

COAERS CONNECT

SPRING 2022 | WWW.COAERS.ORG



Chris Noak
COAERS Trustee,
Active Member Place 8

Yuejiao Liu
COAERS Trustee,
Active Member Place 9



2021 COAERS BOARD OF TRUSTEES ELECTION RESULTS

During the December 14, 2021, meeting of the COAERS Board of Trustees, the Board certified the results of the 2021 election for Active Member Election Place 8 and Place 9.

With 416 votes, Chris Noak was elected to the Active Member Place 8 position. Yuejiao Liu was elected to the Active Member Place 9 position, garnering 374 votes. The 2021 election drew an increase in online voting participation.

Thank you to all the candidates for their participation, the Nomination and Election Committee for their dedication to this important process, and to all our members who voted. We congratulate Mr. Noak and Ms. Liu on their election.

The elected Trustees, along with the newly

appointed Trustees Dick Lavine and Michael Granof, were sworn in to their positions by Executive Director Christopher Hanson on December 20, 2021.

Board Elects Officers for 2022 Term

Every January, the Board is required by its governing statute to elect the Chair and Vice Chair for a one-year term. For the 2022 term, the Board elected Chris Noak and Yuejiao Liu to serve as the new Chair and Vice Chair, respectively, during its January 31 meeting.

Photo (clockwise): Dick Lavine, Chris Noak, Yuejiao Liu, and Michael Granof were sworn in by Executive Director Christopher Hanson.



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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.

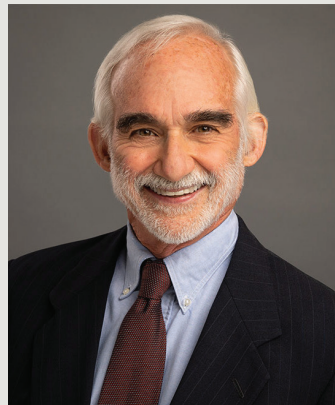
Tel: (512) 458-2551
www.coaers.org
member.services@coaers.org

COAERS BOARD OF TRUSTEES

- Chris Noak - Chair
- Michael Benson
- Kelly Crook
- Michael Granof
- Amy Hunter
- Dick Lavine
- Yuejiao Liu - Vice Chair
- Leslie Pool
- Anthony B. Ross, Sr.
- Brad Sinclair
- Diana Thomas

COAERS Welcomes New Trustee Appointments to the Board

COAERS welcomed the appointment of Dick Lavine and Michael Granof to the System's Board of Trustees. Mr. Lavine replaced Frank Merriman for the Place 4 position, one of two positions on the COAERS Board appointed by the Austin City Council. Dr. Granof succeeded Randy Spencer in the Trustee Place 5 position, which is appointed by the COAERS Board.



Dick Lavine

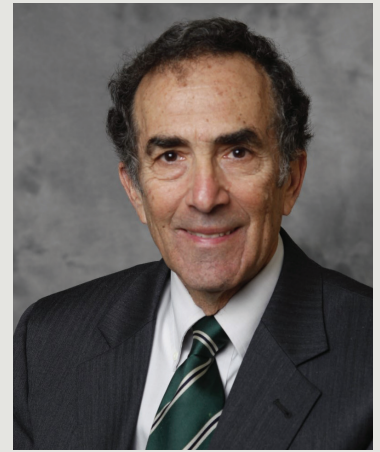
Mr. Lavine has nearly 30 years of experience as a Senior Fiscal Analyst with Every Texan, formerly known as the Center for Public Policy Priorities. Prior to that, he was a Senior Researcher at the House Research Organization of the Texas House of Representatives for ten years.

Mr. Lavine is a Chartered Financial Analyst and served for many years as a member and chairman of the Board of Directors of the Travis Central Appraisal District.

He is also a member of the Executive Board of AFSCME Texas Retirees, the statewide union local of retired public employees.

Dr. Granof is the Ernst & Young Distinguished Centennial Professor (Emeritus) and the University Distinguished Teaching Professor in the Department of Accounting at The University of Texas at Austin. Additionally, Dr. Granof served two five-years terms as a member of the Governmental Accounting

Standards Board and the Federal Accounting Standards Advisory Board. He has been a member of the National Council on Governmental Accounting, the Governmental Accounting Standards Advisory Council, the U.S. Comptroller's General Advisory Council on Government Auditing Standards and the AICPA's Committee on Governmental Accounting and Auditing.



Michael Granof

Both Mr. Lavine and Dr. Granof bring extensive experience, expertise, and knowledge to their roles, and we look forward to the contributions of our newly appointed Trustees.

Finally, we give sincere thanks to the outgoing Trustees Mr. Spencer and Mr. Merriman, for their outstanding service and dedication to the Board on behalf of the City of Austin and COAERS members.



