




September 19, 2024 Board Meeting


Schedule Thursday, September 19, 2024 10:00 AM — 12:00 PM CDT
Venue 4700 Mueller Blvd., Austin, TX 78723
Organizer Sarah McCleary









Agenda














1. Call meeting to order 1
Presented by Yuejiao Liu
 Item #1 Summary.docx 2
















 2. Call roll of Trustees 3
Presented by Yuejiao Liu
 Item #2 Summary.docx 4

 3. Review order of business and establish meeting objectives 5
Presented by Yuejiao Liu
 Item #3 Summary.docx 6

 4. Receive System member and public comments 7
Presented by Yuejiao Liu
 Item #4 Summary.docx 8
-

5. Consent items - All of the following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Trustee.	9
A. June 27, 2024 Board meeting minutes	
B. Ratification of June, July, and August 2024 retirements	
C. Disability Claim #2407	
D. Emergency Succession policy	
E. Diversity Policy	
F. Communications Policy	
G. Funding Policy	
Presented by Yuejiao Liu	
 Item #5 Summary.docx	10
 2024 06 27 Draft Board Meeting Minutes.docx	12
 New Retirements Jun-Aug 2024.pdf	16
 05C Disability Recommendation 2407.pdf	18
 05D Draft Emergency Succession Policy.pdf	19
 05E Draft Diversity Policy.pdf	23
 05F Draft Revisions to Communications Policy.pdf	26
 05G Draft City of Austin and COAERS Funding Policy.pdf	34

6. Receive reports on the following Board administrative matters including:	39
A. Ethics policy disclosure statements	
B. 2024 meeting calendar	
C. August 22, 2024 Investment Committee meeting	
D. August 30, 2024 Audit and Risk Committee meeting	
E. August 30, 2024 Benefits and Services Committee meeting	
F. August 30, 2024 Governance and HR Committee meeting	
G. August 30, 2024 Policy Committee meeting	
Presented by Yuejiao Liu	
 Item #6 Summary.docx	40
 6A Quarterly form - ethics policy disclosure statement.pdf	41
 6B 2024 Calendar as revised 2024 08 29.docx	42
 6C Investment Committee Report.docx	43
 6D Audit and Risk Committee Report.docx	44
 6E Benefits and Services Committee Report.docx	45
 6F Governance Committee Report.docx	46
 6G Policy Committee Report.docx	47
<hr/>	
7. Discuss and consider the following regarding vacancy for Trustee Place 7	48
A. Trustee Place 7 resignation letter - Christopher Hanson	
B. Special Active Election Committee and Timeline - Russell Nash	
Presented by Yuejiao Liu	
<hr/>	
7A. Trustee Place 7 resignation letter	49
 Item #7A Summary.docx	50
 Brad Sinclair - COAERS Resignation Letter.pdf	51
<hr/>	
7B. Special Active Election Committee and Timeline	52
 Item #7B Summary.docx	53
 Place 7 DRAFT Nominating & Election Committee.pdf	54
 Draft Place 7 Special Election Timeline January 2025.docx	55
<hr/>	

8. Discuss and consider 2024 administrative budget amendment	57
Presented by Yuejiao Liu	
 Item #8 Summary.docx	58
<hr/>	
9. Consider election of Board Vice Chair for remainder of 2024	59
Presented by Yuejiao Liu	
 Item #9 Summary.docx	60
 Board Bylaws Revised March 2024_.docx	61
<hr/>	
10. Discuss and consider matters related to 4700 Mueller:	65
A. Request for Proposal for commercial real estate services	
B. Receive final budget report on 4700 Mueller construction build-out	
 Item #10A Summary.docx	66
 10A RFP Property Management 4700 Mueller.docx	68
 Item #10B Summary.docx	83
 10B Staff Report on 4700 Mueller Construction and Move Budget.docx	84
<hr/>	
11. Receive report from Executive Director on the following matters:	85
A. October Board Workshop	
B. MET report and upcoming educational programs and conferences	
C. Operational matters including staffing	
Presented by Christopher Hanson	
 Item #11A Summary.docx	86
 11A Draft 2024 Workshop Agenda.docx	87
 Item #11B Summary.docx	88
 11B1 MET Report.docx	89
 11B2 List of Upcoming Educational Events and Conferences.docx	91
 Item #11C Summary.docx	93
 11C ED Report on Operational Matters.docx	94
<hr/>	
12. Review key meeting takeaways and call for future agenda items	95
Presented by Yuejiao Liu	
 Item #12 Summary.docx	96
<hr/>	

1. Call meeting to order

Presented by Yuejiao Liu



BOARD MEETING
Agenda Item Information Sheet

AGENDA ITEM 1:
Call meeting to order

AGENDA ITEM OBJECTIVE

The objective of the agenda item is to formally begin the Board meeting. This is a standing Board item.

2. Call roll of Trustees

Presented by Yuejiao Liu



BOARD MEETING Agenda Item Information Sheet

AGENDA ITEM 2: Call roll of Trustees

AGENDA ITEM OBJECTIVE

The objective of the agenda item is to determine for the record which Trustees are present at the start of the meeting.

Please note that logging in to this meeting in real-time on Convene will automatically mark you as “present”. Sarah will indicate in the minutes if you are in person or virtual. If there are any Trustees who have not yet logged into Convene, please indicate to Sarah so she can mark you as present.

3. Review order of business and establish meeting objectives

Presented by Yuejiao Liu

AGENDA ITEM 3:
Review order of business and meeting objectives

AGENDA ITEM OBJECTIVE

This agenda item provides Trustees the opportunity to review the order of business and hear if any Trustee wishes to take an agenda item out of order, and to discuss the overall objectives of the meeting.

1. The Board will consider the consent agenda which includes Disability Claim #2407, the Emergency Succession Policy, the Diversity Policy, the Communications Policy, and the Funding Policy.
2. The Board will consider acceptance of the resignation letter for Trustee Place 7 and appointment of a Nominating and Election Committee to conduct a special election for an active member to serve out the remainder of the term of Trustee Place 7.
3. The Board will consider an amendment to the 2024 administrative budget related to the active member special election for Trustee Place 7.
4. The resignation of Trustee Place 7 vacates the Vice Chair position so the Board will elect a Vice Chair to serve out the remainder of the 2024 Vice Chair term.
5. The Board will review a Request for Proposal for property management services for 4700 Mueller, as well as receive a staff report on the 4700 Mueller construction and move Budget.
6. The Board will receive a report from the Executive Director on the October Board Workshop, upcoming educational conferences and events, and operational matters.

RELEVANCE TO STRATEGIC PLAN/CORE COMPETENCIES

This agenda item meets COAERS Strategic Plan **Goal 4: Identify and implement leading practices in board governance, pension administration, and investment management.**

4. Receive System member and public comments

Presented by Yuejiao Liu



BOARD MEETING Agenda Item Information Sheet

AGENDA ITEM 4: Receive System member and public comments

AGENDA ITEM OBJECTIVE

The objective of the agenda item is to allow any System member or a member of the public a chance to provide comment to the Board.

RELEVANCE TO STRATEGIC PLAN/CORE COMPETENCIES

This agenda item aligns with one of the five core competencies established in the COAERS Strategic Plan “**Transparency:** *Complying with open meeting and public information laws to ensure the decision-making process is clear to members and the public.*”

The Chair will recognize any person who wishes to comment, limiting comments to three minutes per person.

5. Consent items - All of the following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Trustee.

A. June 27, 2024 Board meeting minutes

B. Ratification of June, July, and August 2024 retirements

C. Disability Claim #2407

D. Emergency Succession policy

E. Diversity Policy

F. Communications Policy

G. Funding Policy

Presented by Yuejiao Liu

AGENDA ITEM 5:**Consent items**

All the following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Trustee.

- A. June 27, 2024 Board meeting minutes
- B. Ratification of June, July, and August 2024 retirements
- C. Disability Claim #2407
- D. Emergency Succession policy
- E. Diversity Policy
- F. Communications Policy
- G. Funding Policy

AGENDA ITEM OBJECTIVE

The objective of the agenda item is to approve required routine matters as well as matters that were referred from Committee with instructions to place on the consent agenda.

RECOMMENDATION FOR BOARD ACTION

Staff recommends the Board approve the consent agenda.

ITEM SUMMARY

- A. March June 27, 2024 Board meeting minutes**
Minutes are kept and posted for each Board meeting.
- B. Ratification of June, July, and August 2024 retirements**
The COAERS governing statute requires the Board to approve all retirements.
- C. Disability Claim #2407**
The COAERS governing statutes require the Board to approve all disability claims. Claim #2407 was heard at the August 30, 2024 Benefits and Services Committee meeting. Both the doctor and the Committee recommended approval.
- D. Emergency Succession Policy**
The Governance and HR Committee did not recommend any changes to this policy; the policy review cycle requires annual Board approval. The Committee referred the policy to the Board for approval and directed that it be placed on the consent agenda.

E. Diversity Policy

The Governance and HR Committee recommends changing the policy review cycle from annually to at least every three years. The Committee referred the policy to the Board for approval and directed that it be placed on the consent agenda.

F. Communications Policy

The Policy Committee recommends changing the policy review cycle from annually to at least every two years, coinciding with the legislative sessions. The Committee referred the policy to the Board for approval and directed that it be placed on the consent agenda.

G. Funding Policy

The Benefits and Services Committee suggested two technical edits at its June 13, 2024 meeting and directed that the Funding Policy be placed on the consent agenda. The Audit and Finance Committee of the City Council approved the Funding Policy, and the full City Council will consider final approval after it is approved by the COAERS Board of Trustees. The Funding Policy will then be provided to the Pension Review Board.

ATTACHMENTS

1. Draft minutes of the June 27, 2024 Board meeting
2. New retirements from June, July, and August 2024 (Confidential)
3. Benefits and Services Committee recommendation on Application #2407
4. Draft Emergency Succession Policy
5. Draft Diversity Policy
6. Draft Communications Policy
7. Funding Policy

COAERS
 CITY OF AUSTIN
 EMPLOYEES' RETIREMENT SYSTEM
MINUTES

BOARD MEETING
 Public Meeting held in-person and telephonically
 Pursuant to Texas Govt. Code 551.127
 4700 Mueller Blvd., Austin, TX 78723
 Thursday, June 27, 2024

Board Members Present

Michael Benson
 Michael Granof
 Dick Lavine †
 Yuejiao Liu, Chair
 Chris Noak
 Leslie Pool †
 Anthony B. Ross, Sr. †
 Brad Sinclair
 Diana Thomas
 Ed Van Eenoo

* present telephonically
 † present via
 videoconference

Board Members Absent

Kelly Crook

Guests:

Paige Saenz, General Counsel
 Spencer Hunter, RVK
 Ian Bray, RVK
 Leo Festino, Meketa
 Stephanie Sorg, Meketa
 Hannah Webber, Meketa
 Sam Austin, NEPC
 Will DuPree, NEPC
 Dan Hennessy, NEPC

Staff:

Christopher Hanson
 Russell Nash
 David Kushner
 David Stafford
 Jenni Bonds
 Mehrin Rahman
 Sarah McCleary
 Ty Sorrel
 Kelly Doggett
 Yun Quintanilla
 Amy Kelley*
 Cathy Edwards*
 Michelle Mahaini*

1 Call meeting to order

Chair Yuejiao Liu called the meeting to order at 10:03 a.m.

2 Call roll of Trustees

Ms. Sarah McCleary called the roll. The following Trustees were present in person: Benson, Granof, Liu, Noak, Sinclair, Thomas, and Van Eenoo. The following Trustees were present via videoconference: Pool, Lavine, and Ross.

3 Review order of business and establish meeting objectives

Chair Liu reviewed the objectives of the meeting and asked if Trustees needed to take any agenda items out of order. No changes were made to the order of the agenda.

4 Receive System member and public comments

Chair Liu asked if there was anyone who wished to make a public comment; there were none.

5 Consent items - All the following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Trustee.

- A. March 28, 2024 Board meeting minutes**
- B. Ratification of March, April, and May 2024 retirements**
- C. Disability Claims #2405 and #2406**
- D. Travel Reimbursement policy**
- E. Financial Statement Audit Report as of December 31, 2023**
- F. Nominating and Election Committee**

Chair Liu noted that the decision for Disability claim #2406 had been included in the packet. Mr. Chris Noak moved to approve the consent agenda as presented. Ms. Diana Thomas seconded, and the motion passed 10-0.

6 Receive reports on the following Board administrative matters including:

- A. Ethics policy disclosure statements**
- B. 2024 meeting calendar**
- C. April 11, 2024 Investment Committee meeting**
- D. May 23, 2024 Investment Committee meeting**
- E. June 13, 2024 Audit and Risk Committee meeting**
- F. June 13, 2024 Benefits and Services Committee meeting**
- G. June 13, 2024 Legislative Committee meeting**

Mr. Russell Nash declared meetings with Jason Sauer of Marketsphere Consulting LLC, Nicholas Ogolvie of SP+ Metropolis, and David Todd of AMLI Mueller V. Ms. Mahaini declared meeting with Brie Shredder/Natura and Jim Ruffing/Tropsen for moss wall measurements and quotes, and with Brenna Boldton of Trane on AC issues.

Mr. Christopher Hanson declared attendance at the NCPERS Chief Officers Summit from June 17-19, 2024 with breakfast, lunch, and dinner provided.

7A. Investment Committee: Discuss and consider Fixed Income, Cash & Equivalents, and Real Assets asset classes, including strategic asset allocation, benchmarking, and policy guidelines

Mr. David Stafford presented a report to Trustees regarding the Investment Committee recommendations regarding Fixed Income, Cash & Equivalents, and Real Assets portfolios. In addition, Mr. Stafford provided follow-up recommendations from Staff related to those portfolios. Mr. Van Eenoo moved to approve the recommendations related to the Real Assets, Fixed Income, and Cash & Equivalents portfolios as noted in the Investment Recommendations Memo. Mr. Sinclair seconded, and the motion passed 10-0.

