



**City of Austin**  
**Police Retirement System**

M I N U T E S  
REGULAR MONTHLY BOARD MEETING  
Wednesday, December 13, 2017

Location: Kendall Thomas, Chesley Wood Building, 2520 South I.H. 35, Ste. 100, at the Police Pension Office.

Board Members Present

Jim Beck, Chair  
Andrew Romero, Vice Chair  
Art Alfaro  
Keith Harrison  
Tyler Link  
Todd Smith  
Chesley Wood

Consultants Present

Peter Brown  
Jon Breth  
Chuck Campbell  
Mark Harkrider

Others Present

Chad Williams  
Thomas Hugonnett

Staff Present

Pattie Featherston  
Stephanie Willie  
John Poth  
Michelle Ruland  
Rose Frank

Board Members Absent

Elaine Hart  
Mike Jung  
Kathie Tovo  
Carl Zimmerman

I. Call to Order and Roll Call

Chair Jim Beck called the meeting to order at 12:23 pm and roll call was taken.

A moment of silence was observed for Curtis Southworth and Wilford Swinney due to their recent passing.

II. Consent Agenda

A. Minutes of the Regular Board Meeting held on November 15, 2017

**Motion was made by Keith Harrison to approve the minutes of the November 15, 2017, meeting as presented. Motion seconded by Todd Smith. Motion passed.**

B. Approval of Membership Transactions for November 2017

CONFIDENTIAL MATERIAL

1. New Retired Members
2. FWD DROP Activity
3. PROP Disbursement(s)
4. Service Credit Purchases

5. Retiree Survivor & Death Benefit Payments

**Motion was made by Tyler Link to approve the reported Member Transactions for November 2017 as presented. Motion seconded by Keith Harrison. Motion passed.**

C. Treasury Report for October 2017

The Executive Director reviewed the monthly Treasury report.

**Motion was made by Keith Harrison to approve the Treasury report for October 2017 as presented. Motion seconded by Art Alfaro. Motion passed.**

D. Training, Education and Site Visits Report through November 2017

No action needed.

III. Investment Committee Report

A. Manager Presentations for Global Tactical Asset Allocation

1. BlackRock Multi-Asset Income Fund
2. Westwood Income Opportunity Fund

**Motion was made by Art Alfaro to allocate \$38 million, split equally between BlackRock Multi-Asset Income Fund and Westwood Income Opportunity Fund. Motion seconded by Chesley Wood. Motion passed.**

IV. Consideration and Adoption of 2017 Board Election Results

Election Committee Chair Art Alfaro reported the 2017 election results. Thomas Hugonnett and Tyler Link have been elected from the active membership. Keith Harrison has been elected from the retired membership.

**Motion was made by Todd Smith to approve the 2017 Board Election results. Motion seconded by Art Alfaro. Motion passed.**

V. Consideration of 2018 System Budgets

A. Building Budget

Chad Williams with Avison Young, the System's property manager, presented the recommended building budget for 2018, providing an update on leasing activity and continued renovations planned.

**Motion was made by Tyler Link to approve the 2018 Building Budget as presented. Motion seconded by Todd Smith. Motion passed.**

B. Administrative Budget

The Executive Director presented the recommended 2018 administrative budget, noting an overall increase of 3.98% over 2017. After review of key points, she respectfully requested a closed meeting to discuss personnel matters and the applicable budget item.

Chair Jim Beck announced the Board would go into closed session at 12:46 p.m. to discuss personnel matters pursuant to Section 551.574 of the Texas Government Code. The Chair reconvened the Board ending its closed session at 1:03 p.m. No action was taken in closed session.

**Motion was made by Todd Smith to approve the 2018 Administrative Budget. Motion seconded by Keith Harrison. Motion passed.**

VI. Review Service Provider Contracts and Possible Amendments

Chair Beck explained that the Board periodically issues bids for key contracts to be sure our arrangement is competitive, including as compared with other systems. He would like the Board to authorize the Executive Director to issue Requests for Proposal for actuarial services and the investment consultant within the first quarter of the new year.

**Motion was made by Chesley Wood to authorize the Executive Director to issue two Requests for Proposal for Actuarial Services and the Investment Consultant within the first quarter of 2018. Motion seconded by Keith Harrison. Motion passed.**

VII. Executive Director Report

The Executive Director reminded the Board that the 2018 budget just approved may require revisions to consultant contracts to conform to the budget.

**Motion by Art Alfaro to authorize the Executive Director to amend contracts as necessary to align with the budget. Motion seconded by Tyler Link. Motion Passed.**

The Executive Director and the attorney explained administrative complications due to a potential spike in retirements as a result of the police contract. The Executive Director expressed a need for flexibility as necessary and will inform the Board of Trustees of any temporary suspension of policies in order to administratively handle the increase in retirements for the month of December.

VIII. Adjournment

Chair Jim Beck adjourned the meeting at 1:10 p.m.



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Jim Beck, Chair