



City of Austin Employees' Retirement System

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

**Friday, December 17, 2010 – 1:30 PM
418 E. Highland Mall Boulevard, Austin, Texas 78752**

Board Members Present

Art Alfaro
Francine Gertz
Ed Golden
Elizabeth S. Gonzales, Chair
Sam Jones
Anthony B. Ross, Sr.
William Spelman – *arr. 2:09 p.m.*
Jim Williams – *arr. 1:37 p.m.*

Board Members Absent

Janet Bartles
Mark Monteith
Reagan David

Others Present

Stephen C. Edmonds
Donna Boykin
Kirk Stebbins
JoAnne Norton
Michelle Mahaini
Barney Knight – General Counsel
Paige Saenz – Asst. Counsel
John Hooten – Chair, Nominating &
Election Committee
Peter Rieck – Board Member Elect

Chair Elizabeth Gonzales called the meeting to order at 1:35 p.m.

- 1. Review of Meeting Agenda**
- 2. Reports from Board Members and Staff**
 - A. Ethics Policy Disclosure Statements

Board-Approved Policy C-3 “Code of Ethics” requires that “Ethics Policy Disclosure Statement” forms be completed within 30 days of the Board meeting.

Board Trustee Declarations:

Mr. Art Alfaro declared a meeting with Venu Shamapanit and Krishna Srinivasan from a local venture capital firm on December 15, 2010. He also declared a meeting on December 19, 2010 with Leadenhall regarding their strategy using catastrophic bonds. Chair Gonzales declared a discussion via phone and email with Paul Brown and David Berkmann of GTS Advisors regarding transition management services. Mr. Ed Golden declared his attendance at the IIR’s Public Funds Forum meeting in San Francisco on December 10-14, 2010.

Staff Member Declarations:

Mr. Stephen Edmonds and Russell Nash declared a meeting with Ralph Gohring regarding staff development.

B. Reports on Educational Programs Attended

Board-Approved Policy T-1 "Training, Research, Education Expense Policies" requires that "Trustee Educational Program Feedback Report" forms be completed within 30 days of travel completion. Mr. Anthony B. Ross, Sr. reported on his attendance at the IFEPB Annual Conference on November 14-17, 2010.

C. 2011 Board and Committee Meeting Schedule

The approved schedule of 2011 Board meetings and tentative Committee meetings was provided in the Board packet.

3. Action on November 23, 2010 Board Meeting Minutes

Mr. Sam Jones moved to approve the November 23, 2010 Board meeting minutes. Mr. Ross seconded the motion and the motion passed unanimously.

4. Certification of Board of Trustees Election Results as Reported by the Nominating and Election Committee for Retired Member Place 11 Election

Board Chair Gonzales called upon Mr. John Hooten, Chair of the Nominating and Election Committee to report the results of the election. Mr. Hooten stated that the Nominating and Election Committee met on December 6, 2010 to tabulate the ballots for the 2010 Retired Member Election for Place 11. Peter Rieck is the apparent winner of Place 11 with 502 votes; Janet Bartles received a total of 472 votes; Eyna Canales-Zarate received a total of 219 votes; Mark Lee received a total of 119 votes and Peggy Cheek received a total of 15 votes. There were two write-in candidates with 1 vote each. He reported that 34.96% of the ballots mailed (1343 of 3841) were returned. 14 ballots were considered invalid.

Mr. Ross moved that the Board certify the results of the election as reported by the Chair of the Nominating and Election committee. Mr. Golden seconded the motion. The motion passed unanimously.

5. Oath of Office for Mr. Peter Rieck, Retired Elected Member Place 11 Trustee

Mr. Edmonds administered the Oath of Office to Mr. Peter Rieck, Retired Elected Member Place 11. No Board Action was required.

6. Recognition of Outgoing Board Member, Ms. Janet Bartles

Board Chair Gonzales announced this item would be moved to the January Board Meeting due to Ms. Bartles absence for out-of-town travel.

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

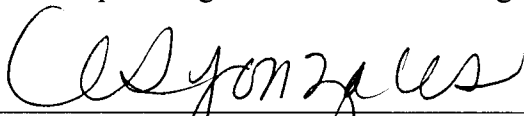
- A. Convene into Executive Session Pursuant to Tex. Government Code 551.074 to confer with Board of Trustees re: Executive Director, General Counsel, and Assistant General Counsel Performance Reviews
- B. Reconvene into Public Session and Take Action as Determined Appropriate by the Board of Trustees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

The Board convened into Executive Session at 1:45 p.m. The Board reconvened at 2:49 p.m.

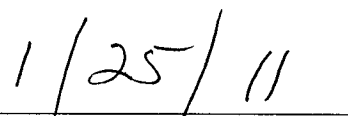
Chair Gonzales reported that they are very pleased with the work of their General Counsel and Assistant General Counsel and the working arrangement would remain status quo.

Chair Gonzales called for a motion regarding the Executive Director's salary. Mr. Ross moved to increase the Executive Director's salary by 2.5%. Mr. Golden seconded the motion. The motion passed unanimously. Chair Gonzales clarified that the increase should begin with the first pay-period of 2011, to which there was unanimous consent.

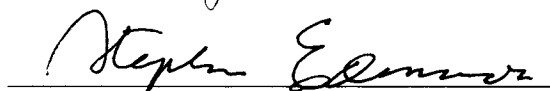
Chair Gonzales wished all a wonderful holiday. She stated that the Executive Director and his team at the pension office are exceptional and she is very proud to have such great leadership and a great staff. The meeting adjourned at 2:53 p.m.



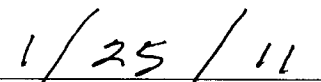
Elizabeth S. Gonzales, Board Chair



Date



Stephen C. Edmonds, Executive Director



Date