

BAL HARBOUR

- VILLAGE -

Mitchell Lieberman, Chair
Detective Hector Gonzalez
Daniel Gold
Joel R. Mesznik
Sergeant Ronald Smith

Rick Rivera, Plan Administrator
Lindsey Garber, Esq., Klausner,
Kaufman, Jensen & Levinson

Police Officers' Retirement Board

Regular Meeting Agenda
November 12, 2024
At 3:00 PM

Bal Harbour Village Hall • 655 - 96th Street • Bal Harbour • Florida 33154

1 CALL TO ORDER

2 PLEDGE OF ALLEGIANCE

3 APPROVAL OF MINUTES

- 3.1** JULY 29, 2024 BOARD MINUTES FOR APPROVAL
[PRB_Minutes_July_29_2024.pdf](#)

4 QUARTERLY INVESTMENT REPORT 09/30/2024

- 4.1** SEPTEMBER 30, 2024 QUARTERLY INVESTMENT REPORT
[BHV Police 3Q 2024.pdf](#)
[BHVP MCG Search 11 2024.pdf](#)
[ishares RMCG ETF Fact Sheet.pdf](#)
[Vanguard Mid Growth ETF Fact Sheet.pdf](#)

5 EXTERNAL AUDITOR SELECTION

- 5.1** EXTERNAL AUDIT PROPOSALS
[Proposal for Services for the Village of Bal Harbour Police Officers Pension Plan & Trust 9-30-2024.pdf](#)
[v2 Marcum Proposal for the Village of Bal Harbour Police Pension Plan.pdf](#)

6 ANNUAL BUDGET

- 6.1** 10/1/2024 - 09/30/2025 PROPOSED ANNUAL BUDGET
[proposed budget 2024-2025.pdf](#)

7 WARRANT #129

- 7.1** WARRANT #129
[Warrant #129 final.pdf](#)
- 7.2** SUB MANAGER ADVISORY FEES
[BHVP Manager Invoices 10 7 2024.pdf](#)

8 ADMINISTRATOR'S REPORT

9 LEGAL COUNSEL'S REPORT

One or more members of any Village Committee/Board may attend this meeting of the Board and may discuss matters which may later come before their respective Boards/Committees.

The New Business and Council Discussion Section includes a section for Public Comment. On public comment matters, any person is entitled to be heard by this Council on any matter; however, no action shall be taken by the Council on a matter of public comment, unless the item is specifically listed on the agenda, or is added to the agenda by Council action.

Any person who acts as a lobbyist, pursuant to Village Code Section 2-301 (Lobbyists), must register with the Village Clerk, prior to engaging in lobbying activities before Village staff, boards, committees, and/or the Village Council. A copy of the Ordinance is available in the Village Clerk's Office at Village Hall.

If a person decides to appeal any decision made by the Village Council with respect to any matter considered at a meeting or hearing, that person will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based (F.S. 286.0105).

In accordance with the Americans with Disabilities Act of 1990, all persons who are disabled and who need special accommodations to participate in this proceeding because of that disability should contact the Village Clerk's Office (305-866-4633), not later than two business days prior to such proceeding.

All Village Council meeting attendees, including Village staff and consultants, are subject to security screening utilizing a metal detector and/or wand, prior to entering the Council Chamber, Conference Room, or other meeting area located within Village Hall. This is for the safety of everyone. Thanks for your cooperation.

BAL HARBOUR

- V I L L A G E -

Mitchell Lieberman, Chair
Detective Hector Gonzalez
Daniel Gold
Joel R. Mesznik
Sergeant Ronald Smith

Rick Rivera, Plan Administrator
Lindsey Garber, Esq., Klausner
Kaufman Et al.

Police Officers' Retirement Board

Regular Meeting Minutes

July 29, 2024

At 3:00 PM

Bal Harbour Village Hall • 655 - 96th Street • Bal Harbour • Florida 33154

The following were present:

Chairman, Mitchell Lieberman
Detective Hector Gonzalez
Joel Mesznik
Sergeant Ron Smith

The following were absent:

Daniel Gold

Also Present:

Rick Rivera, Pension Administrator
Lindsey Garber, Board Counsel
Scott Owens, Fund Consultant
Ramiro Inguanzo, Assistant Village Manager
*Claudia Dixon, CFO
*Dwight Danie, Village Clerk
*via Zoom remote

1 Call to Order

Chairman Lieberman called the meeting to order at 3:00 p.m.

2 Pledge of Allegiance

Chairman Lieberman led the Board with the Pledge of Allegiance.

3 Approval of Board Minutes

MOTION: A Motion to approve the Board Minutes of April 29, 2024, was moved by Trustee Mesznik and seconded by Trustee Gonzalez.

VOTE: The Motion passed by unanimous voice vote (4-0).

4 June 30, 2024 Quarterly Investment Presentation

Mr. Scott Owens made a presentation before the Board. He reviewed the performance of the Plan for the quarter ending June 30, 2024. He reviewed the performance of investment manager Kane Anderson stating that Kane had outperformed the benchmark from 2017 - 2020. He said that since being hired by the Plan in 2021 they had underperformed the benchmark. Mr. Owens reviewed the performance of the fixed income manager BlackRock. A discussion ensued regarding possibly terminating Kane Anderson. Chairman Lieberman suggested to Mr. Owens that he should bring back mid-cap growth manager options for the next meeting.

Mr. Owens went over the Asset Allocation Analysis handout. A discussion ensued regarding carving out part of the large cap growth and large cap value investments and investing in an S&P Core product. Chairman Lieberman suggested a passive product. He stated that the question was whether to select the S&P 500 or an equal weighted S&P 500 product. A discussion ensued. It was decided that no action should be taken at this time as everyone agreed that the current asset allocation was appropriate.

5 New Business - Proposed New Ordinance

Ms. Garber said that at the last meeting Officer Lydia Armstrong had been in attendance and reviewed her situation in which she cannot be an active member of the Florida Retirement System (FRS) because she is already receiving an FRS retirement from another entity. Ms. Garber said that she had been instructed to research the issue and bring back a solution. She said that before them was an ordinance that would allow officers that cannot join the FRS to become a member of this Plan. Ms. Garber reminded the Board that they had no power to change the Plan only to administer the Plan. She said that only the Village can change the Plan and that all pension benefits must be collectively bargained.

Ms. Garber said that if the Board agreed with the language of the ordinance, they then could recommend the ordinance to the Village and to the Union for collective bargaining. Ramiro Inguanzo, Assistant Village Manager, reiterated Ms. Garber's points regarding the Board having no authority to make a change in the pension ordinance and that the proposed ordinance would have to be collectively bargained. Ms. Garber recommended to the Board that they grant the authority to the Village and the Union to use the Plan's actuary to perform a cost study should they need it.

MOTION: A Motion that the Board recommend the proposed ordinance to the Village Council and FOP Union for collective bargaining purposes was moved by Trustee Mesznik and seconded by Chairman Lieberman.

VOTE: The Motion passed by unanimous vote (4-0).

MOTION: A Motion authorizing the Village and the Union to work with the Plan's actuary in preparing an actuarial impact statement for the proposed ordinance was moved by Trustee Mesznik and seconded by Chairman Lieberman.

VOTE: The Motion passed by unanimous vote (4-0).

6 Proposed Annual Budget

The Administrator presented the 2023-2024 annual budget to the Board for \$330,500. He said that he would present the 2024-2025 at the next meeting in November.

MOTION: A Motion to approve the 2023-2024 annual budget for \$330,500 was moved by Trustee Mesznik and seconded by Chairman Lieberman.

VOTE: The Motion passed by unanimous vote (4-0).

7 Warrant #128

The Administrator went over Warrant #128 in the amount of \$62,015.95.

MOTION: A Motion to approve Warrant #128 in the amount of \$62,015.95 was moved by Chairman Lieberman and seconded by Trustee Mesznik.

VOTE: The Motion passed by unanimous vote (4-0).

8 Administrator's Report

There were no items to report at this time.

9 Legal Counsel's Report

Ms. Garber reminded the Trustees to file the annual F1 form if they had not already done so.

10 Motion to Adjourn

Motion: A Motion to adjourn the meeting was made by Chairman Lieberman and seconded by Trustee Gonzalez.

The meeting was adjourned at 4:07p.m.

Mitchell Lieberman
Chair of the Board of Trustees



Bal Harbour Village Police Officers' Pension Plan
Mid Cap Growth Manager Search Summary
Information as of September 30, 2024

	Kayne Anderson		Federated MDT		Invesco		JP Morgan		Russell Mid Growth
GIMA Status	<i>Focus</i>		<i>Approved</i>		<i>Approved</i>		<i>Focus</i>		<i>Index</i>
Forecasted P/E (1 Year) vs. Index	43.0 Higher		25.3 Lower		29.8 Higher		31.7 Higher		28.3
Market Cap (\$M) vs. Index	\$34.6 Billion Higher		\$30.2 Billion Higher		\$38.0 Billion Higher		\$32.5 Billion Higher		\$29.9 Billion
Decision Making	Bottom-up		Quantitative/Research		Fundamental Analysis		Bottom-up		
# of Securities	36		95		68		108		288
Foreign Securities Permitted	Yes (20% Max)		No		Yes		Yes		
Maximum Cash	10%		None (1-3% typically)		5%		5%		
FEES	0.35%		0.30%		0.33%		0.30%		
RISK (5 year)									
Standard Deviation	22.92		22.31		21.47		21.00		21.66
PERFORMANCE									
<u>Equity</u>	<u>Gross</u>	<u>Net*</u>	<u>Gross</u>	<u>Net*</u>	<u>Gross</u>	<u>Net*</u>	<u>Gross</u>	<u>Net*</u>	
1 year	19.31	18.89	38.55	38.14	35.83	35.39	24.70	24.33	29.33
3 year	(3.83)	(4.17)	7.94	7.62	0.58	0.25	1.32	1.02	2.32
5 year	11.85	11.46	16.05	15.70	12.06	11.69	13.12	12.79	11.48
10 year	14.35	13.95	14.08	13.74	N/A	N/A	12.55	12.21	11.30
Since Inception	14.22	13.82	10.28	9.95	13.00	12.63	10.96	10.63	
Inception Date	January 2012		August 2000		July 2018		December 2001		
OTHER IMPORTANT CONSIDERATIONS									
Year Firm Established	1984		1955		1935		1863		
Who Est. Performance	Team		Team		Team		Team		
Commitment	Well Paid		Well Paid		Well Paid		Well Paid		
Total Assets	\$69.8B Firm/ \$1.9B Strategy		\$777.5B Firm/ \$2.3B Strategy		\$1.7T Firm/ \$7.4B Strategy		\$3.4T Firm/ \$18.3B Strategy		
Total PM's & Analysts	7		10		7		11		
Pooled vs. Separate	Separate		Separate		Separate		Separate		

* Note: The net performance shown is net of the manager fee stated on this summary for each manager.

Sources: Morgan Stanley Global Investment Manager Analysis team, Informa PSN, and Zephyr StyleADVISOR

This summary contains select data for each investment manager and index listed and should not be considered inclusive of all material information available for each investment. Please refer to additional information provided in the complete manager search analysis for each manager.

The prices, quotes or statistics contained herein have been obtained from sources believed to be reliable, however, the accuracy cannot be guaranteed.

Bal Harbour Village Police Officers' Pension Plan

Investment Manager Search Analysis

As of September 30, 2024

Scott Owens, CFA®, CIMA®
Managing Director - Wealth Management
Institutional Consulting Director
Corporate Retirement Director
Alternative Investment Director
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(813) 227-2027

Theodore J. (TJ) Loew, CFA®
Institutional Consultant
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Important Disclosures

This report must be accompanied by a separate profile document or other report for each mutual fund and exchange-traded fund (ETF), referred to herein as "fund" or "funds", shown in this report, and for each investment manager shown in this report and approved by Morgan Stanley to be offered to investors in any investment advisory program in which you may invest. These separate documents show, for each manager and fund, various information which may include both gross and net performance (which may be more up-to-date than the performance shown in this report).

Morgan Stanley has prepared this report for your personal use, at your request, to help you evaluate the investment disciplines and investment managers/funds shown in this report. It is for informational purposes only. It is not a recommendation of a particular portfolio, investment manager or fund. It is not tax or legal advice. The report is based on information you gave Morgan Stanley about your financial situation, investment objectives, risk tolerance and investment time horizon.

IT IS TO BE PRESENTED TO YOU IN A ONE-ON-ONE PRESENTATION WITH YOUR MORGAN STANLEY FINANCIAL ADVISOR OR PRIVATE WEALTH ADVISOR SO THAT YOU HAVE AN OPPORTUNITY TO ASK QUESTIONS.

If you asked us to do so, we have included one or more investment managers/funds that have not been approved by Morgan Stanley to be offered to investors in any investment advisory program in which you may invest. Morgan Stanley does not and will not recommend any such manager/fund for investment in these programs, and has included the manager/fund in the report solely at your request and for your information. The performance shown in this report for any such managers or funds could differ materially from their performance in investment advisory programs offered by firms other than Morgan Stanley. If you have invested with any such manager/fund through another firm, we recommend that you seek information from that firm on the manager's or fund's gross and net performance in its programs.

This report is not complete unless it contains all pages (as indicated in the page numbering below). Please see "Important Notes About Performance" and "Important Notes About this Report" for other important information (including the effect of fees and a summary of the risks associated with particular investment disciplines).

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Important Notes About Performance

The performance data in this report is historical. Past performance does not guarantee future results.

NET PERFORMANCE

See the accompanying Select UMA Manager Profiles for each investment manager in this report for net performance information on the manager. See the accompanying Morningstar profiles for each fund in the report for standardized fund performance (i.e. returns net of any maximum sales charges that apply if you purchase the Mutual Fund or ETF outside of our investment advisory programs) and also returns net of the maximum annual investment advisory fees that apply if you purchase the fund in one of our investment advisory programs. You should carefully read the manager/fund profiles, which may contain more up-to-date performance information than in this report.

NOTE ABOUT ETF PERFORMANCE

For ETFs, performance shown may be based on net asset value (NAV), market price (MKT) or both. The Morningstar profile that must accompany this report shows performance based on both NAV and market price.

Important Notes About Performance (Cont'd)

GENERAL DISCLOSURE

The investment return and principal value of an investment will fluctuate so that an investor's shares in a fund, when redeemed, may be worth more or less than their original cost, and investments in separately managed accounts may be worth more or less than the original amount. Current performance may be lower or higher than the performance quoted. For performance data for a fund current to the most recent month end, please either contact the fund (at the toll-free number or website address specified in that fund's profile given to you with this report) or call your Financial Advisor or Private Wealth Advisor at the toll-free number on the cover page of this report.

You would not necessarily have obtained the performance results shown in this report if you had invested with these managers or funds for the periods indicated. Actual performance results of accounts vary due to factors such as the timing of contributions and withdrawals, client restrictions, rebalancing schedules, and fees and costs. THE SELECTION OF MANAGERS/FUNDS IN THIS REPORT MAY REFLECT THE BENEFIT OF HINDSIGHT BASED ON HISTORICAL RATES OF RETURN.

See the applicable Morgan Stanley ADV brochure for an explanation of the fees and charges that would apply if you invest with an investment manager or in a fund through a Morgan Stanley investment advisory program. See "Important Notes About This Report" for information on the sources of performance information in this report.

Manager and Fund Designations

Managers shown in this report may be approved managers offered in some or all of Morgan Stanley's Consulting and Evaluation Services program or Select UMA program. Please ask your Financial Advisor or Private Wealth Advisor about availability in particular programs. See "Important Notes About This Report" for more information on how Morgan Stanley approves managers for these programs.

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Terms have the following meanings:

- (S) Manager participates in the Select UMA program, performance is Gross of advisory fees
- (n) Manager participates in the Select UMA program, performance is Net of advisory fees
- (C) Manager participates in the Consulting and Evaluation Services program, performance is Gross of advisory fees
- (Cn) Manager participates in the Consulting and Evaluation Services program, performance is Net of advisory fees

The "Inception Date" is, for separately managed accounts, the date when the investment manager began managing the applicable investment discipline and, for funds, the date the fund was established. In either case, this date may be before the investment discipline or fund became available in any applicable Morgan Stanley investment advisory program.

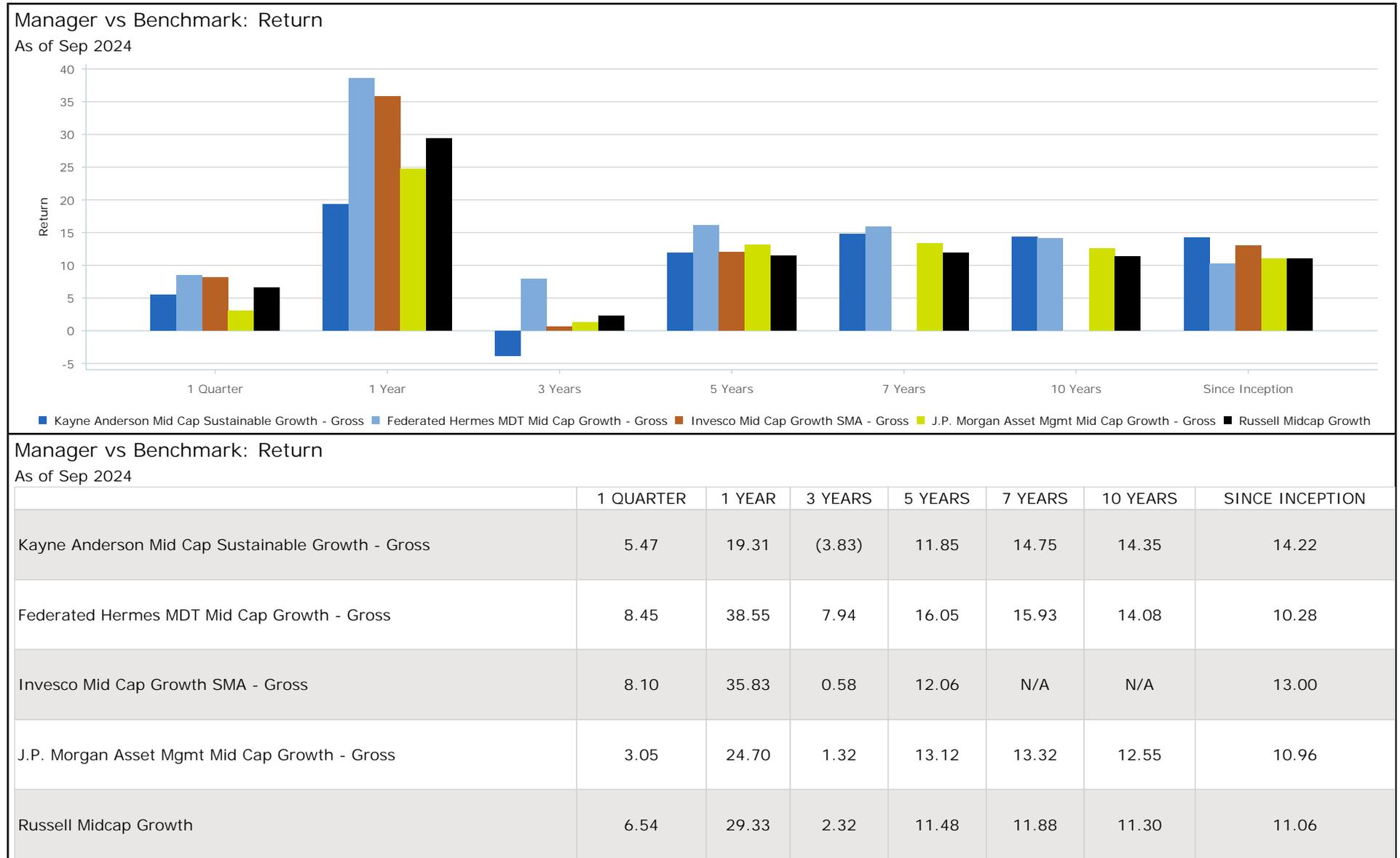
QUANTITATIVE ANALYSIS

(Gross-of-Fees Performance)

Bal Harbour Village Police Officers' Pension Plan

Trailing Period Returns Analysis

as of September 30, 2024



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Bal Harbour Village Police Officers' Pension Plan