7B. Investment Committee: Discuss and consider responses to general investment consultant request for proposal including presentations from finalists and investment consulting agreement

Trustees received presentations from three investment consulting firms as recommended by the Investment Committee. Meketa, NEPC, and RVK each presented for thirty minutes, and Trustees asked questions of each firm.

*Ms. Pool was off camera from 11:45 a.m. to 11:49 a.m.
Trustees took a break from 12:08 p.m. to 12:26 p.m.*

Trustees shared their thoughts on the presentations and deliberated. Mr. Van Eenoo moved to select Meketa as COAERS general investment consultant effective July 1, 2024 and to authorize the Board Chair to execute the investment consulting agreement pending approval of the final form by General Counsel. Mr. Michael Granof seconded and the motion passed 9 yes - 1 no (Ross).

**8 Receive report from Executive Director on the following matters:
A. Discuss and consider 2024 additional IPPE report**

Mr. Hanson reported that after being directed in January by the Board to work with the Investment Committee to contract with an independent third-party investment consultant to conduct a comprehensive review of the System's investment performance practices and policies, he reported to the Investment Committee in February that he had contacted several firms and received two proposals. Mr. Hanson further reported that the Investment Committee, at its February meeting, directed him to not pursue a second opinion of the IPPE report at that time but noted that it would be prudent to revisit the necessity of the report after completion of the general investment consultant RFP. Mr. Hanson explained that with the completion of the general investment consultant RFP, he sought direction from the Board as to whether the Board wished to pursue the additional review of the System's investment performance and practices.

Mr. Benson moved to rescind the motion passed at the January 31, 2024 COAERS Board meeting directing the Executive Director to work with the Investment Committee, or a working group of the Investment Committee, to negotiate and execute a contract with an independent third-party investment consultant to conduct a comprehensive review of the system's investment performance, practices, and policies. Mr. Sinclair seconded, and the motion passed 10-0.

**B. Receive report on implementation of Global Equity portfolio restructure
C. 2024 Annual Member Meeting
D. MET report and upcoming educational programs and conferences**

Mr. Hanson reported on the status of the portfolio restructure implementation and plans for the Member Meeting. He also noted that training opportunities were included in the packet and urged Trustees who were interested in attending events to contact Staff for registration and travel arrangements.

9 Review key meeting takeaways and call for future agenda items

Chair Liu summarized the decisions made at this meeting and asked for future agenda items.

As there were no other items to discuss, the meeting adjourned at 2:12 p.m.

DRAFT



CITY OF AUSTIN
EMPLOYEES' RETIREMENT SYSTEM

August 30, 2024
DISABILITY RECOMMENDATION

Disability retirement application #2407

The Benefits and Services Committee recommends that Board

Approve **Deny**

Retirement application #2407.

Diana Thomas

Diana Thomas
Committee Chair

8/30/24
Date

The physician recommends that Board

Approve **Deny**

Retirement application #2407.

Harold Skaggs, M.D.

Harold Skaggs, M.D.
Physician

8/30/24
Date



Board Approved Policy

Subject: Emergency Succession
Review Committee: Governance and HR Committee
Date Implemented: June 29, 2021
Date Updated: September ~~21~~19, 202~~4~~3

Signature of Chairperson: _____
Yuejiao Liu

**CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM
BOARD APPROVED POLICY
EMERGENCY SUCCESSION POLICY**

I. PURPOSE AND SCOPE

The City of Austin Employees' Retirement System ("COAERS" or "System") Board of Trustees ("Board") recognizes that this is a plan for contingencies due to the disability, death, or departure of the Executive Director. If the organization is faced with the unlikely event of an untimely vacancy, COAERS has in place the following emergency succession plan to facilitate the transition to both interim and longer-term leadership.

The COAERS Board has reviewed the job description of the Executive Director. The job description is attached. The Board has a clear understanding of the Executive Director's role in organizational leadership, System administration, operations, Board of Directors' relationships, investment activities, financial operations, and stakeholder relationship management.

II. PROCESSES AND RESPONSIBILITIES

A. In Event of a Temporary, Unplanned Absence: Short-Term

A temporary absence is one of less than three months in which it is expected that the Executive Director will return to their position once the events precipitating the absence are resolved. An unplanned absence is one that arises unexpectedly, in contrast to a planned leave, such as a vacation or a sabbatical. The Board of Trustees is authorized to implement the terms of this emergency plan in the event of the unplanned absence of the Executive Director.

In the event of an unplanned absence of the Executive Director, COAERS General Counsel is to immediately inform the Board Chair of the absence. The Board Chair shall temporarily designate a senior management member from Section III to perform such duties as are necessary for the administration of the System.

As soon as it is feasible, the Chair shall convene a meeting of the Board to designate a person succeeding the responsibilities and authority of the Executive Director on a temporary basis, known as the Acting Executive Director.

Authority and Compensation of the Acting Executive Director

The person appointed as Acting Executive Director shall have the full authority

for decision-making and independent action as the regular Executive Director.

The Acting Executive Director may be offered a temporary and appropriate salary increase within the Executive Director position salary range for the time spent in the Acting Executive Director role.

Board Oversight

The Board Chair and Governance and Human Resources Committee Chair will be responsible for monitoring the work of the Acting Executive Director and will be sensitive to the required needs of the Acting Executive Director in this temporary leadership role.

Communications Plan

Immediately upon transferring the responsibilities to the Acting Executive Director, the Board Chair will notify staff members and key stakeholders.

Completion of Short-Term Emergency Succession Period

The returning Executive Director and the Board Chair will collectively decide when the absent Executive Director returns to lead the System and establish a mutually agreed upon schedule and start date. A reduced schedule for a set period will be allowed, pending Board Chair approval, with the intention of working their way back up to a full-time commitment.

B. In Event of a Temporary, Unplanned Absence: Long-Term

A long-term absence is one that is expected to last more than three months. The procedures and conditions to be followed will be the same as for a short-term absence. However, in addition, the Board of Trustees will give consideration, in consultation with the Acting Executive Director, to temporarily filling the management position left vacant by the Acting Executive Director. This is in recognition of the fact that for a term of more than three months, it may not be reasonable to expect the Acting Executive Director to carry the duties of both positions. The position description of a temporary manager would focus on covering the priority areas in which the Acting Executive Director needs assistance.

Completion of Long-Term Emergency Succession Period

The returning Executive Director and the Board Chair will collectively decide when the absent Executive Director returns to lead the System and establish a mutually agreed upon schedule and start date. A reduced schedule for a set period will be allowed, by approval of the Board Chair, with the intention of working the way up to a full-time commitment.

C. In Event of a Permanent Change

A permanent change is one in which it is firmly determined that the Executive Director will not be returning to the position. If necessary, The Board Chair shall temporarily designate a senior management member from Section III to perform such duties as are necessary for the administration of the System.

As soon as it is feasible, the Chair should convene a meeting of the Board to designate a person succeeding to the responsibilities and authority of the executive director on an interim basis (“Interim Executive Director”). In addition, the Board of Trustees will appoint a Transition and Search Committee to plan and carry out a transition to a new permanent Executive Director. The Board will also consider the need for outside consulting assistance depending on the circumstances of the transition and the Board’s capacity to plan and manage the transition and search.

III. COAERS SENIOR MANAGEMENT

At the time this policy was approved, the positions of COAERS Senior Management are the following:

- Deputy Executive Director
- Chief Investment Officer
- Deputy Chief Investment Officer
- Chief Financial Officer
- Chief Information Officer
- Comptroller
- Benefits Manager
- Communications Director

IV. ONGOING REVIEW AND APPROVAL OF THIS POLICY

Annually, the Board or a committee of the Board will review this policy and assess its effectiveness in safeguarding the provision of management leadership within the System. The Executive Director will provide the Board or a committee of the Board with updates, as needed, on any changes made within senior leadership of the System that could impact the succession policy. This will include updates on the development needs and opportunities provided within the System for high potentials to advance their potential and further enhance their existing leadership skills.



Board Approved Policy

Subject: Diversity
Review Committee: Governance and Human Resources
Date Implemented: June 29, 2021
Date Updated: September ~~21~~19, ~~2023~~2024

Signature of Chairperson: _____
Yuejiao Liu

**CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM
BOARD APPROVED POLICY
DIVERSITY POLICY**

I. PURPOSE AND SCOPE

The City of Austin Employees' Retirement System ("COAERS" or "System") believes in diversity and values the benefits that diversity can bring to its Board of Trustees (the "Board"). Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink, and ensures that the System benefits from all available talent. The promotion of a diverse Board makes prudent business sense and makes for better corporate governance.

The purpose of this policy is to help ensure that COAERS maintains a Board comprised of talented and dedicated trustees with a diverse mix of expertise, experience, skills, and backgrounds. The skills and backgrounds collectively represented on the Board should reflect the diverse nature of the communities it serves and the environment in which the System operates. For purposes of Board composition, diversity includes, but is not limited to, business experience, physical ability, age, gender, and ethnicity.

COAERS is committed to a merit-based system for Board composition within a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination. When assessing Board composition or identifying suitable candidates for nomination or re-election to the Board, the System will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board.

II. RESPONSIBILITIES

- A. The Board of Trustees: The Board will periodically assess the expertise, experience, skills, and backgrounds of its Trustees considering the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of knowledge, experience, skills, genders, and ethnic backgrounds.
- B. The Governance and Human Resources Committee: The Governance and Human Resources Committee ("the Committee") reviews and assesses Board composition on behalf of the Board, actively communicates the virtues and intent of this policy, and advocates for its full observance and adoption.
- In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity, including but not limited to those described above, to enable it to discharge its duties and responsibilities effectively.

- In preparation of upcoming Trustee elections and/or appointments, the Committee will work with all stakeholder constituencies and stakeholder groups, including the City, Nominations and Elections Committee, and COAERS Board to actively educate and inform them on the intentions of this Policy and encourage them to consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.
 - As part of the annual performance evaluation of the effectiveness of the Board, Committees, and individual Trustees, the Committee will consider the balance of skills, experience, independence, and knowledge of the System on the Board and the diversity representation of the Board, how the Board works together as a unit, and other factors relevant to its effectiveness.
 - The Committee will also proactively market and oversee the development of a diverse pipeline of Trustees for succession for the Board.
 - The Committee will review this policy annually at least every three years and assess its effectiveness in promoting a diverse Board.
- C. Constituency and Employer Representatives: All constituency and employer representatives positioned to assist the Board or a committee of the Board in identifying candidates for appointment or nomination to the Board will be specifically encouraged, to the best of their ability, to include diverse candidates.
- D. Executive Director: The Executive Director will work with the Committee to ensure this policy is adhered to during the Board nomination process.



Board Approved Policy

Subject: Communications
Review Committee: Policy
Date Implemented: September 21, 2021
Date Updated: September ~~21~~¹⁹, ~~2023~~²⁰²⁴

Signature of Chairperson: _____
Yuejiao Liu

**City Of Austin Employees' Retirement System
Board Approved Policy
Communications Policy**

I. PURPOSE AND SCOPE

The City of Austin Employees' Retirement System ("COAERS" or "System") is committed to openness and transparency with its members, stakeholders, and the broader community it serves. The purpose of this Communications Policy is to codify the Board's communication principles and describe how the principles are met through the activities of every Trustee, manager, employee, intern, and individual employed under contract.

II. COMMUNICATION PRINCIPLES

COAERS Communications Policy principles are to provide accountability and transparency, through the provision of information about the Board and the System to its members, beneficiaries, plan sponsor, and community stakeholders. All communications will be clear and concise; accurate and consistent; timely, and accessible.

At all times and to the best of COAERS' capabilities, communications will:

1. Raise awareness and educate key stakeholders on how COAERS is funded, structured and managed;
2. Engage stakeholders and ensure that they feel confident about their continued involvement with the System;
3. Reassure stakeholders that the System is well managed and sustainable in the long-term;
4. Raise the collective level of pension understanding and dispel myths; and
5. Advocate on behalf of COAERS.

III. ROLES AND RESPONSIBILITIES

A. Board of Trustees

The COAERS Board is responsible for establishing the Communications Policy and has the sole authority to amend it. The Board is responsible for establishing the System's overall strategic communication plan and provides direction to the System with respect to communicating with System members, plan sponsor and other stakeholders. The Board may, at its discretion, delegate the approval of communications materials to the Executive Director.

B. Policy Committee

The Policy Committee will review this Policy annually at least every two years and recommend to the Board any amendments, as necessary and is responsible for ensuring this Policy is properly followed by every Trustee, staff member, and individual employed under contract.

The Policy Committee is responsible for approving COAERS Operational Communications Procedures and COAERS Social Media Policy and Usage Guidelines. The Policy Committee may undertake quality assurance reviews of published materials.

C. Executive Director

The Executive Director shall provide advice and recommendations to the Policy Committee regarding any changes to this Policy. The Executive Director is responsible for ensuring operational compliance and reporting to the Board and the Policy Committee in accordance with this Policy.

The Executive Director or designee shall create Operational Communications Procedures. The Procedure cannot be inconsistent with this policy or applicable law. The Procedures will establish operational guidelines consistent with the Policy to ensure that COAERS Staff understand and adhere to the principles outlined in this policy, as well as the System adheres to all applicable reporting and disclosure requirements.

