



# City of Austin

## Police Retirement System

M I N U T E S  
REGULAR MONTHLY BOARD MEETING  
Wednesday, August 16, 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  
Mike Jung  
Tyler Link  
Todd Smith  
Chesley Wood  
Carl Zimmerman

Board Members Absent

Elaine Hart  
Kathie Tovo

Consultants Present

Brad Heinrichs  
Jon Breth  
Peter Brown

Others Present

Sean Bender  
Mark Harkrider  
Jim O'Leary  
Mark Tower

Staff Present

Pattie Featherston  
Stephanie Willie  
Michelle Ruland  
John Poth  
Rose Frank

Chair Jim Beck called the meeting to order at 12:53 p.m.:

1. Minutes of the Regular Board Meeting held on July 12, 2017

**Motion by Art Alfaro to approve the minutes of the July 12, 2017, meeting as presented. Motion seconded by Todd Smith. Motion passed.**

2. Report of Membership Transactions for June 2017  
The report for June was delayed to the next Board meeting.

CONFIDENTIAL MATERIAL

- A. New Retired Members for June 2017
- B. FWD DROP Activity for June 2017
- C. PROP Disbursement(s) for June 2017
- D. Service Credit Purchases for June 2017
- E. Retiree Survivor & Death Benefit Payments for June 2017

**Motion by to Carl Zimmerman approve the reported Membership Transactions for June 2017 as presented. Motion seconded by Keith Harrison. Motion passed.**

Items to Discuss For Consideration and Possible Action:

3. Fiscal Year 2016 Annual Report and Financial Audit
  - A. Auditor Presentation - Montemayor Britton Bender PC  
  
Motion by Art Alfaro to adopt the Fiscal Year 2016 Annual Report and Financial Audit. Motion seconded by Andrew Romero. Motion passed.
  
4. Actuarial Valuation as of December 31, 2016 - Foster & Foster  
  
Motion by Andrew Romero to adopt the Actuarial Valuation as of December 31, 2016. Motion seconded by Chesley Wood. Motion passed.
  - A. Benefit Option Factors - Consideration of July Actuary Study  
  
Motion by Keith Harrison to revise the definition of actuarial equivalence on survivor option factors to the RP 2000 Mortality Table with 7½% interest to be more in line with the Actuarial Valuation report. Motion seconded by Todd Smith. Motion passed.  
  
Motion updated by Keith Harrison to make the revision effective for retirements beginning in January 2018. Motion seconded by Todd Smith. Motion passed.
  
5. Consideration of Interest Rate for Post-Retirement Option Plan (PROP) and Five Year Forward Deferred Retirement Option Plan (DROP)  
  
Motion by Todd Smith to keep the PROP and Five Year Forward DROP interest at 2.25% Motion seconded by Tyler Link. Keith Harrison, Carl Zimmerman, and Mike Jung abstained. Motion passed.
  
6. Investment Committee Report
  - A. Second Quarter Performance - AndCo Consulting
  - B. Review of Investment Strategy Roadmap - AndCo Consulting
  - C. APRS Allocation to Dune Real Estate Partners  
  
Motion by Art Alfaro to rescind allocation funds to Dune Real Estate Partners. Motion seconded by Chesley Wood. Motion passed.

7. Goals and Objectives Committee Report

A. Selection of Legal Services

**Motion by Andrew Romero to employ the legal services of Frank B. Burney with Martin & Drought, P.C. Motion seconded by Tyler Link. Motion passed.**

B. Training, Education and Site Visit Reports for June 2017

8. System Office Report

A. Treasury Report for June 2017

The Treasury Reports for June 2017 were provided to the Board.

B. Review of Legislation - Special Called Session, 85th Legislature

Mark Harkrider reported on the Special Called Session.

C. Executive Director Report

9. Adjournment

Chair Jim Beck adjourned the meeting at 2:12 p.m.

A handwritten signature in black ink, appearing to read "J. Beck", written over a horizontal line.

Jim Beck, Chair