Calendar Year Returns Analysis

as of September 30, 2024

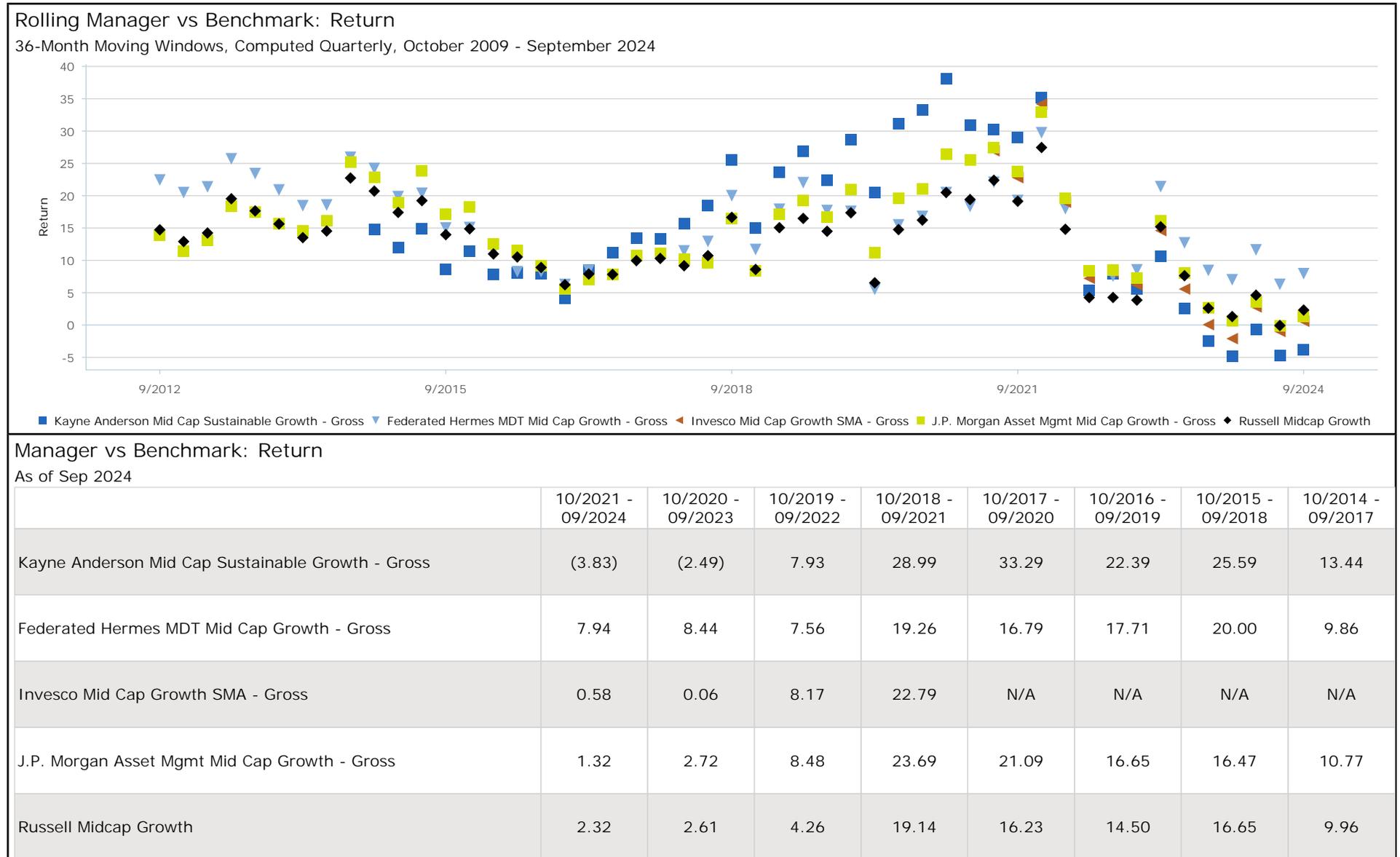
Calendar Year Return															
As of Sep 2024															
	YTD	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Kayne Anderson Mid Cap Sustainable Growth - Gross	8.84	22.68	(31.17)	2.19	67.52	44.29	9.04	35.25	3.29	4.07	5.00	26.45	13.98	N/A	N/A
Federated Hermes MDT Mid Cap Growth - Gross	20.43	30.47	(24.20)	23.89	36.14	29.50	(0.82)	26.57	10.97	(3.91)	12.58	40.87	20.90	3.74	39.42
Invesco Mid Cap Growth SMA - Gross	22.05	11.57	(29.90)	19.95	42.46	41.34	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
J.P. Morgan Asset Mgmt Mid Cap Growth - Gross	9.83	23.73	(26.29)	11.78	49.59	40.56	(3.77)	30.64	1.18	3.81	12.25	41.77	16.37	(6.13)	26.79
Russell Midcap Growth	12.91	25.87	(26.72)	12.73	35.59	35.47	(4.75)	25.27	7.33	(0.20)	11.90	35.74	15.81	(1.65)	26.38

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Bal Harbour Village Police Officers' Pension Plan

3-Year Rolling Returns

as of September 30, 2024

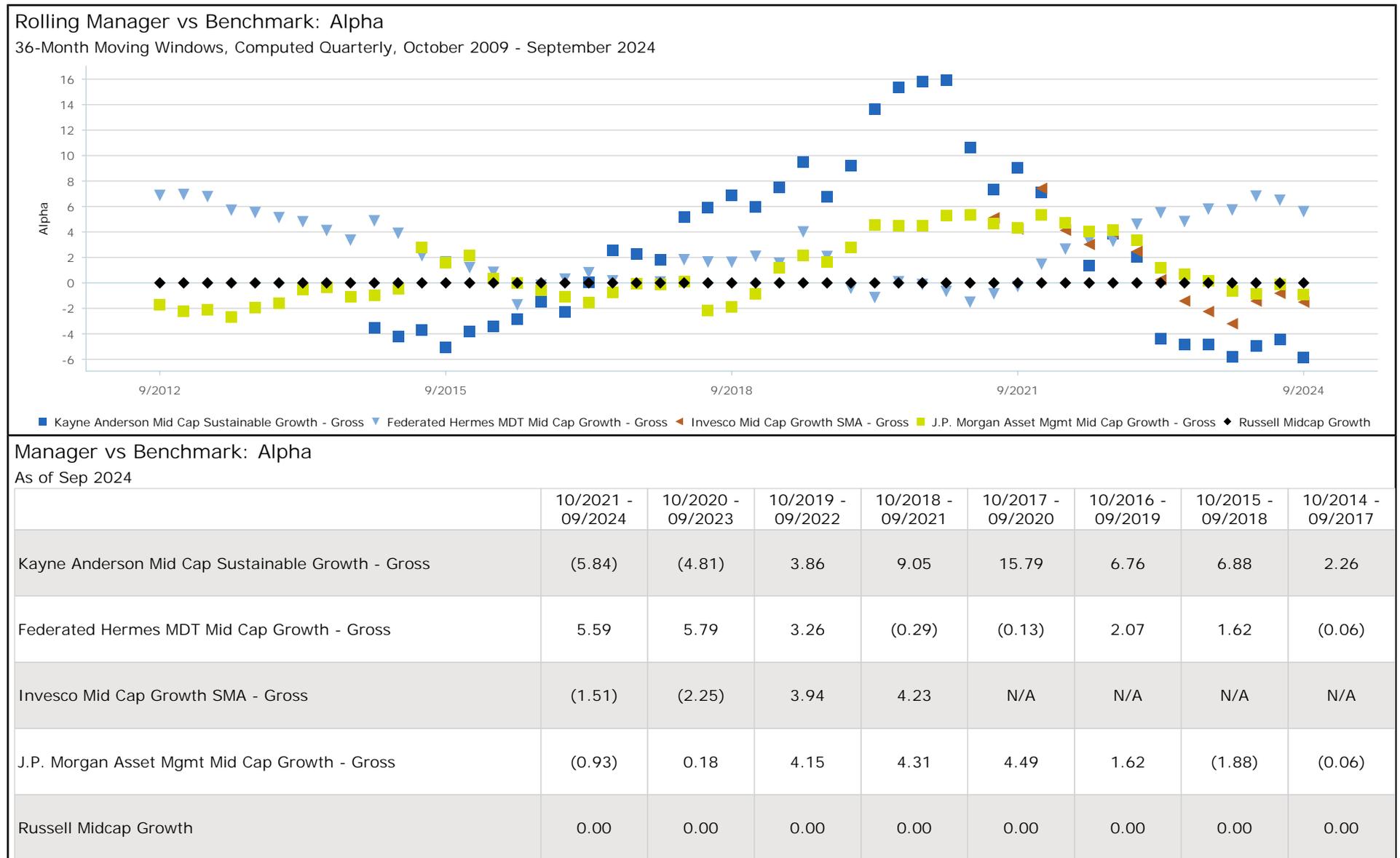


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Bal Harbour Village Police Officers' Pension Plan

3-Year Rolling Alphas

as of September 30, 2024

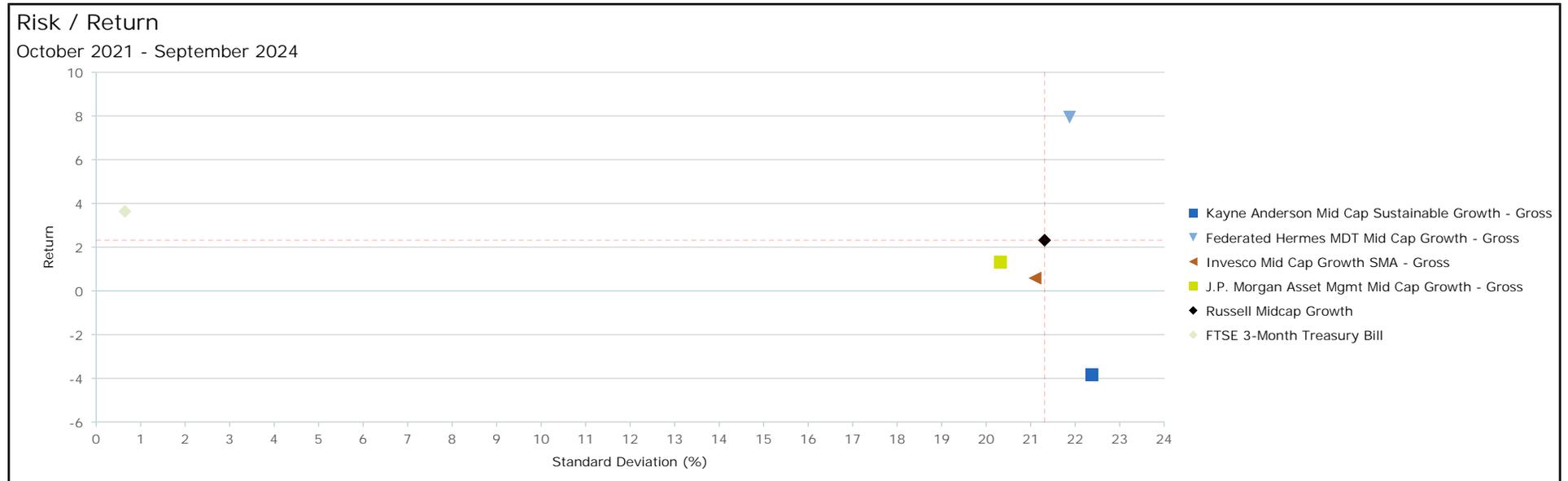


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Bal Harbour Village Police Officers' Pension Plan

3-Year Risk/Return Analysis

as of September 30, 2024



Risk & Return Analysis

October 2021 - September 2024

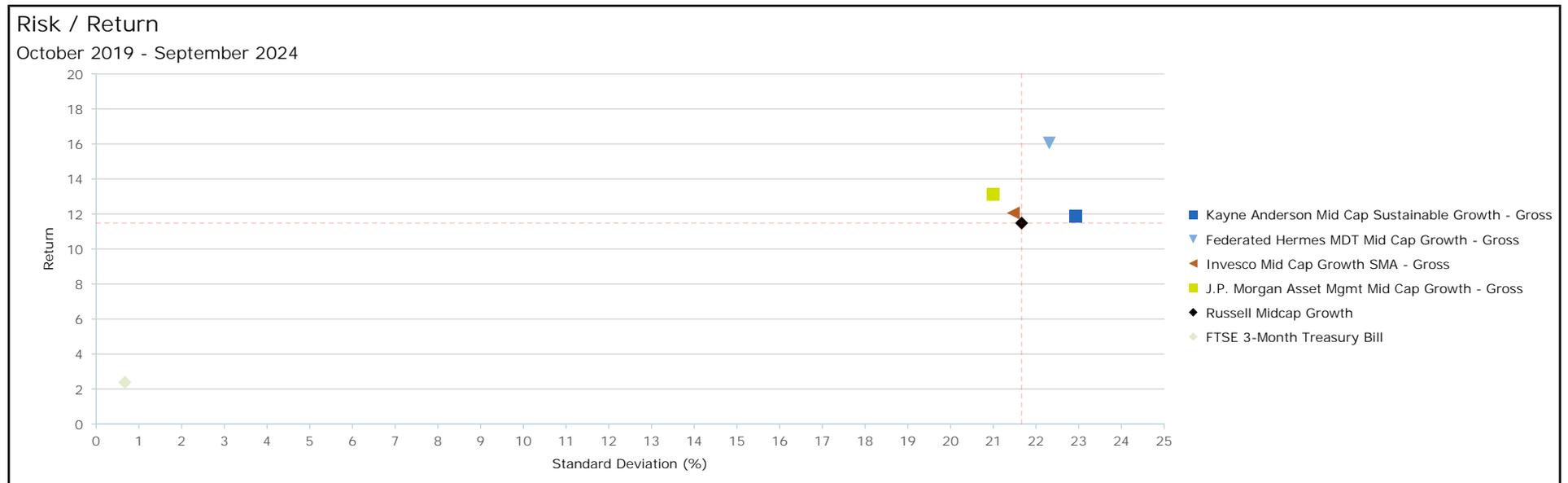
	RETURN	EXCESS RETURN	STANDARD DEVIATION	BETA	MAXIMUM DRAWDOWN	UP CAPTURE	DOWN CAPTURE	ALPHA	SHARPE RATIO	R-SQUARED
Kayne Anderson Mid Cap Sustainable Growth - Gross	(3.83)	(6.15)	22.37	1.01	(40.33)	86.80	107.51	(5.84)	(0.33)	93.03
Federated Hermes MDT Mid Cap Growth - Gross	7.94	5.63	21.88	1.01	(31.14)	109.62	91.61	5.59	0.20	96.39
Invesco Mid Cap Growth SMA - Gross	0.58	(1.73)	21.10	0.95	(35.07)	87.12	96.40	(1.51)	(0.14)	92.47
J.P. Morgan Asset Mgmt Mid Cap Growth - Gross	1.32	(0.99)	20.31	0.95	(32.95)	88.53	95.38	(0.93)	(0.11)	98.82
Russell Midcap Growth	2.32	0.00	21.31	1.00	(34.12)	100.00	100.00	0.00	(0.06)	100.00

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Bal Harbour Village Police Officers' Pension Plan

5-Year Risk/Return Analysis

as of September 30, 2024



Risk & Return Analysis
October 2019 - September 2024

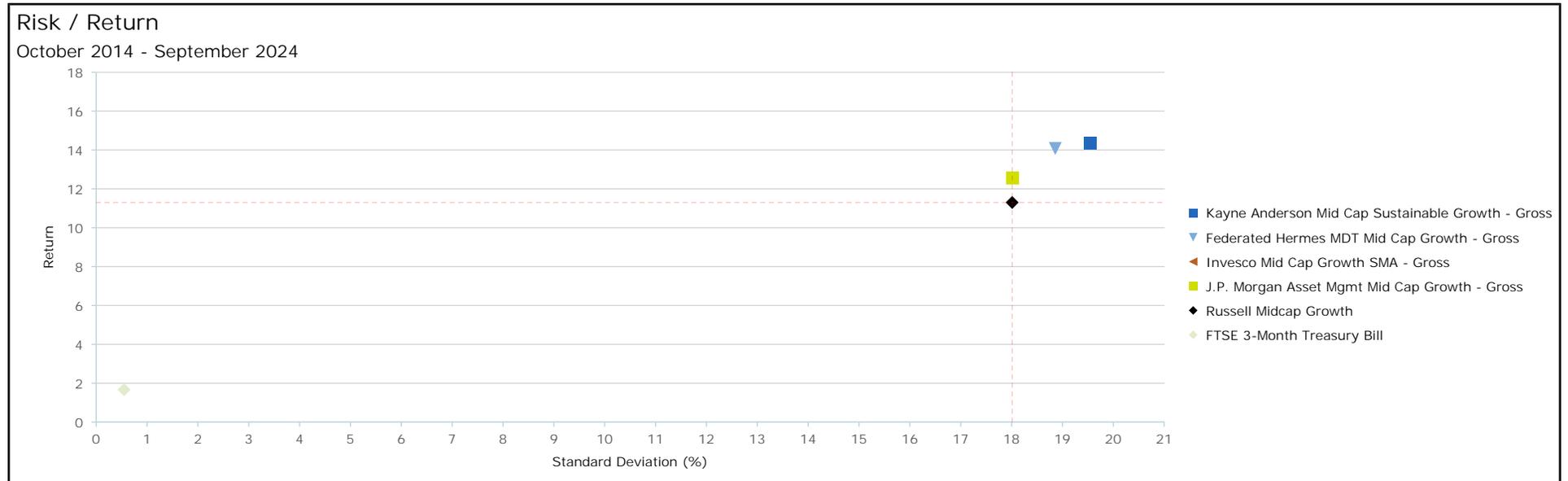
	RETURN	EXCESS RETURN	STANDARD DEVIATION	BETA	MAXIMUM DRAWDOWN	UP CAPTURE	DOWN CAPTURE	ALPHA	SHARPE RATIO	R-SQUARED
Kayne Anderson Mid Cap Sustainable Growth - Gross	11.85	0.37	22.92	1.00	(40.33)	107.47	104.84	0.59	0.41	89.68
Federated Hermes MDT Mid Cap Growth - Gross	16.05	4.57	22.31	1.01	(31.14)	108.71	94.42	4.11	0.61	96.70
Invesco Mid Cap Growth SMA - Gross	12.06	0.58	21.47	0.96	(35.07)	100.29	98.63	1.08	0.45	92.99
J.P. Morgan Asset Mgmt Mid Cap Growth - Gross	13.12	1.64	21.00	0.96	(32.95)	99.56	95.02	1.89	0.51	97.81
Russell Midcap Growth	11.48	0.00	21.66	1.00	(34.12)	100.00	100.00	0.00	0.42	100.00

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Bal Harbour Village Police Officers' Pension Plan

10-Year Risk/Return Analysis

as of September 30, 2024



Risk & Return Analysis
October 2014 - September 2024

	RETURN	EXCESS RETURN	STANDARD DEVIATION	BETA	MAXIMUM DRAWDOWN	UP CAPTURE	DOWN CAPTURE	ALPHA	SHARPE RATIO	R-SQUARED
Kayne Anderson Mid Cap Sustainable Growth - Gross	14.35	3.05	19.55	1.02	(40.33)	113.62	101.52	2.81	0.65	88.25
Federated Hermes MDT Mid Cap Growth - Gross	14.08	2.78	18.86	1.02	(31.14)	107.86	97.02	2.41	0.66	95.09
Invesco Mid Cap Growth SMA - Gross	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
J.P. Morgan Asset Mgmt Mid Cap Growth - Gross	12.55	1.25	18.02	0.98	(32.95)	103.31	98.43	1.35	0.60	96.55
Russell Midcap Growth	11.30	0.00	18.01	1.00	(34.12)	100.00	100.00	0.00	0.53	100.00

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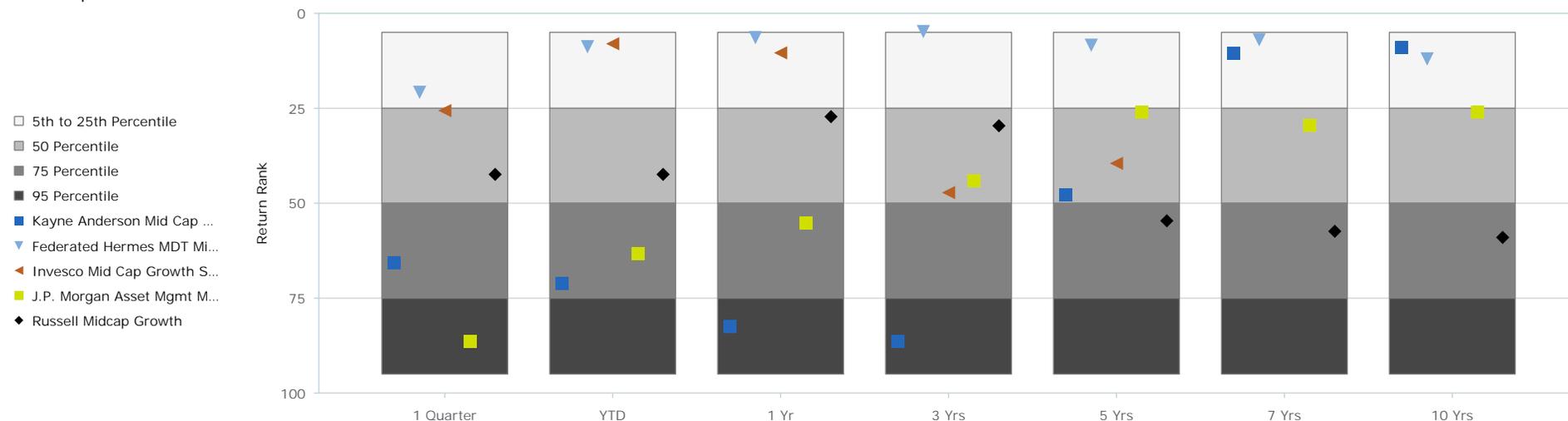
Bal Harbour Village Police Officers' Pension Plan