The Executive Director is responsible for ensuring the production and distribution of the information as required by law to members and their beneficiaries. This includes but is not limited to:

1. *Member Handbook* – A detailed summary of plan provisions that provides members with general information and an overview of the System.
2. *System Reports and Accounts* – Details of the value of the System during the financial year, income, and expenditures, as well as other related details, for example, the current System membership numbers and related actuarial assessments.

D. The Chair and the Vice -Chair of the Board of Trustees

The Board Chair speaks on behalf of the Board. The Vice Chair will speak on behalf of the Board in the absence of the Chair. When deemed appropriate, the Board Chair may delegate this role, as required, to staff or another Board member.

E. Individual Trustees of the Board

Trustees recognize their sole and exclusive fiduciary duty to represent the interests of all System members. Trustees shall protect the integrity of the System and, at all times, adhere to the principles of this Communication Policy.

Trustees can only speak on behalf of the Board if they:

1. First contact the Board Chair to obtain the Chair's authorization to speak on matters related to the System.
2. Confirm that the presentation content will entail general information but not matters that are specific or confidential to the Board.
3. Provide copies of the speaking points and materials to be used, for preview by the Board Chair.

If Trustees are speaking to the media or other parties but not acting on behalf of the Board, they must make it clear that they are doing so in a capacity other than as a Trustee and that the information being provided is not information that the Trustee is aware of only because they are Trustees.

IV. COMMUNICATION GUIDELINES

A. Communication with the Media

In the interest of keeping Trustees abreast of issues involving the organization, the Board Chair and Executive Director will ensure that Trustees receive relevant media and other communication on the organization's activities and business.

Trustees shall refer any requests for media interviews to the Board Chair and Executive Director. Media requests for information usually require a speedy response and will be handled on a priority basis. In the event COAERS is required to respond during a crisis, the Incident Response Plan would outline overall organizational protocol in such a situation.

In instances where the issues are high profile and/or contentious, all information requests of any kind must be referred to the Board Chair and Executive Director and the Board Chair and Executive Director will ensure that Trustees are kept informed and up to date and receive key messages at an appropriate time via email.

B. Social Media Usage

Social media refers to online tools that provide individual users and organizations with the ability to create and share content with online communities. This may include, but is not limited to, Facebook, X (formerly known as Twitter), Threads, LinkedIn, Instagram, YouTube, WhatsApp, TikTok, and Snapchat.

The System may use social media to disseminate information about COAERS. The Executive Director or designee is responsible for managing all social media accounts for this purpose and shall adhere to the COAERS Social Media Policy and Guidelines at all times.

The Board acknowledges that some Trustees may use social media tools for personal or

professional use in their capacity other than as a Trustee of the System. Trustees will ensure that their online activity does not conflict with their fiduciary obligations, the Ethics and Code of Conduct Policy or this Communications Policy.

Trustees may list or reference their official role on the COAERS Board of Trustees on any social media platform that is primarily recognized as a business and employment-oriented professional networking platform. To avoid being identified as a spokesperson for the Board and/or System, they shall refrain from engaging in any discussion about matters related to COAERS and are not permitted to use the platform to solicit, or field solicitations, pertaining to COAERS business activities. Trustees may share content or documents that are made publicly available by COAERS; however, in accordance with Board policy, may not comment on them without proper authorization from the Board prior to doing so. Trustees should contact the Executive Director if they have questions regarding compliance with this Policy.

Trustees who use social media tools for personal use will consider how it may affect the System and other Trustees, recognizing that social media content is pervasive, often permanent and in many cases out of personal control once posted. Trustees will ensure that no material is posted to their personal pages or sites that could jeopardize the reputation of the Trustee, the System, or the Board and, similar to all staff, are expected to adhere to the COAERS Social Media Policy and Usage Guidelines.

C. Communication with Government Officials

The Executive Director handles contact with governmental officials regarding the established positions or actions of the COAERS Board of Trustees. A governmental official includes anyone appointed or elected to a position in local, state, or federal government, including employees of governmental agencies, entities, or bodies; local, state, and federal legislative offices; and local, state, and federal agencies.

When governmental officials request the presence of a member of the Board, the Chair of the Board (or in his or her absence, the Vice-Chair) will normally attend with the Executive Director, unless in the opinion of the Executive Director, another Trustee would be better suited to the purpose of the meeting. If a Trustee has been specifically requested by a governmental official, that Trustee will attend with the Executive Director.

In the event a governmental official contacts a Trustee directly about COAERS business and/or operations, the Trustee shall inform the Executive Director to help ensure consistency and coherency of the information relayed to officials. When Trustees provide factual information about COAERS business and/or operations during such contacts, it should be information which COAERS has previously released to the public (or that COAERS has provided to Trustees for this purpose). The Executive Director will communicate information regarding Trustee contacts with governmental officials to other members of the Board.

D. Communication During Legislative Sessions

The Executive Director and the Chair of the Legislative Committee will serve as the designated spokespersons on all pending matters before legislative sessions. As the designated spokespersons, the Executive Director and the Legislative Committee Chair will oversee all communications surrounding legislation and related matters, including contact with government officials.

In the event that a Trustee is contacted about pending legislative matters, the Trustee shall inform and direct any inquiries to the Executive Director and the Legislative Committee Chair to help ensure consistency and coherency of the information relayed to officials.

E. Communication with Plan Members

Trustees shall mitigate the risk of miscommunication with plan members and third parties by not giving explicit advice, counsel, or education with respect to the technicalities of COAERS laws, policies, or processes. When receiving questions from a plan member, Trustees shall:

1. Refer the member to the main telephone number of COAERS or the COAERS website; or
2. Refer the member question directly to the appropriate COAERS management team member for handling and a response.

The Executive Director or designee will respond to all written communication from System members and other related parties and will respond to written communication which simply requires directing the member or interested party to publicly available information. The Executive Director shall ensure that appropriate written communications from members are presented to the Board during Board meetings under the agenda item "System Member and Public Comments".

F. Board Materials

All Board materials are available to external parties and the public at large, once they have been considered at a Board meeting, unless explicitly restricted. Standing restrictions include but are not limited to legal opinions and documents; due diligence and proprietary research; appeals material and personal information of individuals. Following each Board meeting, unrestricted materials may be shared by individual Trustees. Trustees should contact the Executive Director if they have questions regarding the dissemination of Board materials.

G. Third Party Requests to Service Providers

Service Providers of the Board, including but not limited to the actuary, legal counsel,

Plan Administrators, and Investment Managers and other consultants are occasionally approached by a third party to speak on matters related to the System. In this case, the service provider is asked to:

1. First contact the Executive Director to obtain the Board Chair's authorization to speak to the third party on matters related to the System.
2. Clearly establish with the third party and to the audience that the service provider does not speak on behalf of the Board.
3. Confirm that the presentation content will entail general information but not matters that are specific or confidential to the Board.
4. Provide copies of the speaking points and materials to be used, for preview by the Board Chair.
5. The Board Chair or the Executive Director will inform the Board when such authorization is granted.

H. Third Party Requests to Provide Information to System Members

The Board may approve a request from a third party to provide information to System members if the following conditions are met:

1. The Board remains in compliance with the Texas Penal Code Sec 16.02 and Title 109, Article 6243n, Section 13 Vernon's Texas Civil Statutes on the use of personal information.
2. In the opinion of the Board, the purpose, and values of the third party are consistent with those of the Board and System.
3. The information is not of a commercial or lobbying nature.
4. The information does not directly or indirectly imply that the Board endorses a product, service, or organization.
5. Any direct costs to provide the information to System members are not borne by the System.
6. New communication products and vehicles will not be created solely to disseminate third party information.

The Board will not charge a third party a fee for providing access to COAERS members through System-related communications products and vehicles, other than to recover any direct costs.

The Board may approve posting links to third party websites on the COAERS website subject to the criteria above.

V. REGULATORY FRAMEWORK

The System is administered in accordance with state law Title 109, Article 6243n,

Vernon's Texas Civil Statutes; Chapter 802, Texas Government Code; the Texas Administrative Code Title 40: Part 17; and various state statutes, including but not limited to tax and privacy legislation, the Texas Open Meetings Act and Texas Public Information Act, and all communication activities of the Board will be administered in compliance with that legal framework.

VI. ROUTINE DISCLOSURE OF INFORMATION

The System will make the following information available on the public website or on the request of interested parties:

1. COAERS foundation documents and Board policies: COAERS statute; COAERS Board Policies including the Code of Ethics, Investment Policy Statement, Investment Implementation Policy, the Funding Policy; and the Benefits Administration Operating Procedures.
2. Information including the requirements of Texas Government Code Section 801.209 regarding the System's membership, annual investment, actuarial and financial reports.
3. COAERS Annual Comprehensive Financial Report, COAERS Member Handbook, newsletters, forms for members and retirees, appeals process and website content on a wide range of pension information.
4. The names of the individuals on the Board and how to contact the Board.
5. Highlights of each Board and committee meeting including governance and policy decisions, through the publishing of approved meeting minutes.

The System will make available, on request, any other document or information that is not protected due to its personal, legal, or otherwise confidential nature.



**CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM
AND CITY OF AUSTIN
FUNDING POLICY
Adopted ____, 2024**

I. Introduction and Purpose

The City of Austin Employees' Retirement System (COAERS or the "System") is established by Article 6243n, Texas Revised Civil Statutes (the "COAERS statute"). The COAERS statute provides authority for the Board of Trustees to administer the System. The City of Austin (the "City") is the plan sponsor. This policy was jointly developed by the System and the City.

The purpose of this policy is to align with best practices in pension funding, as well as to implement the requirements for public retirement systems in Texas pursuant to Section 802.2011, Texas Government Code.

The primary objective of the funding policy is to establish guidelines intended to produce actions to meet the long-term pension obligations promised to all the members of the System. To achieve this goal, the policy sets forth procedures to pay off any Unfunded Actuarial Accrued Liability (UAAL) over a fixed, closed period and achieve and maintain a funded ratio equal to or greater than 100 percent.

This funding policy is intended to be interpreted consistent with the COAERS statute, which is controlling.

II. Funding Objectives

The primary funding objective of the System is to pay the benefits promised under the System and protected by the Texas Constitution. Additional funding objectives of the System include: (1) maintaining a financially sound benefit plan that attracts future generations of workers; (2) have each generation of members and the City pay the cost of benefits as such benefits accrue; and (3) to ensure the long-term affordability and sustainability of the plan for both members and the City.

Following these objectives, the Texas Legislature amended the COAERS statute (SB1444 in 2023) to establish three primary funding mechanisms to ensure that there is a scheduled payment for paying off the UAAL. First, the COAERS statute establishes a fixed payment schedule for the City to finance the initial UAAL (determined as of December 31, 2022) over a 30-year fixed, closed period, beginning on January 1, 2024 (referred to as the "Legacy Liability").

Second, the COAERS statute provides that the member contribution to the System would equal 10% of pay, phased-in over a two-year period (9% in 2024 and 10% in 2025 and thereafter). Finally, the COAERS statute provides that the City will contribute an actuarially determined employer contribution rate (ADEC), which will be comprised of the employer portion of the normal cost of the System (the normal cost in excess of the member contributions) and an amortization payment (or credit) to fund unanticipated changes in the UAAL over a period of time which initially aligns with the legacy liability payment schedule until that period reaches 20-years, thereafter, a 20-year fixed, closed period; beginning one year after the valuation date on which the unanticipated change in the UAAL is identified (referred to as the City Contribution Rate).

The City Contribution Rate is subject to certain "corridors" as discussed in more detail below. In total, the City contribution each year is comprised of its scheduled payment to the Legacy Liability and the determined City Contribution Rate. If the calculated City Contribution Rate exceeds the upper corridor limit, then the Member Contribution Rate is adjusted to the excess of the calculated City Contribution Rate above the corridor limit, but in no circumstance shall the Member Contribution Rate exceed 12% of pay.

III. Actuarial Valuations, Actuarial Methods, and Experience Studies

Actuarial valuations (referred to in the COAERS statute as the Risk Sharing Valuation Study or "RSVS") will be conducted annually based on data as of December 31 each year, using the assumptions and methods adopted by the Board after each experience study or more frequently if recommended by the System actuary.

The Board will commission a comprehensive actuarial experience study based on data as of December 31, 2023 and then at least every five years thereafter pursuant to COAERS statute and Sec. 802.1014, Texas Government Code.

The City may elect to have its own actuary conduct an independent actuarial experience study or to review the experience study of the System's actuary. To the extent the hypothetical city contribution rates calculated by the System's actuary and the City's actuary differ by more than two percent of pensionable payroll, a reconciliation process is entered into as detailed in the COAERS statute.

Assumptions are based on actuarial standards of practice considering both actual experience and reasonable future expectations. After each experience study, the Board will adopt a set of assumptions for future Risk Sharing Valuation Studies based upon current actuarial standards of practice considering both actual experience and reasonable future expectations.

Key actuarial methods utilized by the System's actuary include:

- Actuarial cost method: Entry Age Normal Cost (Individual), which allocates the cost of accruing benefits as a level percentage of pay over the period from the member's entry into the plan until their termination or retirement.

- Actuarial asset method: Five-year smoothing method recognizing 20% of the differences between expected and actual investment income in the current and each subsequent year, with offsetting unrecognized gains and losses immediately recognized.
- Amortization Policy: A declining 30-year amortization period is used in determining the payments on unfunded liability layers until reaching 20-years, thereafter, using closed 20-year layers. The aggregate funding period for the system is the weighted average of the amortization layers. The goal is to eliminate negative amortization as soon as possible, but negative amortization is expected to continue until the Legacy Liability payoff schedule reaches 20 years.

