



October 17, 2023

Montemayor Britton Bender PC  
2110 Boca Raton, Bldg B, Ste. 102  
Austin, TX 78747

This representation letter is provided in connection with your audit of the Schedule of Pension Amounts (schedule) of the City of Austin Police Retirement System Pension Plan (the "Plan"), which comprise the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (specified column totals) included in the schedule for the year ended, 31 December 2022, and the disclosures (collectively, the "report"), for the purpose of expressing an opinion as to whether the schedule is presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

#### **Schedule of Pension Amounts**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 20 September 2023, including our responsibility for the preparation and fair presentation of the schedule.
- 2) The schedule referred to above are fairly presented in conformity with U.S. GAAP, the notes include all disclosures required by laws and regulations to which the Plan is subject.
- 3) We acknowledge our responsibility for administering the plan and determining that the plan's transactions that are presented and disclosed in the schedule are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants to determine the benefits due or which may become due to such participants.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that are free from material misstatement, whether due to fraud or error.
- 5) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 6) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 7) Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 8) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

Mailing Address:  
P.O. Box 40609  
Austin, TX 78704

Physical Address:  
2520 S. IH-35, Suite 100,  
Austin, TX 78704

Phone: (512) 416-7672  
Fax: (512) 416-7138  
[www.ausprs.org](http://www.ausprs.org)

- 9) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 10) Other matters (e.g., breach of fiduciary responsibilities, nonexempt transactions, loans or leases in default, events reportable to the PBGC, or events that may jeopardize the tax status) that legal counsel have advised us that must be disclosed have been properly disclosed.
- 11) Material concentrations have been properly disclosed in accordance with U.S. GAAP.
- 12) Financial instruments with concentrations of credit risk have been properly recorded or disclosed in the schedule.
- 13) Guarantees, whether written or oral, under which the Plan is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

#### **Information Provided**

- 14) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the Plan from whom you determined it necessary to obtain audit evidence.
  - d) Current plan instruments, trust agreements, insurance contracts, or investment contracts and amendments to such documents entered into during the year, including amendments to comply with applicable laws.
  - e) Actuarial reports prepared for the Plan and the Plan's sponsor during the year.
- 15) All material transactions have been recorded in the accounting records and are reflected in the schedule.
- 16) We have disclosed to you the results of our assessment of the risk that the schedule may be materially misstated as a result of fraud.
- 17) We have no knowledge of any fraud or suspected fraud that affects the Plan and involves:
  - 1) Management,
  - 2) Employees who have significant roles in internal control, or
  - 3) Others where the fraud could have a material effect on the schedule.
- 18) We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan's financial statements communicated by employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.
- 19) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the schedule.
- 20) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the schedule in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 21) We have disclosed to you the names of all of the Plan's related parties and parties in interest and all the related-party and party-in-interest relationships and transactions, including any side agreements.

- 22) The Plan has satisfactory title to all owned assets, which are recorded at fair value, and all liens, encumbrances, or security interests requiring disclosure in the financial statements have been properly disclosed.
- 23) We have no—
- 1) Plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
  - 2) Intentions to terminate the Plan. Furthermore, no reportable events have occurred that could result in the Pension Benefit Guaranty Corporation having the authority to initiate proceedings to terminate the Plan.
- 24) Amendments to the Plan instrument, if any, have been properly recorded or disclosed in the schedule.
- 25) We have no knowledge of any omissions from the participants' data provided to the Plan's actuary for the purpose of determining the actuarial present value of accumulated plan benefits and other actuarially determined amounts in the financial statements.
- 26) We agree with the actuarial methods and assumptions used by the actuary for funding purposes and for determining the Plan's accumulated plan benefits and have no knowledge or belief that such methods or assumptions are inappropriate in the circumstances. We did not give any instructions, nor cause any to be given, to the Plan's actuary with respect to values or amounts derived, and we are not aware of any matters that have impacted the independence or objectivity of the Plan's actuary.
- 27) We have no knowledge of any changes in:
- The actuarial methods or assumptions used in calculating amounts recorded or disclosed in the schedule.
  - Plan provisions between the actuarial valuation date and the date of this letter.
- 28) The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the schedule in the event of noncompliance, including the release of unallocated shares held in ESOP plans.
- 29) The methods and significant assumptions used to estimate fair values of financial instruments, including nonreadily marketable securities, are as follows: 1) securities traded on a national or international exchange are valued at the latest reported sales price at the current exchange rates, 2) investments that do not have an established market value are reported at estimated fair value. The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes.
- 30) All required amendments to and filings of plan documents with the appropriate agencies have been made.
- 31) The Plan (and the trust established under the Plan) is qualified under the appropriate section of the Internal Revenue Code and we intend to continue them as a qualified plan (and trust). The Plan sponsor(s) has operated the Plan (and trust) in a manner that did not jeopardize this tax status.
- 32) We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.

Sincerely,

*P. Featherston*

Pattie Featherston

Executive Director