

# Retirement News Update

A Publication of the City of Austin Employees' Retirement System

Available online at [www.coaers.org](http://www.coaers.org)

2nd Quarter 2017

## You Are Invited

### 2017 ANNUAL MEMBERS' MEETING

**Tuesday, July 18th**

**5:00 PM - 7:00 PM**

**418 E. HIGHLAND MALL BLVD.  
AUSTIN, TX 78752**

(Refreshments provided)



## New Member Handbook Available Online

We are pleased to provide our latest Member Handbook to our members. The Member Handbook provides a variety of information about COAERS as of January 1, 2017. The Handbook summarizes the benefits available to members, the procedures for claiming benefits, contributions, and information about member rights and responsibilities.

To access the Member Handbook, go to [www.coaers.org/Resources/Publications](http://www.coaers.org/Resources/Publications) and click on the Member Handbook link.

## Practical Tips to Enhance Your COAERS Experience

The City of Austin offers many benefits to its employees, and the possibility of a secure retirement is one of them. One of the best things about having a defined benefit retirement plan like COAERS is that the ups and downs of the market do not affect the benefit promised. Once retired, you'll receive a steady monthly payment for your lifetime. To help ensure your experience with COAERS is positive, we have compiled a list of practical tips for our members:

- Go to [www.coaers.org](http://www.coaers.org) and review our Member Handbook under our Publications page.
- Keep your address current.
- Keep your beneficiary designations current.
- Timely apply for benefits. COAERS does not pay retroactive benefits back to the date you first became eligible for benefits. Know when you are eligible for benefits and contact COAERS before that time to properly apply for benefits.
- Notify us of your proportionate service frequently. We do not receive proportionate service information from other Texas retirement systems regularly. We rely on members to keep their proportionate service up to date with COAERS through their regular communication with COAERS.
- If you are thinking about returning to work with the City of Austin (or COAERS) after retirement, know and understand the restrictions on the receipt of your retirement benefit. You can read about the rules in our Member Handbook or on our website. You can also contact us prior to returning to work for the City of Austin.
- If you are getting divorced, contact COAERS to understand the options regarding your COAERS benefits. If you obtain a Qualified Domestic Relations Order, check the division of benefits to ensure it is correct before a judge signs it.

# Member News and Notes

## Volunteers Needed for Nominating & Election Committee

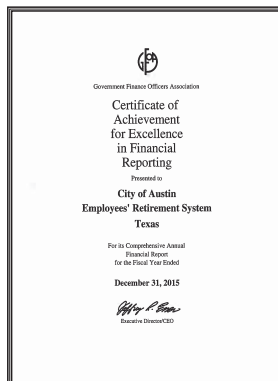
We are currently searching for volunteers to serve on the COAERS Nominating and Election Committee, which will oversee this fall's election for Active Member Places #8 and #9 on the COAERS Board of Trustees. The Committee will develop the ballot and determine the results of the election. The committee will meet once in June and then three or four times in the fall of 2017.

This year's election will be held from mid-October to early December. Currently, Place #8 is held by Jim Williams and Place #9 is held by Chris Noak. Their terms expire December 2017. The new terms will begin January 2018 and continue through December 2021.

The Nominating and Election Committee serves an important function. Committee members ensure our election is fair and runs smoothly. Those wanting to volunteer should contact Michelle Mahaini by telephone at 512-458-2551 ext. 111 or by email at [michelle.mahaini@coaers.org](mailto:michelle.mahaini@coaers.org).

## COAERS Receives GFOA Award for 18th Year!

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to COAERS for its Comprehensive Annual Financial Report for the fiscal year ending December 31, 2015. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. This is the 18th consecutive year that COAERS has received this prestigious award. Our Chief Financial Officer, Donna Boykin, was given the Award of Financial Reporting Achievement alongside this honor.



## COAERS Website Offers Variety of Information

The COAERS website offers a variety of information about the plan. Just type [www.coaers.org](http://www.coaers.org) into your web browser and you will have access to information about the plan to help you understand and prepare for your retirement.

On our homepage you will see news, quick links, and events. You can also quickly access our most popular pages for forms, calculators, and frequently asked questions. You can see the dates and locations of upcoming events such as Board meetings, retirement seminars, and retiree pay dates. Key information is also located on the homepage and provides links to important actuarial and financial information.

The website also contains detailed information about investments, including the Board's investment policy and philosophy. You can also find information about asset allocation, investment service providers, and review the latest investment reports.

