

COAERS CONNECT

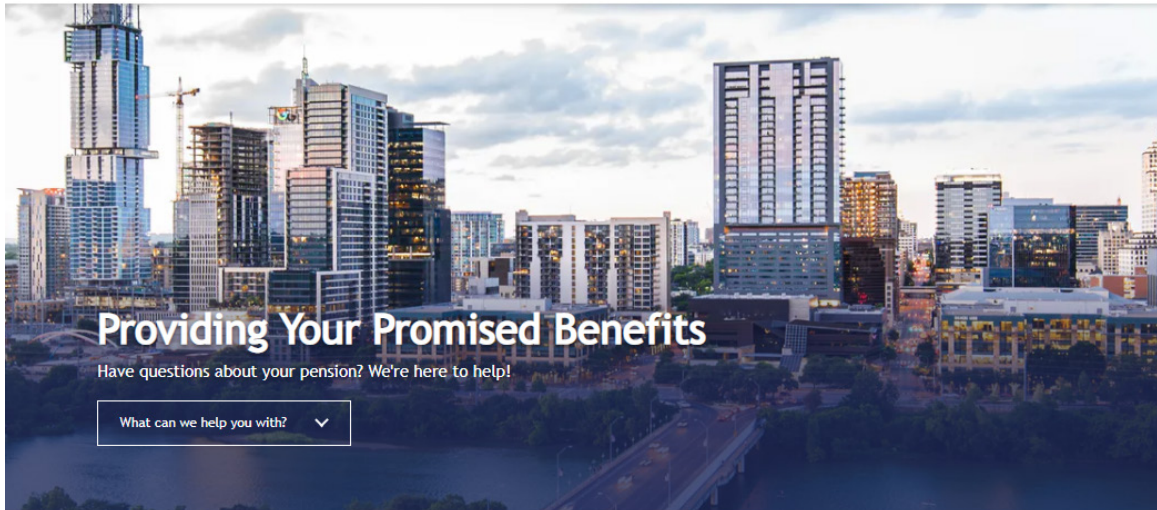
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Pension Payment Calendar - Check Mailed OCTOBER 29 | Direct Deposit OCTOBER 29

COAERS

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This year marks the 80th anniversary of the City of Austin Employees' Retirement System. To celebrate this momentous occasion, we are proud to announce our new logo and website.

The brand colors and design represent and express our rich history and the core values of COAERS' mission and vision.

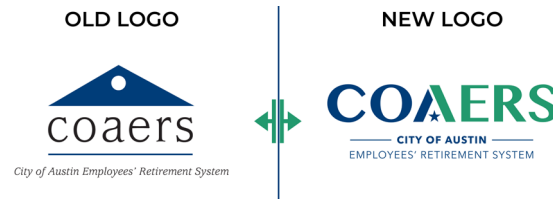
For nearly a century, COAERS' foundational promise to provide benefits to our members for life remains our core mission. To capture that long-standing purpose through design, we embarked on a journey to refresh our brand design in a way that better reflects who we are and how we serve our members.

After a detailed process and careful consideration, COAERS selected a new logo - one that is modern and timeless, conveys our vision and strategic goals to be a best-in-class public pension plan, and communicates our core values through design.

A New Design

The logo was designed based on key concepts:

- Our Foundational Promise - to reflect the values of trust, reliability, stability, prosperity, and sustainability.
- Innovation - to embody a city on the move, progress, and create excitement around the future.
- Clean and Modern Design - to create a design aesthetic that is simple and timeless.



Enhancing the Member Experience

Along with our new logo, we are excited to announce the launch of our newly redesigned website and MemberDirect portal. With the new sites, our goal is to deliver valuable, informative content about your unique COAERS benefit in a modern and more user-friendly way. Both sites continue to provide our members with easy access to tools and resources in a way that tailors to your life and career stages and helps you plan for retirement and a sound financial future.

The new websites and logo reflect the vision of the retirement system and are designed to inspire and further enhance our organizational capabilities as we continue to provide promised retirement benefits, exceptional customer service, and recognize the changing needs of our members. We look forward to hearing your feedback.

COAERS HOURS OF REMOTE OPERATION

COAERS offices remain closed to the public while we continue to monitor the COVID-19 pandemic. However, our staff is working remotely to help via telephone, email, or virtual visits.