IV. Risk Sharing Mechanisms

a. Risk Sharing Valuation Study

Each year an RSVS valuation is performed by the System's actuary. The RSVS valuation will be used to calculate the City Contribution Rate as specified by statute, consistent with the corridor requirements outlined below. This Estimated City Contribution Rate is determined based on the employer normal cost of the System and the amortization payments of the "new" liability layers created after the Legacy Liability was established. The Estimated City Contribution Rate is then compared to the "City Contribution Corridor" to determine the final City Contribution Rate.

b. City Contribution Corridor

As set forth in the COAERS statute, an initial RSVS valuation calculated a City Contribution Corridor for the next 30 years. The mid-point of this corridor was established as the expected normal cost of the System over the subsequent 30-years following the initial RSVS assuming that the active population remains constant and based on the actuarial assumptions and methods as of the initial RSVS. The City Contribution Corridor maximum (or ceiling) for each year is 5% of pay above the corridor mid-point for that fiscal year. The City Contribution Corridor minimum (or floor) for each year is 5% of pay below the Corridor mid-point for that fiscal year but can never be less than zero.

c. Determining the City Contribution Rate

If the Estimated City Contribution Rate determined in connection with the RSVS is within the City Contribution Corridor, then the final City Contribution Rate is equal to the Estimated City Contribution Rate with the following exceptions:

- If the System's funded ratio is less than 90% as determined under the RSVS, then

the final City Contribution Rate is the greater of the Estimated City Contribution Rate or the corridor midpoint for that fiscal year, but not to exceed the maximum of the City Contribution Corridor for that fiscal year.

- If the funded ratio is greater than 90% as determined under the RSVS, then the final City Contribution Rate is equal to the Estimated City Contribution Rate, but not to be less than the minimum of the City Contribution Corridor for that fiscal year.

In addition to the City Contribution Rate, the City shall also pay the established Legacy Liability payment. If the System's funded ratio should exceed 100% then the Legacy Liability shall be considered fully paid and no additional Legacy Liability payments shall be made.

The City may contribute an amount in addition to the scheduled Legacy Liability payment to reduce the number or amount of scheduled future Legacy Liability payments. If the City contributes an additional amount, the System's actuary shall create a new schedule of City Legacy Liability payments that reflects payment of the additional contributions.

d. Determining the Member Contribution Rate

The COAERS statute also provides a risk-sharing component for the active members. The legislation increased the member contribution rate to 10% of pay. However, if the Estimated City Contribution Rate exceeds the City Contribution Corridor maximum, then the member rate shall be increased by the amount the Estimated City Contribution Rate exceeds the City Contribution Corridor maximum, but not by more than an additional 2% of pay.

In subsequent years, the member contribution rate will continue to be adjusted to reflect the excess as determined under the RSVS for that year. If the Estimated City Contribution Rate should again fall below the City Contribution Corridor maximum in a subsequent year, the member rate will decrease back to 10% of pay.

Should the Estimated City Contribution Rate exceed the City Contribution Rate Corridor maximum by more than 2% of pay, the System will promptly notify the City and engage in planning as needed with the City to ensure that continued progress toward the goals of this policy will be made.

V. Changes to Contributions or Benefits

The City and COAERS may agree on a written transition plan for resetting the corridor midpoint, member contribution rates, or employer contribution rates if at any time the funded ratio of the System is equal to or greater than 100% or for any calendar year after the payoff of the Legacy Liability.

Before a cost-of-living-adjustment (COLA) or additional payment to retirees, beneficiaries, or other payees may be provided, the following must occur:

1. The System's actuary must certify in writing that, consistent with the application of sound actuarial assumptions and methods, the System has and will likely continue to have the ability to pay such an amount after all other obligations of the System have been paid;
2. The COAERS Board of Trustees must approve the COLA or additional payment;
3. The City Council must approve the COLA or additional payment; and
4. COAERS statute must be amended by the Texas Legislature to provide for the COLA or additional payment.

VI. Review of the Funding Policy

The System and City will review this policy periodically as necessary.

6. Receive reports on the following Board administrative matters including:

A. Ethics policy disclosure statements

B. 2024 meeting calendar

C. August 22, 2024 Investment Committee meeting

D. August 30, 2024 Audit and Risk Committee meeting

E. August 30, 2024 Benefits and Services Committee meeting

F. August 30, 2024 Governance and HR Committee meeting

G. August 30, 2024 Policy Committee meeting

Presented by Yuejiao Liu

AGENDA ITEM 6:

Receive reports on the following Board administrative matters, including:

- A. Ethics policy disclosure statements
- B. 2024 meeting calendar
- C. August 22, 2024 Investment Committee meeting
- D. August 30, 2024 Audit and Risk Committee meeting
- E. August 30, 2024 Benefits and Services Committee meeting
- F. August 30, 2024 Governance and HR Committee meeting
- G. August 30, 2024 Policy Committee meeting

RECOMMENDATION FOR BOARD ACTION

All Trustees and Key Staff are required to return the quarterly disclosure form in a timely manner after the June Board meeting.

AGENDA ITEM OBJECTIVE

The objective of the agenda item is to comply with the Board approved Code of Ethics and keep abreast of Committee work.

RELEVANCE TO STRATEGIC PLAN/CORE COMPETENCIES

This agenda item aligns with one of the goals of the COAERS Strategic Plan “**Goal 4: Identify and implement leading practices in board governance, pension administration, and investment management.** Additionally, this agenda item also aligns with one of the five core competencies of the COAERS Strategic Plan: “**Transparency:** Complying with open meeting and public information laws to ensure the decision-making process is clear to members and the public.”

ATTACHMENTS

- 1. Ethics policy disclosure statements
- 2. Remaining 2024 Board and Committee calendar
- 3. Report from August 22, 2024 Investment Committee meeting
- 4. Report from August 30, 2024 Audit and Risk Committee meeting
- 5. Report from August 30, 2024 Benefits and Services Committee meeting
- 6. Report from August 30, 2024 Governance and HR Committee meeting
- 7. Report from August 30, 2024 Policy Committee meeting



**Ethics Policy Disclosure Statement
(Gifts, Meals and Other Declarations)**

_____ For the period June 28, 2024 to September 19, 2024 _____

In compliance with Board Approved Policy: Code of Ethics, I declare I have received, attended, and/or had contact related to COAERS as follows:

Gifts:

Meals:

Other Declarations:

Signature of Trustee or COAERS Key Staff

Date

Remaining 2024 Board and Committee Calendar
(as revised on 8/29/2024)

Thursday, September 19, 2024 – 10 am

Full Board

Monday & Tuesday October 14-15, 2024

Full Board (Workshop)

Thursday, November 14, 2024 times tbd

Full Board (ED Evaluation)

Audit and Risk Committee

Benefits and Services Committee

Governance and HR Committee

Legislative Committee

Policy Committee

Friday, November 22, 2024 – 10 am

Investment Committee

Tuesday, December 17, 2024

9 a.m. called Investment Committee

10 a.m. Full Board



Report from August 22, 2024 Investment Committee Meeting

The August 22, 2024 meeting of the Investment Committee included the first review of portfolio results from the Board's new consultant, Meketa; an educational presentation on fund governance, investment beliefs, and best practices from Meketa; and a discussion of the 2024 Committee Work Plan.

1. The Committee reviewed a presentation by Meketa regarding results from the second quarter. As of June 30, 2024, the market value of the COAERS portfolio was \$3.4 billion, an increase of \$34.2 million from the end of the first quarter. For the second quarter of 2024, the portfolio posted a return of 1.2%, which lagged the policy and passive benchmark returns, but exceeded the peer median performance. Ms. Sorg and Mr. Lally introduced a "report card" showing quarter-to-date, one-year, three-year, and five-year measurements. Trustees requested additional information at a future date on the appropriate peer group against which COAERS might be compared.
2. As part of the onboarding process as a new consultant, Mr. Leo Festino of Meketa presented on characteristics of effective Boards, best practices in both fund governance and roles and responsibilities and preparing a statement of investment beliefs. Meketa indicated they would survey each Trustee on investment governance and investment beliefs and provide the results at the October Board workshop. Meketa also indicated it was working with Staff to provide a revised the Investment Policy Statement (IPS) for consideration by the Committee at its the November meeting.
3. The Committee reviewed the updated Work Plan, with changes made to accommodate the time needed to fully onboard the new consultants and reviewed the investment-related discussions to be covered at the Board's October workshop.



Report from August 30, 2024 Audit and Risk Committee Meeting

The August 30, 2024, Audit and Risk Committee meeting included a report reviewing the work of COAERS' financial statement auditor, CliftonLarsonAllen (CLA); a report on the unaudited financial statements as of June 30, 2024; and a quarterly report on COAERS Enterprise Risk Management program.

1. Staff presented the report on the work of CLA as well as terms of their engagement with COAERS. The Committee directed Staff to work with CLA on a Statement of Work including fees for the December 31, 2024 and 2025 financial statement audits for consideration by the Committee in November.
2. The Committee received a Staff report on the second quarter 2024 unaudited financial statements.
3. The Committee received its quarterly report on COAERS Enterprise Risk Management Program with a detailed focus on activities related to the risk categories of adaptability, reputational, mission, governance, and cybersecurity.



Report from August 30, 2024 Benefits and Services Committee Meeting

The August 30, 2024, Benefits and Services Committee meeting included a review of one disability retirement application and a report on the actuarial service consultant.

1. The Committee reviewed and recommended approval of disability application #2407.
2. The Committee received a report on the actuarial service consultant, GRS Consulting, and directed Staff to bring a 2025 engagement letter to the November committee meeting for consideration.



Report from August 30, 2024 Governance and HR Committee Meeting

The August 30, 2024 Governance and HR Committee meeting included a review of the Emergency Succession Policy and the Diversity Policy.

1. The Committee reviewed the Emergency Succession Policy, suggested no substantive changes, and voted to place the policy on the consent agenda for Board approval.
2. The Committee reviewed the Diversity Policy with a recommendation to change the approval cycle from annually to at least every three years. The Committee voted to refer the proposed revision to the Board and place this policy on the consent agenda.



Report from August 30, 2024 Policy Committee Meeting

The August 30, 2024 Policy Committee meeting included a report on 2024 year-to-date administrative budget expenditures, a report on Staff's budget priorities for the 2025 administrative budget, and review of the Communications Policy.

1. The Committee reviewed administrative expenditures through the end of July 2024. The Committee also received a report on 2025 administrative budget priorities.
2. The Committee reviewed the Communications Policy with a recommendation to change the approval cycle from annually every two years coinciding with the legislative session. The Committee voted to refer the policy to the Board for approval and to place the Policy on the consent agenda.

7. Discuss and consider the following regarding vacancy for Trustee Place 7

A. Trustee Place 7 resignation letter - Christopher Hanson

B. Special Active Election Committee and Timeline - Russell Nash

Presented by Yuejiao Liu

7A. Trustee Place 7 resignation letter

AGENDA ITEM 7:

Discuss and consider the following regarding vacancy for Trustee Place 7

- A. Trustee Place 7 resignation letter

AGENDA ITEM OBJECTIVE

This agenda item is intended for the Board to consider acceptance of the resignation letter of the Place 7 Trustee.

RELEVANCE TO STRATEGIC PLAN

This agenda item promotes **COAERS Strategic Plan Goal 4: Identify and implement leading practices in board governance, pension administration, and investment management**. Best practices for fiduciaries require following established policies and processes.

RECOMMENDATION FOR BOARD ACTION

Staff recommends the Board accept the resignation from Trustee Place 7.

BACKGROUND

Mr. Brad Sinclair currently holds the Place 7 position on the Board with three years left on his term of office. Mr. Sinclair recently notified Staff that he will be leaving employment with the City of Austin and submitted his resignation as a Trustee. Mr. Sinclair will hold his position on the Board until his replacement takes office.

ATTACHMENT

1. Resignation Letter from Place 7 Trustee

September 5, 2024

Brad Sinclair
3400 Harpers Ferry Lane
Austin, TX 78745

Board of Trustees
ATTN: Yuejiao Liu, Board Chair
City of Austin Employees' Retirement System (COAERS)
4700 Mueller Blvd, Suite 100
Austin, TX 78723

COAERS Board of Trustees,

I am submitting my resignation from Place 7 on the Board of Trustees of the City of Austin Employees' Retirement System (COAERS). I am retiring from the City of Austin.

I am honored to have been elected twice by my peers to serve all active and retiree members and their dependents. I am so appreciative of my fellow Trustees and everything we accomplished during my tenure. I will miss the camaraderie and working together to advance the long-term sustainability of our pension system. I also want to thank COAERS executive team and staff for their support and work on behalf of the membership.

If you have any questions, feel free to contact me at your convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brad Sinclair", with a horizontal line extending from the end of the signature.

Brad Sinclair

7B. Special Active Election Committee and Timeline

AGENDA ITEM 7:

Discuss and consider the following regarding vacancy for Trustee Place 7

B. Special Active Election Committee and Timeline**AGENDA ITEM OBJECTIVE**

This agenda item is intended for the Board to appoint a Nominating and Election Committee for a Special Election for Trustee Place 7.

RELEVANCE TO STRATEGIC PLAN

This agenda item promotes **COAERS Strategic Plan Goal 4: Identify and implement leading practices in board governance, pension administration, and investment management**. Best practices for fiduciaries require following established policies and processes.

RECOMMENDATION FOR BOARD ACTION

Staff recommends the Board appoint a Nominating and Election Committee for a Special Election for Place 7.

BACKGROUND

With the resignation of Mr. Brad Sinclair from the COAERS Board of Trustees, a special election will need to be held to elect a new trustee to serve out the remainder of Mr. Sinclair's term, which ends on December 31, 2027. Staff has obtained volunteers to immediately convene a Nominating and Election Committee to run a Special Election for Place 7. Staff has also developed a draft timeline to run the special election to be held so that the newly elected Trustee would be elected in time for the January 2025 Board Meeting.