Randy Spencer with Executive Director Christopher Hanson.

State of the Fund: COAERS Investment Update

The COAERS Fund delivered double-digit returns for 2021, totaling 13% net of fees, in a year characterized by high economic growth alongside high inflation. These gains saw the total assets of the Fund reach a new record level of \$3.5 billion.

Growth-oriented assets, which represent the centerpiece of the Fund, posted strong gains during the year with most sub-asset classes posting double-digit returns. Major growth-oriented asset classes include Global Equities, which returned 16%, and Real Assets, which returned 24%. Fixed Income strategies declined in the face of higher inflation with this asset class declining slightly more than 2% for the year.

As in years past, these results were achieved with best-in-class levels of stewardship, and low fees and expenses.

All of these strategic actions were accomplished by our highly dedicated Board, the COAERS investment team and our investment consultant.

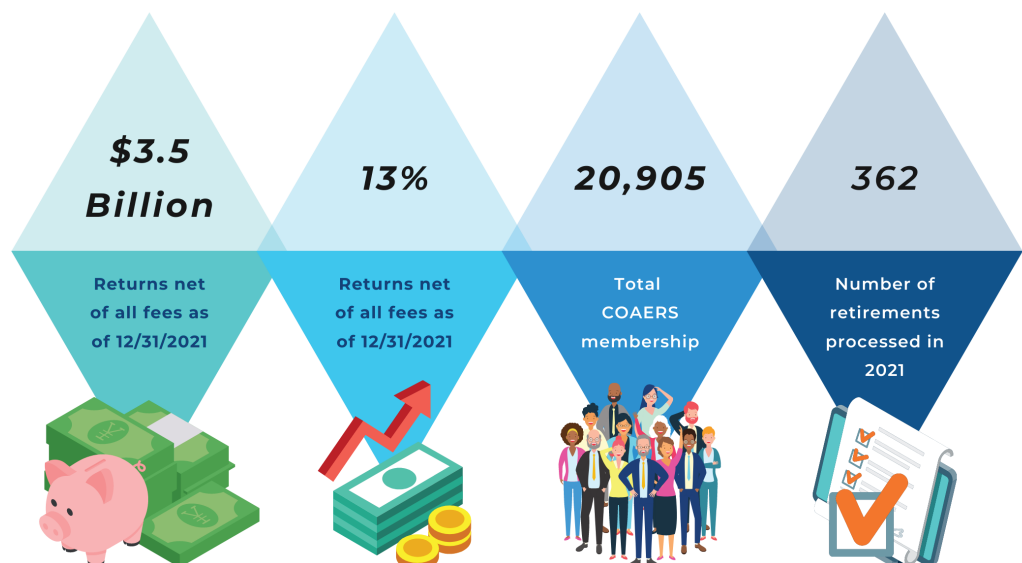
We are proud of the results and look forward to a bright future for the Fund.

You can find more information about our Investment Policies at www.coaers.org/Investments.

Interest Posting

At the December 2021 meeting of the COAERS Board, Trustees set the interest rate paid on member deposits at 1.35%. Interest was credited as of December 31, 2021, on deposits in members' accounts as of January 1, 2021.

2021 in Numbers



Board News Breakdown

These highlights are a summary of actions taken and topics discussed by the COAERS Board.

COAERS Strategic Plan

The COAERS Board adopted its 2022-2026 Strategic Plan. Last year, the Board undertook the initiative to revisit the strategic plan as part of its assessment of governance effectiveness. During the year-long process, the Board adopted a new mission and vision statement, along with new strategic plan goals, strategic objectives, and performance metrics. You can view the COAERS Strategic Plan by visiting our website at www.coaers.org/about.

Updates to the Board Bylaw

In December, the Board approved changes to the Board Bylaws, which included modifications to the body's committee structure. As a result, the Board added two new standing committees: the Governance and Human Resources Committee and the Legislative Committee. Additionally, the Disability Committee was subsumed by the Benefits and Services Committee.

Enterprise Risk Management Policy

During its December Meeting, the Board approved the Enterprise Risk Management Policy and associated Risk Management Report. The purpose of the policy is to create an appropriate risk management structure for COAERS and promote the identification, monitoring and management of risk to the System, thereby improving the ability of the organization's ability to fulfill its mission. The Risk Management Report shows the current risk trends for each category of risk relevant to COAERS.

City, COAERS Make Progress on Long-Term Plan Sustainability Discussion

City of Austin representatives and COAERS are in discussions about developing legislation for the 88th Texas Legislative Session. The working group is on track to bring a proposed legislative framework to the COAERS Board for consideration and approval this summer.

