



AGENDA MEMORANDUM
City Council Meeting of April 16, 2024

DATE: April 3, 2024
TO: Peter Zaroni, City Manager
FROM: Constance P. Sanchez
constancep@cctexas.com
361-826-3189

**Briefing on Actuarial Audit of
Corpus Christi Firefighters' Retirement System Actuarial Valuation as of
December 31, 2020**

STAFF PRESENTER(S):

<u>Name</u>	<u>Title/Position</u>	<u>Department</u>
1. Constance P. Sanchez	Chief Financial Officer	City Manager's Office

OUTSIDE PRESENTER(S)

<u>Name</u>	<u>Title/Position</u>	<u>Agency Name</u>
1. Jason Franken	Principal Actuarial Consultant	Foster and Foster

BACKGROUND:

On September 2, 2007, the Texas Legislature passed House Bill 2664 that requires Texas public pension plans with assets totaling at least \$100,000,000 (excluding State funds like the Texas Municipal Retirement System) to have an independent audit every five year of the valuations, studies, and reports most recently prepared by the pension fund. The governmental entity for which the public retirement system is responsible for is required to select the actuary and pay all costs associated with preparing and distributing the audit.

The Corpus Christi Fire Fighters' Retirement System had total assets of \$176,686,804 at December 31, 2020, and a result, an actuarial audit of the valuation was required. It should be noted that City has had audits conducted of the Corpus Christi Fire Fighters' Retirement System Actuarial Valuations since the initial passing of the law in 2007. This is the fourth actuarial audit that has been completed for the Corpus Christi Fire Fighters' Retirement System.

City staff followed the City's purchasing policies and procedures to obtain a request for quotation for actuarial audit services. It was issued on July 28, 2023, and as a result of the procurement process, Foster and Foster was selected to perform the audit. The work was performed in the fall of 2023, and a draft audit report was sent to City staff on December 11, 2023. The report was subsequently presented to the Board of Trustees of the Corpus Christi Firefighters' Retirement System at their January 18, 2024 meeting, and a response was submitted to Foster and Foster the next day from Rudd and Wisdom, Inc. (the Board's actuary). The report was finalized on February 6, 2024 and was presented to the Audit Committee on April 9, 2024. City staff also submitted a copy of the audit report and responses to the Pension Review Board as required by State law.

LIST OF SUPPORTING DOCUMENTS:

PowerPoint Presentation
Actuarial Audit Report