ATTACHMENTS

1. Election Committee for the Special Election
2. Draft Special Election Timeline

CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM

2024 Special Election for Active Member Place 7 Nominating and Election Committee

Committee Members

Gail Ray
Rebecca Kennedy
Courtney Colter
Tiffany Rendon
Uwakima Udom

Alternates

Genevieve Martinez
Jordan Cookston

**DRAFT****CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM
2025 ACTIVE MEMBER PLACE 7 SPECIAL ELECTION
SCHEDULE OF EVENTS/TIMELINES****September 19, 2024 – Board Meeting – Nominating and Election Committee Appointment**

The Board will appoint five committee members and two alternates to serve on the Nominating & Election Committee.

September 20, 2024 10:00 am – First Committee Meeting

The Nominating & Election Committee will convene for the organizational meeting to review the election policy and procedures, duties of the Nominating and Election Committee, and the schedule of activities; elect from its membership, a Chair and Secretary; and develop/review/approve an agenda for the Candidates' Training Workshop. The Committee will also review the candidate application and related documents and establish a deadline for the receipt of applications from candidates.

September 23, 2024 – Announcement of Election

Call for candidates and election reminders will be published via COAERS communication channels (newsletter, website, and social media).

October 18, 2024 – Receipt of Candidate Applications

Qualified candidates must submit a completed application via email before 5:00 p.m. Central Time, October 18, 2024.

October 23, 2024 - Candidates' Training Workshop

An educational workshop will be held for candidates advising them of the requirements of serving on the COAERS Board of Trustees. Candidates will be given an opportunity to withdraw their application from the election at the conclusion of the workshop. Candidates' participation is voluntary. If no candidates want to attend, a workshop will not be held. Candidates will be allowed to revise their ballot statement after attending the workshop.

November 1, 2024 – 2nd Nominating & Election Comm Mtg - Review of Candidate Qualifications

The Committee will meet to evaluate the candidate applications to assure candidates meet the qualification requirements. The Committee will determine candidate placement on the ballot. The Committee will authorize Staff to prepare the ballot and candidates' statements and distribute.

November 15, 2024 – Distribution of Ballots

Ballots along with instructions, and candidate statements will be mailed to members at their home addresses.



January 15, 2025 – Election Voting Ends

Ballots must be cast before 5:00 pm Central Time, January 15, 2025.

January 17, 2025 – Final Nominating & Election Committee Mtg - Vote Tabulation and Notification to Candidates

The Committee will review the votes cast and determine the winner. All candidates will be notified of the results by the Committee Chair or designee by telephone (documented), email, and/or mailed letter and advised of the right to challenge the results. Five (5) calendar days will be allowed for candidates to contest results.

January 22, 2025 (5th Calendar Day after Notification) – Challenge Period Ends

The final date to challenge election results will be the fifth calendar day (or the first working day thereafter if the fifth day falls on a weekend) after the notification to candidates.

January 2025 – Board Meeting

The announcement of official results will be issued by the Committee Chair or designee at the January Board meeting. The results will identify the “apparent” winner and list each nominee and write-in candidate, showing the number of tabulated votes cast for each. The Board will certify the votes based on election results and declare the “official” winner.

January 2025 – Announcement of Election Results

Official election results will be published on the COAERS website and social media and in a subsequent newsletter.

8. Discuss and consider 2024 administrative budget amendment

Presented by Yuejiao Liu



BOARD MEETING Agenda Item Information Sheet

AGENDA ITEM 8:

Discuss and consider 2024 administrative budget amendment

AGENDA ITEM OBJECTIVE

This agenda item is intended for the Board to consider a proposed amendment to the 2024 administrative budget for the costs associated with the active member special election for Trustee Place 7.

RECOMMENDATION FOR BOARD ACTION

Staff recommends the Board approve the proposed amendment to the 2024 administrative budget.

ITEM SUMMARY

Since 2020, COAERS has utilized a firm, YesElections, to assist with conducting active and retired member elections. YesElections provides paper and online ballots for COAERS members to cast their vote, as well as tabulates the results of the election and provides the COAERS Nominating and Election Committee with the results of each election. The additional cost to run the active member special election will be \$17,000. The table below shows the proposed budget amendment.

Proposed COAERS 2024 Administrative Budget Amendment				
	2024	2024 Amended	Notes and Explanation	
Communications				
Printing	58,250	75,250	Additional \$17K for YesElection to conduct special election	
Postage and Mailing	40,170	40,170		
Member Education	10,000	10,000		
Digital Communications	14,700	14,700		
Total Communications costs	123,120	140,120		

RELEVANCE TO STRATEGIC PLAN

This agenda item aligns with one of the five core competencies established in the COAERS Strategic Plan: “**Dependable Operations: Managing the financial and operational commitments of the system within appropriate measurable standards.**”

9. Consider election of Board Vice Chair for remainder of 2024

Presented by Yuejiao Liu



BOARD MEETING Agenda Item Information Sheet

AGENDA ITEM 9: Consider election of Board Vice Chair for remainder of 2024

AGENDA ITEM OBJECTIVE

The objective of the agenda item is to elect a Vice Chair for the remainder of 2024 term.

RECOMMENDATION FOR BOARD ACTION

Elect a Vice Chair for the remainder of the 2024 term. The selection is at the Board's discretion.

RELEVANCE TO STRATEGIC PLAN/CORE COMPETENCIES

This agenda item promotes **COAERS Strategic Plan Goal 4: Identify and implement leading practices in board governance, pension administration, and investment management**. Best practices for fiduciaries require following established policies and processes.

BACKGROUND

The Board's election of the Chair and Vice Chair each January is a statutory requirement. COAERS Board Bylaws 1.6.8 dictate that when either the Chair or Vice Chair position becomes vacant, the Board shall elect a Trustee to serve the remainder of the term at its next meeting.

Trustee Name	Eligible for Vice-Chair remainder of 2024
Michael Benson	Yes
Kelly Crook	Yes
Michael Granof	Yes
Dick Lavine	Yes
Yuejiao Liu	No
Chris Noak	Yes
Leslie Pool	Yes
Anthony Ross	Yes
Diana Thomas	Yes
Ed Van Eenoo	Yes

The responsibilities for the Board Chair and Vice Chair as written in the Board Bylaws, as well as procedure for a vacancy of either, are highlighted in the attached excerpt.

ATTACHMENT

1. Excerpt from Board Bylaws

Bylaws of the Board of Trustees of the City of Austin Employees' Retirement System

Revised March 28, 2024

ARTICLE 1 Organization of the Board of Trustees

1.1 Authority. The City of Austin Employees' Retirement System ("COAERS" or the "system") has been established pursuant to Article 6243n of Texas Revised Civil Statutes (the "Act"), which requires COAERS to have a Board of Trustees (the "Board") to administer COAERS and invest its funds. The assets of the COAERS pension fund are required by state and federal law to be held in trust for the exclusive benefit of plan participants and beneficiaries.¹ The Board of Trustees of COAERS is the trustee of all plan assets, is responsible for the general administration and operation of COAERS, and is authorized by law to adopt rules for the administration of COAERS and the transaction of the business of the Board.² The Board may, at its discretion, delegate authority to carry out the administration of the system but may not delegate the responsibility for the system. All powers of trusteeship are held in the Board's fiduciary capacity. The exercise or non-exercise of the Board's powers are subject to the fundamental duties of prudence, loyalty, and impartiality; to a duty to respect the terms and purposes of the system; and to other fiduciary duties of trusteeship. Although a trustee's duties, like trustee powers, may be affected by the terms of the trust, the fiduciary duties of trusteeship are subject to minimum standards that require the trustee to act in good faith and in a manner consistent with the purposes of the trust and the interests of the members and beneficiaries. These fundamental standards of trusteeship are implicit in and normally essential to the trust relationship.

1.2 Composition. The Board is composed of eleven members. Place one serves at the pleasure of the City Council of the City of Austin (the "governing body"). Place two serves at the pleasure of the City governing body or, in the case of the City Manager's designee, the City Manager, unless earlier

¹ Texas Constitution, Art. 16, Section 67(a); 4(a) of the Act; Texas Government Code Section 802.203; United States Internal Revenue Code Section 401(a).

² See Section 4(q) of the Act.

terminated as provided in the Act. Place six shall be the City's Finance Director or the City Finance Director's designee. Places three, four, five, and seven through eleven serve for staggered four-year terms beginning on January 1 of the year after appointment or election unless earlier terminated by death, disability, resignation, removal, or loss of qualifications. Trustees are appointed or elected in accordance with statutory requirements.³

A trustee whose term expires or resigns shall continue to perform the duties of the office until his or her successor shall be duly qualified.⁴ Limited exceptions to holding over in office may arise, one of which is the removal of an office holder as authorized by the Act. The Board may adopt procedures for the appointment of an unexpired term of office of active-contributory or retired elected trustees consistent with the Act.

1.3 Chair of the Board of Trustees. The chair shall:

- (a) Except as provided in Section 2.1.7, preside over meetings of the Board and perform such other duties as are assigned by statute, these Bylaws, or other action of the Board;
- (b) provide leadership to the Board;
- (c) address individual Trustee issues as appropriate;
- (d) encourage the Board's full discharge of its fiduciary duties according to adopted policies and procedures;
- (e) oversee Board governance and determine appropriateness of meeting discussion to the Board's policy making and monitoring role;
- (f) facilitate proper flow of information to the Board, reviewing adequacy and timing of material;
- (g) plan adequate time for effective study and discussion of business under consideration;
- (h) act as liaison between the Board and the Executive Director;
- (i) serve as the spokesperson for COAERS;
- (j) be the co-signatory on COAERS checks with Board vice chair;
- (k) be the signatory on contracts for banking services, Investment Managers, Investment Consultant services and other investment-related contracts,

³ Sections 4(b) – (m) of the Act.

⁴ Texas Constitution, Art. 16, Section 17.

Auditor and Actuary services; and

- (l) serve at the pleasure of the Board.

1.4 Vice Chair of the Board of Trustees.

1.4.1 In case of the absence, death, resignation, disability, removal, or disqualification of the chair, the vice chair shall perform the duties of the chair until the chair shall resume his or her office or a successor chair has been appointed.

1.4.2 The vice chair serves at the pleasure of the Board.

1.5 Absence of Chair and Vice Chair. In the case of the absence, death, resignation, disability, removal, or disqualification of both the chair and vice chair, the member of the Board with the longest service on the Board (considering all Board service), as certified by the executive director, shall exercise the duties of the chair, as acting chair, until the chair or vice chair shall resume his or her office or until a successor chair has been elected or a successor vice chair has been elected. In the event there are two or more members with equal length of service, an action of the Board shall designate an acting chair from among the members with equal length of service.

1.6 Chair and Vice-Chair Elections.

1.6.1 Each January, the Board shall elect a chair and vice-chair for one-year terms⁵.

1.6.2 No Trustee may be elected to the chair or vice-chair position for more than two consecutive terms.

1.6.3 A former chair or vice-chair will again become eligible for the position after the office has been held by another Trustee.

1.6.4 In December prior to the January meeting in subsection 1.6.1, the Executive Director or designee will provide electronic notification to current and incoming Board members to call for nominations for the chair and vice-chair position. The notification will include a description of the nomination process, a list of all Board members eligible to serve as chair and vice-chair, and the deadline for nominations. One week before the nomination deadline, the Executive Director or designee will provide second electronic notification to Board members to again call for nominations for the chair and vice-chair position. This notification will include a list of all Board members eligible to serve as chair and vice-chair, a list of current nominees for each position, and the

⁵ Ibid.

deadline for nominations.

- 1.6.5** Nominations for the chair and vice chair of the Board shall be provided to the Executive Director or designee not later than two weeks before the date of the January meeting in subsection 1.6.1. A Board member may self-nominate for any such position. The Executive Director or designee will notify any Board member nominated for the chair and vice-chair position within 72 hours of such nomination unless that Board member self-nominated. Board members may withdraw from consideration at any time before the Board vote.
- 1.6.6** Board members may provide a written statement regarding their candidacy to be included in the Board materials distributed in advance of the January meeting in subsection 1.6.1. The Executive Director will notify all Board members nominated for the chair and vice chair of the deadline for such written statement. Board materials will include the list of candidates nominated for the chair and vice-chair positions as well as any candidate statements provided. Board members nominated for the chair and vice-chair positions may also make a verbal statement or provide a written statement prior to the Board vote.
- 1.6.7** Elections conducted in Board meetings shall be conducted in an open meeting by acclamation or by a roll-call vote pursuant to a motion that has been seconded.
- 1.6.8** When the position of chair or vice chair becomes vacant, the Board shall elect a Trustee to serve the remainder of the term for the vacant position at the next Board meeting for which notice can be given in accordance with the Texas Open Meetings Act (the "TOMA").
- 1.6.9** Subject to the provision that such persons serve at the pleasure of the Board, persons elected to the positions of chair and vice chair under this section serve for a term that expires upon the next election for that position or upon the person vacating his or her position on the Board due to death, disability, resignation, removal, or replacement by another Trustee by election or appointment.

10. Discuss and consider matters related to 4700 Mueller:

A. Request for Proposal for commercial real estate services

B. Receive final budget report on 4700 Mueller construction build-out

AGENDA ITEM 10:

Discuss and consider matters related to 4700 Mueller:

A. Request for Proposal for commercial real estate services

AGENDA ITEM OBJECTIVE

This agenda item is intended for the Board to consider the release of a Request for Proposal for commercial real estate services.

