

# COAERS CONNECT

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### CONTACT COAERS

Our staff is available to assist members via in-person service appointments, telephone appointments or Virtual Visits. Please contact us to schedule an appointment.

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

### COAERS BOARD OF TRUSTEES

Michael Benson  
Kelly Crook  
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Leslie Pool  
Anthony B. Ross, Sr.  
Brad Sinclair - Vice Chair  
Diana Thomas



**2023 MEMBER MEETING**  
IN-PERSON EVENT

**THURSDAY, JULY 27 at 5:30 PM**  
LIVE BROADCAST ON FACEBOOK.COM/COAERS

**AUSTIN ENERGY MUELLER HQ**  
4815 MUELLER BLVD  
MUELLER ASSEMBLY ROOM

**PLEASE RSVP**  
DETAILS TO FOLLOW UPON RSVP

[WWW.COAERS.ORG/2023MEMBERMEETING](http://WWW.COAERS.ORG/2023MEMBERMEETING)

The City of Austin Employees' Retirement System (COAERS) is pleased to invite COAERS members and stakeholders to the 2023 Annual Member Meeting on July 27, 2023, at 5:30 pm.

The annual meeting for members will be held in person at the Austin Energy Headquarters building in Mueller. For those who cannot attend in person and wish to participate virtually, the event will also be broadcast live on [facebook.com/coaers](https://facebook.com/coaers).

The annual event is an opportunity for all COAERS members to learn about important System updates. During the event, members will hear from the System's Board of Trustees and the management team about the COAERS initiatives, the investment program, the financial state of the retirement system, and

the legislation status of the plan's long-term sustainability. Additionally, members will have the opportunity to ask the Board and Staff questions. In order to facilitate an informative and comprehensive discussion, members should submit their questions for the event panelists in advance of the meeting.

To ensure the health and safety of attendees, we highly encourage members to RSVP to the event. To RSVP, please visit [www.coaers.org/2023membermeeting](http://www.coaers.org/2023membermeeting). Event details will be emailed to participants upon RSVP.

For assistance or questions about the Member Meeting, please contact [member.services@coaers.org](mailto:member.services@coaers.org) or (512) 458-2551.

### Election 2023: Active Member Place 7 Call for Candidates

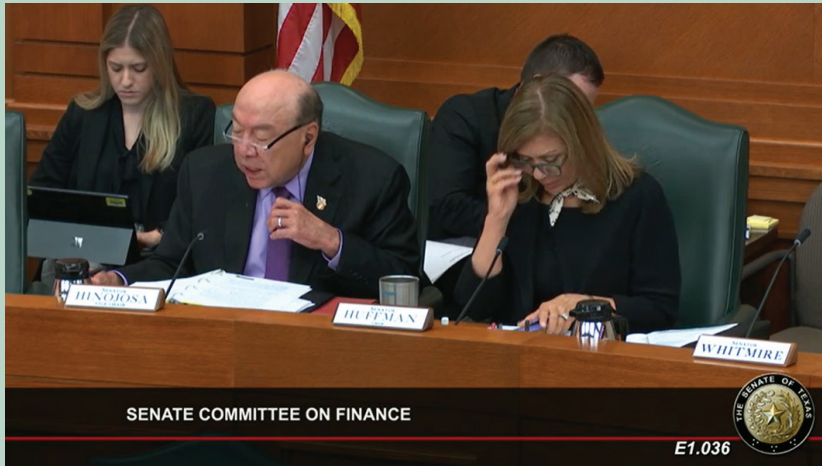
The 2023 election for the COAERS Board will be held in the fall. This year, an election will take place for the Active Member Place 7 position. The current term for Place 7 is set to expire at the end of December 2023, and the new four-year term begins January 2024 and ends December 2027.

If you are interested in becoming a candidate

for Place 7, please email Michelle Mahaini at [michelle.mahaini@coaers.org](mailto:michelle.mahaini@coaers.org).

For the latest information about official election deadlines, when candidate application forms and packets will be available, and other key election-related resources and news, please visit the COAERS website at [www.coaers.org/board-elections](http://www.coaers.org/board-elections).

## Pension Legislation Passes, Governor Signs Bill into Law



After passage in both houses of the legislature, Senate Bill 1444 became law upon the governor's signature on May 29, 2023.

The legislation was a culmination of the joint effort between COAERS and the City of Austin to bring forward an agreed-upon, comprehensive framework for plan sustainability. In 2022, the COAERS Board of Trustees and the City of Austin developed a proposal to amend the COAERS governing statute to ensure the long-term financial sustainability of the retirement system. The collaborative effort between COAERS and the City resulted in Senate Bill 1444, which was introduced this past March at the start of the 88th Texas legislative session.

During the legislative session, COAERS Executive Director Christopher Hanson testified before both the Senate Finance Committee and the House Pensions, Investments and Financial Services Committee during their respective hearings of the bill.

The legislation touches on several policy areas, including contributions, benefits, and governance. The key provisions include:

- Moving to a flexible actuarially determined employer contribution rate, which can increase to keep the plan on a steady path toward full funding;
- Implementing a phased-in payment schedule for the City of Austin to pay off the Unfunded Actuarial Accrued Liability, or

- “legacy liability,” within a 30-year period;
- Increasing employee contributions by 2%, from 8% to 10%, over a two-year phase-in period.
- Modifying benefit policies such as service purchases that will mitigate the risk of future costs to the System. However, the bill does not make changes to the retirement benefits earned by members.
- Converting one elected active member COAERS Board position to a City of Austin appointed position; and
- Requiring support from both COAERS and the City of Austin for future cost-of-living adjustments.