Manager Peer Universe Comparison

as of September 30, 2024

Manager vs PSN Mid Cap Growth : Return Rank

As of Sep 2024



Manager vs Universe: Return Rank

As of Sep 2024

	1 QUARTER	YTD	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
Kayne Anderson Mid Cap Sustainable Growth - Gross	65.60	71.20	82.40	86.40	47.90	10.43	9.00
Federated Hermes MDT Mid Cap Growth - Gross	20.80	8.80	6.40	4.80	8.40	6.96	12.00
Invesco Mid Cap Growth SMA - Gross	25.60	8.00	10.40	47.20	39.50	N/A	N/A
J.P. Morgan Asset Mgmt Mid Cap Growth - Gross	86.40	63.20	55.20	44.00	26.05	29.57	26.00
Russell Midcap Growth	42.40	42.40	27.20	29.60	54.62	57.39	59.00
Valid Count	125.00	125.00	125.00	125.00	119.00	115.00	100.00

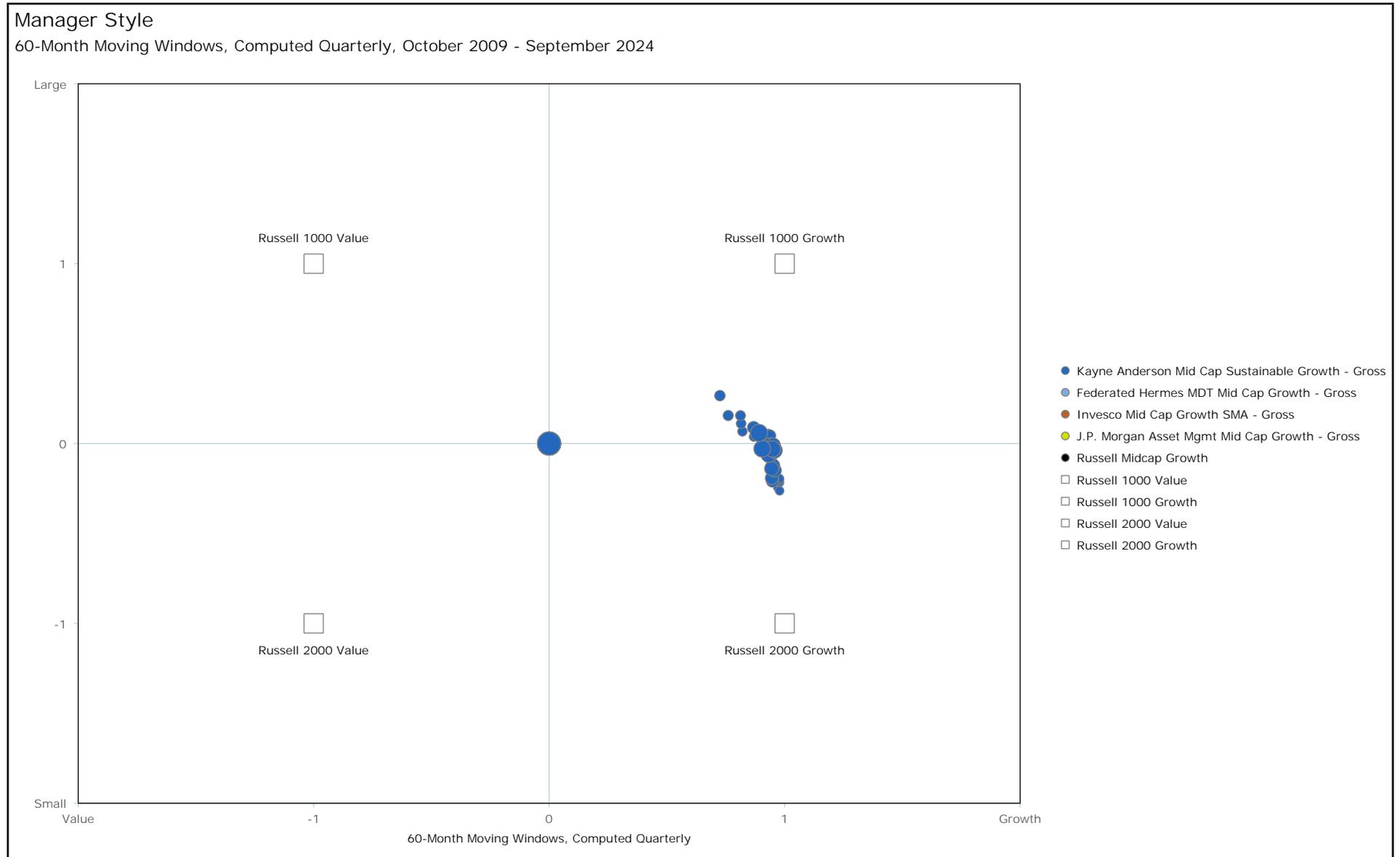
Universe = PSN Mid Cap Growth

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Bal Harbour Village Police Officers' Pension Plan

Manager Style Analysis

as of September 30, 2024



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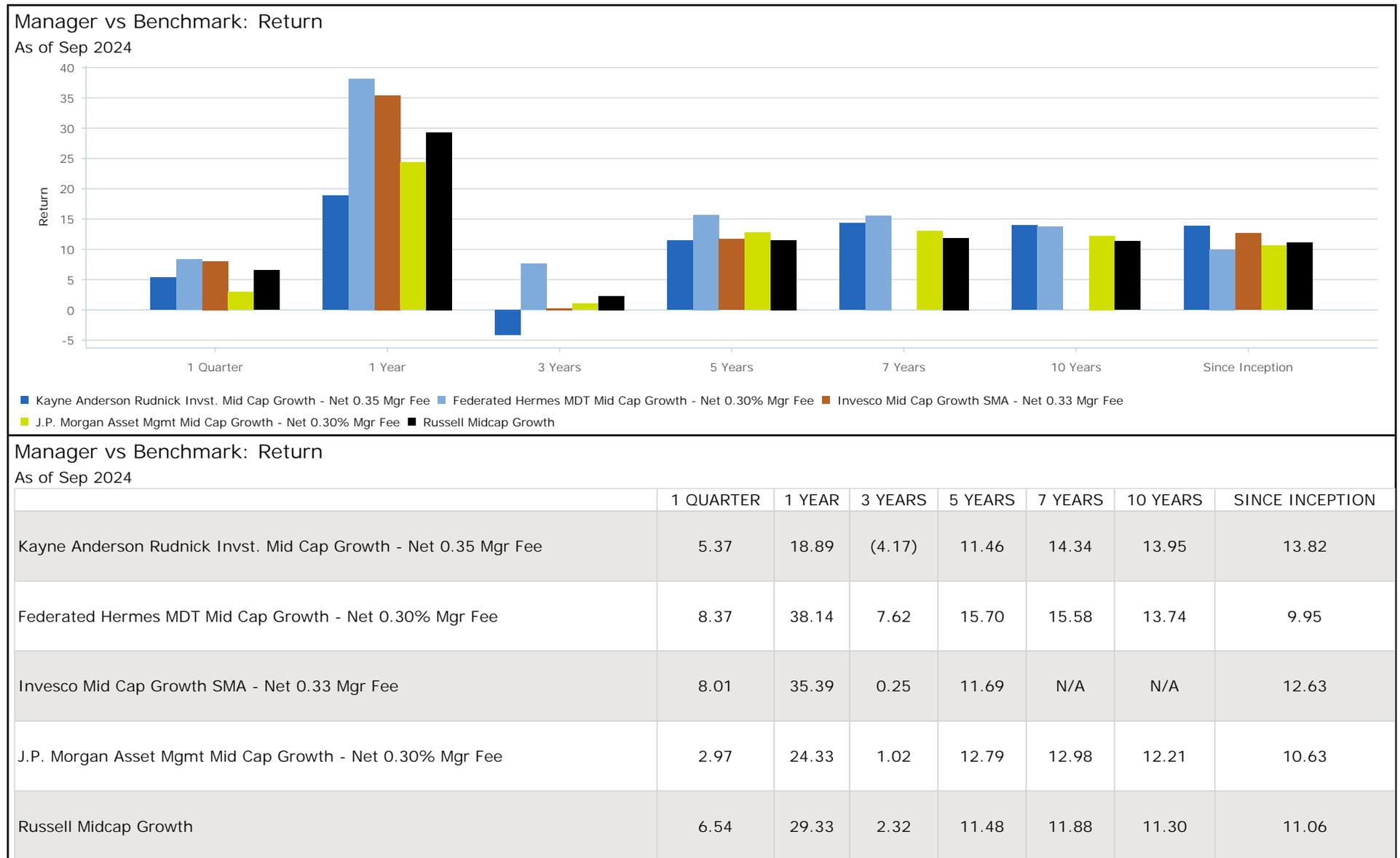
QUANTITATIVE ANALYSIS

(Net-of-Fees Performance)

Bal Harbour Village Police Officers' Pension Plan

Trailing Period Returns Analysis

as of September 30, 2024



The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Bal Harbour Village Police Officers' Pension Plan

Calendar Year Returns Analysis

as of September 30, 2024

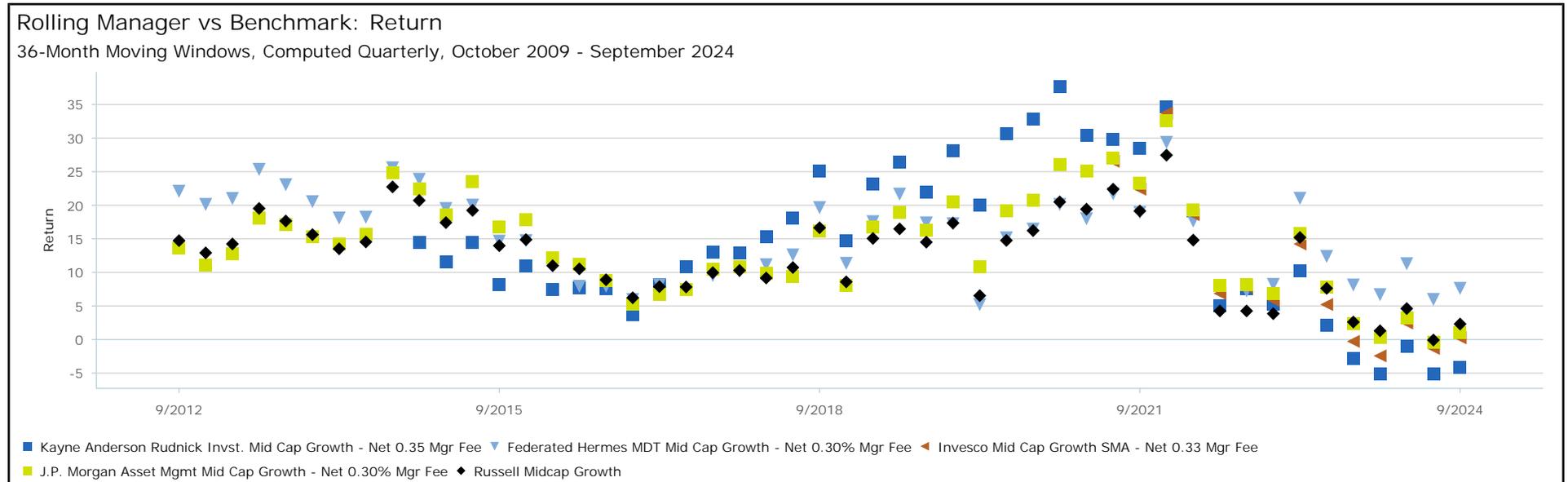
Calendar Year Return															
As of Sep 2024															
	YTD	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Kayne Anderson Rudnick Invst. Mid Cap Growth - Net 0.35 Mgr Fee	8.55	22.25	(31.41)	1.84	66.94	43.79	8.65	34.77	2.93	3.70	4.64	26.00	13.58	N/A	N/A
Federated Hermes MDT Mid Cap Growth - Net 0.30% Mgr Fee	20.16	30.08	(24.43)	23.52	35.74	29.11	(1.12)	26.19	10.64	(4.20)	12.24	40.45	20.54	3.43	39.00
Invesco Mid Cap Growth SMA - Net 0.33 Mgr Fee	21.75	11.20	(30.13)	19.56	41.99	40.88	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
J.P. Morgan Asset Mgmt Mid Cap Growth - Net 0.30% Mgr Fee	9.59	23.36	(26.51)	11.45	49.14	40.14	(4.06)	30.25	0.87	3.50	11.91	41.35	16.02	(6.41)	26.41
Russell Midcap Growth	12.91	25.87	(26.72)	12.73	35.59	35.47	(4.75)	25.27	7.33	(0.20)	11.90	35.74	15.81	(1.65)	26.38

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Bal Harbour Village Police Officers' Pension Plan

3-Year Rolling Returns

as of September 30, 2024



Manager vs Benchmark: Return

As of Sep 2024

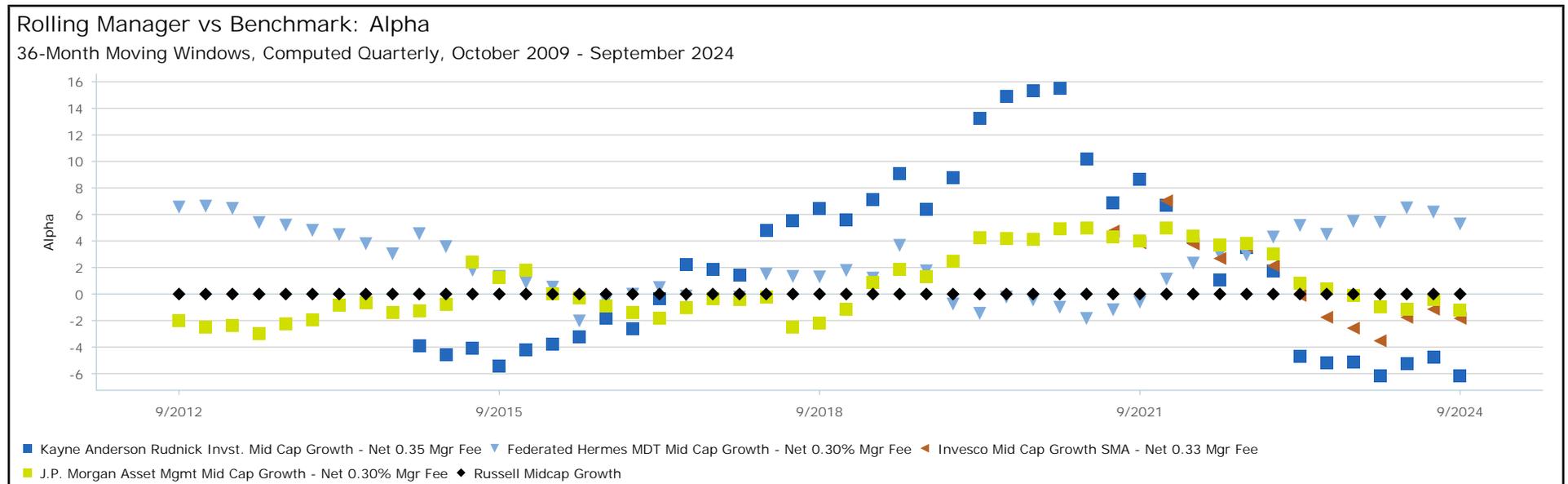
	10/2021 - 09/2024	10/2020 - 09/2023	10/2019 - 09/2022	10/2018 - 09/2021	10/2017 - 09/2020	10/2016 - 09/2019	10/2015 - 09/2018	10/2014 - 09/2017
Kayne Anderson Rudnick Invst. Mid Cap Growth - Net 0.35 Mgr Fee	(4.17)	(2.84)	7.56	28.53	32.83	21.97	25.15	13.04
Federated Hermes MDT Mid Cap Growth - Net 0.30% Mgr Fee	7.62	8.12	7.23	18.91	16.44	17.36	19.64	9.53
Invesco Mid Cap Growth SMA - Net 0.33 Mgr Fee	0.25	(0.27)	7.81	22.39	N/A	N/A	N/A	N/A
J.P. Morgan Asset Mgmt Mid Cap Growth - Net 0.30% Mgr Fee	1.02	2.42	8.16	23.32	20.73	16.30	16.12	10.44
Russell Midcap Growth	2.32	2.61	4.26	19.14	16.23	14.50	16.65	9.96

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Bal Harbour Village Police Officers' Pension Plan

3-Year Rolling Alphas

as of September 30, 2024



Manager vs Benchmark: Alpha

As of Sep 2024

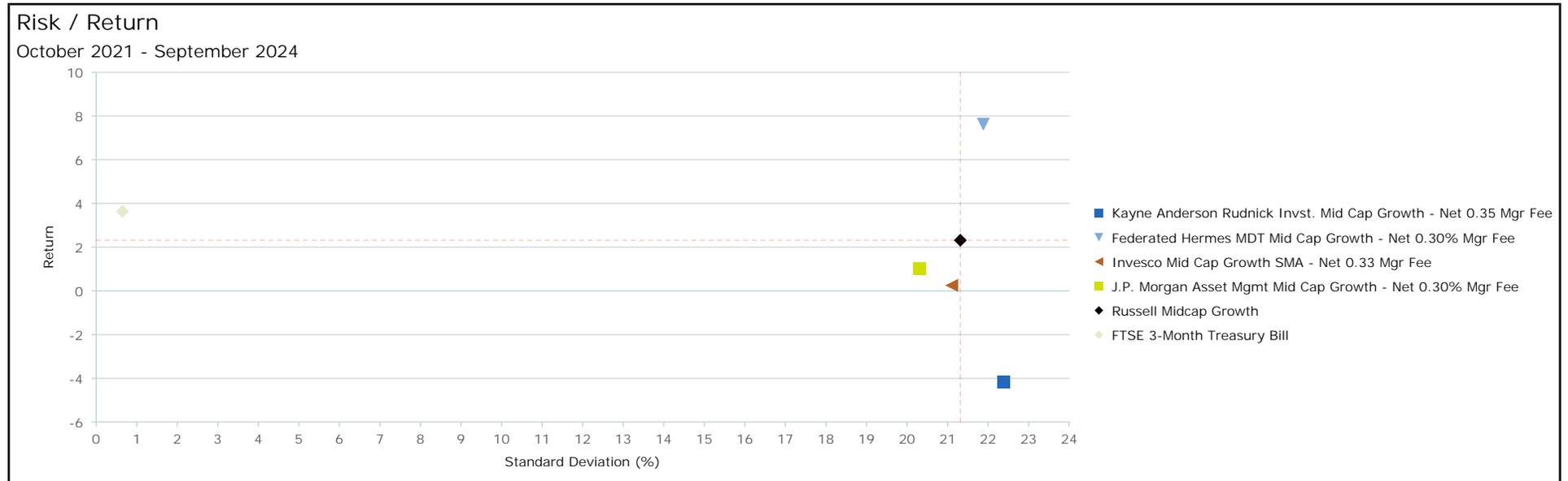
	10/2021 - 09/2024	10/2020 - 09/2023	10/2019 - 09/2022	10/2018 - 09/2021	10/2017 - 09/2020	10/2016 - 09/2019	10/2015 - 09/2018	10/2014 - 09/2017
Kayne Anderson Rudnick Invest. Mid Cap Growth - Net 0.35 Mgr Fee	(6.17)	(5.14)	3.50	8.64	15.35	6.37	6.47	1.88
Federated Hermes MDT Mid Cap Growth - Net 0.30% Mgr Fee	5.28	5.47	2.95	(0.61)	(0.45)	1.75	1.29	(0.38)
Invesco Mid Cap Growth SMA - Net 0.33 Mgr Fee	(1.83)	(2.57)	3.60	3.86	N/A	N/A	N/A	N/A
J.P. Morgan Asset Mgmt Mid Cap Growth - Net 0.30% Mgr Fee	(1.23)	(0.12)	3.84	3.97	4.15	1.30	(2.20)	(0.38)
Russell Midcap Growth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Bal Harbour Village Police Officers' Pension Plan