RECOMMENDATION FOR BOARD ACTION

Staff recommends that the Board authorize a Request for Proposal for commercial real estate services and grant authorization to award a contract to the bidder demonstrating the best value to COAERS.

ITEM SUMMARY

COAERS acquired the office building and land at 4700 Mueller on February 27, 2023. From that time, Riverside Resources has provided property management services for the building, parking lot, and green space. The services include accounting, budgeting, rent collection, the coordination of maintenance and capital improvements, and tenant relations. The term of the contract is annual with renewals each February and an option for termination without cause upon 60-days notice.

Staff recommends conducting a due diligence exercise to evaluate the marketplace for these services. Staff identified at least seven (7) other providers who may be qualified to perform the services we seek. They are as follows (in no particular order):

- Aquila Commercial LLC,
- CBRE Inc.,
- Colliers Inc. - Real Estate Management Services division,
- Cushman & Wakefield Inc.,
- ECRTX (Equitable Commercial Realty, PLLC),
- Kucera, and
- Transwestern Inc. (Transwestern Real Estate Services).

Given so much competition in this marketplace, Staff would like to pursue evaluating options, and if advantageous to COAERS, award a contract if a firm provides a better overall value to COAERS than our existing relationship.



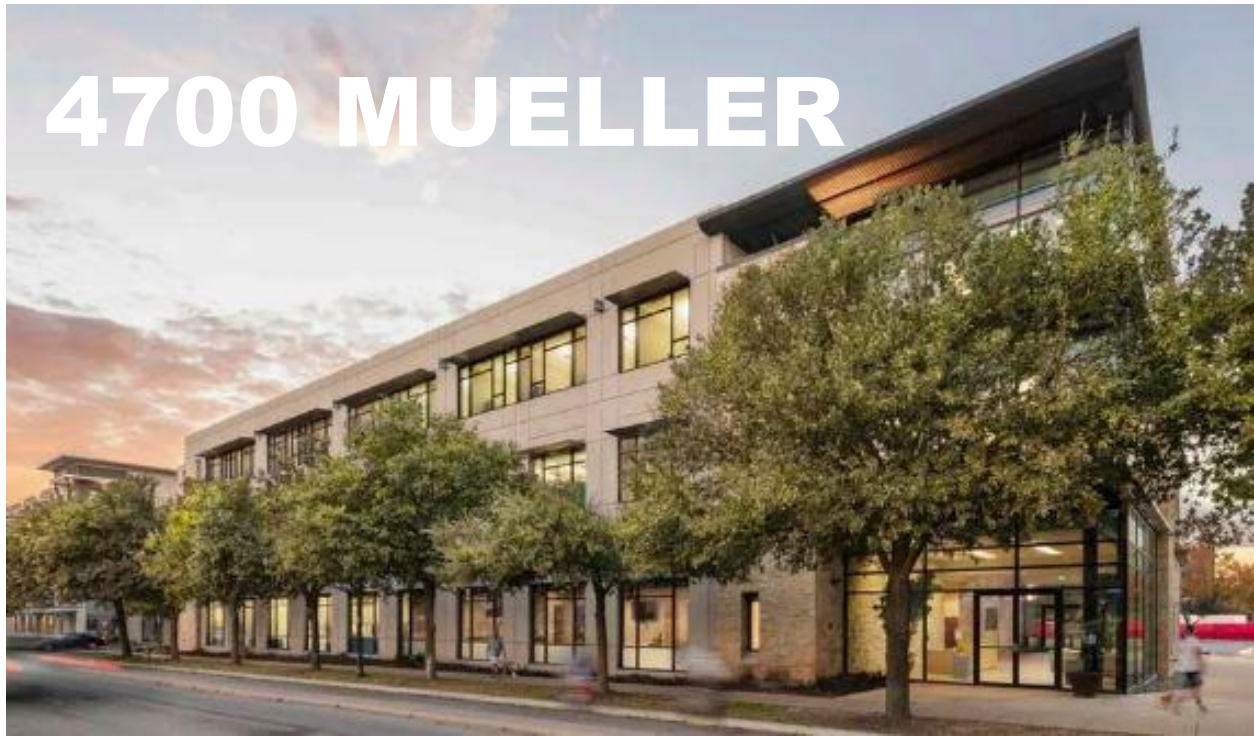
BOARD MEETING
Agenda Item Information Sheet

RELEVANCE TO STRATEGIC PLAN

This agenda item is central to **COAERS Strategic Plan Goal 4: Identify and implement leading practices in Board governance, pension administration, and investment management.** It is considered a best practice to periodically review service providers.

ATTACHMENT

1. Draft Request for Proposal



4700 MUELLER

Commercial Real Estate Services

Request for Proposal



City of Austin Employees Retirement System (COAERS)

Issue Date: September 23, 2024

Response Deadline: October 11, 2024

DRAFT

About 4700 Mueller

4700 Mueller Boulevard (“4700” or “premises”) is a 49,000 square foot commercial office building with a surface parking lot and green space all totaling 1.91 acres in the Mueller Community, inside the limits of the City of Austin, and Travis County, Texas. The site is on the west side of Mueller Boulevard, south side of Philomena Street, and the north side of Robert Browning Street in the Mueller Planned Unit Development (PUD). 4700 is owned by the City of Austin Employees Retirement System (COAERS), a public pension plan governed by an eleven-member Board of Trustees. COAERS manages \$3.5 billion for the benefit of current and former City of Austin employees. While an institutional investor, 4700 Muller is not just an investment for COAERS, but serves as the organization’s headquarters and center for our Trustees, staff, and customers. It is very important that the firms responding to this Proposal understand this owner/occupier approach and respond accordingly.



The premises is comprised of the following:

Floor 1

- COAERS – owner with approximately 30 staff members onsite occupying approximately 13,500 square feet.
- Lobby – 1,870 square feet.
- Two restrooms.
- Utility/Building controls room.
- Two shower rooms.

Floor 2

- One commercial tenant with approximately 36 staff members occupying approximately 12,500 square feet.
- One commercial tenant with approximately 7 staff members occupying approximately 3,700 square feet. Operating expense cap of 7% annually.
- Two restrooms.

Floor 3

- One commercial tenant with 97 staff members occupying approximately 17,000 square feet. Operating expense cap of 5% annually.
- Two restrooms.

Parking Lot

- COAERS maintains a 38,000 square foot surface parking lot with approximately 100 parking spaces most of which are reserved for tenants and building guests. Asphalt surface with striping and lettering.

Green Space

- COAERS owns and maintains 13,000 square feet of green space in the northwest corner of the lot. The space features crushed granite walking paths, grass, and trees with some outdoor seating.

Site Specifications

The 4700 site has been developed as a three-story office building built in 2006, with associated surface parking lot, and green space. Electric service in the area is available from **Austin Energy**.

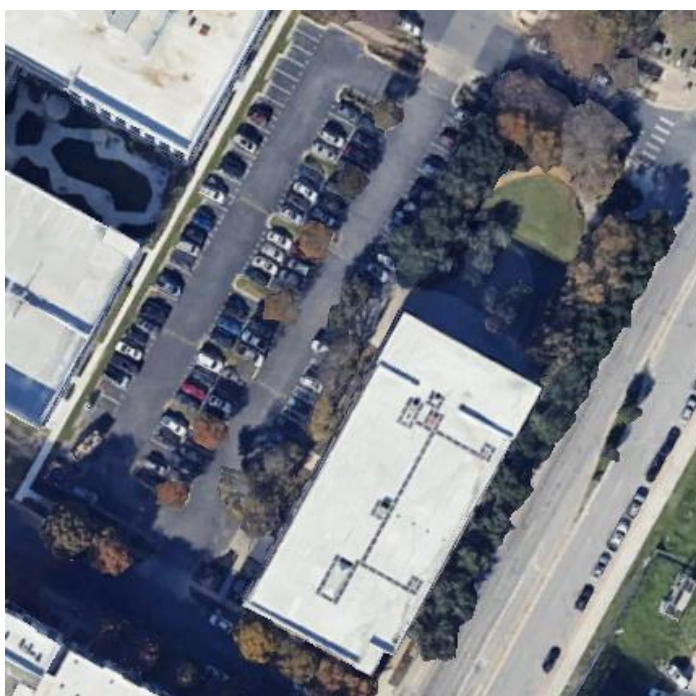
The building is served by Austin Energy's Mueller area district chilled water loop. The heat exchanger room accessed from the building exterior houses two primary heat exchangers, and associated pumps and controls. The room also houses a domestic water heater and circulating pump. There are two pumps that are fully redundant – each pump is capable of providing the full chilled water flow of 290 GPM (for both heat exchangers).

The first floor is served by a central air handling unit, ductwork, and fan-powered VAV boxes. Outside air is delivered to the room via a variable air volume box connected to an outside air riser up to an intake hood on roof level.

The building is provided with a 3" domestic cold-water service, a 6" sanitary sewer service, and a 6" fire water service. The building also has multiple storm water connections to the site storm drain.

The building is provided with a single base building 85-gallon domestic water heater. Two showers are located on Floor 1. The building is served by a hot water circulating pump to distribute hot water flow and reduce the time of water flow prior to adequate temperature.

The **City of Austin Water Utility (AWU)** is the water and wastewater provider for the site. Existing wastewater utilities include an 8-inch PVC wastewater line in Robert Browning Street from which connections have been made to the site.



Elevator service is provided by one elevator reaching all floors installed and maintained by **KONE**.

AT&T and Spectrum currently provide telecommunications services to the building and occupants.

Key Vendors

Below is a list of key vendors currently in use performing services for 4700. COAERS is only providing this information as context for Respondent's proposal. Respondent may wish to use additional or alternative vendors to maintain 4700.

Building Access/Security/Surveillance	Kastle Systems
Electricity	Austin Energy
Water	Austin Water
Janitorial	ABM
Waste Management	Waste Connections Lonestar Inc
Landscaping	PS Landscapes
Indoor Plants	Natura
Parking Lot Cleaning	Moore Clean LLC
Window Cleaning	ECS of Texas
HVAC	Trane/Coastline LTD
Plumbing /Supplies	Ferguson Enterprises
Fire Suppression/Fire Life Safety	Firetrol
Elevator	KONE
Pest Control	Versacor
Internet/Telephony	AT&T primary with Spectrum back up
Locks/Locksmith	Cothrons Safe & Lock
Signage	Griffects
Window Sealant	Western Specialty
Roofers	Texas 5th Wall Roofing Systems
AED/Life Saving Equipment	AED 123
Tile/Concrete	Rasa Floors
Painting - Parking Lot	Under Pressure Property Works
Lighting/Controls	Legacy Lighting

Key COAERS Staff

COAERS dedicates three on-site staff members to the oversight of 4700 and can be available for the Respondent during the relationship. They are as follows:

1. Relationship Contact: Russell Nash, Deputy Executive Director
2. Operations Contact: Michelle Mahaini, Senior Services Officer
3. Accounting Contact: Yun Quintanilla, Chief Financial Officer

Requirements

Property Management - Request for Proposal



Requirements

COAERS understands that many commercial real estate services firms offer a variety of services, however, the only services we are requesting in this solicitation are as follows: property management, accounting, and maintenance (engineering) as outlined in the requirements below. Do not provide a response which includes services or pricing for project management, marketing, or construction management.

Requirements – Property Management, Accounting, and Maintenance (Engineering)

1. Property Management. Manage the building and its systems at 4700, the green space, the surface parking lot, and implement the decisions of COAERS with respect to the premises performing the work needed to properly maintain the premises in good working order consistent with industry standards including, but not limited to, the following services:
 - a. Provide a Property Manager(s) located in the Austin Metro area to oversee the management of 4700 and conduct tenant relations duties,
 - b. Select and supervise vendors,
 - c. Administer leases and enforce tenant leasehold obligations,
 - d. Provide annual Common Area Maintenance (CAM) statements to the tenants no later than March 31 of each year,
 - e. Monitor required insurance that should be in-force for tenants and vendors,
 - f. Provide an online work order system to receive tenant work order requests,
 - g. Address emergencies within 30 minutes, address non-emergencies within 48 hours,
 - h. Provide property inspections,
 - i. Handle all tenant relations and coordinate tenant events,
 - j. Prepare and serve notices upon direction from COAERS,
 - k. Periodically review existing building rules and regulations and present recommendations to COAERS to modify existing rules and regulations as deemed appropriate, and
 - l. Meet with COAERS staff weekly to provide premises and tenant updates.

