



MINUTES

BOARD MEETING

Public Meeting held in-person and telephonically on October 26, 2021 at 9:00 am CT

Pursuant to Texas Govt. Code 551.125 – COVID-19 circumstances

<u>Board Members Present</u>	<u>Board Members Absent</u>	<u>Staff:</u>
Kelly Crook	Yuejiao Liu	Christopher Hanson
Michael Benson, Vice-Chair		Russell Nash
Amy Hunter		Donna Boykin*
Frank Merriman		Sarah McCleary
Chris Noak, Chair	<u>Guests:</u>	David Stafford
Leslie Pool	Paige Saenz, General	Kelly Doggett*
Anthony B. Ross, Sr.	Counsel†	Ty Sorrel*
Brad Sinclair	Art Alfaro, TEXPERS*	Jenni Bonds*
Randy Spencer	Ian Bray, RVK*	Mehrin Rahman
Diana Thomas	Spencer Hunter, RVK*	
	Brad Kelly, GGA†	Yun Quintanilla*
	Kevin Balaod, Pageant	Teresa Cantu*
	Media*	Amy Kelley*

* present telephonically
† present via videoconference

1 Call meeting to order

Chair Chris Noak called the meeting to order at 9:04 a.m.

2 Call roll of Trustees

Ms. Sarah McCleary called the roll, and the following Trustees were present: Crook, Hunter, Merriman, Noak, Pool, Ross, Sinclair, Spencer, and Thomas.

3 Review order of business and establish meeting objectives

Chair Noak reviewed the objectives of the meeting and asked if Trustees needed to take any agenda items out of order. Mr. Anthony Ross indicated a need to leave early, and it was agreed to take agenda item #10 after agenda item #7.

4 Receive System member and public comments

Chair Noak asked if there were any visitors who wished to make a public comment. There were none.

5 Discuss and consider Board meeting administration

Trustees discussed the Board's approach to conducting in-person Board and Committee meetings, as well as the onboarding of new Trustees. The Board agreed to follow the Travis County/City of Austin guidelines for masking and other precautions, and to allow a voluntary disclosure of vaccination status by new Trustees pending approval by General Counsel.

6 Discuss and consider governance matters including: A. Roles and responsibilities of Board Committees

After discussing the roles of the current committees, considering the recommendations by Global Governance Advisors, and reviewing proposed options, Trustees indicated they were most comfortable with Option "C", which adds a Legislative Committee, adds a Governance and Human Resources Committee, rolls the Disability Committee into the Benefits and Services Committee, moves the administrative budget from the Audit and Risk Committee to the Policy Committee, and establishes a Board policy review for the Policy Committee.

Mr. Benson joined the meeting at 10:09 a.m.

B. Board Skills Matrix

Mr. Brad Kelly shared results of the Board Skills Assessment survey which was recently completed by Trustees. Trustees discussed the results. Mr. Kelly also discussed the creation of a Board Skills Matrix including technical skills and personal attributes. Mr. Kelly recommended that additional training be explored in the areas of actuarial matters, pension accounting, and custodial issues. There was also discussion of creating a Board Culture Statement. Trustees agreed the skills matrix should be repeated periodically.

Mr. Anthony Ross moved to approve the Board Skills Matrix as presented. Ms. Amy Hunter seconded, and the motion passed 10-0.

Trustees took a break from 10:47 to 10:54 a.m.

C. Board self-evaluation

Trustees discussed the strengths and weaknesses of the current board self-evaluation process. There was consensus to keep the same categories as previous years but to establish a scale of 1 to 5 for Trustees to rank each area prior to the evaluation and base their evaluation on the ranked answers. The Board directed Staff to update the evaluation document to incorporate the scale for each area of Board self-evaluation.

Trustees took a break from 11:16 a.m. to 11:30 a.m.

7 Discuss and consider strategic planning

Mr. Hanson led the Trustees through a discussion on the current draft strategic plan, including the current proposed goals, objectives and key performance indicators for each goal. Trustees chose options for the wording of objectives and agreed on key performance indicators. Trustees also agreed the plan should be a five-year plan for years 2022 through 2026.

Mr. Hanson noted that COAERS management would review the key performance indicators and would draft and propose revisions to be presented at the December Board meeting.

After agenda item #7, Trustees moved on to agenda item #10.

8 Discuss COAERS investment program, market secular trends, and horizon issues

Mr. David Stafford gave Trustees an overview of secular investment trends that could impact the Fund over the longer term. Mr. Stafford discussed ways in which these trends could affect the Strategic Asset Allocation and the implementation of investment strategies. Mr. Stafford also presented on the use of external versus internal resources for the COAERS investment program. Mr. Spencer Hunter of RVK introduced Trustees to GIPS-compliant performance reporting, and Mr. Stafford noted that Staff is considering the use of GIPS-compliant performance reporting in the future.

9 Receive report on operational matters and initiatives

Mr. Hanson updated Trustees on operational matters and reported that COAERS management was looking at a roadmap to 2030 for operations, investment management, service delivery, and information technology. Ms. Mehrin Rahman provided a demonstration of the recently redesigned website and the brand refresh of the online member portal MemberDirect.

10 Discuss 2022 Board workshop

Chair Noak informed new Trustees that traditional workshops at COAERS were off-site one-day meetings. The 2020 and 2021 workshops were virtual and hybrid due to the pandemic, and Chair Noak asked if Trustees felt the format was conducive to the work. Trustees expressed interest in a two-day off-site meeting in Central Texas and offered several suggestions for Staff to explore.

Trustees took a break from 1:31 p.m. to 1:38 p.m.

Mr. Ross left the meeting at 1:38 p.m.

11 Review key meeting takeaways and call for future agenda items

Chair Noak summarized the meeting decisions and direction and outlined the upcoming November schedule.

As there were no further items to address, the meeting adjourned at 2:42 p.m.

These minutes were approved at the December 14, 2021 Board Meeting.