



APRS
AUSTIN POLICE RETIREMENT SYSTEM

Spring 2025 Newsletter

Letter from Board Chair, Sheldon Askew

It continues to be my honor to serve as chair of the APRS Board of Trustees. The Board has continued its hard work on stewarding the System in a way that will support all past, present and future members as they work towards and during their retirement. This was especially proven true in 2024 as the Board of Trustees worked hard to update a number of APRS policies to align with industry best practices.



Preliminary results indicate that 2024 produced a net investment gain of +8.59% for the System, outpacing our targeted return of 7.25%. The 2024 market gains were attributed to themes such as the AI trade, with the communication services and information technology sectors each posting gains of more than 35% for the year. In addition, the U.S. Federal Reserve

continued to loosen its policy stance with interest rate cuts. Even though all investment markets in the first quarter of 2025 have been volatile, the APRS Board of Trustees remains committed to the mindset of long-term investing and positioning the fund tactically with quality institutional managers who deliver quality returns throughout various market cycles.

At the beginning of 2025, the Austin City Council announced that Council Member Ryan Alter would be replacing former Council Member Mackenzie Kelly on the APRS Board. I would like to welcome Council Member Alter to this board and give our sincere appreciation to former Council Member Kelly for her service on this Board.

PROP Interest Rate

Effective January 1st, 2025, pursuant to the APRS PROP Policy, the PROP interest credit rate for 2025 is **4.19%**. The interest credit rate was determined by the system actuary in accordance with the APRS PROP Policy, which states the PROP interest rate is equal

to the average yield of the 10-Year Treasury Constant Maturities (Nominal) as published by the Federal Reserve in Statistical Release H.15. during the 12-month period ending on October 31st of the calendar year immediately preceding the year in which the PROP interest rate will be effective. The average of the daily nominal yields on the constant maturity 10-year U.S. Treasury notes for the 12- month period beginning on November 1, 2023, and ending on October 31, 2024, was 4.19% per annum, with a daily high of 4.77% and a daily low of 3.63%.

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Police Member
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Retired Police Member
Michael Cowden

Citizen Member
Michael Granof

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Shelly Holmstrom

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City Council Member
Ryan Alter
*Effective 5/21/25

City Member
Budget Officer
Kerri Lang

Police Member
Christopher Salacki

City Member
City Deputy CFO
Diana Thomas

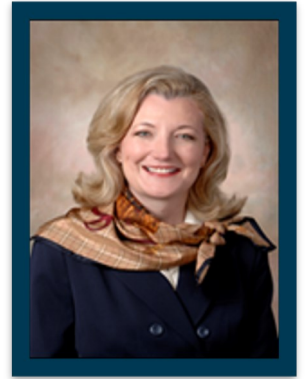
Citizen Member
Chesley Wood

Letter from Executive Director, Pattie Featherston

I am excited to announce that on January 1st, 2025, APRS launched the newest version of PensionGold. PensionGold is an advanced pension administration software program that allows our staff to operate at the highest efficiency. Along with PensionGold, in February we launched our self service portal - MemberDirect. While this launch was for retirees only, we hope to roll out MemberDirect for our active population soon. We are thrilled that our retirees have already begun utilizing MemberDirect and have experienced the capability of this self-service portal. For more information about MemberDirect, please see the MemberDirect article later in this newsletter.

Previous APRS newsletters have had articles focused on the increasing rates of retirements for our active officers. For example, until 2020, APRS averaged 48 to 50 retirements a year. Then, from 2021-2023 APRS averaged over 107 retirements a year. However, due to positive events in 2024 such as the stability of a long-term police contract, we saw retirements decline back to historical levels with 54 retirements in 2024.

As always, we sincerely thank you for what you do. Please reach out to us at any time and let us know how we can best serve you. Stay safe!



New Trustee

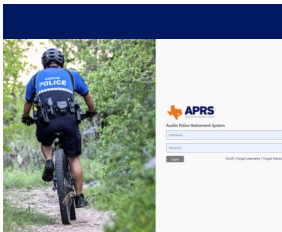
Austin City Council Member Ryan Alter was nominated by the Austin City Council to replace former Council Member Mackenzie Kelly as the council member representative designated by the city council. Council Member Alter is a lifelong Austinite who has served on the Austin City Council since 2023 and fought for smart policies around affordability, public safety, and protecting our environment. He is a graduate of UT Austin and Harvard Law School and lives in South Austin with his wife and three kids. He is scheduled to be sworn in at the May meeting of the APRS Board of Trustees. Trustees and staff look forward to welcoming him and working with him in the future.

Member Direct

The Austin Police Retirement System is pleased to announce the launch of our new pension administration software and the MemberDirect portal, which greatly enhances service delivery and improves the overall user experience. This advanced system is designed to optimize the efficiency and accuracy of pension management, while MemberDirect provides members with convenient access to their information, allows updates to contact details and beneficiary designations, and offers additional self-service features.

MemberDirect is currently only available to retirees but will be available for active members in the near future. Further communication will be provided to active members regarding its availability, along with instructions on how members can access and utilize the new portal. **No action is required from active members at this time.** Stay tuned for further updates.

If you have any questions, please visit <http://www.ausprs.org/memberdirectfaq> or contact the System.



Austin Police
Retirement
System

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Benefits 101: What is Proportionate Service, and How Does It Work?

The Proportionate Retirement Program (PRP) allows participating Texas retirement systems to recognize service credit from other participating Texas retirement systems for the purpose of achieving eligibility. A member with service credit in more than one participating retirement system may be eligible to combine that service to satisfy the length of service requirements used to determine eligibility for service retirement. Please see the list below of Participating Proportionate Systems as listed in state law:

City of Austin Employees' Retirement System (COAERS)
The El Paso City Employees' Pension Fund
El Paso Firemen and Policemen's Pension Fund
Employees Retirement System of Texas (ERS)
Judicial Retirement System of Texas I & II
Teacher Retirement System of Texas (TRS)
Texas Municipal Retirement System (TMRS)
Texas County and District Retirement System (TCDRS)
Other Texas retirement systems covering municipal employees who have qualified plans and have elected to participate in the Proportionate Retirement Program, including the Austin Police Retirement System (APRS)

Please note that under Texas Government Code Chapter 803, TMRS and TCDRS are not required to recognize service with APRS. **Members are strongly encouraged to contact the system where they previously held membership to determine the eligibility requirements for re-establishing service credit and/or continuing membership.** A member should confirm their proportionate retirement eligibility before withdrawing funds from any of these systems.

ACFR Award

Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to Austin Police Retirement System for its annual comprehensive financial report for the fiscal year ended December 31, 2023. The report has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report.

The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Key Takeaways:

Eligibility Only: Proportionate service helps meet retirement eligibility, but does not increase pension benefits.

Permissive Service: Active members may combine proportionate service to reach 20 years of creditable service and purchase additional permissive service to become eligible to retire.

Fund Retention: Proportionate service is subject to re-verification at the time of retirement. Funds must remain in the account at the participating proportionate system(s) (except TMRS and TCDRS) for that service time to count toward APRS retirement eligibility.

Separate Payments: Retirement benefits will be paid separately from each system, based only on the service performed in that system.

Re-establishing Service: A member of a participating retirement system who forfeited membership service by withdrawing their funds may re-establish credit for service earned in another participating proportionate retirement system.

Military Service: Military service purchases for a specific time period may only be used once in determining the amount of the member's combined service credit under the proportionate program. Members are not allowed by law to purchase military service for the same time period in more than one retirement system.