3-Year Risk/Return Analysis

as of September 30, 2024



Risk & Return Analysis

October 2021 - September 2024

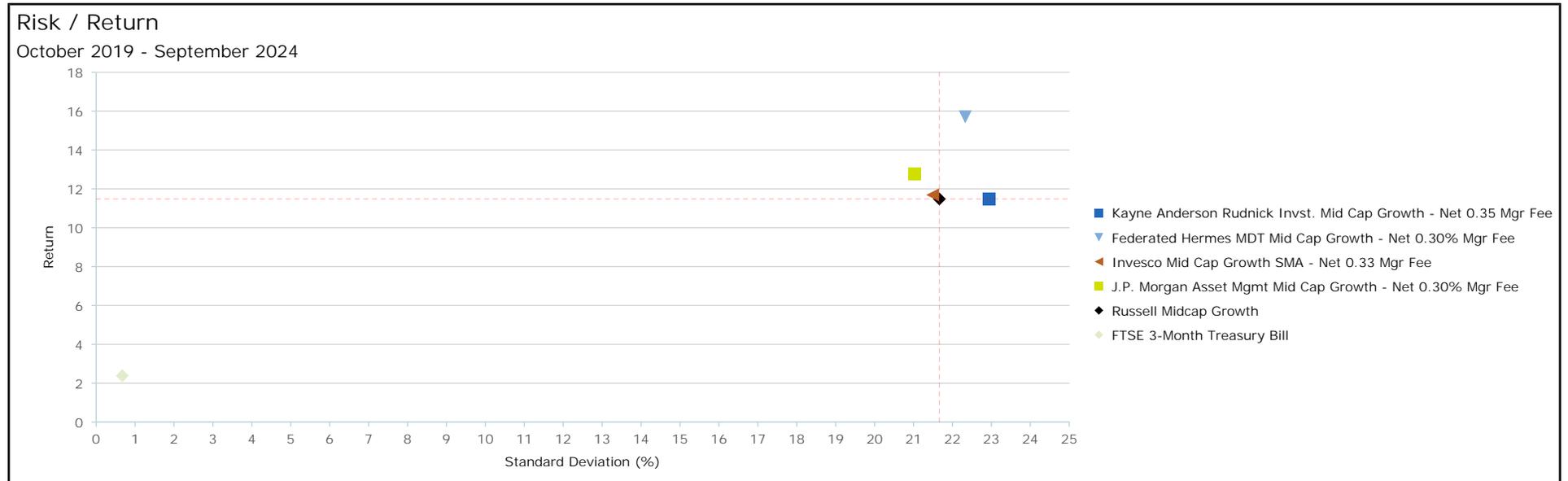
	RETURN	EXCESS RETURN	STANDARD DEVIATION	BETA	MAXIMUM DRAWDOWN	UP CAPTURE	DOWN CAPTURE	ALPHA	SHARPE RATIO	R-SQUARED
Kayne Anderson Rudnick Invst. Mid Cap Growth - Net 0.35 Mgr Fee	(4.17)	(6.48)	22.38	1.01	(40.49)	85.86	107.79	(6.17)	(0.35)	92.98
Federated Hermes MDT Mid Cap Growth - Net 0.30% Mgr Fee	7.62	5.31	21.88	1.01	(31.34)	108.73	91.89	5.28	0.18	96.36
Invesco Mid Cap Growth SMA - Net 0.33 Mgr Fee	0.25	(2.06)	21.10	0.95	(35.49)	86.23	96.69	(1.83)	(0.16)	92.46
J.P. Morgan Asset Mgmt Mid Cap Growth - Net 0.30% Mgr Fee	1.02	(1.30)	20.32	0.95	(33.15)	87.72	95.64	(1.23)	(0.13)	98.79
Russell Midcap Growth	2.32	0.00	21.31	1.00	(34.12)	100.00	100.00	0.00	(0.06)	100.00

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Bal Harbour Village Police Officers' Pension Plan

5-Year Risk/Return Analysis

as of September 30, 2024



Risk & Return Analysis
October 2019 - September 2024

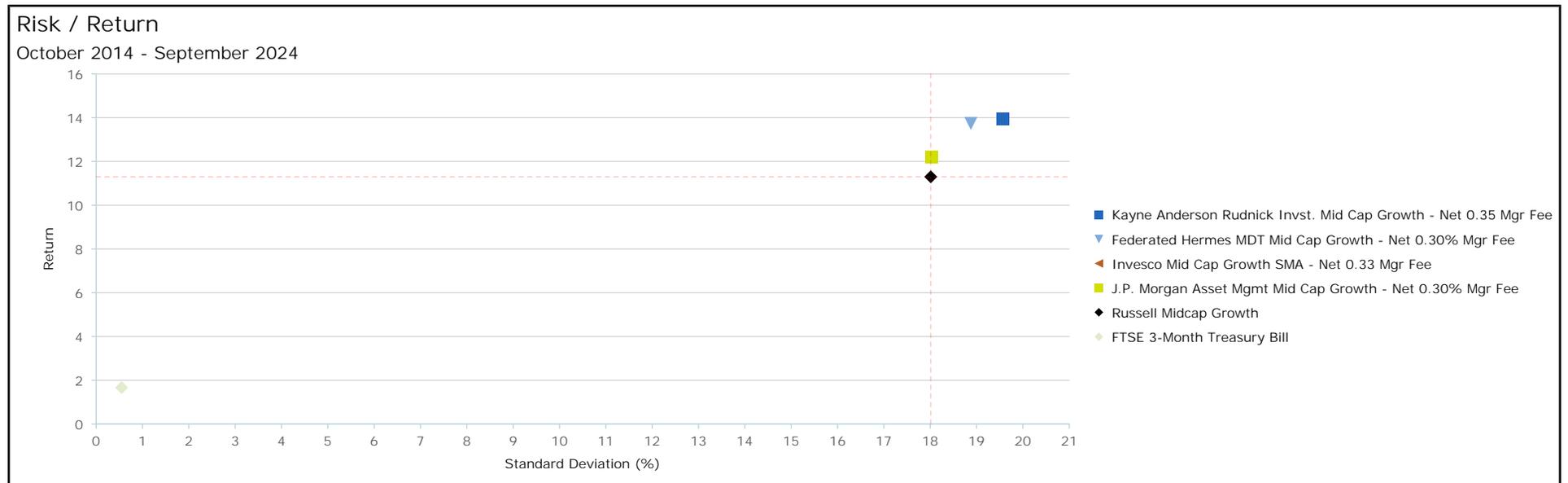
	RETURN	EXCESS RETURN	STANDARD DEVIATION	BETA	MAXIMUM DRAWDOWN	UP CAPTURE	DOWN CAPTURE	ALPHA	SHARPE RATIO	R-SQUARED
Kayne Anderson Rudnick Invst. Mid Cap Growth - Net 0.35 Mgr Fee	11.46	(0.02)	22.95	1.00	(40.53)	106.65	105.26	0.23	0.40	89.64
Federated Hermes MDT Mid Cap Growth - Net 0.30% Mgr Fee	15.70	4.22	22.33	1.01	(31.34)	108.00	94.81	3.79	0.60	96.69
Invesco Mid Cap Growth SMA - Net 0.33 Mgr Fee	11.69	0.21	21.49	0.96	(35.49)	99.53	99.05	0.74	0.43	92.96
J.P. Morgan Asset Mgmt Mid Cap Growth - Net 0.30% Mgr Fee	12.79	1.31	21.02	0.96	(33.15)	98.87	95.40	1.58	0.49	97.78
Russell Midcap Growth	11.48	0.00	21.66	1.00	(34.12)	100.00	100.00	0.00	0.42	100.00

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Bal Harbour Village Police Officers' Pension Plan

10-Year Risk/Return Analysis

as of September 30, 2024



Risk & Return Analysis
October 2014 - September 2024

	RETURN	EXCESS RETURN	STANDARD DEVIATION	BETA	MAXIMUM DRAWDOWN	UP CAPTURE	DOWN CAPTURE	ALPHA	SHARPE RATIO	R-SQUARED
Kayne Anderson Rudnick Invst. Mid Cap Growth - Net 0.35 Mgr Fee	13.95	2.65	19.57	1.02	(40.53)	112.74	102.19	2.44	0.63	88.22
Federated Hermes MDT Mid Cap Growth - Net 0.30% Mgr Fee	13.74	2.44	18.88	1.02	(31.34)	107.12	97.61	2.09	0.64	95.09
Invesco Mid Cap Growth SMA - Net 0.33 Mgr Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
J.P. Morgan Asset Mgmt Mid Cap Growth - Net 0.30% Mgr Fee	12.21	0.91	18.04	0.98	(33.15)	102.59	99.02	1.04	0.58	96.52
Russell Midcap Growth	11.30	0.00	18.01	1.00	(34.12)	100.00	100.00	0.00	0.53	100.00

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

Important Notes About This Report

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. ACTUAL INDIVIDUAL ACCOUNT RESULTS WILL DIFFER FROM THE PERFORMANCE SHOWN IN THIS REPORT.

INVESTMENT DECISIONS: Do not use this report as the sole basis for investment decisions. Do not select an allocation, investment disciplines or investment managers/funds based on performance alone. Consider, in addition to performance results, other relevant information about each investment manager or fund, as well as matters such as your investment objectives, risk tolerance and investment time horizon.

SOURCE OF PERFORMANCE INFORMATION FOR INVESTMENT MANAGERS AVAILABLE IN CONSULTING AND EVALUATION SERVICES OR SELECT UMA: Each investment manager included in this report that participates in one or more of the Consulting and Evaluation Services or Select UMA programs ("Programs") has a track record of investing assets in the relevant investment discipline. The investment manager's gross performance track record shown in this report consists of its gross performance in either the Morgan Stanley or the Smith Barney form of the Select UMA program (if that investment manager was in the Select UMA program) for periods for which sufficient data is available. If the strategy or similar strategies are available in both the Morgan Stanley and Smith Barney forms of the program, this profile presents the composite for the strategy that is closest to the strategy currently offered in the Select UMA program. If both strategies are equally close, the profile shows the longer of the two composites. For other periods, the gross performance track record is provided by the investment manager and consists of accounts managed by the investment manager in the same or a similar investment discipline, whether at Morgan Stanley or elsewhere (and may include institutional accounts, retail accounts and/or pooled investment vehicles such as mutual funds).

Morgan Stanley Smith Barney LLC offers investment program services through a variety of investment programs, which are opened pursuant to written client agreements. Each program offers investment managers, funds and features that are not available in other programs; conversely, some investment managers, funds or investment strategies may be available in more than one program. Morgan Stanley's investment advisory programs may require a minimum asset level and, depending on a client's specific investment objectives and financial position, may not be appropriate for the client. Please see the applicable program disclosure document for more information, available at www.morganstanley.com/ADV or from your Financial Advisor.

The investment management services of Morgan Stanley Smith Barney LLC and investment vehicles managed by Morgan Stanley Smith Barney LLC or its affiliates are not guaranteed and could result in the loss of value to your account. You should note that investing in financial instruments carries with it the possibility of losses and that a focus on above-market returns exposes the portfolio to above-average risk. Performance aspirations are not guaranteed and are subject to market conditions.

Important Notes About This Report (Cont'd)

Generally, investment advisory accounts are subject to an annual asset-based fee (the “Fee”) which is payable monthly in advance (some account types may be billed differently). In general, the Fee covers Morgan Stanley investment advisory services, custody of securities with Morgan Stanley, trade execution with or through Morgan Stanley or its affiliates, as well as compensation to any Morgan Stanley Financial Advisor.

In addition, each account that is invested in a program that is eligible to purchase certain investment products, such as mutual funds, will also pay a Platform Fee (which is subject to a Platform Fee offset) as described in the applicable ADV brochure. Accounts invested in the Select UMA program may also pay a separate Sub-Manager fee, if applicable.

If your account is invested in mutual funds or exchange traded funds (collectively “funds”), you will pay the fees and expenses of any funds in which your account is invested. Fees and expenses are charged directly to the pool of assets the fund invests in and are reflected in each fund’s share price. These fees and expenses are an additional cost to you and would not be included in the Fee amount in your account statements. The advisory program you choose is described in the applicable Morgan Stanley Smith Barney LLC ADV Brochure, available at www.morganstanley.com/ADV.

Morgan Stanley or Executing Sub-Managers, as applicable, in some of Morgan Stanley’s Separately Managed Account (“SMA”) programs may effect transactions through broker-dealers other than Morgan Stanley or our affiliates. In such instance, you may be assessed additional costs by the other firm in addition to the Morgan Stanley and Sub-Manager fees. Those costs will be included in the net price of the security, not separately reported on trade confirmations or account statements. Certain Sub-Managers have historically directed most, if not all, of their trades to outside firms. Information provided by Sub-Managers concerning trade execution away from Morgan Stanley is summarized at:

<http://www.morganstanley.com/wealth/investmentsolutions/pdfs/adv/sotresponse.pdf>

www.morganstanley.com/wealth/investmentsolutions/pdfs/adv/sotresponse.pdf. For more information on trading and costs, please refer to the ADV Brochure for your program(s), available at www.morganstanley.com/ADV, or contact your Financial Advisor / Private Wealth Advisor.

Important Notes About This Report (Cont'd)

There may be differences between the performance in the different forms of the Select UMA program, in different Programs, and between the performance in Programs and performance outside the Programs, due to, among other things, investment and operational differences. For example:

- Institutional accounts included in related performance may hold more securities than the Program accounts, participate in initial public offerings (IPOs) and invest directly in foreign securities (rather than in ADRs).
- Mutual funds included in related performance may hold more securities than the Program accounts, may participate in IPOs, may engage in options and futures transactions, and are subject to certain regulatory limitations.
- Performance results in Select UMA accounts could differ from that in Consulting and Evaluation Services accounts because Select UMA accounts may hold fewer securities, and have automatic rebalancing, wash sale loss and tax harvesting features.

You should read the investment manager profile accompanying this report for each investment manager. The investment manager profile gives further details on the sources of performance information for a particular investment manager, as well as other calculations of the manager's performance returns (such as performance net of fees and expenses).

SOURCE OF PERFORMANCE INFORMATION FOR OTHER INVESTMENT MANAGERS: For any investment managers shown in this report that are not available in the Consulting and Evaluation Services or Select UMA programs, the performance data is obtained from databases maintained by parties outside Morgan Stanley. This data has been included for your information, and has not been verified by Morgan Stanley in any way. See "Sources of Information" below. The gross performance shown in this report for these managers could differ materially from their gross performance in investment advisory programs offered by firms other than Morgan Stanley. If you have invested with any such manager through another firm, we recommend that you seek information from that firm on the manager's gross and net performance in its programs.

Important Notes About This Report (Cont'd)

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BENCHMARK INDICES: Depending on the composition of your account and your investment objectives, the indices shown in this report may not be appropriate measures for comparison purposes and are therefore presented for illustration only. The indices used in this report may not be the same indices used for comparative purposes in the profile for each investment manager, mutual fund and/or ETF that accompanies this report. Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Performance of selected indices may be more or less volatile than that of any investment manager/fund shown in this report. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

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- Morgan Stanley Wealth Management's Global Investment Manager Analysis (“GIMA”) team approves managers and funds offered in Consulting and Evaluation Services and Select UMA.
- Managers and funds offered in Institutional Consulting Group and Graystone Consulting programs may be approved by GIMA, approved by Morgan Stanley Wealth Management using another process, or not approved by Morgan Stanley Wealth Management.
- Morgan Stanley Wealth Management does not approve managers in the Investment Management Services consulting program.

Important Notes About This Report (Cont'd)

If you invest in a manager or fund that is not approved by Morgan Stanley Wealth Management, you are responsible for selecting and/or retaining that manager or fund, and Morgan Stanley Wealth Management does not recommend or monitor that manager or fund. For more information on the approval process in any program, see the applicable ADV brochure, available at www.MorganStanley.com/ADV or from your Financial Advisor or Private Wealth Advisor. If you have any questions about whether or how Morgan Stanley Wealth Management has approved a manager or fund shown in this report, please ask our Financial Advisor or Private Wealth Advisor.

SHARE CLASSES OF FUNDS SHOWN IN THIS REPORT: The share class of a fund shown in this report may differ from the share class available in any Morgan Stanley Wealth Management investment advisory program in which you invest. The performance of the share class in which you invest may differ from that of the share class shown in this report.

REINVESTMENT: The performance results shown in this report assume that all dividends, accrued income and capital gains were reinvested.

SOURCES OF INFORMATION: Although the statements of fact in this report have been obtained from, and are based on, sources that Morgan Stanley believes to be reliable, Morgan Stanley makes no representation as to the accuracy or completeness of the information from sources outside Morgan Stanley. Any such information may be incomplete and you should not use it as the sole basis for investment decisions.

It is important to consider a fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the fund. A copy of the prospectus may be obtained from your Financial Advisor or Private Wealth Advisor. Please read the prospectus carefully before investing in the fund.

Important Notes About This Report (Cont'd)

KEY ASSET CLASS RISK CONSIDERATIONS: Investing in securities entails risk including the risk of losing principal. There is no assurance that the investment disciplines and investment managers/funds selected will meet their intended objectives.

Commodities – Diversified: The commodities markets may fluctuate widely based on a variety of factors including changes in supply and demand relationships; governmental programs and policies; national and international political and economic events; war and terrorist events; changes in interest and exchange rates; trading activities in commodities and related contracts; pestilence; weather; technological change; and the price volatility of a commodity. In addition to commodity risk, commodity-linked notes may be subject to special risks, such as risk of loss of interest and principal, lack of a secondary market and risk of greater volatility that do not affect traditional equity and debt securities.

Commodities - Precious Metals: The prices of Commodities - Precious Metals tend to fluctuate widely and in an unpredictable manner, and have historically experienced extended periods of flat or declining prices. The prices of Commodities - Precious Metals are affected by several factors, including global supply and demand, investors' expectations with respect to the rate of inflation, currency exchange rates, interest rates, investment and trading activities of hedge funds and commodity funds, and global or regional political, economic or financial events and situations.

Fixed Income: Fixed income securities are subject to certain inherent risks such as credit risk, reinvestment risk, call risk, and interest rate risk. Fixed income securities are sensitive to changes in prevailing interest rates. When interest rates rise, the value of fixed income securities generally declines. Accordingly, managers or funds that invest in fixed income securities are subject to interest rate risk and portfolio values can decline in value as interest rates rise and an investor can lose principal.

High Yield Fixed Income: As well as being subject to risks relating to fixed income generally (see “Fixed Income”), high yield or “junk” bonds are considered speculative, have significantly higher credit and default risks (including loss of principal), and may be less liquid and more volatile than investment grade bonds. Clients should only invest in high yield strategies if this is consistent with their risk tolerance, and high yield investments should comprise only a limited part of a balanced portfolio.

Important Notes About This Report (Cont'd)

International/Emerging Market: International investing (including investing in particular countries or groups of countries) should be considered only one component of a complete and diversified investment program. Investing in foreign markets may entail greater risks than those normally associated with domestic markets, such as foreign political, currency, economic and market risks. In addition, the securities markets of many emerging markets are substantially smaller, less developed, less liquid and more volatile than the securities markets of the U.S. and other more developed countries. Further, a portfolio that focuses on a single country may be subject to higher volatility than one that is more diversified.

Preferred Securities: Preferred securities are generally subject to the same risks as apply to fixed income securities. (See “Fixed Income.”) However, preferred securities (especially equity preferred securities) may rank below traditional forms of debt for the purposes of repayment in the event of bankruptcy. Many preferred securities are “callable” meaning that the issuer may retire the securities at specific prices and dates prior to maturity. If a preferred security is called, the investor bears the risk of reinvesting proceeds at a potentially lower return. Investors may not receive regular distributions on preferred securities. For example, dividends on equity preferred securities may only be declarable in the discretion of the issuer's board and may not be cumulative. Similarly, interest payments on certain debt preferred securities may be deferred by the issuer for periods of up to 10 years or more, in which case the investor would still have income tax liability even though payments would not have been received.

Real Estate: Real estate investments are subject to special risks, including interest rate and property value fluctuations as well as risks related to general and local conditions.

Small and Mid Cap: Investments in small-to medium-sized corporations are generally more vulnerable to financial risks and other risks than larger corporations and may involve a higher degree of price volatility than investments in the broad equity market.

Hedged and Alternatives Strategies: In most Consulting Group investment advisory program, alternative investments are limited to US registered open-end mutual funds, separate account strategies, and ETFs that seek to pursue alternative investment strategies or returns utilizing publicly traded securities. Investment products in this category may employ various investment strategies and techniques for both hedging and more speculative purposes such as short selling, leverage, derivatives, and options, which can increase volatility and the risk of investment loss. Alternative Investments are not suitable for all investors.

Important Notes About This Report (Cont'd)

Managed Futures: Involve a high degree of risk, often involve leveraging and other speculative investment practices that may increase the risk of investment loss, can be highly illiquid, are not required to provide periodic pricing or valuation information to investors, may involve complex tax structures and delays in distributing important tax information, are not subject to the same regulatory requirements as mutual funds, often charge high fees which may offset any trading profits, and in many cases the underlying investments are not transparent and are known only to the investment manager.