The COAERS website is also a good source of information tailored to our member's specific needs. For example, information is assembled for active employees, new employees, former employees, retired employees, and those who need information about disability retirement benefits. You can also retrieve information by topic. For example, you can find information about proportionate service, retirement eligibility, and Qualified Domestic Relations Orders (QDROs).

The COAERS website also provides each member with access to our publications, including a summary of benefits, procedures, and responsibilities contained in our Member Handbook. Our Annual Financial Reports, Actuarial Valuation, and historic Newsletters are also located on our Publications page.

We always welcome feedback about our website and publications. If you have feedback or want to see additional information, click the Survey link on our homepage and tell us how you feel and what you would like to see.

# Member News and Notes

## December 31, 2016 Preliminary Actuarial Valuation Results

During March of each year, the COAERS actuary presents to the Board of Trustees the preliminary results of the actuarial valuation report, describing the costs of the plan's liabilities, assessing the adequacy of the contributions paid to the plan, and providing a snapshot of the plan's funded status as of December 31<sup>st</sup> of the previous year. On March 28, 2017, COAERS actuary presented the preliminary actuarial valuation results for December 31, 2016.

The preliminary actuarial valuation results indicate that stronger market returns and new active membership growth contributed to a decrease in the Plan's amortization period of unfunded actuarial accrued liability from 33 to 31 years. The overall funded position of COAERS decreased slightly from 68.0% to 67.5%, however, the long-term trajectory for the plan's funded status is positive as more Group B members are hired in the years to come.

The preliminary results indicate COAERS current financial condition doesn't pose any threats to the benefits of current retirees. However, the current funded status for the plan indicates that a cost-of-living adjustment (COLA) for retirees will not be possible in the near-term. This is obviously an issue for retirees. Beyond the challenge of providing a COLA for retirees, other long-term challenges to the plan remain. The most significant challenge is the potential for lower than expected investment returns. COAERS Trustees continue to monitor the investment program and actuarial assumptions to ensure that the plan is responsive to current and future market environments.

We encourage our members to attend the Annual Members meeting on Tuesday, July 18, 2017 at 5 p.m. at the COAERS offices (418 East Highland Mall Boulevard, Austin, Texas). We will be covering many of these issues at this meeting. We look forward to seeing you!

### *With Deepest Sympathy*

We extend our condolences to the family and friends of those retirees of COAERS who have passed away since our last publication. \*

Austin Energy  
Carroll Fries  
Howard Peterson

Brackenridge Hospital  
Bernice Day  
Margie Ferris  
Earline Love  
Patricia Shurtleff

Parks & Recreation  
David Burton

Austin Fire Department  
Alice Bailey

Police Department  
Linda Osborne

Austin Resource Recovery  
Demetris Houston

Convention Center  
Betty Baker

Planning & Development Review  
Katherine Clark

Austin Water Utility  
Billie Cates  
Joe Pinchback  
Fred Segura

Fleet Services  
Jerry Fife  
Sherri Kraus

Public Works  
Charles Thompson

Health & Human Services  
Johnnie Medlock  
Rodolfo Saldivar

Utility Customer Service  
Ellen Sconci

We also extend our condolences to the family and friends of the COAERS members who were active City of Austin employees who have passed away:\*

Billy Sanchez  
Parks & Recreation

Frintha Carrington  
Planning & Dev. Review

\* Please note, this list only includes deaths of which COAERS has been notified.

## COAERS Board of Trustees

Chris Noak - Chair  
Mike Benson - Vice Chair  
Eyna Canales-Zarate  
Reagan David  
Francine Gertz  
Elizabeth S. Gonzales  
Frank Merriman  
Leslie Pool  
Anthony B. Ross, Sr.  
Ed Van Eenoo  
Jim Williams

## Upcoming Events

### MAY

**18** Pre-Retirement Seminar  
**29** Memorial Day (Office closed)  
**31** Retiree Pay Day

### JUNE

**15** Pre-Retirement Seminar  
**27** Board Meeting  
**30** Retiree Pay Day

### JULY

**4** Independence Day (Office closed)  
**20** Pre-Retirement Seminar  
**31** Retiree Pay Day



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[www.coaers.org](http://www.coaers.org)

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## 2017 Retiree Pay Dates

May 31st  
June 30th  
July 31st  
August 31st  
September 29th  
October 31st  
November 30th  
December 29th

*Note: Expect monthly benefit payments to be available  
on the last business day of each month*

**Retirement News Update** is a publication of the City of Austin Employees' Retirement System and is distributed for the information of COAERS Active, Vested, and Retired Members and their beneficiaries.

While COAERS has made every attempt to provide correct information, it does not guarantee the accuracy of the information contained or referenced herein.