Monday - Friday
8:00 a.m. to 5:00 p.m.
Tel: (512) 458-2551
Fax: (512) 458-5650
www.coaers.org
member.services@coaers.org

COAERS BOARD OF TRUSTEES

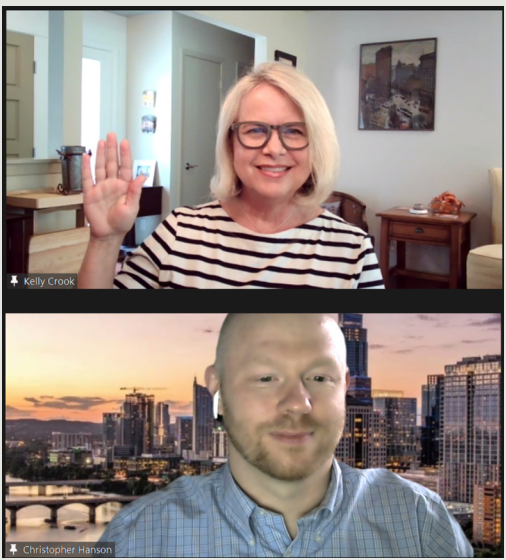
Chris Noak - Chair
Michael Benson - Vice Chair
Kelly Crook
Amy Hunter
Yuejiao Liu
Frank Merriman
Leslie Pool
Anthony B. Ross, Sr.
Brad Sinclair
Randy Spencer
Diana Thomas

Austin City Council Appoints Dr. Kelly Crook to Place 3 on the COAERS Board of Trustees

This August, COAERS welcomed the appointment of Dr. Kelly Crook to the System’s Board of Trustees. Dr. Crook replaced Ms. Stephanie Beach for the Place 3 position, one of two positions on the COAERS Board appointed by the Austin City Council. Dr. Crook’s appointment was approved by the City Council during its August 26 meeting, and she was sworn into her position on the Board on August 30.

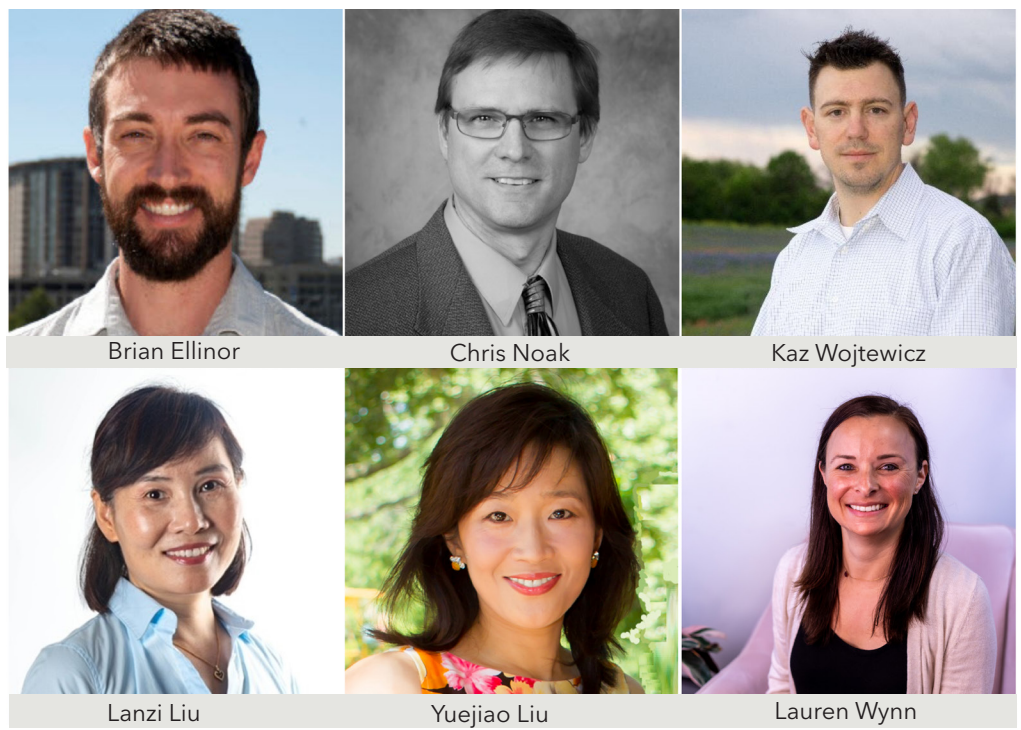
Dr. Crook currently serves as an Associate Professor of Practice at the University of Texas at Austin in the Department of Educational Leadership and Policy. She brings a breadth of experience in the public service and financial environment. In 2011, Dr. Crook was named the first female superintendent of Del Valle ISD and served in the role for eight years. Her financial acumen and long-range planning expertise stems from her experience serving for six years as the Assistant Superintendent of Finance and Operations and two years as Director of Accountability for Del Valle ISD.