Master Limited Partnerships (MLPs) are limited partnerships or limited liability companies whose interests (limited partnership or limited liability company units) are generally traded on securities exchanges like shares of common stock. Investment in MLPs entails different risks, including tax risks, than is the case for other types of investments. Currently, most MLPs operate in the energy, natural resources or real estate sectors and are subject to the risks generally applicable to companies in those sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk. Depending on the ownership vehicle, MLP interests are subject to varying tax treatment.

Glossary

ALPHA: Synonym of 'value added', linearly similar to the way beta is computed, alpha is the incremental return on a portfolio when the market is stationary. In other words, it is the extra expected return due to non-market factors. This risk-adjusted measurement takes into account both the performance of the market as a whole and the volatility of the portfolio. A positive alpha indicates that a portfolio has produced returns above the expected level at that level of risk, and vice versa for a negative alpha.

ANNUALIZED RETURN: The constant rate of return that, compounded annually, would yield the same overall return for a period of more than one year as the actual return observed for that period.

ANNUALIZED EXCESS RETURN: Excess return represents the difference between the manager's return and the return of a benchmark for that manager. Annualized excess return is calculated by taking the annualized return of the original series and forming the difference between the two. A positive annualized excess return implies that the manager outperformed the benchmark over the time period shown.

BEST AND WORST PERIOD RETURNS: The best period return for a time window is simply the maximum of the returns for that period inside this window. Similarly, the worst period return for a time window is the minimum of the returns for that period inside this window. To calculate the best one-year return for a return series, the program moves a one-year time window along the series and calculates the compound return for each of these windows. The best one-year return is the maximum of the returns thus found. Similarly, the worst one-year return is the minimum of the returns thus found. Therefore, best and worst one-year returns do not refer to calendar years.

BETA: The measure of a portfolio's risk in relation to the market (for example, the S&P 500) or to an alternative benchmark or factors. Roughly speaking, a portfolio with a beta of 1.5 will have moved, on average, 1.5 times the market return. According to asset pricing theory, beta represents the type of risk, systematic risk, which cannot be diversified away. When using beta, there are a number of issues that you need to be aware of: (1) betas may change through time; (2) betas may be different depending on the direction of the market (i.e. betas may be greater for down moves in the market rather than up moves); (3) the estimated beta will be biased if the portfolio does not frequently trade; and (4) the beta is not necessarily a complete measure of risk (you may need multiple betas). Also, note that the beta is a measure of co movement, not volatility. It is possible for a security to have a zero beta and higher volatility than the market.

Glossary (Cont'd)

CORRELATION: Statistical method to measure how closely related the variances of two series are. Assets that are highly correlated would be expected to react in similar ways to changing market conditions.

CUMULATIVE RETURN: The total return on an investment over a specified time period.

CUMULATIVE EXCESS RETURN: Excess return represents the difference between the manager's return and the return of a benchmark for that manager. Cumulative excess return is calculated by taking the cumulative return of the original series and forming the difference between the two. A positive cumulative excess return implies that the manager outperformed the benchmark over the time period shown.

DOWNSIDE CAPTURE RATIO: For each portfolio, this is calculated by (1) identifying the calendar quarters in which the portfolio's benchmark index had negative returns and then (2) for those quarters, dividing the portfolio's annualized net performance by the benchmark index's performance. For investors, the lower the downside capture ratio, the better. For example, a downside capture ratio of 90% means that the portfolio's losses were only 90% of the market's losses (as represented by the benchmark index).

DOWNSIDE DEVIATION: Similar to Standard Deviation, but Downside Deviation captures the range of expected returns only on the down side [when the returns fall below the minimum acceptable return (MAR)].

DRAWDOWN (MAXIMUM DRAWDOWN): The Maximum loss (compounded, not annualized) that the manager incurred during any sub-period of the time period shown.

DRAWDOWN BEGIN DATE: the first date of the sub-period used to calculate the maximum drawdown

DRAWDOWN END DATE: The last date of the sub period used to calculate the maximum drawdown

DRAWDOWN LENGTH: The number of periods (months or quarters depending on the periodicity of the data) the sub-period used to calculate the maximum drawdown

DRAWDOWN RECOVERY DATE: Date at which the compounded returns regain the peak level that was reached before the drawdown began

DRAWDOWN RECOVERY LENGTH: Number of periods it takes to reach the recovery level from maximum drawdown end date

Glossary (Cont'd)

EXCESS RETURN: The difference between the returns of two portfolios. Usually excess return is the difference between a portfolio's return and the return of a benchmark for that portfolio.

GAIN TO LOSS RATIO: Divides the average gain in an up period by the average loss in a down period. A higher Gain to Loss Ratio is more favorable.

HIGH WATER MARK: The High Water Mark represents the peak level of the manager's return, as represented by the peak of the cumulative return series.

HIGH WATER MARK DATE: The date which the High Water Mark was reached.

UNDER WATER LOSS: Loss incurred between the high water mark date and the end of the period analyzed

UNDER WATER LENGTH: Length of the time interval that begins with the high water mark and ends with the analysis period

TO HIGH WATER MARK: The percentage of gain that the manager/fund needs to regain the peak level of the cumulative return series

INFORMATION RATIO: Measures the active return of the manager divided by the manager's active risk. Active return is the annualized differences of the manager and the benchmark index, while active risk is measured by tracking error. The higher the information ratio, the better. An information ratio of 0 implies that a manager/fund (or benchmark index, if applicable) has provided a return that is equivalent to the risk of the benchmark return.

MAR: Stands for "Minimum Acceptable Return." This represents the lowest return possible that could be considered a successful result of the investment. In most cases, the MAR will either be defined as 0 (meaning no negative return) or as the return of a cash benchmark (meaning the investment had a higher return than simply keeping the investment amount in the relatively safe investment of money market funds). Please refer to the specific chart/statistic to see the specific MAR used in the illustration.

Glossary (Cont'd)

MANAGER STYLE (RETURNS BASED STYLE ANALYSIS): A measure for analyzing the style of a portfolio's returns when compared with the quarterly returns on a number of selected style indices (the "Style Basis"). These style indices represent distinct investment styles or asset classes such as large cap value, large cap growth, small cap growth, small cap value, government bonds, or cash equivalents asset classes. Style analysis uses a calculation procedure that finds the combination of selected indices that best tracks (i.e. that has the highest correlation to) a given manager's return series. This allows the advisor to capture an accurate picture of the investment style of the manager without viewing the underlying holdings.

OMEGA: A measure of volatility designed to capture the entire return distribution (useful for investments that do not have normal return distributions), the Omega is tied to a MAR (see above) and shows the ratio of the entire upside performance to the entire downside, with the MAR representing the dividing line between upside and downside. (e.g. If MAR = 0.00%, any positive return is captured in the upside and any negative return is captured in the downside).

PAIN INDEX: Represents the frequency, the depth, and the width of the manager/fund's drawdowns. The Pain Index captures the information for every period in which the manager/fund is negative. A higher Pain Index indicates that the manager/fund had a more negative result when considering not just the depth (lowest return) but also the frequency of negative returns (frequency) and the amount of time that the return remained negative (width).

PAIN RATIO: A risk/return ratio which uses the Pain Index as the measure of risk. The higher the Pain Ratio, the better the risk-adjusted return of the portfolio.

ROLLING WINDOW: Indicates that the chart or statistic was evaluated using periodic smaller windows of data on a rolling basis. As an example, a 20 Quarter Rolling Window (Annual Roll) over a 10 year period indicates that 5 year (20 quarter) periods of time were evaluated from the start date, moving forward one year at a time, for the duration of the 10 year period, resulting in 5 "windows". Evaluating data this way allows us to remove end point bias and determine a measure of consistency in performance.

R-SQUARED: Used to show how much of a portfolio's variability can be accounted for by the market. For example, if a portfolio's R-Squared is 0.79, then 79% of the portfolio's variability is due to market conditions. As R-Squared approaches 100%, the portfolio is more closely correlated with the market.

Glossary (Cont'd)

SHARPE RATIO: Developed by William F. Sharpe, this calculation measures a ratio of return to volatility. It is useful in comparing two portfolios or stocks in terms of risk-adjusted return. The higher the Sharpe Ratio, the better the risk-adjusted return of the portfolio. It is calculated by first subtracting the risk free rate (Citigroup 3-month T-bill) from the return of the portfolio, then dividing by the standard deviation of the portfolio. Using Sharpe ratios to compare and select among investment alternatives can be difficult because the measure of risk (standard deviation) penalizes portfolios for positive upside returns as much as the undesirable downside returns.

SINGLE COMPUTATION: For a single computation chart, StyleADVISOR calculates the information over the entire time period shown as a single data point. AS an example, in a chart showing 10 years of performance, a “Single Computation” would represent the statistic shown over the entire 10 year window.

STANDARD DEVIATION: A statistical measure of the degree to which the performance of a portfolio varies from its average performance during a specified period. The higher the standard deviation, the greater the volatility of the portfolio's performance returns relative to its average return. A portfolio's returns can be expected to fall within plus or minus one standard deviation, relative to its average return, two-thirds of the time, and fall within plus or minus two standard deviations relative to its average return, 95% of the time. For example, if a portfolio had a return of 5% and a standard deviation of 13% then, if future volatility of returns is similar to historical volatility (which may not be the case):

- About two-thirds of the time, the future returns could be expected to fall between -8% and 18% (being 5% +/- 13%)
- About 95% of the time, the future returns could be expected to fall between -21% and 31% (being 5% +/- 26%).

In performance measurement, it is generally assumed that a larger standard deviation means that great risk was taken to achieve the return.

Glossary (Cont'd)

STYLE BASIS: A set of indices that represent the broad asset category being utilized. The Style Basis is used in the equation that calculates the Manager Style (see definition). The “Manager Style” chart shows the specific benchmarks utilized in the Style Basis. The following Style Bases would be appropriate for the asset classes shown below:

- Domestic Equity: Russell Generic Corners; Russell 6 Way Style basis; S&P Pure Style Basis
- International Equity: MSCI Regional Style Basis; MSCI World Ex USA Style Basis; MSCI International Equity Style Basis; S&P Regional International Indexes, S&P International 4 Way Style Basis
- Global Equity: MSCI World Style Basis; MSCI World Regional Indexes; MSCI Global Equity Style Basis
- Fixed income: Citigroup Corporate Bond Indexes; BofA Merrill Lynch Fixed Income Indexes; Citigroup Govt Fixed Income Indexes; Global Bond Indexes

STYLE BENCHMARK: A unique benchmark calculated for each manager/fund based on the Returns Based Style Analysis described above. The “Asset Allocation” chart in Zephyr shows the specific weightings used for the Style Benchmark for each manager or fund.

TRACKING ERROR: A measurement that indicates the standard deviation of the difference between a selected market index and a portfolio's returns. The portfolio's returns are then compared to the index's returns to determine the amount of excess return, which produces a tracking error. A low tracking error indicates that the portfolio is tracking the selected index closely or has roughly the same returns as the index.

UPSIDE CAPTURE RATIO: For each portfolio, this is calculated by (1) identifying the calendar quarters in which the portfolio's benchmark index had positive returns and then (2) for those quarters, dividing the portfolio's annualized net performance by the benchmark index's performance. A percentage less than 100% indicates that the portfolio “captured” less performance than the benchmark index, while a percentage greater than 100% indicates the portfolio captured more performance than the benchmark index. For investors, the higher the upside capture ratio, the better. For example, if the annualized performance of an benchmark index during “up” markets (when its returns were zero or positive) is 20.8% and the portfolio's annualized performance during the same period is 16.8%, then the portfolio's upside capture ratio is $16.8\%/20.8\% = 80.7\%$, meaning the portfolio “captured” 80.7% of the upside performance of the index. Stated another way, the portfolio in this example performed almost 20% worse than the market during up periods.

VARIANCE: A measure of how spread out a distribution is. It is computed as the average squared deviation of each number from its mean.

QUALITATIVE DUE DILIGENCE REPORTS

Global Investment Manager Analysis | April 11, 2024

Focus List Report

Kayne Anderson Rudnick Mid Cap Sustainable Growth SMA/Virtus Mid Cap Growth Fund

Highlights

- Global Investment Manager Analysis (GIMA) has a high level of conviction in the strategy's portfolio managers (PM), Douglas Foreman, Chris Armbruster, and recent co-PM addition Noran Eid. The PMs are supported by several dedicated analysts at Kayne Anderson Rudnick (KAR). While Mr. Foreman is scheduled to retire from KAR at the end of 2024, GIMA has confidence in Mr. Armbruster and Ms. Eid as the remaining co-PMs.
- The KAR investment team has a history of adding value across multiple products with the same investment process, which is transparent and repeatable.
- The strategy, at times, will have an elevated tracking error and active share due to its ability to have a concentrated structure at times. In addition, the strategy has historically exhibited elevated active sector weights, larger weighted average market cap and higher price multiples compared to the benchmark and peers.

Performance Expectations

- Given the strategy's high growth emphasis, markets led by high growth stocks should provide a relative performance tailwind. Conversely, rallies led by more value-oriented stocks may present challenges for the strategy.
- The strategy's performance profile relative to the benchmark may prove volatile as a consequence of the strategy's ability to have a concentrated structure and active sector positioning.

Peter Winkler

Investment Analyst
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Strategy Details

Investment Style:

US Mid Cap Growth

Sub-Style:

Aggressive Growth

Benchmark:

Russell Mid Cap Growth Index

GIMA Status:

Focus List

Product Type:

Separately Managed Account & Mutual Fund

Ticker Symbol:

PICMX (UMA)
<https://virtus.com/> <https://kayne.com/>

Strategy Description

The investment team seeks to construct a focused portfolio of growth-oriented stocks through an intensive bottom-up fundamental investment process, to achieve a return meaningfully above the Russell Midcap Growth Index.

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Before investing, consider the fund's investment objectives, risks, charges and expenses. Contact your Financial Advisor for a prospectus containing this and other information about the fund. Read it carefully before investing. More information regarding the fees, expenses and performance (but not including the Morgan Stanley Wealth Management program fee) is available at the website noted above.

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INVESTMENT PRODUCTS: NOT FDIC INSURED*NO BANK GUARANTEE* MAY LOSE VALUE

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Positive Attributes

- The dedicated investment professionals on the team are experienced and tenured with an average of approximately 20 years of investment experience.
- The investment team has a history of adding value across multiple products implementing a similar investment process. The process is transparent, repeatable and has been implemented consistently.
- The portfolio has historically displayed strong relative performance, primarily driven by strong stock selection, versus the benchmark and peers across the short and longer-term periods.

Points to Consider

- The Kayne Anderson Mid Cap Sustainable Growth strategy and the Virtus KAR Mid Cap Growth Fund are managed using the same investment process. However, there may be slight differences in the holdings of the SMA and the mutual fund.
- The low-turnover portfolio is concentrated with 25-50 holdings and a higher active share.
- The portfolio has historically exhibited higher growth metrics relative to the index.
- The portfolio's valuation metrics tend to be at a premium to the benchmark and at times, it can have significant active sector weights.
- The strategy can hold up to 20% in non-U.S. stocks although the largest allocation, historically was below that. The strategy may also have small positions in IPOs from time to time.

Areas of Concern

- Recently, Chief Investment Officer of KAR and co-PM of the strategy, Douglas Foreman announced his pending retirement at the end of 2024. The retirement of Mr. Foreman is a loss, as he is a well known, and highly experienced investment professional with nearly a 40 year career.
- The strategy appears to have a more aggressive growth tilt than other Kayne strategies and a higher exposure to companies with aggressive valuation metrics. The strategy is considered an aggressive growth option, and will see performance volatility typically associated with aggressively positioned growth portfolios.

Portfolio Management Team & Investment Process

- Doug Foreman, Chris Armbruster, and Noran Eid are the current co-portfolio managers on the strategy. Mr. Foreman is also the firm's Chief Investment Officer. He has been managing the strategy since its inception in 2012. Mr. Armbruster has been working on this strategy since 2013 and was promoted to the role of co-PM in January 2020. Ms. Eid was promoted to the role of co-PM in January 2024, having joined KAR as a research analyst in 2018.
- Kayne Anderson Rudnick's investment philosophy is rooted in the belief that a focused portfolio of stocks, resulting from the implementation of an intensive bottom-up fundamental investment process with a specific emphasis on identifying the highest-quality subset of the relevant investment universe, will achieve attractive risk-adjusted returns over a full market cycle.
- High quality is defined as a qualitative business characteristic that enables a company to resist competitive forces and thereby produce high and enduring profitability.
- The opportunity set is broadly defined as companies within the market cap range of the Russell Midcap Index on a rolling three-year basis. However, per prospectus, only approximately 80% of portfolio holdings at the time of purchase are mandated to be within the market-cap range of the aforementioned index.
- The investment team starts with a universe of stocks that they deem to be high-quality, generated from quantitative screens based on high returns on capital (ROC), high returns on assets (ROA), long and resilient earnings history, earnings surprise and minimal leverage, etc. They also use other sources for ideas, including company meetings, investment conferences and industry reviews.
- Companies that pass these screens are subjected to a qualitative analysis to evaluate potential competitive advantages and the companies' financial statements. In addition, the analysts compare the valuations of the companies to the market, industry peers and their own history.
- The team also believes that the leading performing stocks in the mid cap space are those that consistently exceed published forecasts and sell-side expectations and has thus incorporated an earnings surprise screen in the investment process.
- The sell discipline is based on higher valuations, favorable investment opportunities, sector rebalancing, or negative company/industry changes.

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PORTFOLIO TRAITS

Range of Holdings	25 - 50
Max. Position Size	10% at market
Econ Sector Constraints	Generally +/-20% of Russell Mid Growth Index; Seeks broad diversification with no sector constraints
Country Constraints	Limit of 20% Non-U.S Holdings
Emerging Mkts Constraints	Limit of 20% Non-U.S Holdings
Currency Hedging	None
Typical Annual Turnover	25% - 35%
Invests in ADRs	Yes; not to exceed 20% of the portfolio
Invests in ETFs	Yes; temporarily while searching for a holding
Invests in Derivatives	No
Invests in IPOs	May invest in IPOs
Max. Cash	10%
Typical Cash Position	5% - 10%

Source: Kayne Anderson Rudnick

OWNERSHIP & PARENT COMPANY

Name of Owner	Virtus Investment Partners
Percentage Owned	100%
Publicly Traded	Yes
Ticker Symbol	Nasdaq: VRTS

Source: Kayne Anderson Rudnick

ASSETS UNDER MANAGEMENT (\$ MILLIONS)

YEAR	FIRM	SMA	FUND
2023	59,600	1,970	1,537
2022	45,190	1,785	1,520
2021	45,190	3,460	3,260
2020	51,747	3,512	3,354
2019	33,006	687	673

Source: Kayne Anderson Rudnick

FOCUS LIST REPORT

Disclosure Section

Definitions

Russell Midcap Growth - Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

Sub-Styles - Subjective classifications designed to assist with manager selection and performance evaluation based on GIMA's understanding of a manager's long-term investment philosophy and portfolio structuring biases and techniques. At points in time managers may display attributes of other sub-style classifications, and these classifications may change due to changes in the capital markets, evolution of performance benchmarks, industry trends, or changes involving a manager's personnel or process.

Aggressive Growth - Generally seek higher growth-rate companies, may place less emphasis on valuations and more emphasis on shorter-term and possibly momentum factors, and may demonstrate a greater willingness to invest in more speculative companies. Valuations are generally at a premium to the growth benchmark and volatility and turnover are frequently higher than peers.

Glossary of Terms

Active Share – is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index; Active Share is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two.

ADRs – American Depositary Receipts are U.S. dollar denominated forms of equity ownership in non-U.S. companies. These shares are issued against the local market shares held in the home market. ADRs are typically listed on U.S. exchanges such as NYSE, AMEX and NASDAQ.

Alpha – measures the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by Beta. A positive Alpha figure indicates the portfolio has performed better than its Beta would predict. A negative Alpha indicates the portfolio's underperformance given the expectations established by the Beta. The accuracy of the Alpha is therefore dependent on the accuracy of the Beta. Alpha is often viewed as a measurement of the value added or subtracted by a portfolio's manager.

Beta – measures a portfolio's volatility relative to its benchmark. A portfolio with a Beta higher than 1.0 has historically been more volatile than the benchmark, while a portfolio with a Beta lower than 1.0 has been less volatile. The accuracy of the Beta is dependent on R-Squared.

Correlation – measures the degree to which the returns of two securities or indices are related. The range of possible correlations is between 1.0 and -1.0. Positive correlation indicates that returns tend to move in the same direction. Negative correlation indicates that returns tend to move in opposite directions. Zero correlation implies that there is no relationship between the securities' returns.

EPS Growth – 5 Year Historical – The weighted average annualized earnings per share growth for a portfolio over the past five years.