As part of its discussions, City representatives and COAERS have established the potential roles of the plan sponsor and plan administrator as it relates to potential changes to existing benefit and contribution policies, plan governance, and plan administration. The working group is also looking at funding solutions with 25 or 30-year funding targets with a preference for implementing an actuarially determined contribution model.

COAERS and the City will continue to engage in productive, meaningful, and collaborative efforts to develop solutions to improve the retirement system's long-term financial health and sustainability. We will continue to keep COAERS members well informed of our progress.

Avoid Falling Prey to Cyber Scams and Fraud

While the internet allows us to stay connected, informed, and involved with family and friends, any public environment requires awareness and caution. Just as you use locks to keep criminals out of your home, you also need safeguards to secure your computer and your sensitive personal information from falling into the wrong hands.

Additionally, losing money or possessions to scams, fraud, and financial exploitation can be especially devastating to older adults, who may not be able to earn back what they've lost. According to the Consumer Financial Protection Bureau, older Americans lost at least \$2.9 billion to financial exploitation by a broad spectrum of perpetrators.

There are several steps you can take to protect yourself and others from fraud and scams.

- Don't share numbers or passwords for accounts, credit cards, or Social Security.
- Keep an eye out for identity theft by reading your statements from credit card companies or banks and credit unions and checking your credit reports for suspicious activity.
- Never provide bank account or other personal information in response to an unsolicited email, or when visiting a website that does not explain how personal information will be protected. Legitimate organizations would not ask you for these details because they already have the necessary information or can obtain it in other ways.
- Be cautious about opening attachments and downloading files from emails, regardless of who sent them. These files can contain viruses or other malware that can compromise your computer's security.
- Don't be pressured by family members, friends, caregivers, or anyone to do anything you don't want to do. Exploitation means misusing the resources of an elderly or disabled person for personal or monetary benefit.
- If you feel like you have been a victim of fraud or financial exploitation, call the Texas Abuse Hotline at 800-252-5400 or report it online at TxAbuseHotline.org.

Retirees, Access your Form 1099-R on MemberDirect

Retirees can now access and download your Form 1099-R through MemberDirect. Form 1099-R reports the taxable pension earnings for the 2021 tax year and provides information you'll need to complete your tax return. Retirees who received a payment from COAERS during 2021 will receive a Form 1099-R. **As a convenience to our members, a copy of the Form 1099-R has also been mailed to the address on file with COAERS.**

Visit www.coaers.org to log on to your MemberDirect account, and click the 1099-R tab to view and download your Form 1099-R. If you have any questions about accessing your 1099-R or need assistance with enrolling in MemberDirect, contact member.services@coaers.org or call us at (512) 458-2551.

Annual Member Statement for 2021 is Available on MemberDirect

The COAERS Annual Member Statement for 2021 is now available on MemberDirect. The annual statement includes information regarding your retirement membership date, contributions made during 2021, interest credited as of December 31, 2021, and service purchases made during 2021.

To access your annual statement, log in to MemberDirect at www.coaers.org. For instructions on how to read your annual statement, please visit our YouTube channel to watch this informational video: www.bit.ly/coaersmemberstatement.

If you don't have a MemberDirect account, click the "Member Login/Registration" button on our website and follow the steps to enroll.

If you need assistance registering, please contact member.services@coaers.org.



Are you planning for retirement in the next five years? COAERS offers virtual seminars to discuss how the retirement process works, what to expect when you're applying for retirement, what types of retirement benefit options are available to you, and when to apply. The seminars provide you with the important information you need to prepare for a successful retirement.

Log on to MemberDirect to register for an upcoming seminar. For the full 2022 calendar of events, please visit www.coaers.org/events. If you need assistance registering, please contact member.services@coaers.org.

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IMPORTANT 2022 DATES

FEBRUARY

2/28 Retiree Annuity Issue Date

MARCH

3/15 Retirement Application
Deadline
3/30 Virtual Pre-Retirement Seminar
3/31 Board Meeting
3/31 Retiree Annuity Issue Date

APRIL

4/15 Retirement Application
Deadline
4/27 Virtual Pre-Retirement Seminar
4/28 Mid-Career Seminar
4/29 Retiree Annuity Issue Date

MAY

5/13 Retirement Application Deadline
5/25 Virtual Pre-Retirement Seminar
5/30 Memorial Day Holiday -Office
Closure
5/31 Retiree Annuity Issue Date

JUNE

6/15 Retirement Application Deadline
6/20 Juneteenth Holiday - Office
Closure
6/23 Board Meeting
6/29 Virtual Pre-Retirement Seminar
6/30 Retiree Annuity Issue Date

COAERS

CITY OF AUSTIN

EMPLOYEES' RETIREMENT SYSTEM

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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

SPRING
NEWSLETTER