We give sincere thanks to Ms. Beach for her dedicated service to the COAERS Board on behalf of the City of Austin and look forward to Dr. Crook’s contributions as a COAERS Trustee.



Dr. Kelly Crook (top photo) was sworn in as a Trustee by COAERS Executive Director Christopher Hanson (bottom photo).

Vote Now in the 2021 Board Election: Active Member Place 8 and Place 9



The 2021 COAERS Board of Trustees election for Active Member Place 8 and Place 9 is underway, and the voting period is now open! From now until December 1st at 5 pm, active City of Austin employees can cast their votes.

This year, six members declared their candidacy for the two open Board positions. You can learn about all the candidates in this election by reading their candidate statements. Candidate statements contain information about each candidate, their experiences and qualifications, and their reason for wanting to serve on the COAERS Board of Trustees. Candidate statements can be found in three places: 1) with your paper ballot, 2) linked on the online voting website, and 3) on the COAERS website at www.coaers.org (available in English and Spanish).

How to Vote in the Election

COAERS members have the option to cast their vote through the mail-in paper ballot or by voting online. Active City of Austin employees can vote for two candidates in the Active Member Place 8 and Place 9 positions. Please note that safeguards are also in place to ensure that members cannot vote more than once or use more than one method to vote.

Mailed Ballots

On October 18, paper ballots were

mailed to all eligible Active members. Each ballot contains unique voting credentials assigned to each active member. On the paper ballot, members should select only two candidates from the slate. Once you’ve filled out your ballot, use the business reply envelope to return your completed paper ballot in the mail. No postage is necessary to mail your ballot.

Online Voting

As an alternative to the paper ballot, COAERS members can vote online. COAERS has partnered with YesElection once again to make online voting possible. Online voting information is located on the paper ballot, along with each COAERS members’ unique election code and pin. Members who have an email on file with COAERS were also sent election information via email from YesElection with their unique voter identification code and pin. To vote online, enter your identification information, and follow the instructions to cast your vote.

To ensure that your vote is cast in a timely way, we encourage members to vote online or return ballots WELL before the election deadline. If you need assistance with your election materials, please contact member.services@coaers.org.

COAERS Actuary Provides Report on Cost-of-Living Adjustment for 2022

During the September meeting of the Board, the COAERS actuary provided their annual recommendation on the feasibility of a cost-of-living adjustment (COLA) for 2022.

COAERS' governing statute requires the Board to annually make a determination regarding a COLA or an additional payment for retirees. Before the Board can authorize a COLA, the COAERS actuary must first recommend such a COLA or additional payment to the Board and certify in writing that it is demonstrable that the System has and likely will continue to have the ability to pay such an amount after all other obligations of the System have been paid.

It is the responsibility of the COAERS Board of Trustees and the City of Austin to maintain a strong retirement system that provides reliable lifetime retirement benefits for City of Austin employees.

The retirement plan is not designed or funded to provide automatic cost-of-living

adjustments or extra one-time payments. Instead, these adjustments are "ad hoc" and are evaluated by the board annually. Contributions to the retirement system are structured to finance your lifetime benefit, without consideration of a future adjustment to your monthly benefit payment. Therefore, a COLA can only be authorized and paid when there is funding beyond what is necessary to sustain our required obligations.

Additionally, the COAERS Funding Policy outlines the guidelines for when the Board can consider future COLAs. Specifically, the policy states that the Board will consider supporting COLAs only when the following conditions exist:

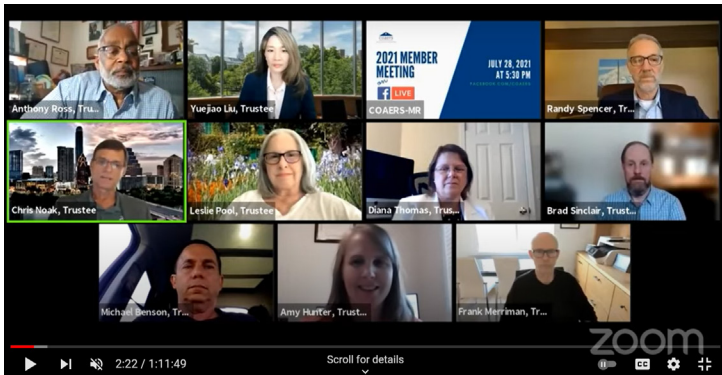
1. The funded ratio of the Plan must be greater than or equal to 80% after incorporating the cost-of-living adjustment.
2. The amortization period for unfunded liabilities is less than or equal to 20 years after incorporating the COLA.

3. The actual employer contribution rate is greater than or equal to the actuarial determined contribution rate after incorporating the COLA.