2. Accounting. Provide comprehensive accounting services and maintain separate books and records for the premises in a property management accounting system, ensuring all transactions are supported by proper documentation and conduct accounting on a modified accrual basis, in accordance with Generally Accepted Accounting Principles. The respondent will have access to a dedicated COAERS-established bank account. Accounting services will also include, but are not limited to, the following:
 - a. Collect rent payments and other receivables,
 - b. Follow-up on accounts receivable – bill late fees as appropriate and approved by COAERS,
 - c. Calculate operating expense estimates for each tenant and collect monthly operating expense reimbursement,
 - d. Determine annual Common Area Maintenance (CAM) charge reconciliations so they can be delivered to tenants by March 31,
 - e. Use a standard chart of accounts,
 - f. Establish and maintain relationships with vendors providing property services,
 - g. Review and approve vendor invoices for payment, ensure timely remittance,

- h. Manage bank account and reconcile balances,
 - i. Pay all real property, ad valorem taxes, and assessments. Oversee property tax appeals when necessary,
 - j. File Federal and State tax forms when applicable, ensure compliance with applicable tax laws and regulations,
 - k. Prior to the fifteenth (15th) calendar day after the preceding month end, prepare monthly financial reports including operating statements, accounts receivables/aging report, rent roll, tenant lease/security deposit ledger, payment register, expense distribution, and variance reports. Report should be customizable.
 - l. Prepare monthly narrative regarding property operations, financial results, variance analysis, delinquencies, and other relevant matters,
 - m. Implement appropriate controls to safeguard COAERS' assets, prevent errors, and detect fraudulent activity,
 - n. Compile information for auditors on behalf of COAERS,
 - o. Allow for COAERS and/or an independent audit firm selected by COAERS to audit the books and records maintained for COAERS,
 - p. Prepare and present an operating and capital budget for COAERS no later than October 30th of each year, along with a mid-year reforecast,
 - q. Monitor cash flow to ensure sufficient funds for operations and potential emergencies, and
 - r. Analyze property expenses and performance to identify areas for improvement and cost-saving opportunities.
3. Maintenance (Engineering). Initiate and supervise all repairs and alterations on or about the premises, including repairs or alterations that COAERS is required to make pursuant to the terms of the leases and the administration of a preventative maintenance program for all mechanical, electrical and plumbing systems and equipment. Maintenance (Engineering) services will also include, but are not limited to, the following:
- a. Provide an Engineer(s) located in the Austin Metro area to perform or coordinate all maintenance work,
 - b. Undertake and supervise all maintenance for the premises including janitorial; window washing/maintenance; metal and masonry maintenance; security and surveillance; landscaping; HVAC systems; electrical; plumbing; preventative maintenance; and any other maintenance and repair activity to ensure normal operation of the premises for COAERS and the Lessees,
 - c. Arrange for vendors to perform maintenance (engineering) work for the premises, ensuring vendors acquire necessary insurance and perform work in accordance with industry standards,
 - d. Provide periodic comprehensive inspections for the premises,
 - e. Provide timely communication to COAERS and tenants regarding building issues (disruptions, outages, maintenance, safety, etc.),
 - f. Address emergencies within 30 minutes, address non-emergencies within 48 hours, and
 - g. Perform all work in accordance with OSHA standards and all other applicable laws.
4. General Requirements. Use commercially reasonable efforts in the management and operation of the premises and to comply with such instructions and policies as may be reasonably requested by COAERS.

- a. For the personnel assigned to 4700, provide all personnel costs, equipment, tools, phones, communication devices, materials, vehicles, supervision, and other items and services necessary to perform all services, tasks, and functions the parties agreed to perform.
- b. Use reasonable efforts to cause the premises to comply with any and all laws, ordinances, rules and regulations affecting the premises.
- c. Manage the premises as if all persons on the property are “invitees.” Notify COAERS of any known defects, or violations of any federal, state or municipal or other governmental law, ordinance, rule or regulation due to the structure or condition of the premises or the use made thereof by any Lessee, occupant or employee.
- d. Have in full force and effect the insurance coverage below during all terms of the relationship:
 - i. Commercial General Liability: \$2M per occurrence, \$2M aggregate,
 - ii. Automobile Liability: \$1M per occurrence, \$2M aggregate,
 - iii. Workers Compensation: \$1M per occurrence, \$1M aggregate,
 - iv. Professional Liability (Errors & Omissions): \$2M per occurrence, \$3M aggregate, and
 - v. Umbrella Liability: \$8M per occurrence, \$8M aggregate.

COAERS Contractual Requirements

5. Term. Respondent must agree to a one-year contract term beginning February 28, 2025 and ending February 28, 2026 at a minimum. Fee proposals for multiple years will also be entertained.
6. Termination. Respondent must agree to a termination clause to allow both parties to terminate the relationship at any time for any reason upon sixty (60) days’ notice to the other party.
7. Confidentiality/Open Records. Respondent must agree to the following language in all material respects:

Notwithstanding any provisions of this Contract to the contrary, Contractor understands that COAERS will comply with the Texas Public Information Act, Government Code, Chapter 552 as interpreted by judicial opinions and opinions of the Attorney General of the State of Texas. COAERS agrees to notify Contractor in writing within a reasonable time from receipt of a request for information related to Contractor’s work under this contract. Contractor will cooperate with COAERS in the production of documents responsive to the request. COAERS will make a determination whether to submit a Public Information Act request to the Attorney General. Contractor will notify COAERS General Counsel within twenty-four (24) hours of receipt of any third-party requests for information that was provided by the State of Texas for use in performing the Contract. This Contract and all data and other information generated or otherwise obtained in its performance may be subject to the Texas Public Information Act.

8. Indemnification. Respondent must agree to the following language in all material respects:

Contractor shall defend, indemnify, and hold harmless COAERS, its officers, and employees, and COAERS, its officers, and employees and contractors, completely from and against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, including without limitation attorneys' fees and court costs, arising out of, connected with, or resulting from any acts or omissions of contractor or any agent, employee, subcontractor, supplier, or service provider of contractor in the execution or performance of this contract. This paragraph is not intended to and shall not be construed to require contractor to indemnify or hold harmless COAERS for any claims or liabilities resulting from the negligent acts or omissions of COAERS or its employees.

COAERS can only agree to indemnify Contractor to the extent provided by law.

9. Applicable Law and Venue. Respondent must agree to the following language in all material respects:

This Contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard for its conflict of laws provisions. The venue of any suit arising under this Contract is fixed in any court of competent jurisdiction of Travis County, Texas.

10. No Waiver of Sovereign Immunity. Respondent must agree to the following language in all material respects:

Nothing in this Contract shall be construed as a waiver of the sovereign immunity afforded an organization created by Texas state statute. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to COAERS. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to COAERS under this Contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. COAERS does not waive any privileges, rights, defenses, or immunities available to COAERS by entering into this Contract or by its conduct prior to or subsequent to entering into this Contract.

11. Right to Audit. Respondent must agree to the following language in all material respects:

COAERS or its representative may conduct examinations upon 60-days' notice of the books and records maintained by Contractor including any testing relating to the Respondent's activities with respect to 4700. All expenses incurred for these examinations will be the responsibility of COAERS. Should COAERS discover any weaknesses in controls or errors in recordkeeping, Respondent will correct such discrepancies within 60 days.

How to Respond

Property Management - Request for Proposal



How to Respond

Deadline

The deadline for COAERS receipt of proposals is **5:00 PM Central Time, October 11, 2024**.

Submission

Proposals will be submitted as **one Adobe pdf document** submitted to **rfp@coaers.org**.

Proposal Format

Proposal material shall be formatted in the following order:

- **Section One**
 1. Cover sheet formatted as Respondent chooses.
 2. Table of Contents
 3. Respondent's point of contact including name, title, phone number, address, and email address.
 4. Description of your company - include current clients/properties, years in business, financial condition or financial statements if available.
- **Section Two**
 1. Fee information.
- **Section Three**
 1. Resumes and professional biographies for personnel assigned to 4700.
 2. Answers to the Respondent's Questionnaire (below).
 3. Client references with contact information.
 4. Review all the items (numbered 1 through 11) in the COAERS Requirements section then provide your response either confirming your acceptance, providing a revision, or seeking an exception to the requirement.
 5. Respondent's standard contract
- **Section Four**
 1. Detailed implementation plan with timeline to onboard COAERS as a client including specific tasks and deliverables for COAERS.
- **Section Five**
 1. Other materials as Respondent wishes.

Questions

Questions about this Request for Proposal can be submitted via email to **rfp@coaers.org** until 5:00 PM Central Time, October 2, 2024.

Respondent's Questionnaire

1. Describe your approach to this relationship, discussing your organization's plan for providing the services described in the Requirements section.
2. Detail the people assigned to COAERS providing the following information at a minimum:
 - a. Provide the experience and credentials of the team assigned to COAERS for the contract term,

- b. Disclose the amount of time each team member will dedicate to 4700 relative to other clients,
 - c. Provide the geographic location of the team members assigned to COAERS, and
 - d. Describe your approach to changing the team members assigned to COAERS.
3. Describe in detail all the technology you propose for tenant work orders, accounting and financial reporting, and maintenance.
4. Describe your process to produce accurate monthly financial reporting no later than 15 calendar days after the end of the previous month. Your answer should include a description of your internal quality/accuracy process.
5. Describe your ability to generate accurate CAM reconciliations for the three tenants at 4700 and deliver CAM reconciliation statements to the tenants no later than March 31 of each year.
6. Describe your process to promptly pay correct invoices from service providers on a weekly payment cycle.
7. Describe your program of risk management addressing topics such as business continuity, fraud prevention, accuracy in financial reporting, and cybersecurity measures.
8. Review the Key Vendors COAERS currently uses to manage 4700 and discuss the vendors your organization would use to manage the property.
9. Describe your process to evaluate, select, and terminate service providers.
10. Describe your response times for emergency issues. Do you guarantee a certain response time?
11. Describe your response times for non-emergency issues. Do you guarantee a certain response time?
12. Describe what penalties/concession your organization is willing to make if your actual service levels don't meet COAERS' requirements?
13. Detail the steps to implementing your property management solution for 4700 if you are awarded this contract. Include the tasks and responsibilities for COAERS. Set the target date for implementation to be complete as of March 3, 2025.

Evaluation Criteria

A contract award will be made based upon the best value for COAERS. To determine the best value, COAERS will consider all factors. Some examples follow:

1. Fee.
 - a. Provide pricing for one contract term from February 28, 2025 through February 28, 2026 at a minimum. Fee proposals for multiple years will also be entertained.
 - b. Your fee will be inclusive of every cost associated with providing the services proposed (e.g. Personnel costs, software costs, expenses, etc.)
 - c. COAERS will evaluate your fees as follows:
 - i. Acceptable but Minimum Value: A percentage of revenue with a cap.
 - ii. Favorable: A fixed annual fee. No percentage of revenue component.
 - iii. Very Favorable: A fixed annual fee below \$145,000 (the lower the more favorable). No percentage of revenue component.
2. Acceptance of the items in the Requirements section contained herein.
3. Quantity, experience, and professional designations of the property management personnel assigned to this account. COAERS prefers staff who are experienced and located in the Austin Metro area.
4. Quantity, experience, and professional designations of the accounting personnel assigned to this account. COAERS prefers staff with CPA designations and personnel who are employees of the property management company not outsourced.

5. Quantity, experience, and professional training of the Maintenance (Engineering) personnel assigned to this account. COAERS prefers personnel who are employees of the property management company not outsourced. Also, COAERS prefers engineers who are obviously proficient in the mechanical aspects of building systems but who **also demonstrate knowledge of the technological aspects of these systems**.
6. Time commitment of personnel relative to their other clients.
7. Technology for tenant work orders and accounting.
8. Demonstration of your process to produce accurate monthly and annual financial reporting no later than 15 calendar days after the end of the previous month.
9. Demonstration of your ability to generate accurate CAM reconciliations for the three tenants at 4700 and deliver CAM reconciliation statements to the tenants no later than March 31 of each year.
10. Demonstration of your process to evaluate, select, and terminate service providers.
11. Demonstration of your process to promptly pay correct invoices from service providers on a weekly payment cycle.
12. Response times for emergency issues and the guarantees you propose.
13. Response times for non-emergency issues and the guarantees you propose.
14. Approach to maintenance and proper building upkeep.
15. Implementation plan.

Site Visits

Voluntary site visits to 4700 can be arranged for prospective bidders by request via email to rfp@coaers.org. Site visits will be accommodated based upon COAERS staff availability.

Inquiries

Inquiries about this Request for Proposal shall be directed only to Russell Nash, Deputy Executive Director at russell.nash@coaers.org. Respondents to this Request for Proposal shall not contact COAERS Trustees or other Staff about this solicitation unless specified herein or the communication is part of a public meeting; exclusively social and do not involve COAERS or COAERS business; or as part of an existing business relationship unrelated to COAERS.

RFP Terms and Conditions

1. All notices and communications from COAERS will be sent via email to the Respondent's point of contact identified in Respondent's proposal.
2. COAERS may reject any proposal for any reason.
3. COAERS reserves the right to cancel the procurement at any time.
4. COAERS reserves the right to waive any irregularities or non-material errors contained in a proposal.
5. COAERS can amend this RFP at any time at its discretion.
6. During the evaluation, a COAERS representative may contact Respondent and ask for follow-up questions and/or clarifications to Respondent's proposal. To be eligible for a contract award, Respondent must respond to such requests within the time and manner specified in the request.
7. COAERS may, at its discretion, elect to have Respondents provide presentations or meet to discuss their proposals and respond to questions. Presentations may be conducted virtually at COAERS' discretion. In the alternative, COAERS may ask Respondents to travel to Austin, Texas to conduct the presentation. Travel expenses will be the responsibility of the Respondent.
8. COAERS may, at its discretion, elect to visit the offices or current properties managed by

- the Respondents. Travel for the COAERS staff will be at COAERS' expense.
9. Proposals received shall constitute an offer until a selection is made by COAERS.
 10. COAERS can award a contract upon a Respondent's proposal either in whole or in part.
 11. Proposals received become the property of COAERS.

AGENDA ITEM 10:

Discuss and consider matters related to 4700 Mueller

B. Receive final budget report on 4700 Mueller construction build-out

AGENDA ITEM OBJECTIVE

This agenda item is intended to provide the Board with a final report on the approved budget for the construction and move to 4700 Mueller.

RECOMMENDATION FOR BOARD ACTION

For informational purposes only; no action required.

ITEM SUMMARY

Included in the materials for this agenda item is a staff report on the actual costs related to the design and construction of the first-floor at 4700 Mueller, as well as additional costs for furniture, audio/visual equipment, and building of the information technology infrastructure.

