



City of Austin

Police Retirement System

MINUTES

REGULAR MONTHLY BOARD MEETING

Wednesday, November 20, 2019

Location: Kendall Thomas, Chesley Wood Building, 2520 South I.H. 35.

Board Members Present

Jim Beck, Chair
Andrew Romero, Vice Chair
Keith Harrison
Thomas Hugonnett
Tyler Link
Todd Smith
Kathie Tovo
Ed Van Eenoo
Chesley Wood
Carl Zimmerman

Consultants Present

Jon Breth
Peter Brown
Alyca Riley
Mark Harkrider

Staff Present

Pattie Featherston
Stephanie Willie
Janis Reinken
John Poth
Michelle Ruland
Deborah Esparza

Board Members Absent

Belinda Weaver

I. Call to Order and Roll Call

Chair Jim Beck called the meeting to order at 11:55 a.m. and roll call was taken.

II. Oath of Office for Newly-Appointed Trustee

Chair Jim Beck administered the oath of office and trustee statement to Ed Van Eenoo, the newly appointed designee of the City of Austin Chief Financial Officer.

III. Consent Agenda

A. Minutes of the Regular Board Meeting held on October 16, 2019

Motion was made by Keith Harrison to approve the Minutes of the October 16, 2019 meeting, as presented. Motion was seconded by Tyler Link. Motion passed.

B. Approval of Membership Transactions for October 2019

CONFIDENTIAL MATERIAL
1. New Retired Members

2. Forward DROP Activity
3. PROP Disbursements
4. Service Credit Purchases
5. Retiree Survivor & Death Benefit Payments

Motion was made by Todd Smith to approve the reported Member Transactions for October 2019, as presented. Motion was seconded by Chesley Wood. Motion passed.

C. Treasury Report for September 2019

Executive Director Pattie Featherston reviewed the monthly Treasury report.

Motion was made by Keith Harrison to approve the Treasury report for September 2019, as presented. Motion was seconded by Tom Hugonnett. Motion passed.

D. Training, Education and Site Visits Report through October 2019.

The Board reviewed the report as presented. No Board action was needed.

IV. Report of the Investment Committee

Committee Chair Todd Smith reported on the third quarter investment performance review and the October monthly flash report. The committee also reviewed the Investment Policy Statement (IPS). There were no changes recommended to the IPS other than a revision to the investment return assumption to 7.25%.

The investment consultant also recommended rebalancing \$10 million from the Russell 3000 equity indexed account and allocating this amount to Driehaus International Small Gap Growth Fund, one of the System's current international equity managers.

Motion was made by Todd Smith to adopt the IPS with the stated revision. Motion was seconded by Carl Zimmerman. Motion passed.

Motion was made by Todd Smith to implement the consultant recommended rebalancing to allocate an additional \$10 million to Driehaus. Motion was seconded by Chesley Wood. Motion passed.

V. Report of the Election Committee

Election Committee Chair Tom Hugonnett reported that the committee met on November 7 to review the candidates for the 2019 Board election. The committee confirmed the membership status of each candidate, verified their receipt and acceptance of the APRS Ethics Policy, reviewed and accepted their Statements of Interest, determined the ballot order through a random drawing of names.

He reported that there are nine candidates for three active member positions, and two candidates for one retired member position.

No action was needed or taken by the Board.

VI. Consideration and Approval of the 2020 Board Meeting Dates

Executive Director Pattie Featherston presented a list of meeting dates that follow with the Board's tradition of meeting monthly on the third Wednesday. One date was changed to March 25, 2020.

Motion was made by Tyler Link to adopt the meeting dates as revised. Motion was seconded by Carl Zimmerman. Motion passed.

VII. Executive Director Report

Executive Director Pattie Featherston reported on investment decisions made between Board meetings pursuant to the Investment Policy Statement for the sale of two tracts of timber property.

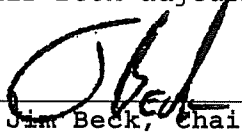
She further reported on having attended the meeting that morning of the Austin City Council Audit and Finance Committee. During this meeting City CFO Elaine Hart presented an overview and history of past pension developments with City of Austin Employees Retirement System and developments with the pension plans in other Texas cities as well.

VIII. Performance Evaluation of the Executive Director

Chair Jim Beck entertained a motion to adjust the base salary of the Executive Director as specified in an amended contract to be signed by the Chair. Motion as identified by the Chair was made by Tyler Link and seconded by Tom Hugonnett. Motion passed.

IX. Adjournment

Chair Beck adjourned the meeting at 12:31 p.m.



Jim Beck, Chair