



*City of Austin Employees' Retirement System*

**CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM  
BOARD MEETING**

**Tuesday, November 22, 2011– 1:30 PM  
418 E. Highland Mall Boulevard, Austin, Texas 78752**

1. System Member and Citizen Comments / Correspondence
2. Reports from Chairperson, Board Members, and Staff
  - A. Review of Meeting Agenda
  - B. Chairperson Comments
  - C. Ethics Policy Disclosure Statements
  - D. Reports on Educational Programs Attended
  - E. 2011 Board and Committee Meeting Schedule
  - F. Proposed 2012 Board and Committee Meeting Schedule
3. Consent Items

All of the following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Board Member

  - A. September 27, 2011 Board Meeting Minutes
  - B. October 12, 2011 Annual Members' Meeting Minutes
  - C. Ratification of August and September 2011 Retirement and Death Benefits
4. Disability Committee
  - A. Report from November 8, 2011 Meeting on the following:
    - 1) Annual Disability Retirement Continuations
    - 2) Annual Evaluation of Medical Consultant
  - B. Convene into Executive Session Pursuant to Sec. 13, Art. 6243n, Tex. Rev. Civ. Stat. and Sec. 551.0785 Texas Government Code, to Consider and Act on:
    - 1) Disability Retirement Application Ref. #4569
    - 2) Disability Retirement Application Ref. #8176
  - C. Reconvene into Public Session and Take Action as Determined Appropriate by the Board regarding:
    - 1) Disability Retirement Application Ref. #4569
    - 2) Disability Retirement Application Ref. #8176
5. Member Appeal
  - A. Review of Appeals Process – Paige Saenz, Asst. General Counsel
  - B. Member Appeal Ref. #0986
    - 1) Convene into Executive Session pursuant to Section 13, Art. 6243n, Tex. Revised Civil Statutes, Section 551.071, Tex. Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct to Hear the Appeal of Member Ref. #0986
    - 2) Reconvene into public session to take action as deemed appropriate regarding the Appeal of Member Ref. #0986

6. Future Strategic Asset Allocation and Assumptions for Future Actuarial Valuations
  - A. Overview of Activities
  - B. COAERS Trustee Timeline
  - C. Detailed Work Plan
  
7. Report and Recommendations from Gabriel, Roeder, Smith & Company
  - A. Report on 2012 Retiree Annuity Adjustment Consideration
  - B. Report on Interest Allocation in January, 2012
  - C. Possible Board Action:
    - 1) 2012 Retiree Annuity Adjustment Consideration
    - 2) Interest Allocation in January 2012
  
8. Benefits and Services Committee
  - A. Report from November 8, 2011 Meeting on the following:
    - 1) Annual Evaluation of Actuarial Consultant – Part 2
    - 2) GRS Engagement Letter 2012-2014
    - 3) Retiree Insurance Overview
    - 4) Benefit Policies & Resolutions Review
  - B. Possible Board Action:
    - 1) GRS Engagement Letter 2012-2014
    - 2) Benefit Policies & Resolutions
      - a) Adopt Board Resolution 2011-11-22 Repealing Board Resolutions 2008-11-25B; 2008-09-23B; 2008-09-23A; 2003-01-28A; 2001-07-24D; 2001-07-24C; 2001-07-24A; 2000-07-25A; and 2000-02-22
      - b) Repeal Board Approved Policy B-2 “Schedule for Consideration of Benefit Enhancements”
      - c) Revise Board Approved Policy B-3 “Benefit Policies and Procedures”
      - d) Revise Board Approved Policy B-4 “Benefit Selections Under Equivalent Benefit Plan Option”
      - e) Revise Board Approved Policy D-3 “Death Benefit Distribution”
      - f) Revise Board Approved Policy D-4 “Option Selection and Survivor Designation Policy”
      - g) Adopt Board Approved Policy D-7 “Backward Deferred Retirement Option Program”
  
9. Audit and Finance Committee
  - A. Report from November 8, 2011 Meeting on the following:
    - 1) External Auditor Annual Evaluation
    - 2) Financial Auditor Annual Evaluation
    - 3) Scan of GASB Issues
    - 4) KPMG 2011 Engagement Letter
    - 5) 3Q11 Financial Statements
  - B. Possible Board Action
    - 1) KPMG 2011 Engagement Letter
  
10. Investment Committee
  - A. Report from November 18, 2011 Meeting on the following:
    - 1) 3Q11 Investment Management Review
    - 2) Non-Large Equity Structure Review
    - 3) Framework for Asset Allocation
    - 4) Investment Consultant Annual Evaluation
    - 5) Annual Review of Policy I-1 Statement of Investment Policies and Objectives
    - 6) Due Diligence Site Visit Report
    - 7) Discussion of Potential Changes to the Northern Trust Bond Fund Account

B. Possible Board Action:

- 1) Non-Large Equity Structure Review
- 2) Board Approved Policy I-1 "Statement of Investment Policies and Objectives"
- 3) Northern Trust Bond Fund Account

11. Annual Board Evaluation

12. Executive Director, General Counsel, and Assistant General Counsel Performance Reviews

- A. Convene into Executive Session Pursuant to Tex. Government Code 551.074 to confer with Board of Trustees re: Executive Director, General Counsel, and Assistant General Counsel Performance Reviews
- B. Reconvene into Public Session and Take Action as Determined Appropriate by the Board of Trustees re: Executive Director, General Counsel, and Assistant General Counsel Performance Reviews

13. Executive Director's Report

- A. Educational Opportunities
- B. Trustee Election Update
- C. Retirement Office News
- D. Communications Update
- E. Member and Employer News
- F. Public Pensions in the News
- G. Comparative Calculation and Retirement Activity Levels

***This meeting shall be conducted pursuant to the Texas Government Code Section 551.001 et seq. At any time during the meeting, the Board reserves the right to adjourn into Executive Session on any of the above posted agenda items in accordance with the sections 551.071, 551.072, 551.073, 551.074, 551.075 or 551.076. System member and citizen comments will be limited to 3 minutes per person.***



Posted Date: November 18, 2011  
City Hall, Austin, Texas

Stephen C. Edmonds  
Executive Director