EPS Growth – Forecast – a measure of one year earnings (cash flow or dividends) per share growth from the prior fiscal year (FY0) to the current fiscal year (FY1) using analyst consensus forecasts. Growth is expressed as a percent. The FY1 EPS (earnings per share) growth rate for the portfolio is a weighted average of the forecasts for the individual stocks in the portfolio.

Excess Return – represents the average quarterly total return of the portfolio relative to its benchmark. A portfolio with a positive Excess Return has on average outperformed its benchmark on a quarterly basis. This statistic is obtained by subtracting the benchmark return from the portfolio's return.

Historical EPS Growth - calculated by regressing over time the quarterly earnings per share for the past 20 quarters to determine the share's historical growth rate in earnings. The quarterly historical growth rate for each share is then annualized and the Historical EPS Growth shown in this report is the weighted average of these results.

Information Ratio – represents the Excess Return divided by the Tracking Error. It provides a measure of the historical consistency of the portfolio's outperformance or underperformance relative to its benchmark. A higher, positive Information Ratio suggests that the portfolio's excess returns may have been the result of making measured or moderate bets against the relevant benchmark's risk exposures.

Long Term EPS Growth Rate – analyst consensus of expected annual increase in operating earnings per share over the company's next full business cycle - usually three to five years. The Long Term EPS Growth Rate for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

P/E - Forecast 12-Mo. – The price/earnings ratio for the stock based on the most recent closing price divided by the annual mean expected earnings for the current fiscal year (FY1 EPS forecast). P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

P/E – Trailing 12-Mo. – the current price of a stock divided by the most recent 12 months trailing earnings per share. P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Price-to-Book – price per share divided by book value per share. Price-to-Book for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Return on Equity (ROE) – is another profitability ratio which gauges return on investment by measuring how effectually stockholder money is being employed by the company. ROE is calculated by dividing a company's net income by average total equity. Unlike Return on Assets (ROA), ROE considers the degree to which a company uses leveraging, as interest expense paid to creditors is generally deducted from earnings to arrive at net income. ROE for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

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R-Squared (R²) – represents the percentage of the volatility of returns that is attributable to movements of the benchmark. It is a measure of “co-movement” between portfolio returns and benchmark returns. The closer the portfolio’s R² is to 100%, the more closely the portfolio correlates to, or follows, the benchmark. Generally, highly diversified portfolios have higher R² percentages.

Sharpe Ratio – measures a portfolio’s rate of return based on the risk it assumed and is often referred to as its risk-adjusted performance. Using Standard Deviation and returns in excess of the returns of T-bills, it determines reward per unit of risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing risk.

Standard Deviation – quantifies the volatility associated with a portfolio’s returns. The statistic measures the variation in returns around the mean return. Unlike Beta, which measures volatility relative to the aggregate market, Standard Deviation measures the absolute volatility of a portfolio’s return.

Tracking Error – represents the Standard Deviation of the Excess Return. This provides a historical measure of the variability of the portfolio’s returns relative to its benchmark. A portfolio with a low Tracking Error would have quarterly Excess Returns that have exhibited very low volatility.

Important Disclosures

The summary at the beginning of the report may have been generated with the assistance of artificial intelligence (AI).

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Consider Your Own Investment Needs

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General

Past performance does not guarantee future results. There is no guarantee that this investment strategy will work under all market conditions. As a result of recent market activity, current performance may vary from the performance referenced in this report.

For mutual funds, the investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance information, current to the most recent month-end, please contact the fund directly at the website set out on the cover page of this report.

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Depending on the composition of your account and your investment objectives, any indices shown in this report may not be an appropriate measure for comparison purposes and are therefore presented for illustration only.

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Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment (such as with an investment manager or in a fund) is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment product.

Other Data

Portfolio analysis may be based on information on less than all of the securities held in the portfolio. For equity portfolios, the analysis typically reflects securities representing at least 95% of portfolio assets. This may differ for other strategies, including those in the fixed income and specialty asset classes, due to availability of portfolio information.

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Investing in *stocks*, *mutual funds* and *exchange-traded funds ("ETFs")* entails the risks of market volatility. The value of all types of investments may increase or decrease over varying time periods.

Besides the general risk of holding securities that may decline in value, *closed-end funds* may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance, and potential leverage. Some funds also invest in foreign securities, which may involve currency risk.

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IPO securities - Investment in initial public offerings (IPO) exposes the portfolio to additional risks associated with companies that have little operating history as public companies, as well as to the risks inherent in those sectors of the market where these new issuers operate.

Nondiversification - For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

Rebalancing does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. Investors should consult with their tax advisor before implementing such a strategy.

Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies.

The returns on a portfolio consisting primarily of **environmental, social, and governance-aware investments (ESG)** may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because Impact Investing criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria.

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RSI1712865101305 04/2024

Global Investment Manager Analysis | February 27, 2024

Approved List Report

Federated Hermes MDT Mid Cap Growth SMA

Highlights

- Global Investment Manager Analysis (GIMA) has a favorable opinion of the investment acumen of the team led by PM Daniel Mahr, and the repeatability of the process.
- MDT Advisers, a wholly owned subsidiary of Federated Hermes, uses a robust quantitative investment process that builds a model using a non-linear decision tree, employing about 12-13 variables classified into Growth, Value, and Quality factors. MDT seeks to construct a portfolio of the highest-ranked securities while adhering to risk management guidelines.
- The model is frequently evaluated and enhanced through rigorous testing. GIMA believes constant evaluation of the model may help prevent some factors from becoming stale, and over time has served to dampen sector and factor positions relative to the benchmark, and reduce portfolio turnover and tracking error.
- The process results in a diversified portfolio with about 90 to 105 holdings, with typical turnover averaging 130%.

Performance Expectations

- Valuation characteristics tend to trend below the benchmark, while growth characteristics have trended above the benchmark. The risk profile shows the longer-term standard deviation above the benchmark.
- GIMA anticipates the strategy to generate stronger relative performance in markets with a defined trend and where company fundamentals are generally rewarded, due to the quality bias and its model-driven nature. The strategy may be anticipated to struggle in "choppy markets" with large swings, as quantitative models tend to react more slowly than a traditional research-driven process.

Stephanie C Mergenthaler

Investment Analyst

Stephanie.Mergenthaler@morganstanley.com

Strategy Details

Investment Style:

US Mid Cap Growth

Sub-Style:

Conservative Growth

Benchmark:

Russell Midcap Growth Index

GIMA Status:

Approved List

Product Type:

Separately Managed Account

<https://www.federatedhermes.com/>

Strategy Description

The Federated Hermes MDT Mid Cap Growth strategy seeks to invest in higher-quality stocks within the mid-cap space. The investment process utilizes a quantitative model to select stocks with positive earnings estimates, momentum, and attractive valuation.

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PORTFOLIO TRAITS

Range of Holdings	90-105
Max. Position Size	+/- 2.5% of benchmark weight
Econ Sector Constraints	Sector Range +/- 1%
Country Constraints	No
Emerging Mkts Constraints	No
Currency Hedging	No
Typical Annual Turnover	~130%
Invests in ADRs	No
Invests in ETFs	No
Invests in Derivatives	No
Invests in IPOs	No
Max. Cash	Strives to be fully invested
Typical Cash Position	1% to 3%

Source: Federated Hermes

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Disclosure Section

Definitions

Russell Midcap Growth - Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

Sub-Styles - Subjective classifications designed to assist with manager selection and performance evaluation based on GIMA's understanding of a manager's long-term investment philosophy and portfolio structuring biases and techniques. At points in time managers may display attributes of other sub-style classifications, and these classifications may change due to changes in the capital markets, evolution of performance benchmarks, industry trends, or changes involving a manager's personnel or process.

Conservative Growth - Growth managers that generally follow a more valuation-sensitive approach and focus on more established companies that frequently have longer earnings histories and greater visibility and perceived sustainability in earnings. Portfolios may display lower valuation levels and less exposure to the highest growth and more speculative companies and performance may display less volatility than the benchmark and peers.

Glossary of Terms

Active Share – is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index; Active Share is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two.

ADRs – American Depositary Receipts are U.S. dollar denominated forms of equity ownership in non-U.S. companies. These shares are issued against the local market shares held in the home market. ADRs are typically listed on U.S. exchanges such as NYSE, AMEX and NASDAQ.

Alpha – measures the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by Beta. A positive Alpha figure indicates the portfolio has performed better than its Beta would predict. A negative Alpha indicates the portfolio's underperformance given the expectations established by the Beta. The accuracy of the Alpha is therefore dependent on the accuracy of the Beta. Alpha is often viewed as a measurement of the value added or subtracted by a portfolio's manager.

Beta – measures a portfolio's volatility relative to its benchmark. A portfolio with a Beta higher than 1.0 has historically been more volatile than the benchmark, while a portfolio with a Beta lower than 1.0 has been less volatile. The accuracy of the Beta is dependent on R-Squared.

Correlation – measures the degree to which the returns of two securities or indices are related. The range of possible correlations is between 1.0 and -1.0. Positive correlation indicates that returns tend to move in the same direction. Negative correlation indicates that returns tend to move in opposite directions. Zero correlation implies that there is no relationship between the securities' returns.

EPS Growth – 5 Year Historical – The weighted average annualized earnings per share growth for a portfolio over the past five years.

EPS Growth – Forecast – a measure of one year earnings (cash flow or dividends) per share growth from the prior fiscal year (FY0) to the current fiscal year (FY1) using analyst consensus forecasts. Growth is expressed as a percent. The FY1 EPS (earnings per share) growth rate for the portfolio is a weighted average of the forecasts for the individual stocks in the portfolio.

Excess Return – represents the average quarterly total return of the portfolio relative to its benchmark. A portfolio with a positive Excess Return has on average outperformed its benchmark on a quarterly basis. This statistic is obtained by subtracting the benchmark return from the portfolio's return.

Historical EPS Growth - calculated by regressing over time the quarterly earnings per share for the past 20 quarters to determine the share's historical growth rate in earnings. The quarterly historical growth rate for each share is then annualized and the Historical EPS Growth shown in this report is the weighted average of these results.

Information Ratio – represents the Excess Return divided by the Tracking Error. It provides a measure of the historical consistency of the portfolio's outperformance or underperformance relative to its benchmark. A higher, positive Information Ratio suggests that the portfolio's excess returns may have been the result of making measured or moderate bets against the relevant benchmark's risk exposures.

Long Term EPS Growth Rate – analyst consensus of expected annual increase in operating earnings per share over the company's next full business cycle - usually three to five years. The Long Term EPS Growth Rate for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

P/E - Forecast 12-Mo. – The price/earnings ratio for the stock based on the most recent closing price divided by the annual mean expected earnings for the current fiscal year (FY1 EPS forecast). P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

P/E – Trailing 12-Mo. – the current price of a stock divided by the most recent 12 months trailing earnings per share. P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Price-to-Book – price per share divided by book value per share. Price-to-Book for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Return on Equity (ROE) – is another profitability ratio which gauges return on investment by measuring how effectually stockholder money is being employed by the company. ROE is calculated by dividing a company's net income by average total equity. Unlike Return on Assets (ROA), ROE considers the degree to which a company uses leveraging, as interest expense paid to creditors is generally deducted from earnings to

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arrive at net income. ROE for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

R-Squared (R²) – represents the percentage of the volatility of returns that is attributable to movements of the benchmark. It is a measure of “co-movement” between portfolio returns and benchmark returns. The closer the portfolio’s R² is to 100%, the more closely the portfolio correlates to, or follows, the benchmark. Generally, highly diversified portfolios have higher R² percentages.

Sharpe Ratio – measures a portfolio’s rate of return based on the risk it assumed and is often referred to as its risk-adjusted performance. Using Standard Deviation and returns in excess of the returns of T-bills, it determines reward per unit of risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing risk.

Standard Deviation – quantifies the volatility associated with a portfolio’s returns. The statistic measures the variation in returns around the mean return. Unlike Beta, which measures volatility relative to the aggregate market, Standard Deviation measures the absolute volatility of a portfolio’s return.

Tracking Error – represents the Standard Deviation of the Excess Return. This provides a historical measure of the variability of the portfolio’s returns relative to its benchmark. A portfolio with a low Tracking Error would have quarterly Excess Returns that have exhibited very low volatility.

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GIMA uses two methods to evaluate investment products in applicable advisory programs: Focus (and investment products meeting this standard are described as being on the Focus List) and Approved (and investment products meeting this standard are described as being on the Approved List). In general, Focus entails a more thorough evaluation of an investment product than Approved. Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List. Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either process and will no longer be recommended in investment advisory programs (in which case the investment product is given a “Not Approved” status).

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For more information on the Focus List, Approved List, Tactical Opportunities List and Watch processes, please see the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management. Your Financial Advisor or Private Wealth Advisor can also provide upon request a copy of a publication entitled “GIMA at a Glance.”

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General

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Performance results are time weighted and include all cash and cash equivalents, realized and unrealized capital gains and losses, and reinvestment of dividends, interest and other income. Performance results are annualized for periods greater than one year. Returns for periods of less than a calendar year show the total return for the period and are not annualized.

Performance results may be presented in a currency other than the currency of the country in which you live. Your actual return on this investment product may increase or decrease with fluctuations between currencies.

Sources of Performance Results and Other Data

The performance data and certain other information for this strategy reflect the investment manager's results in managing Morgan Stanley program accounts, or the investment manager's results in managing accounts and investment products, in the same or a substantially similar investment discipline. (For periods through June 2012, the Fiduciary Services program operated through two channels the Morgan Stanley channel and the Smith Barney channel and any performance and other data relating to Fiduciary Services accounts shown here for these periods is calculated using accounts in only one of the these channels.) This information for the investment manager is presented solely to provide information about accounts that were managed according to investment objectives and strategies the same or substantially similar to the corresponding investment discipline in the Select UMA program. Although the Fiduciary Services and Select UMA programs are both Morgan Stanley managed account programs, the performance results and other features of similar investment disciplines in the two programs may differ due to investment and operational differences. For example, the individual investment disciplines in the Select UMA accounts may contain fewer securities, which would lead to a more concentrated portfolio. The automatic rebalancing, wash sale loss and tax harvesting features of the Select UMA program, which are not available in Fiduciary Services, also could cause differences in performance. Accordingly, the performance of the accounts in the Fiduciary Services program is not, and may differ significantly from, the performance of the accounts in the Select UMA program and should not be considered indicative of or a substitute for Select UMA performance. Similarly, performance results of the investment manager's composites may differ from those of Select UMA accounts managed in the same or a substantially similar investment discipline.

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Other Data

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Economic Sector Allocations and Largest Holdings are accurate as of the most recent quarter end for which information was available when this report was prepared, and are subject to change at any time. The Largest Holdings lists indicate the largest security holdings in the index, and Economic Sector Allocations are based on industry standard sector identification codes. Both are measured as a percentage of the total portfolio in terms of asset value as of the date indicated above.

Securities holdings

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RSI1709047619117 02/2024

Global Investment Manager Analysis | November 28, 2023

Approved List Report

Invesco Mid Cap Growth SMA / Invesco Discovery Mid Cap Growth Fund

Highlights

- Global Investment Manager Analysis (GIMA) has a positive view of the long-tenured and stable investment team, led by portfolio managers (PMs) Ronald Zibelli, who is also CIO of U.S. Growth Equities, and Justin Livengood. Mr. Zibelli and Mr. Livengood have worked together at Invesco and predecessor firms since 2002. The PMs are supported by five dedicated research analysts.
- The team seeks to construct a portfolio of high quality secular growth leaders that exhibit stronger growth characteristics than the index but without taking on significant excess risk.
- The investment process begins with an initial universe of approximately 400 companies with market capitalizations of ~\$10 billion to ~\$50 billion. The team narrows this down using their experience in small cap and evaluating the universe for companies that exhibit attributes like high caliber management, sustainable competitive advantages, and strong growth opportunities.
- The universe is narrowed down to ~250 companies that go through in-depth fundamental research that is used to determine conviction in company prospects and risk profile. The team spends a fair amount of time speaking with senior management and analyzing a company's growth prospects in the context of its risk profile.
- The SMA and mutual fund utilize the same investment process. However, the SMA is more concentrated, which may lead to some performance dispersion.

Performance Expectations

- Given the strategy's Traditional Growth substyle and focus on quality companies, the strategy may generate stronger relative performance against the Russell Mid Cap Growth Index when higher-quality stocks drive performance.
- Portfolio beta has historically been below 1.00, while standard deviation has been in-line to slightly lower than the benchmark.

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Justin Tapper

Investment Analyst
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Strategy Details

Investment Style:

US Mid Cap Growth

Sub-Style:

Traditional Growth

Benchmark:

Russell Mid Cap Growth Index

GIMA Status:

Approved List

Product Type:

Separately Managed Account (SMA) and Mutual Fund

Ticker Symbol:

OEGYX (UMA)
<https://www.invesco.com/>

Strategy Description

The Invesco Mid Cap Growth strategy focuses on premier growth companies that are market leaders, have accomplished management teams, and are believed to be positioned to compound growth over multiple years.

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PORTFOLIO TRAITS

Range of Holdings	SMA: 55-75; Fund: 80-90
Max. Position Size	SMA: 4%; Fund: 3%
Econ Sector Constraints	SMA: +/- 6% vs index; Fund: +/- 5% vs index
Typical Annual Turnover	70-90%
Invests in ADRs	Allowed
Invests in ETFs	No
Invests in Derivatives	No
Invests in IPOs	Allowed in Fund
Max. Cash	5%
Typical Cash Position	<5%

Source: Invesco

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Disclosure Section

Definitions

Russell Midcap Growth - Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

Sub-Styles - Subjective classifications designed to assist with manager selection and performance evaluation based on GIMA's understanding of a manager's long-term investment philosophy and portfolio structuring biases and techniques. At points in time managers may display attributes of other sub-style classifications, and these classifications may change due to changes in the capital markets, evolution of performance benchmarks, industry trends, or changes involving a manager's personnel or process.

Traditional Growth - Generally invest in a mix of lower and higher growth companies, portfolios and performance likely to be more highly correlated to the respective growth benchmark than peers and may demonstrate the flexibility at times to take on characteristics of more Conservative or Aggressive growth peers.

Glossary of Terms

Active Share – is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index; Active Share is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two.

ADRs – American Depositary Receipts are U.S. dollar denominated forms of equity ownership in non-U.S. companies. These shares are issued against the local market shares held in the home market. ADRs are typically listed on U.S. exchanges such as NYSE, AMEX and NASDAQ.

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Beta – measures a portfolio's volatility relative to its benchmark. A portfolio with a Beta higher than 1.0 has historically been more volatile than the benchmark, while a portfolio with a Beta lower than 1.0 has been less volatile. The accuracy of the Beta is dependent on R-Squared.

Correlation – measures the degree to which the returns of two securities or indices are related. The range of possible correlations is between 1.0 and -1.0. Positive correlation indicates that returns tend to move in the same direction. Negative correlation indicates that returns tend to move in opposite directions. Zero correlation implies that there is no relationship between the securities' returns.

EPS Growth – 5 Year Historical – The weighted average annualized earnings per share growth for a portfolio over the past five years.

EPS Growth – Forecast – a measure of one year earnings (cash flow or dividends) per share growth from the prior fiscal year (FY0) to the current fiscal year (FY1) using analyst consensus forecasts. Growth is expressed as a percent. The FY1 EPS (earnings per share) growth rate for the portfolio is a weighted average of the forecasts for the individual stocks in the portfolio.

Excess Return – represents the average quarterly total return of the portfolio relative to its benchmark. A portfolio with a positive Excess Return has on average outperformed its benchmark on a quarterly basis. This statistic is obtained by subtracting the benchmark return from the portfolio's return.

Historical EPS Growth - calculated by regressing over time the quarterly earnings per share for the past 20 quarters to determine the share's historical growth rate in earnings. The quarterly historical growth rate for each share is then annualized and the Historical EPS Growth shown in this report is the weighted average of these results.

Information Ratio – represents the Excess Return divided by the Tracking Error. It provides a measure of the historical consistency of the portfolio's outperformance or underperformance relative to its benchmark. A higher, positive Information Ratio suggests that the portfolio's excess returns may have been the result of making measured or moderate bets against the relevant benchmark's risk exposures.

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P/E – Trailing 12-Mo. – the current price of a stock divided by the most recent 12 months trailing earnings per share. P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Price-to-Book – price per share divided by book value per share. Price-to-Book for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Return on Equity (ROE) – is another profitability ratio which gauges return on investment by measuring how effectually stockholder money is being employed by the company. ROE is calculated by dividing a company's net income by average total equity. Unlike Return on Assets (ROA), ROE considers the degree to which a company uses leveraging, as interest expense paid to creditors is generally deducted from earnings to arrive at net income. ROE for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

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R-Squared (R²) – represents the percentage of the volatility of returns that is attributable to movements of the benchmark. It is a measure of “co-movement” between portfolio returns and benchmark returns. The closer the portfolio’s R² is to 100%, the more closely the portfolio correlates to, or follows, the benchmark. Generally, highly diversified portfolios have higher R² percentages.