RELEVANCE TO STRATEGIC PLAN

This agenda item aligns with one of the five core competencies established in the COAERS Strategic Plan: “**Dependable Operations**: *Managing the financial and operational commitments of the system within appropriate measurable standards.*”

ATTACHMENT

1. Staff Report on 4700 Mueller Construction and Move Budget



Staff Report on 4700 Mueller Construction and Move Budget

At its March 2023 meeting, the COAERS Board of Trustees approved a budget for the design, construction, and legal costs associated with the buildout of the first floor of 4700. The budget also included costs related to moving all COAERS Staff, building the appropriate information technology infrastructure, equipping the first floor with needed audio/visual technology, and moving existing furniture and equipment from COAERS Northpoint offices. With all activities related to the design, construction, and move into the first floor of 4700 Mueller complete, the table below details the approved budget versus actual expenditures.

4700 Mueller Construction and Move Budget (Approved March 2023)			
	Budget	Actual	% Expended
Construction	\$ 1,336,896	\$ 1,126,894	84%
Legal	\$ 18,875	\$ 16,377	87%
Architects	\$ 81,000	\$ 99,134	122%
Furniture/Furnishings	\$ 66,187	\$ 57,895	87%
A/V Equipment	\$ 100,000	\$ 104,732	105%
IT Infrastructure	\$ 82,300	\$ 131,489	160%
Moving	\$ 30,450	\$ 25,548	84%
Projected Total	\$ 1,715,708	\$ 1,562,069	91%
Contingency	\$ 171,571	\$ -	0%
Total	\$ 1,887,279	\$ 1,562,069	83%

Total expenditures were approximately 91% of the original projected budget, with no additional expenditures necessary from the approved contingency budget. Costs associated with construction, legal, furniture/furnishings, and moving all came in lower than originally planned.

Costs for architects, audio/visual, and information technology infrastructure were above original projections. The most significant driver of these additional costs was the state of the first-floor server room, which required more work than originally estimated. The first-floor server room was the hub for information technology for the entire building, and tenants had linked their servers into the first-floor server room. To mitigate the risk of allowing tenants or their contractors access to COAERS server room, additional wiring and cabling was needed. Furthermore, the location of an HVAC and its drip pan in the first-floor server room required design modifications to the original architectural drawings which also increased costs from their original projections.

Slightly higher than expected expenditures for audio/visual were primarily driven by the design challenges in the first-floor Board/Conference room, as the original drawings did not correctly locate fire alarms which would have been covered by the A/V equipment. This required changes to the placement of the A/V equipment as well as rewiring associated with moving that equipment.

11. Receive report from Executive Director on the following matters:

A. October Board Workshop

B. MET report and upcoming educational programs and conferences

C. Operational matters including staffing

Presented by Christopher Hanson



BOARD MEETING
Agenda Item Information Sheet

AGENDA ITEM 11:

Receive report from Executive Director on the following matters:

A. October Board Workshop

AGENDA ITEM OBJECTIVE

The objective of the agenda item is for the Executive Director to provide the Board a report on the current draft agenda and plans for the October Board Workshop.

RECOMMENDATION FOR BOARD ACTION

For informational purposes only; no action required

ITEM SUMMARY

The Executive Director will preview for the Board a draft agenda for the upcoming Board workshop.

Draft 2024 Board Workshop Agenda

Monday, October 14 Day One	
8:30 a.m.	Coffee and breakfast outside the Atrium Suite
9:00 a.m.	2024 Board Workshop Introductions
9:15 a.m.	Investment Governance and Beliefs Survey Results
10:30 a.m.	Break
10:45 a.m.	Presentation of Strategic Asset Allocation Study
12:15 p.m.	Lunch served outside Atrium Suite
1:30 p.m.	89 th Legislative Session Preview
2:15 p.m.	Break
2:30 p.m.	Investment Policy Best Practices and Manager Selection Process
3:45 p.m.	Break
4:00 p.m.	Board Team Activity
4:45 p.m.	Social Time
6:00 p.m.	Social Event: Dinner at Paul Martin's

Tuesday, October 15 Day Two	
7:45 a.m.	Investment Risk conversation and breakfast (optional to attend)
8:30 a.m.	Coffee and breakfast outside the Atrium Suite
9:00 a.m.	Understanding the Actuarial Experience Study Process
10:00 a.m.	Break
10:15 a.m.	Next Steps in Building the COAERS Private Markets Program
12:00 p.m.	Lunch served outside Atrium Suite
1:15 p.m.	Strategic Plan and COAERS 2025 Horizon Issues
2:00 p.m.	Break
2:15 p.m.	Annual Board Self-Evaluation
3:00 p.m.	Review of 2024 Workshop and 2025 Planning
3:15 p.m.	Adjourn 2024 Board Workshop



BOARD MEETING Agenda Item Information Sheet

AGENDA ITEM 11:

Receive report from Executive Director on the following matters:

B. MET report and upcoming educational programs and conferences

AGENDA ITEM OBJECTIVE

The objective of the agenda item is for the Executive Director to provide the Board a report on COAERS compliance with State of Texas required pension training rules and to report on upcoming educational programs and conferences.

RECOMMENDATION FOR BOARD ACTION

For informational purposes only; no action required.

ITEM SUMMARY

COAERS is currently in full compliance with Pension Review Board (PRB) training requirements. Included in the materials is a report on the current status of each Trustee and the Executive Director in their education cycle. Also included is a list of upcoming educational programs and conferences.

RELEVANCE TO STRATEGIC PLAN

This agenda item also aligns with one of the five core competencies established in the COAERS Strategic Plan: "**Education:** *Promoting educational opportunities that enhance knowledge and develop appropriate skill sets for Trustees, Staff, and customers.*"

ATTACHMENTS

1. COAERS 2024 MET report
2. Upcoming Educational Programs and Conferences



COAERS 2024 MET Report

The following report provides information on COAERS Trustee and administrator progress in completing the Pension Review Board (PRB) training requirements. The report does not include courses that have been registered for but not yet taken or reported.

PRB Terms

COAERS has one Trustee in the first-year cycle. Three Trustees and Mr. Hanson's terms rolled over in 2024. No Trustees were delinquent in their training at the end of 2023.

Core MET Requirements

New Trustees and administrators are required to receive a minimum of seven hours of training in the “core” topic areas of: fiduciary, governance, ethics, investments, actuarial, benefits administration, and risk management. The seven hours of “core” training must include every topic area and training in each topic area and must be at least 0.5 hours and not more than 2 hours.

Continuing Education MET Requirements

After the “core” training cycle ends, Trustees and administrators are required to complete a minimum of four hours of training every two years. “Continuing education” training may be in the “core” topic areas, as well as “non-core” topic areas such as: compliance, legal and regulatory, pension, accounting, custodial issues, plan administration, Texas Open Meetings, and Texas Public Information Acts.



COAERS 2024 MET Report

Continuing Ed Training 2-year cycle Cycles are PRB terms, not the full range of Board elections/assignments	Core	Non-core	Total	Completed
M. Benson 01/01/2023-01/01/2025		7	7	√
Kelly Crook 08/30/2022-08/30/2024	1.5	18.75	20.25	√
C. Hanson 1/12/2024 – 1/12/2026		24	24	√
Y. Liu 01/01/2023-01/01/2025		59.5	59.5	√
C. Noak 01/01/2023-01/01/2025		21.75	21.75	√
L. Pool 02/21/2024-02/21/2026				
A. Ross 01/01/2023-01/01/2025	1.5	91	92.5	√
Brad Sinclair 01/01/2024-01/01/2026		16		√
Diana Thomas 01/19/2024-1/19/2026		20.5		√
Dick Lavine 01/01/2023-01/01/2025		6.25	6.25	√
Michael Granof 01/19/2023-01/19/2025	10	8	8	√
Core Training 1-year cycle	Core	Non-core	Total	Completed
Ed Van Eenoo 1/1/2024 – 12/13/2024	7.5			√



Upcoming Educational Programs and Conferences

This page contains links with information on upcoming conferences and educational programs. Noted programs are pre-approved for meeting either core or continuing education requirements from the PRB. Staff can request credit in advance from the PRB for trainings not pre-qualified. If you have any questions or need any additional information, please contact Sarah McCleary.

- COAERS internal training
 - [Assessing Global Equities Education 8.26.22](#)
 - [Fixed Income Education 8.4.22](#)
 - [Investments – AL Study Discussion 8 26 22](#)
 - [Investments – Functional Portfolios 4.21.23](#)
 - [Investments – Private Investments 4.21.23](#)
 - [Investments – Functionally Focused Portfolios 5.19.23](#)
- [CAIA Association Fundamental of Alternative Investments](#) (self-study)(pre-approved for PRB)
- [CFA Institute](#)
 - [Investment Foundations](#) – (self-study, approximately 60 hours)
 - [Private Markets and Alternative Investments Certificate](#) (self-study, approximately 70-90 hours)
- [IFEBP](#)
 - November 9-10, 2024 – Certificate of Achievement in Public Plan Policy (CAPPP): Pension [Part One or Part Two] – San Diego, CA
 - February 10-12, 2025 – Advanced Trustees and Administrators Institute – Orland, FL
 - April 30-May 1, 2025 – Investments Institute – Fort Myers, FL
- [NACD](#)
 - Virtual Director Professionalism (online)
 - Cyber Risk Oversight Certificate - helping governance professionals understand how to identify cybersecurity threats and provide oversight of critical digital assets (online)
 - Director Proficiency: Financial Oversight (online)
 - Director Essential Series (online)
- [NASRA](#)
 - March 1-3, 2025, March Meeting – Washington, DC
 - August 9-13, 2025, Annual Conference – Seattle, WA

- [NCPERS](#) (pre-approved for PRB, Continuing Education only)
 - October 26-27, 2024 - Program for Advanced Trustee Studies – Palm Springs, CA
 - October 26-27, 2024 - NCPERS Accredited Fiduciary (NAF) Program – Palm Springs, CA
 - May 17-18, 2025 - Accredited Fiduciary (NAF) Program – Denver, CO
 - May 17-18, 2025 - Trustee Educational Seminar (TEDS) – Denver, CO
 - May 18-21, 2025 - Annual Conference & Exhibition – Denver, CO
- [HBS](#)
 - November 13-16, 2024, Making Corporate Boards More Effective – Boston, MA
- [Pension Review Board online trainings](#): (all count toward PRB training requirements)
 - *Risk Management (45 min); Risk Management (1 hr); Ethics (45 min); Governance (45 min); Actuarial matters (1.5 hrs); Fiduciary Matters (1 hr) and Investments (1.5 hrs)*

Recommended Reading:

- *The Future of Pension Management* – Keith P. Ambachtsheer
- *Investment Beliefs: A Positive Approach to Institutional Investing* – K. Koedijk
- *Achieving Investment Excellence: A Practical Guide for Trustees of Pension Funds, Endowments and Foundations* – K. Koedijk
- *Winning at the Loser's Game* – Charles D. Ellis
- *Think Again* – Adam Grant

AGENDA ITEM 11:

Receive report from Executive Director on the following matters:

C. Operational matters including staffing

AGENDA ITEM OBJECTIVE

The objective of the agenda item is for the Executive Director to provide the Board a report on operational matters including staffing.

RELEVANCE TO STRATEGIC PLAN/CORE COMPETENCIES

This agenda item aligns with one of the five core competencies established in the COAERS Strategic Plan: “**Dependable Operations**: *Managing the financial and operational commitments of the system within appropriate measurable standards.*”

RECOMMENDATION FOR BOARD ACTION

For informational purposes only; no action required.

ATTACHMENT

1. ED Report on COAERS Operational Matters



Executive Director Report on Operation Matters September 2024

The following is a short summary and update on current COAERS operational matters including staffing.

- Ms. Candace Nolte will be joining COAERS as the newest member of the finance division beginning on Monday, September 23. Ms. Nolte brings over 20 years of public pension finance and accounting experience to COAERS, having previously worked at the Texas Municipal Retirement System (TMRS). She is a CPA with experience with annual financial statement audits, custodial and operating bank accounting, and private markets accounting.
- The COAERS member services division has completed city department presentations for 2024. For the year, the member services division will have conducted 17 onsite city department presentations regarding the benefits offered by COAERS.
- COAERS received its preliminary pension administration report from CEM Benchmarking. The preliminary report indicates a total pension administration service score at the top of COAERS peer group (9 public pension plans) as well as a total service score above the median of all public pension plans (58 public pension plans across the US, Canada, and Australia). Additional details from the report will be presented at the October Board workshop.
- On September 12, COAERS conducted a property-wide fire drill at 4700 Mueller. The Austin Fire Department reviewed the drill, as well as conducted an onsite inspection. The Fire Department inspection concluded that the property met all the safety requirements. Additionally, all COAERS team members and tenants onsite that day followed the safety plan for fire evacuation and did so in a timely and orderly manner.
- COAERS management is organizing a series of Trustee “Lunch and Learn” events for the fall of 2024. Trustees have requested additional education on the various departments at COAERS. Staff will be contacting Trustees with possible dates over the coming months to schedule these educational events.

12. Review key meeting takeaways and call for future agenda items

Presented by Yuejiao Liu

AGENDA ITEM 12:

Receive key meeting takeaways and call for future agenda items

AGENDA ITEM OBJECTIVE

The objectives of the agenda item are to ensure Trustees and Staff have a mutual understanding of any decisions from this meeting, Trustees and Staff have a chance to clarify any direction requested during the meeting, and Trustees can request items for future meeting agendas.

RECOMMENDATION FOR BOARD ACTION

Trustees will review key meeting takeaways and provide any additional direction to Staff.

RELEVANCE TO STRATEGIC PLAN

This agenda item meets **COAERS Strategic Plan Goal 4: Identify and Implement Best Practices in Board governance, pension administration, and investment management**. It is an industry best practice to review key meeting takeaways to summarize what was accomplished at the meeting as well as ensure Staff has clear direction on further work and future agenda items.