



## BOARD MEETING

Public Meeting held in-person and telephonically on June 29, 2023 at 10:00 am CT  
Pursuant to Texas Govt. Code 551.127

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### **Board Members Present**

Michael Benson  
Kelly Crook  
Michael Granof  
Amy Hunter  
Yuejiao Liu, Chair  
Chris Noak †  
Leslie Pool  
Anthony B. Ross, Sr.  
Brad Sinclair  
Diana Thomas

### **Board Member Absent**

Dick Lavine

### **Guests:**

Paige Saenz, General Counsel  
Cyril Espanol, With Intelligence\*  
Ian Bray, RVK\*  
Spencer Hunter, RVK  
Lewis Ward, GRS\*  
Bhakti Patel, CLA

### **Staff:**

Christopher Hanson  
Amy Kelley\*  
David Kushner  
David Stafford  
Jenni Bonds  
Mehrin Rahman  
Michelle Mahaini  
Russell Nash  
Sarah McCleary  
Teresa Cantu\*  
Ty Sorrel  
Yun Quintanilla

\* present telephonically

† present via videoconference

## **1 Call meeting to order**

Chair Yuejiao Liu called the meeting to order at 10:01 a.m.

## **2 Call roll of Trustees**

Ms. Sarah McCleary called the roll. The following Trustees were present in person: Crook, Granof, Liu, Pool, Ross, Sinclair, and Thomas. The following Trustee was present via videoconference: Noak.

## **3 Review order of business and establish meeting objectives**

Chair Liu reviewed the objectives of the meeting and asked if Trustees needed to take any agenda items out of order. No changes were made to the order of the agenda.

*Mr. Benson arrived on Zoom at 10:04 a.m.*

*Ms. Hunter arrived at 10:04 a.m.*

**4 Receive System member and public comments**

Chair Liu asked if there was anyone who wished to make a public comment; there were none

**5 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 Trustee.**

- A. March 30, 2023 Board meeting minutes**
- B. Ratification, confirmation, and approval of Benefits and Services Committee recommendation on Disability Application #2304**
- C. Ratification of March, April, and May 2023 retirements**
- D. Appointment of Nominating and Election Committee for 2023**

Ms. Leslie Pool moved to approve the consent agenda. Ms. Diana Thomas seconded, and the motion passed 10-0.

**6 Receive reports on the following Board administrative matters including:**

- A. Ethics policy disclosure statements**
- B. 2023 meeting calendar**
- C. April 21, 2023 Investment Committee meeting**
- D. May 19, 2023 Investment Committee meeting**
- E. June 15, 2023 Legislative Committee meeting**
- F. June 15, 2023 Audit and Risk Committee meeting**
- G. June 15, 2023 Benefits and Services Committee meeting**
- H. June 15, 2023 Governance and HR Committee meeting**

*Staff Declarations:* Russell Nash declared due diligence meetings with Flintrock Commercial, Metropolitan Contracting, Harvey Cleary, and Gorilla Expense. Michelle Mahaini declared meeting at Mueller for pre-bid walkthrough with Sam Smith, Mark Harrington, and Dan McClure of StructureTone; meeting for pre-bid walkthrough with Katie Stewart and Nick Moulinet of DPR Construction; meeting with Antoine Delwaide of Sensolus regarding GPS trackers; meeting at Mueller for pre-bid walkthrough with John Harvey of Harvey Cleary; with Daniel Matl, Debra Ramos, Dylan Edwards from Flintrock and their subcontractor; and with Harvey Cleary's Brian Estrata. Chris Hanson declared attendance at the NCPERS Chief Officers Summit from June 19-20 with breakfast, lunch, and dinner provided.

Chair Liu noted that Trustees with questions on the Committee meeting reports should contact Staff.

**7 Investment Committee**

- A. Discuss and consider Premier List for Fixed Income and Cash & Equivalents – David Stafford**
- B. Discuss and consider strategic policy rebalancing and delegated authority – Christopher Hanson and David Stafford**
- C. Discuss and consider 2023 PRB Investment Practices and Performance Evaluation Report – Christopher Hanson**

**7A. Discuss and consider Premier List for Fixed Income and Cash & Equivalents**

Mr. David Stafford presented an overview of the current construction and composition of the Fixed Income and Cash & Equivalents allocations. Mr. Brad Sinclair moved to approve the Premier List as proposed. Mr. Anthony Ross seconded, and the motion passed 10-0.

