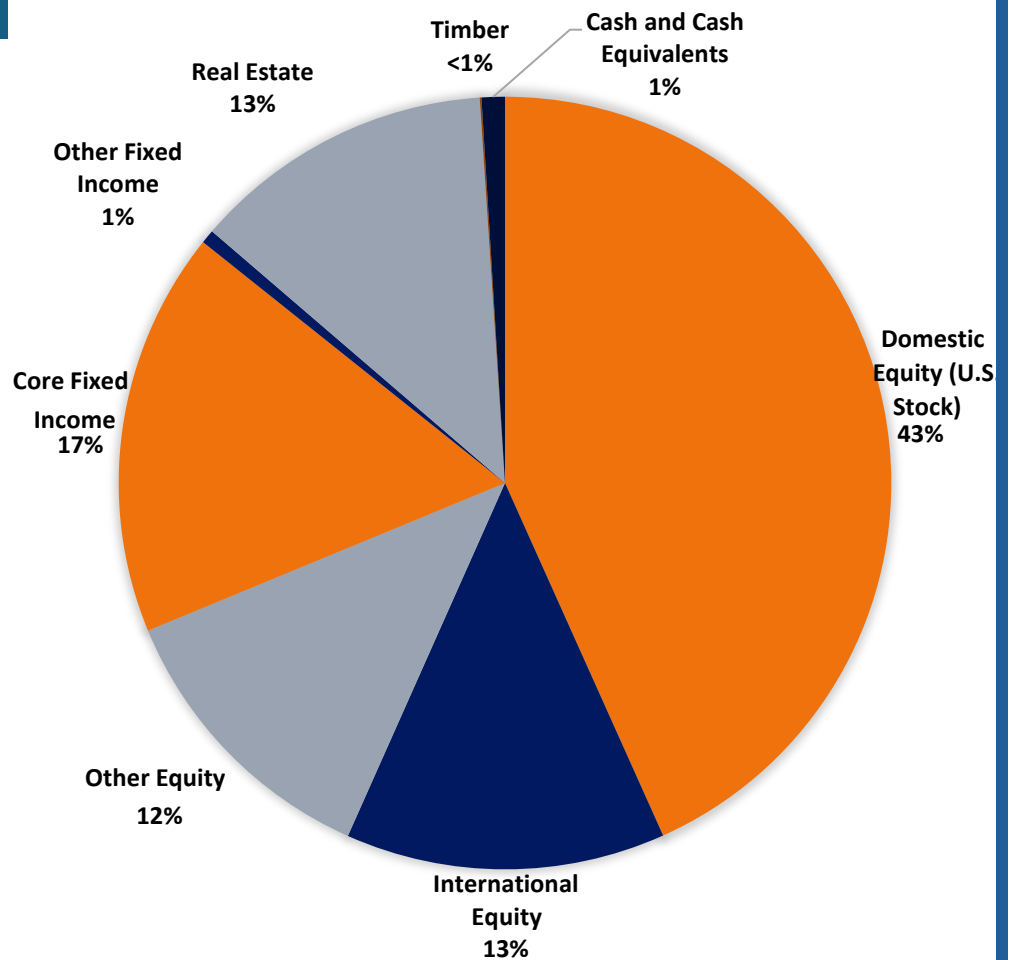
### **Membership grew from 3,078 in December 2023 to 3,133 in December 2024; Active Members Declined, Annuitants Increased:**

	<u>2024</u>	<u>2023</u>
Current active contributing members	1,541	1,551
Retirees and beneficiaries currently receiving benefits (1,414) and terminated employees entitled to future monthly benefits (178)	1,592	1,415
Total Membership	3,133	3,048

## 2024 APRS ASSET ALLOCATION

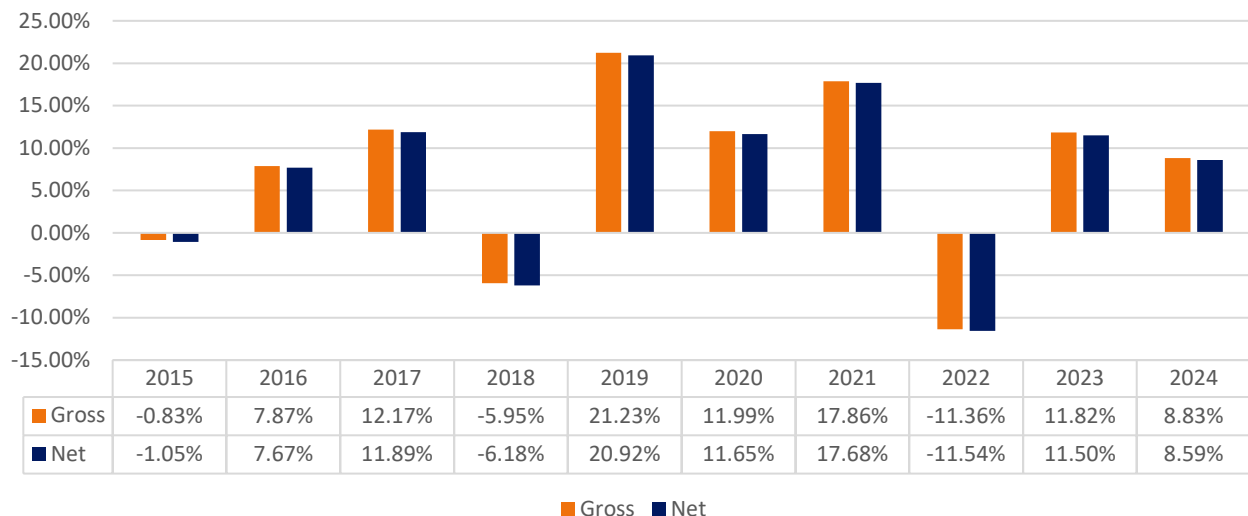
### Investment Returns and Assumptions

The System's rate of return in 2024 reflects a gain of 8.59% net of expenses. The 30-year net return since the inception of the fund is 7.92%, the 10-year return is 6.65%, and the 3-year return is 2.31%. The chart below exhibits the gross and net gains and losses each year for the last ten years, as well as the asset allocation for the fund's investment strategy. To guard against the volatility of the annual markets, the APRS actuary uses a five-year actuarial "smoothing" of asset gains or losses. Meaning that each year only 20% of the investment return is recognized, with another 20% recognized each of the next four years.



### 10 Fiscal Year Returns

#### APRS Gross/Net Returns



## Annual Statements, DROP Statements, DROP Statements, and 1099-R Tax Forms

### 2025 Annual Statements

APRS will post 2025 Annual Statements, DROP statements, and PROP statements to the MemberDirect portal by the end of January 2026. To access your statement, log in to your MemberDirect account and select “**Statements**” under the “**Communications**” tab. Please review your statement carefully, including your listed beneficiaries, and contact the APRS office with any questions.

### 2025 1099-R Forms

1099-R forms for 2025 will be mailed to the address on file by the end of January 2026. An electronic copy will also be available in MemberDirect by selecting “**1099-R**” under the “**Benefit Information**” tab.

If you received a lump-sum distribution from DROP or PROP, a separate 1099-R will be issued. To view this, use the dropdown arrow at the top of the MemberDirect blue navigation bar to select the appropriate lump-sum benefit, then go to “1099-R” under “**Benefit Information.**”

Please note: 1099-R history will only be available on MemberDirect beginning with tax year 2025. For copies of prior-year 1099-Rs, please contact the APRS office.