Sharpe Ratio – measures a portfolio’s rate of return based on the risk it assumed and is often referred to as its risk-adjusted performance. Using Standard Deviation and returns in excess of the returns of T-bills, it determines reward per unit of risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing risk.

Standard Deviation – quantifies the volatility associated with a portfolio’s returns. The statistic measures the variation in returns around the mean return. Unlike Beta, which measures volatility relative to the aggregate market, Standard Deviation measures the absolute volatility of a portfolio’s return.

Tracking Error – represents the Standard Deviation of the Excess Return. This provides a historical measure of the variability of the portfolio’s returns relative to its benchmark. A portfolio with a low Tracking Error would have quarterly Excess Returns that have exhibited very low volatility.

Important Disclosures

The summary at the beginning of the report may have been generated with the assistance of artificial intelligence (AI).

Report for Use Only in Investment Advisory Programs

This report is only to be used in Morgan Stanley Wealth Management investment advisory programs and not in connection with brokerage accounts.

The Global Investment Manager Analysis (GIMA) services Only Apply to Certain Investment Advisory Programs

GIMA evaluates certain investment products for the purposes of some – but not all – of Morgan Stanley Smith Barney LLC’s investment advisory programs (as described in more detail in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management). If you do not invest through one of these investment advisory programs, Morgan Stanley Wealth Management is not obligated to provide you notice of any GIMA status changes even though it may give notice to clients in other programs.

Focus List, Approved List and Tactical Opportunities List; Watch Policy

GIMA uses two methods to evaluate investment products in applicable advisory programs: Focus (and investment products meeting this standard are described as being on the Focus List) and Approved (and investment products meeting this standard are described as being on the Approved List). In general, Focus entails a more thorough evaluation of an investment product than Approved. Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List. Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either process and will no longer be recommended in investment advisory programs (in which case the investment product is given a “Not Approved” status).

GIMA has a “Watch” policy and may describe a Focus List or Approved List investment product as being on “Watch” if GIMA identifies specific areas that (a) merit further evaluation by GIMA and (b) may, but are not certain to, result in the investment product becoming “Not Approved.” The Watch period depends on the length of time needed for GIMA to conduct its evaluation and for the investment manager or fund to address any concerns. GIMA may, but is not obligated to, note the Watch status in this report with a “W” or “Watch” next to the “Status” on the cover page.

Certain investment products on either the Focus List or Approved List may also be recommended for the Tactical Opportunities List based in part on tactical opportunities existing at a given time. The investment products on the Tactical Opportunities List change over time.

For more information on the Focus List, Approved List, Tactical Opportunities List and Watch processes, please see the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management. Your Financial Advisor or Private Wealth Advisor can also provide upon request a copy of a publication entitled “GIMA at a Glance.”

No Obligation to Update

Morgan Stanley Wealth Management has no obligation to update you when any information or opinion in this report changes.

Strategy May Be Available as a Separately Managed Account or Mutual Fund

Strategies are sometimes available in Morgan Stanley Wealth Management investment advisory programs both in the form of a separately managed account (“SMA”) and a mutual fund. These may have different expenses and investment minimums. Your Financial Advisor or Private Wealth Advisor can provide more information on whether any particular strategy is available in more than one form in a particular investment advisory program.

Morgan Stanley or Executing Sub-Managers, as applicable, in some of Morgan Stanley’s Separately Managed Account (“SMA”) programs may effect transactions through broker-dealers other than Morgan Stanley or our affiliates. In such instance, you may be assessed additional costs by the other firm in addition to the Morgan Stanley and Sub-Manager fees. Those costs will be included in the net price of the security, not separately reported on trade confirmations or account statements. Certain Sub-Managers have historically directed most, if not all, of their trades to outside firms. Information provided by Sub-Managers concerning trade execution away from Morgan Stanley is summarized at: www.morganstanley.com/wealth/investmentsolutions/pdfs/adv/sotresponse.pdf. For more information on trading and costs, please refer to the ADV Brochure for your program(s), available at www.morganstanley.com/ADV, or contact your Financial Advisor / Private Wealth Advisor.

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Consider Your Own Investment Needs

This report is not intended to be a client-specific appropriateness analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities (includes securities of Morgan Stanley, and/or their affiliates if shown in this report). Do not use this report as the sole basis for investment decisions. Do not select an asset class or investment product based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon.

Performance and Other Portfolio Information

General

Past performance does not guarantee future results. There is no guarantee that this investment strategy will work under all market conditions. As a result of recent market activity, current performance may vary from the performance referenced in this report.

For mutual funds, the investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance information, current to the most recent month-end, please contact the fund directly at the website set out on the cover page of this report.

Benchmark index

Depending on the composition of your account and your investment objectives, any indices shown in this report may not be an appropriate measure for comparison purposes and are therefore presented for illustration only.

Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment (such as with an investment manager or in a fund) is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment product..

Other Data

Portfolio analysis may be based on information on less than all of the securities held in the portfolio. For equity portfolios, the analysis typically reflects securities representing at least 95% of portfolio assets. This may differ for other strategies, including those in the fixed income and specialty asset classes, due to availability of portfolio information.

Other data in this report is accurate as of the date this report was prepared unless stated otherwise. Data in this report may be calculated by the investment manager, Morgan Stanley Wealth Management or a third party service provider, and may be based on a representative account or a composite of accounts.

Securities holdings

Holdings are subject to change daily, so any securities discussed in this report may or may not be included in your portfolio if you invest in this investment product. Your portfolio may also include other securities in addition to or instead of any securities discussed in this report. Do not assume that any holdings mentioned were, or will be, profitable.

Sources of Data

Material in this report has been obtained from sources that we believe to be reliable, but we do not guarantee its accuracy, completeness or timeliness. Third party data providers make no warranties or representations relating to the accuracy, completeness or timeliness of the data they provide and are not liable for any damages relating to this data.

Asset Class and Other Risks

Investing in *stocks, mutual funds* and *exchange-traded funds ("ETFs")* entails the risks of market volatility. The value of all types of investments may increase or decrease over varying time periods.

Besides the general risk of holding securities that may decline in value, *closed-end funds* may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance, and potential leverage. Some funds also invest in foreign securities, which may involve currency risk.

Value and *growth investing* also carry risks. Value investing involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

Small- and mid- capitalization companies may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies.

International securities may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency

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exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in *emerging markets and frontier markets*.

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IPO securities - Investment in initial public offerings (IPO) exposes the portfolio to additional risks associated with companies that have little operating history as public companies, as well as to the risks inherent in those sectors of the market where these new issuers operate.

The returns on a portfolio consisting primarily of *environmental, social, and governance-aware investments (ESG)* may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because Impact Investing criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria.

No Tax Advice

Tax laws are complex and subject to change. Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors do not provide tax or legal advice and are not "fiduciaries" (under ERISA, the Internal Revenue Code or otherwise) with respect to the services or activities described herein except as otherwise provided in writing by Morgan Stanley and/or as described at www.morganstanley.com/disclosures/dol. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a retirement plan or account, and (b) regarding any potential tax, ERISA and related consequences of any investments made under such plan or account.

If any investments in this report are described as "tax free", the income from these investments may be subject to state and local taxes and (if applicable) the federal Alternative Minimum Tax. Realized capital gains on these investments may be subject to federal, state and local capital gains tax.

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Conflicts of Interest

GIMA's goal is to provide professional, objective evaluations in support of the Morgan Stanley Wealth Management investment advisory programs. We have policies and procedures to help us meet this goal. However, we also believe that investors are entitled to full disclosure of conflicts of interests which could affect the objectivity of our Manager Profiles. For example, ideas and suggestions for which investment products should be evaluated by GIMA come from a variety of sources, including our Morgan Stanley Wealth Management Financial Advisors and their direct or indirect managers, and other business persons within Morgan Stanley Wealth Management or its affiliates. Such persons may have an ongoing business relationship with certain investment managers or mutual fund companies whereby they, Morgan Stanley Wealth Management or its affiliates receive compensation from, or otherwise related to, those investment managers or mutual funds. For example, a Financial Advisor may suggest that GIMA evaluates an investment manager or fund in which a portion of his or her clients' assets are already invested. While such a recommendation is permissible, GIMA is responsible for the opinions expressed by GIMA. Separately, certain strategies managed or sub-advised by us or our affiliates, including but not limited to MSIM and Eaton Vance Management ("EVM") and its investment affiliates, may be included in your account. See the conflicts of interest section in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management for a discussion of other types of conflicts that may be relevant to GIMA's evaluation of managers and funds. In addition, Morgan Stanley Wealth Management, MS&Co., managers and their affiliates provide a variety of services (including research, brokerage, asset management, trading, lending and investment banking services) for each other and for various clients, including issuers of securities that may be recommended for purchase or sale by clients or are otherwise held in client accounts, and managers in various advisory programs. Morgan Stanley Wealth Management, managers, MS&Co., and their affiliates receive compensation and fees in connection with these services. Morgan Stanley Wealth Management believes that the nature and range of clients to which such services are rendered is such that it would be inadvisable to exclude categorically all of these companies from an account.

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RSI1701202029563 11/2023

Global Investment Manager Analysis | April 23, 2024

Focus List Report

JPMorgan Mid Cap Growth SMA / Fund

Highlights

- Global Investment Manager Analysis (GIMA) has been notified that lead Portfolio Manager (PM) Timothy Parton has retired from the firm as of March 2024; his upcoming retirement was previously announced in 2022. Further, existing co-PM Felice Agranoff has taken over Mr. Parton's responsibilities as lead PM alongside co-PM Daniel Bloomgarden.
- The PMs are supported by a seven person dedicated U.S. Mid-Cap and Small-Cap research analyst team in addition to the resources of the Global Equity research group.
- The team's investment philosophy is a belief that the market often underappreciates a growth company's true earnings power. They believe the market rewards high quality growth companies with dominant and durable franchises.
- Portfolio companies often have leading market position in large or growing addressable markets. They are especially interested in connecting with management teams that are accessible and have a track record of success.

Performance Expectations

- The strategy invests in companies with higher growth expectations and may outperform when momentum factors are in favor. However, the strategy may also face headwinds during general risk off environments.
- GIMA notes that historically, portfolio risk metrics as measured by Beta and Standard Deviation have been at a discount to the index but may fluctuate.

Brian Sullivan

Investment Analyst
Brian.C.Sullivan@morganstanley.com

Strategy Details

Investment Style:

US Mid Cap Growth

Sub-Style:

Aggressive Growth

Benchmark:

Russell Mid Cap Growth Index

GIMA Status:

Focus List

Product Type:

Mutual Fund & Separately Managed Account

Ticker Symbol:

HLGEX (UMA)

<https://www.jpmorgan.com/global>

Strategy Description

The JPMorgan Mid Cap Growth strategy seeks to construct a diversified portfolio of companies whose earnings growth is underappreciated by the market. The investment process includes a quantitative screening methodology as well as fundamental research.

This report is only to be used in connection with investment advisory programs and not brokerage accounts.

Before investing, consider the fund's investment objectives, risks, charges and expenses. Contact your Financial Advisor for a prospectus containing this and other information about the fund. Read it carefully before investing. More information regarding the fees, expenses and performance (but not including the Morgan Stanley Wealth Management program fee) is available at the website noted above.

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This is not a "research report" as defined by FINRA Rule 2241 and was not prepared by the Research Departments of Morgan Stanley Smith Barney LLC or its affiliates.

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Positive Attributes

- Long-tenured and experienced co-portfolio managers averaging over 20 years of investment experience.
- Experienced team of seven research analysts, averaging approximately 14 years of investment experience.
- The strategy's historical performance ranks favorably versus peers over multiple rolling periods. Additionally, the strategy has delivered an attractive spread between upside and downside capture over the long-term.

Points to Consider

- Weighted-average market capitalization has been higher than the benchmark.
- Turnover historically has averaged 40%-60% and may vary depending on market conditions.
- Valuation metrics, such as P/E and Price/Cash Flow, have tended to be at a premium to the benchmark.
- Historically, the strategy has been overweight the Health Care and Financials sectors, and underweight the Consumer Staples and Real Estate sectors.
- While the separately managed account (SMA) and mutual fund are managed similarly, the mutual fund historically has participated in initial public offerings (IPOs) and has also owned limited partnerships, master limited partnerships and limited liability corporations in the past. These types of securities are not allowed in SMAs and may lead to performance dispersion between the SMA and the mutual fund.

Areas of Concern

- While the retirement of Mr. Parton is a loss to the investment team, GIMA is positive on the transition of Ms. Agranoff to the lead PM role along with the addition of Mr. Bloomgarden as co-PM. GIMA believes these appointments add continuity to the team and help mitigate this concern.

Portfolio Management Team & Investment Process

- Effective March 2024, lead PM Timothy Parton retired from the firm. Mr. Parton had been managing the Mid-Cap Growth strategy since 2001 and was named lead-PM in 2004.
- In 2015, Ms. Agranoff was named co-PM of the strategy and has been working on the growth team since 2004.
- In 2022, Daniel Bloomgarden was added as co-PM on the Mid Cap Growth strategy. Mr. Bloomgarden has been a research analyst on the U.S. Growth team since 2016.
- The team seeks to own companies in large or growing addressable markets such as the shift from in-office to hybrid and cloud based working, requiring robust security solutions.
- The team would begin by assessing the investable universe for companies with strong growth prospects through analyzing Free-Cash-Flow generation. Once a shortlist is identified, the team will conduct fundamental due diligence. This step has a focus on executive management's track record of success which can include additive M&A and transformational R&D.
- In the team's view, the sell discipline is as important as the buy discipline. If the fundamental research diverges from the original investment thesis, the team will be inclined to initiate review. In their view, valuations alone are not a good reason to own growth stocks.
- Ultimately, the investment decision will be based on the fundamental factors driving long term growth.
- Stocks that have moved up the market-capitalization spectrum and meet the Mid Cap Growth team's investment criteria can also be sourced from the Small Cap Growth strategy team.
- Position sizing and portfolio construction will be driven by the team's conviction along with attractiveness of risk-adjusted expected returns.

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PORTFOLIO TRAITS

Range of Holdings	80-120
Max. Position Size	Generally <5%
Econ Sector Constraints	+/- 10% vs. the Index
Country Constraints	Not applicable
Emerging Mkts Constraints	Not applicable
Currency Hedging	Not applicable
Typical Annual Turnover	40-60%
Invests in ADRs	Permitted
Invests in ETFs	Permitted
Invests in Derivatives	Permitted, rarely used
Invests in IPOs	Yes (Mutual Fund) No (SMA)
Max. Cash	5%
Typical Cash Position	<5%

Source: JP Morgan

OWNERSHIP & PARENT COMPANY

Name of Owner	JPMorgan Chase, LLC
Percentage Owned	100%
Publicly Traded	Yes
Ticker Symbol	JPM

Source: JP Morgan

ASSETS UNDER MANAGEMENT (\$ MILLIONS)

YEAR	FIRM	STRATEGY	FUND
2023	2,947,120	17,178	11,737
2022	2,361,182	13,501	8,824
2021	2,653,871	17,008	10,912
2020	2,310,264	14,335	8,810
2019	1,975,543	9,054	5,706
2018	1,659,338	7,131	4,740
2017	1,714,230	7,807	5,013
2016	1,770,867	6,176	4,022
2015	1,722,543	7,028	4,489

Source: JP Morgan

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Disclosure Section

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Aggressive Growth - Generally seek higher growth-rate companies, may place less emphasis on valuations and more emphasis on shorter-term and possibly momentum factors, and may demonstrate a greater willingness to invest in more speculative companies. Valuations are generally at a premium to the growth benchmark and volatility and turnover are frequently higher than peers.

Glossary of Terms

Active Share – is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index; Active Share is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two.

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EPS Growth – Forecast – a measure of one year earnings (cash flow or dividends) per share growth from the prior fiscal year (FY0) to the current fiscal year (FY1) using analyst consensus forecasts. Growth is expressed as a percent. The FY1 EPS (earnings per share) growth rate for the portfolio is a weighted average of the forecasts for the individual stocks in the portfolio.

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Historical EPS Growth - calculated by regressing over time the quarterly earnings per share for the past 20 quarters to determine the share's historical growth rate in earnings. The quarterly historical growth rate for each share is then annualized and the Historical EPS Growth shown in this report is the weighted average of these results.

Information Ratio – represents the Excess Return divided by the Tracking Error. It provides a measure of the historical consistency of the portfolio's outperformance or underperformance relative to its benchmark. A higher, positive Information Ratio suggests that the portfolio's excess returns may have been the result of making measured or moderate bets against the relevant benchmark's risk exposures.

Long Term EPS Growth Rate – analyst consensus of expected annual increase in operating earnings per share over the company's next full business cycle - usually three to five years. The Long Term EPS Growth Rate for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

P/E - Forecast 12-Mo. – The price/earnings ratio for the stock based on the most recent closing price divided by the annual mean expected earnings for the current fiscal year (FY1 EPS forecast). P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

P/E – Trailing 12-Mo. – the current price of a stock divided by the most recent 12 months trailing earnings per share. P/E for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Price-to-Book – price per share divided by book value per share. Price-to-Book for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Return on Equity (ROE) – is another profitability ratio which gauges return on investment by measuring how effectually stockholder money is being employed by the company. ROE is calculated by dividing a company's net income by average total equity. Unlike Return on Assets (ROA), ROE considers the degree to which a company uses leveraging, as interest expense paid to creditors is generally deducted from earnings to arrive at net income. ROE for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

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R-Squared (R²) – represents the percentage of the volatility of returns that is attributable to movements of the benchmark. It is a measure of “co-movement” between portfolio returns and benchmark returns. The closer the portfolio’s R² is to 100%, the more closely the portfolio correlates to, or follows, the benchmark. Generally, highly diversified portfolios have higher R² percentages.

Sharpe Ratio – measures a portfolio’s rate of return based on the risk it assumed and is often referred to as its risk-adjusted performance. Using Standard Deviation and returns in excess of the returns of T-bills, it determines reward per unit of risk. This measurement can help determine if the portfolio is reaching its goal of increasing returns while managing risk.

Standard Deviation – quantifies the volatility associated with a portfolio’s returns. The statistic measures the variation in returns around the mean return. Unlike Beta, which measures volatility relative to the aggregate market, Standard Deviation measures the absolute volatility of a portfolio’s return.

Tracking Error – represents the Standard Deviation of the Excess Return. This provides a historical measure of the variability of the portfolio’s returns relative to its benchmark. A portfolio with a low Tracking Error would have quarterly Excess Returns that have exhibited very low volatility.

Important Disclosures

The summary at the beginning of the report may have been generated with the assistance of artificial intelligence (AI).

Report for Use Only in Investment Advisory Programs

This report is only to be used in Morgan Stanley Wealth Management investment advisory programs and not in connection with brokerage accounts.

The Global Investment Manager Analysis (GIMA) services Only Apply to Certain Investment Advisory Programs

GIMA evaluates certain investment products for the purposes of some – but not all – of Morgan Stanley Smith Barney LLC’s investment advisory programs (as described in more detail in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management). If you do not invest through one of these investment advisory programs, Morgan Stanley Wealth Management is not obligated to provide you notice of any GIMA status changes even though it may give notice to clients in other programs.

Focus List, Approved List and Tactical Opportunities List; Watch Policy

GIMA uses two methods to evaluate investment products in applicable advisory programs: Focus (and investment products meeting this standard are described as being on the Focus List) and Approved (and investment products meeting this standard are described as being on the Approved List). In general, Focus entails a more thorough evaluation of an investment product than Approved. Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List. Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either process and will no longer be recommended in investment advisory programs (in which case the investment product is given a “Not Approved” status).

GIMA has a “Watch” policy and may describe a Focus List or Approved List investment product as being on “Watch” if GIMA identifies specific areas that (a) merit further evaluation by GIMA and (b) may, but are not certain to, result in the investment product becoming “Not Approved.” The Watch period depends on the length of time needed for GIMA to conduct its evaluation and for the investment manager or fund to address any concerns. GIMA may, but is not obligated to, note the Watch status in this report with a “W” or “Watch” next to the “Status” on the cover page.

Certain investment products on either the Focus List or Approved List may also be recommended for the Tactical Opportunities List based in part on tactical opportunities existing at a given time. The investment products on the Tactical Opportunities List change over time.

For more information on the Focus List, Approved List, Tactical Opportunities List and Watch processes, please see the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management. Your Financial Advisor or Private Wealth Advisor can also provide upon request a copy of a publication entitled “GIMA at a Glance.”

No Obligation to Update

Morgan Stanley Wealth Management has no obligation to update you when any information or opinion in this report changes.