**7B. Discuss and consider strategic policy rebalancing and delegated authority**

Mr. Christopher Hanson discussed current market dynamics and the March 2023 policy exception granted by the Board not to rebalance the Fund back into the Strategic Bands for certain asset and sub-asset classes. Mr. Hanson also noted the upcoming Asset/Liability and Asset Allocation Studies, and how those relate to current fund positioning. Ms. Amy Hunter moved to authorize a policy exception through the September 21, 2023 Board meeting to allow Staff discretion to not rebalance the asset and underlying sub-asset classes for Fixed Income, Multi-Asset, and Cash & Equivalents for market drift and to allow Staff to rebalance between existing Cash & Equivalents mandates. Ms. Thomas seconded, and the motion passed 10-0.

*Mr. Benson went off camera at 10:25 a.m.*

**7C. Discuss and consider 2023 PRB Investment Practices and Performance Evaluation Report**

Mr. Hanson outlined the responses from firms who submitted bids for the Investment Practices and Performance Evaluation (IPPE) Report, and the recommendation from the Investment Committee. Ms. Pool moved to approve the selection of RVK to conduct the IPPE report and the related contract amendment. Mr. Sinclair seconded, and the motion passed 9-0. (Mr. Noak had stepped away from camera-view thus no vote was recorded).

**8 Discuss and consider acceptance of the financial statement audit report as of December 31, 2022**

Ms. Bhakti Patel from CliftonLarsonAllen (CLA) delivered required communications for the audit of the financial statements ending December 31, 2022. She reported that CLA had issued an unqualified opinion and that CLA found no significant corrected or uncorrected adjustments nor any unusual transactions.

*Mr. Benson arrived in-person at 10:36 a.m.*

Ms. Crook moved to accept the December 31, 2022 financial statements and auditor's report from CliftonLarsonAllen. Mr. Benson seconded, and the motion passed 10-0.

**9 Discuss and consider December 31, 2022 Risk Sharing Valuation Study Report**

Mr. Lewis Ward of GRS shared the results of the Risk Sharing Valuation Study (RSVS) report, which establishes several actuarial metrics tied to the recently passed legislation, including the schedule of Legacy Liability payments; the corridor midpoint, maximum, and minimum; the amortization payment of gain and loss layers; and the actual City Contribution to be made in addition to the Legacy Liability payment. Mr. Ward stated that in future years, the RSVS report will identify if the corridor maximum is reached and if any additional employee contributions are required under the new contribution policy. He also noted that beginning with the December 31, 2023 actuarial valuation, the RSVS report will be included as part of annual actuarial valuation report and not a separate stand alone report.

Ms. Thomas moved to approve the December 31, 2022 RSVS report. Mr. Ross seconded, and the motion passed 10-0.

**10 Governance and HR Committee**

**A. Discuss and consider Election Policy - Russell Nash**

Mr. Nash presented a draft of the Election Policy, which reflected changes due to the passage of S.B. 1444. Ms. Crook moved to approve the Election Policy as presented. Ms. Thomas seconded, and the motion passed 10-0.

**B. Discuss and consider Board Governance Manual - Christopher Hanson**

Mr. Hanson presented a draft of the Governance Manual, which reflected one change regarding the frequency with which the Governance Manual would be revisited. Mr. Sinclair moved to approve the Board Governance Manual as presented. Mr. Ross seconded, and the motion passed 10-0.

**11 Receive report from Executive Director on the following matters:**

**A. 4700 Mueller**

**B. Operational matters including staffing**

**C. Annual Member Meeting**

**D. MET report and upcoming educational programs and conferences**

Mr. Hanson updated Trustees on the 4700 Mueller property, reporting that permits had been issued and an internal working group was formed to keep the project on schedule. He also updated the Board on the process to select a firm for the first floor renovations.

Mr. Hanson then reported to the Board that interviews had concluded for the new IT position approved by the Board.

*Mr. Noak went off camera at 11:51 p.m.*

Mr. Hanson reported to the Board that the Member Meeting would be held at 5:30 PM on July 27, 2023, in the Mueller Assembly Room on the Austin Energy campus at 4815 Mueller Boulevard. Lastly, he reported that all Trustees had either finished their required training or were registered in training that would be complete before the due date.

*Trustees took a break from 11:53 a.m. to 12:12 p.m.*

- 12 Discuss and consider performance for the Executive Director**
  - A. Convene into executive session pursuant to Tex. Government Code 551.074 to deliberate the evaluation, employment, and/or duties of the Executive Director**
  - B. Reconvene into public session and take action, if any, as determined appropriate**

Trustees adjourned into Executive Session at 12:13 p.m.  
Trustees returned to Public Session at 12:56 p.m.

**13 Review key meeting takeaways and call for future agenda items**

Chair Liu summarized the decisions made at this meeting and asked for future agenda items.

As there were no other items to discuss, the meeting adjourned at 12:57 p.m.

These minutes were approved at the September 21, 2023 Board meeting.