The provisions of the bill are expected to have a significantly positive impact on the funding of the System in future years. Most notably, the legislation will retire the System's unfunded liability over a fixed 30-year period, increase employee contributions to the System, and move the System to a flexible actuarially determined employer contribution rate to keep the plan on a steady path toward full funding and continue to provide members their promised benefits.

The law will go into effect on September 1, 2023. However, the provisions related to benefits and contributions will take effect January 1, 2024.

For questions about the provisions, more information and to stay up to date about the proposed changes, please visit [www.coaers.org/plan-sustainability](http://www.coaers.org/plan-sustainability) or contact our office at (512) 458-2551.

## Benefits 101: What is Vesting?

Vesting is an important milestone toward a secure financial future. It means you have established enough service credit to receive a lifetime benefit once you reach retirement eligibility.

### When are you vested?

You are considered vested if you have at least five years of service credit and do not withdraw your accumulated contributions if you terminate City employment. If you have service credit with a retirement system that participates

in the Proportionate Retirement Program, that service may count toward the five years of service credit needed for vesting.

### What happens if you're not vested?

If you leave City employment with less than five years of service credit, there are several options available to you.

Member may leave their accrued contributions on deposit with the retirement system, obtain a refund to

have your contributions refunded to you, or roll the contributions over to the City's deferred compensation or any other qualified plan such as an IRA, 401k, etc.

Visit our website for more information about understanding your benefits at [www.coaers.org/understanding-your-benefits](http://www.coaers.org/understanding-your-benefits) or contact our Member Services team at [member.services@coaers.org](mailto:member.services@coaers.org).



## COAERS Announces New Headquarters Move

The COAERS Board of Trustees announced that the retirement system will move its current northwest Austin offices located in the Northpoint Centre complex near Far West Boulevard and Mopac to 4700 Mueller Blvd, a commercial office building located in the Mueller District. The retirement system anticipates transitioning to its new headquarters in 2024.

In alignment with its fiduciary duties, the COAERS Board evaluated the System's long-term facilities needs to serve its members, enhance operations, and streamline costs, and 4700 Mueller fulfills those criteria.

"The property's location, facilities, and the ability to meet our organizational, staffing, and member needs, now and in the future, make it an excellent long-term capital asset for COAERS," said Executive Director Christopher Hanson. "The move will help COAERS continue to drive value for our members and better

achieve our goal to provide them with high-quality services, education, and experiences."

Built in 2007, the property will provide additional space to expand retirement planning and counseling services and events for COAERS members to access, and it will consolidate COAERS staff in one building. For more information, please visit [www.coaers.org/coaers-announces-new-headquarters-move](http://www.coaers.org/coaers-announces-new-headquarters-move).



## Spotlight: The COAERS Member Services Team

The COAERS Member Services department works closely with the retirement system's active members, retired members, and all beneficiaries to facilitate retirement planning, assist in the administration of retirement benefits, and provide all aspects of customer service to the System's membership.

In addition to providing retirement counseling, the Member Services team also works closely with the City's various departments to host and provide member education

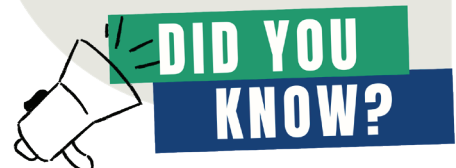
sessions, such as tailored presentations about planning for retirement.

Whether you have questions about your retirement eligibility, are applying for retirement, need help with forms, service purchases, benefit estimates, and any assistance, the Member Services team is ready to help. To speak with our Member Services team or make an appointment, please contact [member.services@coaers.org](mailto:member.services@coaers.org) or call (512) 458-2551.



You can subscribe to email updates from COAERS to receive the latest news and information. Email us at [news@coaers.org](mailto:news@coaers.org) to go green and subscribe today. Follow us on Social Media:

 @COAERS  
 @COAERS1





## CONNECT WITH US

(512) 458-2551

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## IMPORTANT 2023 DATES

### JUNE

6/27 Virtual Pre-Retirement Seminar  
6/29 Board Meeting  
6/30 Retiree Annuity Issue Date

### JULY

7/4 Independence Day Holiday - Office Closure  
7/14 Retirement Application Deadline  
7/25 Virtual Pre-Retirement Seminar  
7/27 Annual Member Meeting  
7/31 Retiree Annuity Issue Date

### AUGUST

8/15 Retirement Application Deadline

### AUGUST continued

8/30 Virtual Pre-Retirement Seminar  
8/31 Retiree Annuity Issue Date

### SEPTEMBER

9/4 Labor Day Holiday - Office Closure  
9/8 Mid-Career Seminar  
9/15 Retirement Application Deadline  
9/21 Board Meeting  
9/28 Virtual Pre-Retirement Seminar  
9/29 Retiree Annuity Issue Date

### OCTOBER

10/9 Board Workshop  
10/10 Board Workshop  
10/13 Retirement Application Deadline  
10/26 Virtual Pre-Retirement Seminar  
10/31 Retiree Annuity Issue Date

# COAERS

CITY OF AUSTIN

EMPLOYEES' RETIREMENT SYSTEM

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#### DISCLAIMER:

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

SUMMER  
NEWSLETTER