Based on the Board's Funding Policy and the System's funded status, the thresholds are not currently being met to support the consideration of a COLA. In their recommendation, the COAERS actuary shared that the System should grant neither a COLA nor an additional payment at this time.

It is important to note, however, that the retirement system is not in crisis and remains in good financial standing to continue delivering benefits for decades to come. As fiduciaries, the first obligation of the Board of Trustees is to always ensure that the Plan is sufficiently funded in order to preserve COAERS' ability to reliably pay benefits promised to all current and future generations of the System's members.

Members Gathered Virtually for the 2021 Annual Meeting



On July 28, COAERS members joined the second annual virtual broadcast of the Annual Member Meeting, which was streamed live on the COAERS Facebook page. The event featured the COAERS Board of Trustees, as well as presentations from Executive Director Christopher Hanson, Deputy Executive Director Russell Nash, and Interim Chief Investment Officer David Stafford.

Mr. Hanson provided an update about current organizational operations, COAERS initiatives around membership education, communication, access, risk management, and benchmarking, and reviewed the System's ongoing work on plan sustainability. Mr. Stafford outlined the key tenets of COAERS' investment model and portfolio. He also reported on investment performance and cost control measures, as well as how COAERS is protecting itself against emerging risks.

Additionally, Trustees and the Executive Team answered questions about the retirement system submitted by COAERS members. Thank you to all our COAERS members for tuning in and joining our 2021 Member Meeting.

If you missed the live event, visit our website at www.coaers.org to watch the meeting replay.

COAERS Launches Search for New Chief Investment Officer

This September, COAERS launched its search for a new Chief Investment Officer to replace outgoing CIO David Veal, who stepped down from the position this summer to assume the CIO role at Texas ERS. In July, the System named Mr. David Stafford as Interim Chief Investment Officer of the retirement system while COAERS conducts its search.

Our \$3.4 billion pension fund is seeking an experienced and accomplished investment professional to direct its investment program. COAERS is conducting a nationwide search led by Executive Director Christopher Hanson and will accept applications from interested and qualified candidates until the position is filled.

"On behalf of COAERS, I want to thank David Veal for his incredible leadership and management of the COAERS investment program and service to the members of our System," said Executive Director Christopher Hanson. "The COAERS investment program is a best-in-class fund. We're looking for forward-thinking candidates who possess strong investment credentials, embrace innovation in investment management practices that align with COAERS investment beliefs and strategic vision, and can navigate the intellectual challenge of guiding the Board through complex investment decisions."

Retiree Insurance Enrollment Period is Open

The Open Enrollment period for benefits changes is currently underway and ends Sunday, November 14, 2021, at midnight.

Open Enrollment is an opportunity for Retired members to make changes to current benefit elections, which will become effective January 1, 2022. Please be sure to review your benefits information carefully. If you do not wish to make benefit changes, you do not need to participate in Open Enrollment; your current benefits will automatically roll over to 2022.

Need help? Contact COA Employee Benefits Division at (512) 974-3284 or benefits.hrd@austintexas.gov. You can also visit www.austintexas.gov/benefits for more information.

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(512) 458-2551

www.coaers.org

member.services@coaers.org



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IMPORTANT 2021 DATES

OCTOBER

- 10/27 Virtual Pre-Retirement Seminar
- 10/28 MemberDirect Demonstration Event on Facebook Live
- 10/29 Retiree Annuity Issue Date

NOVEMBER

- 11/11 Veterans Day Holiday Closure
- 11/14 Open Enrollment Period Deadline
- 11/15 Retirement Application Deadline
- 11/25 Thanksgiving Holiday Closure
- 11/26 Thanksgiving Holiday Closure
- 11/30 Virtual Pre-Retirement Seminar
- 11/30 Retiree Annuity Issue Date

DECEMBER

- 12/01 Voting Deadline for Board Election
- 12/14 Board Meeting
- 12/15 Retirement Application Deadline
- 12/23 Christmas Holiday Closure
- 12/24 Christmas Holiday Closure
- 12/28 Virtual Pre-Retirement Seminar
- 12/31 Retiree Annuity Issue Date



COAERS

CITY OF AUSTIN

EMPLOYEES' RETIREMENT SYSTEM

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Austin, TX 78731

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The COAERS Connect newsletter is a publication of the City of Austin Employees' Retirement System and is distributed as a courtesy to Active, Vested, and Retired Members and their beneficiaries. While COAERS has made every attempt to provide correct information, it does not guarantee the accuracy of the information contained or referenced herein.

CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM

FALL
NEWSLETTER