Strategy May Be Available as a Separately Managed Account or Mutual Fund

Strategies are sometimes available in Morgan Stanley Wealth Management investment advisory programs both in the form of a separately managed account (“SMA”) and a mutual fund. These may have different expenses and investment minimums. Your Financial Advisor or Private Wealth Advisor can provide more information on whether any particular strategy is available in more than one form in a particular investment advisory program.

Morgan Stanley or Executing Sub-Managers, as applicable, in some of Morgan Stanley’s Separately Managed Account (“SMA”) programs may effect transactions through broker-dealers other than Morgan Stanley or our affiliates. In such instance, you may be assessed additional costs by the other firm in addition to the Morgan Stanley and Sub-Manager fees. Those costs will be included in the net price of the security, not separately reported on trade confirmations or account statements. Certain Sub-Managers have historically directed most, if not all, of their trades to outside firms. Information provided by Sub-Managers concerning trade execution away from Morgan Stanley is summarized at: www.morganstanley.com/wealth/investmentsolutions/pdfs/adv/sotresponse.pdf. For more information on trading and costs, please refer to the ADV Brochure for your program(s), available at www.morganstanley.com/ADV, or contact your Financial Advisor / Private Wealth Advisor.

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Consider Your Own Investment Needs

This report is not intended to be a client-specific appropriateness analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities (includes securities of Morgan Stanley, and/or their affiliates if shown in this report). Do not use this report as the sole basis for investment decisions. Do not select an asset class or investment product based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon.

Performance and Other Portfolio Information

General

Past performance does not guarantee future results. There is no guarantee that this investment strategy will work under all market conditions. As a result of recent market activity, current performance may vary from the performance referenced in this report.

For mutual funds, the investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance information, current to the most recent month-end, please contact the fund directly at the website set out on the cover page of this report.

Benchmark index

Depending on the composition of your account and your investment objectives, any indices shown in this report may not be an appropriate measure for comparison purposes and are therefore presented for illustration only.

Indices are unmanaged. They do not reflect any management, custody, transaction or other expenses, and generally assume reinvestment of dividends, accrued income and capital gains. Past performance of indices does not guarantee future results. You cannot invest directly in an index.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment (such as with an investment manager or in a fund) is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment product.

Other Data

Portfolio analysis may be based on information on less than all of the securities held in the portfolio. For equity portfolios, the analysis typically reflects securities representing at least 95% of portfolio assets. This may differ for other strategies, including those in the fixed income and specialty asset classes, due to availability of portfolio information.

Other data in this report is accurate as of the date this report was prepared unless stated otherwise. Data in this report may be calculated by the investment manager, Morgan Stanley Wealth Management or a third party service provider, and may be based on a representative account or a composite of accounts.

Securities holdings

Holdings are subject to change daily, so any securities discussed in this report may or may not be included in your portfolio if you invest in this investment product. Your portfolio may also include other securities in addition to or instead of any securities discussed in this report. Do not assume that any holdings mentioned were, or will be, profitable.

Sources of Data

Material in this report has been obtained from sources that we believe to be reliable, but we do not guarantee its accuracy, completeness or timeliness. Third party data providers make no warranties or representations relating to the accuracy, completeness or timeliness of the data they provide and are not liable for any damages relating to this data.

Asset Class and Other Risks

Investing in *stocks, mutual funds* and *exchange-traded funds ("ETFs")* entails the risks of market volatility. The value of all types of investments may increase or decrease over varying time periods.

Besides the general risk of holding securities that may decline in value, *closed-end funds* may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance, and potential leverage. Some funds also invest in foreign securities, which may involve currency risk.

Value and *growth investing* also carry risks. Value investing involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

Small- and mid-capitalization companies may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies.

International securities may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency

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exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in *emerging markets and frontier markets*.

IPO securities - Investment in initial public offerings (IPO) exposes the portfolio to additional risks associated with companies that have little operating history as public companies, as well as to the risks inherent in those sectors of the market where these new issuers operate.

Investments in securities of *MLPs* involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs. The potential return of MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the portfolio's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment. MLPs carry interest rate risk and may underperform in a rising interest rate environment.

Because of their narrow focus, *sector investments* tend to be more volatile than investments that diversify across many sectors and companies. *Health care sector stocks* are subject to government regulation, as well as government approval of products and services, which can significantly impact price and availability, and which can also be significantly affected by rapid obsolescence and patent expirations.

Real estate investments - property values can fall due to environmental, economic or other reasons, and changes in interest rates can negatively impact the performance of real estate companies.

The returns on a portfolio consisting primarily of *environmental, social, and governance-aware investments (ESG)* may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because Impact Investing criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria.

Derivatives, in general, involve special risks and costs that may result in losses. The successful use of derivatives requires sophisticated management, in order to manage and analyze derivatives transactions. The prices of derivatives may move in unexpected ways, especially in abnormal market conditions. In addition, correlation between the particular derivative and an asset or liability of the manager may not be what the investment manager expected. Some derivatives are "leveraged" and therefore may magnify or otherwise increase investment losses. Other risks include the potential inability to terminate or sell derivative positions, as a result of counterparty failure to settle or other reasons.

No Tax Advice

Tax laws are complex and subject to change. Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors do not provide tax or legal advice and are not "fiduciaries" (under ERISA, the Internal Revenue Code or otherwise) with respect to the services or activities described herein except as otherwise provided in writing by Morgan Stanley and/or as described at www.morganstanley.com/disclosures/dol. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a retirement plan or account, and (b) regarding any potential tax, ERISA and related consequences of any investments made under such plan or account.

If any investments in this report are described as "tax free", the income from these investments may be subject to state and local taxes and (if applicable) the federal Alternative Minimum Tax. Realized capital gains on these investments may be subject to federal, state and local capital gains tax.

Hyperlinks

This material may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the material refers to website material of Morgan Stanley Wealth Management, the firm has not reviewed the linked site. Equally, except to the extent to which the material refers to website material of Morgan Stanley Wealth Management, the firm takes no responsibility for, and makes no representations or warranties whatsoever as to, the data and information contained therein. Such address or hyperlink (including addresses or hyperlinks to website material of Morgan Stanley Wealth Management) is provided solely for your convenience and information and the content of the linked site does not in any way form part of this document. Accessing such website or following such link through the material or the website of the firm shall be at your own risk and we shall have no liability arising out of, or in connection with, any such referenced website.

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GIMA's goal is to provide professional, objective evaluations in support of the Morgan Stanley Wealth Management investment advisory programs. We have policies and procedures to help us meet this goal. However, we also believe that investors are entitled to full disclosure of conflicts of interests which could affect the objectivity of our Manager Profiles. For example, ideas and suggestions for which investment products should be evaluated by GIMA come from a variety of sources, including our Morgan Stanley Wealth Management Financial Advisors and their direct or indirect managers, and other business persons within Morgan Stanley Wealth Management or its affiliates. Such persons may have an ongoing business relationship with certain investment managers or mutual fund companies whereby they, Morgan Stanley Wealth Management or its affiliates receive compensation from, or otherwise related to, those investment managers or mutual funds. For example, a

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Financial Advisor may suggest that GIMA evaluates an investment manager or fund in which a portion of his or her clients' assets are already invested. While such a recommendation is permissible, GIMA is responsible for the opinions expressed by GIMA. Separately, certain strategies managed or sub-advised by us or our affiliates, including but not limited to MSIM and Eaton Vance Management ("EVM") and its investment affiliates, may be included in your account. See the conflicts of interest section in the applicable Form ADV Disclosure Document for Morgan Stanley Wealth Management for a discussion of other types of conflicts that may be relevant to GIMA's evaluation of managers and funds. In addition, Morgan Stanley Wealth Management, MS&Co., managers and their affiliates provide a variety of services (including research, brokerage, asset management, trading, lending and investment banking services) for each other and for various clients, including issuers of securities that may be recommended for purchase or sale by clients or are otherwise held in client accounts, and managers in various advisory programs. Morgan Stanley Wealth Management, managers, MS&Co., and their affiliates receive compensation and fees in connection with these services. Morgan Stanley Wealth Management believes that the nature and range of clients to which such services are rendered is such that it would be inadvisable to exclude categorically all of these companies from an account.

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RSI1713905955933 04/2024

IWP

iShares Russell Mid-Cap Growth ETF

Fact Sheet as of 30-Sep-2024

iShares®
by BLACKROCK®

The iShares Russell Mid-Cap Growth ETF seeks to track the investment results of an index composed of mid-capitalization U.S. equities that exhibit growth characteristics.

WHY IWP?

- 1 Exposure to mid-sized U.S. companies whose earnings are expected to grow at an above-average rate relative to the market
- 2 Targeted access to a specific category of mid-cap domestic stocks
- 3 Use to tilt your portfolio towards growth stocks

GROWTH OF HYPOTHETICAL 10,000 USD SINCE INCEPTION



The Growth of \$10,000 chart reflects a hypothetical \$10,000 investment and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses were deducted.

PERFORMANCE

	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	29.07%	2.12%	11.26%	11.07%	9.13%
Market Price	29.03%	2.13%	11.26%	11.07%	9.13%
Benchmark	29.33%	2.32%	11.48%	11.30%	9.36%

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting www.iShares.com or www.blackrock.com.

Beginning 8/10/20, the market price returns are calculated using the closing price.

Prior to 8/10/20, the market price returns were calculated using the midpoint of the bid/ask spread at 4:00 PM ET. The returns shown do not represent the returns you would receive if you traded shares at other times.

KEY FACTS

Fund Launch Date	07/17/2001
Benchmark	Russell MidCap Growth Index
30 Day SEC Yield	0.39%
Number of Holdings	288
Net Assets	\$14,970,485,323
Ticker	IWP
CUSIP	464287481
Exchange	NYSE Arca

TOP HOLDINGS (%)

PALANTIR TECHNOLOGIES	
INC CLASS A	2.66
TRADE DESK INC CLASS A	1.72
NU HOLDINGS LTD CLASS A	1.54
MONOLITHIC POWER	
SYSTEMS INC	1.54
AMERIPRISE FINANCE INC	1.53
IDEXX LABORATORIES INC	1.48
VISTRA CORP	1.45
WW GRAINGER INC	1.40
OLD DOMINION FREIGHT LINE	
INC	1.39
FAIR ISAAC CORP	1.39
	16.10

Holdings are subject to change.

TOP SECTORS (%)

Information Technology	24.64%
Industrials	18.20%
Consumer Discretionary	15.48%
Health Care	13.77%
Financials	12.47%
Communication	4.36%
Energy	3.90%
Consumer Staples	2.48%
Utilities	1.73%
Real Estate	1.45%
Materials	1.38%
Cash and/or Derivatives	0.14%

FUND CHARACTERISTICS

Beta vs. S&P 500 (3y)	1.12
Standard Deviation (3yrs)	21.31%
Price to Earnings	36.27
Price to Book Ratio	9.74

FEES AND EXPENSES BREAKDOWN

Expense Ratio	0.23%
Management Fee	0.23%
Acquired Fund Fees and Expenses	0.00%
Foreign Taxes and Other Expenses	0.00%

GLOSSARY

Beta is a measure of the tendency of securities to move with the market as a whole. A beta of 1 indicates that the security's price will move with the market. A beta less than 1 indicates the security tends to be less volatile than the market, while a beta greater than 1 indicates the security is more volatile than the market.

The price to earnings ratio (P/E) is a fundamental measure used to determine if an investment is valued appropriately. Each holding's P/E is the latest closing price divided by the latest fiscal year's earnings per share. Negative P/E ratios are excluded from this calculation. For hedged funds, the underlying fund's value is shown.

The price to book (P/B) value ratio is a fundamental measure used to determine if an investment is valued appropriately. The book value of a company is a measure of how much a company's assets are worth assuming the company's debts are paid off. Each holding's P/B is the latest closing price divided by the latest fiscal year's book value per share. Negative book values are excluded from this calculation. For hedged funds, the underlying fund's value is shown.

Want to learn more? www.iShares.com  www.blackrockblog.com  @iShares

Carefully consider the Fund's investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Fund's prospectus, and if available, summary prospectus, which may be obtained by calling 1-800-iShares (1-800-474-2737) or by visiting www.iShares.com or www.blackrock.com. Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal.

Diversification may not protect against market risk or loss of principal. Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Any applicable brokerage commissions will reduce returns.

Index returns are for illustrative purposes only. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

"Acquired Fund Fees and Expenses" reflect the Fund's pro rata share of the indirect fees and expenses incurred by investing in one or more acquired funds, such as mutual funds, business development companies, or other pooled investment vehicles. AFFE are reflected in the prices of the acquired funds and thus included in the total returns of the Fund.

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SUSTAINABILITY CHARACTERISTICS

Sustainability Characteristics provide investors with specific non-traditional metrics. Alongside other metrics and information, these enable investors to evaluate funds on certain environmental, social and governance characteristics. Sustainability Characteristics do not provide an indication of current or future performance nor do they represent the potential risk and reward profile of a fund. They are provided for transparency and for information purposes only. Sustainability Characteristics should not be considered solely or in isolation, but instead are one type of information that investors may wish to consider when assessing a fund.

This fund does not seek to follow a sustainable, impact or ESG investment strategy. The metrics do not change the fund's investment objective or constrain the fund's investable universe, and there is no indication that a sustainable, impact or ESG investment strategy will be adopted by the fund. For more information regarding the fund's investment strategy, please see the fund's prospectus.

MSCI ESG Fund Rating (AAA-CCC)	A	MSCI ESG Quality Score (0-10)	6.41
MSCI ESG Quality Score - Peer Percentile	77.98%	MSCI ESG % Coverage	90.92%
Fund Lipper Global Classification	Equity US Sm&Mid Cap	MSCI Weighted Average Carbon Intensity (Tons CO2E/\$M SALES)	146.96
Funds in Peer Group	1,449	MSCI Weighted Average Carbon Intensity % Coverage	91.71%

All data is from MSCI ESG Fund Ratings as of **21-Sep-2024**, based on holdings as of **31-Aug-2024**. As such, the fund's sustainable characteristics may differ from MSCI ESG Fund Ratings from time to time.

To be included in MSCI ESG Fund Ratings, 65% (or 50% for bond funds and money market funds) of the fund's gross weight must come from securities with ESG coverage by MSCI ESG Research (certain cash positions and other asset types deemed not relevant for ESG analysis by MSCI are removed prior to calculating a fund's gross weight; the absolute values of short positions are included but treated as uncovered), the fund's holdings date must be less than one year old, and the fund must have at least ten securities.

ESG GLOSSARY:

MSCI ESG Fund Rating (AAA-CCC): The MSCI ESG Rating is calculated as a direct mapping of ESG Quality Scores to letter rating categories (e.g. AAA = 8.6-10). The ESG Ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC).

MSCI ESG Quality Score - Peer Percentile: The fund's ESG Percentile compared to its Lipper peer group.

Fund Lipper Global Classification: The fund peer group as defined by the Lipper Global Classification.

Funds in Peer Group: The number of funds from the relevant Lipper Global Classification peer group that are also in ESG coverage.

MSCI ESG Quality Score (0-10): The MSCI ESG Quality Score (0 - 10) for funds is calculated using the weighted average of the ESG scores of fund holdings. MSCI rates underlying holdings according to their exposure to industry specific ESG risks and their ability to manage those risks relative to peers.

MSCI ESG % Coverage: Percentage of the fund's holdings for which the MSCI ESG ratings data is available. The MSCI ESG Fund Rating, MSCI ESG Quality Score and MSCI ESG Quality Score – Peer Percentile metrics are displayed for funds with at least 65% coverage (or 50% for bond funds and money market funds).

MSCI Weighted Average Carbon Intensity (Tons CO2E/\$M SALES): Measures a fund's exposure to carbon intensive companies. This figure represents the estimated greenhouse gas emissions per \$1 million in sales across the fund's holdings. This allows for comparisons between funds of different sizes.

MSCI Weighted Average Carbon Intensity % Coverage: Percentage of the fund's holdings for which MSCI Carbon Intensity data is available. The MSCI Weighted Average Carbon Intensity metric is displayed for funds with any coverage. Funds with low coverage may not fully represent the fund's carbon characteristics given the lack of coverage.

Certain information contained herein (the "Information") has been provided by MSCI ESG Research LLC, a RIA under the Investment Advisers Act of 1940, and may include data from its affiliates (including MSCI Inc. and its subsidiaries ("MSCI")), or third party suppliers (each an "Information Provider"), and it may not be reproduced or disseminated in whole or in part without prior written permission. The Information has not been submitted to, nor received approval from, the US SEC or any other regulatory body. The Information may not be used to create any derivative works, or in connection with, nor does it constitute, an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund's assets under management or other measures. MSCI has established an information barrier between equity index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. Neither MSCI ESG Research nor any Information Party makes any representations or express or implied warranties (which are expressly disclaimed), nor shall they incur liability for any errors or omissions in the Information, or for any damages related thereto. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

Vanguard Mid-Cap Growth ETF | VOT

As of September 30, 2024

Investment approach

- Seeks to track the performance of the CRSP US Mid Cap Growth Index.
- Mid-cap growth equity.
- Employs a passively managed, full-replication approach.
- The fund remains fully invested.
- Low expenses minimize net tracking error.

About the benchmark

- The CRSP US Mid Cap Growth Index represents the growth companies of the CRSP US Mid Cap Index. (The CRSP US Mid Cap Index represents the universe of mid-cap companies in the U.S. equity market.)
- The index is designed to accurately represent the mid-cap growth segment of the U.S. equity market and deliver low turnover.

Performance history

Total returns² for period ended September 30, 2024

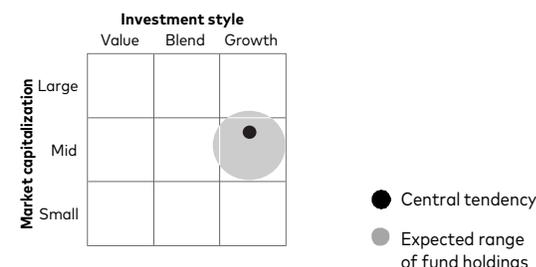
	Quarter	Year to date					Since inception
		1 year	3 years	5 years	10 years		
VOT (Inception 2006-08-17)							
Net asset value (NAV) return ³	6.24%	11.39%	25.99%	1.70%	11.19%	10.58%	9.68%
Market price return ⁴	6.27	11.37	26.05	1.71	11.19	10.59	9.68
Spliced Mid-Cap Growth Index	6.26	11.44	26.06	1.73	11.24	10.64	9.72

MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Investment Products: Not FDIC Insured • No Bank Guarantee • May Lose Value

Investment focus



Quick facts

Benchmark	CRSP US Mid Cap Growth Index
Expense ratio ¹	0.07%
Dividend schedule	Quarterly
ETF total net assets	\$14,176 million
Fund total net assets	\$26,360 million
Inception date	2006-08-17

Trading information

Ticker symbol	VOT
CUSIP number	922908538
IIV (intra-day ticker)	VOT.IV
Index ticker (Bloomberg)	CRSPMIGT
Exchange	NYSE Arca

1. As reported in the most recent prospectus. A fund's current expense ratio may be lower or higher than the figure reported in the prospectus.

2. Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Fund performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses. The above widely used comparative index represents unmanaged or average returns on various financial assets that can be compared with the fund's total returns for the purpose of measuring relative performance.

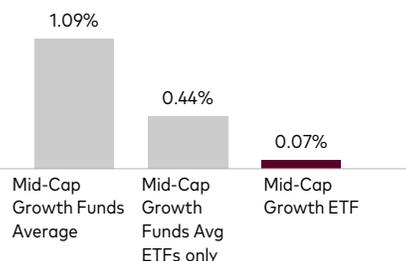
3. As of 4 p.m., Eastern time, when the regular trading session of the New York Stock Exchange typically closes.

4. Effective July 15, 2024, the market price returns are calculated using the official closing price as reported by the ETF's primary exchange. Prior to July 15, 2024, the market price returns were calculated using the midpoint between the bid and ask prices as of the closing time of the New York Stock Exchange (typically 4 p.m., Eastern time). The returns shown do not represent the returns you would receive if you traded shares at other times.

Vanguard Mid-Cap Growth ETF | VOT

As of September 30, 2024

Expense ratio comparison¹



Ten largest holdings and % of total net assets⁴

Constellation Energy Corp.	2.2%
Amphenol Corp.	2.1
Welltower Inc.	2.1
TransDigm Group Inc.	2.0
Palantir Technologies Inc.	2.0
Motorola Solutions Inc.	2.0
Cintas Corp.	1.9
Realty Income Corp.	1.5
Apollo Global Management Inc.	1.3
Trade Desk Inc.	1.3
Top ten as % of total net assets	18.4%

ETF attributes

	Mid-Cap Growth ETF	CRSP US Mid Cap Growth Index
Number of stocks	140	140
Median market cap	\$38.7B	\$38.7B
Price/earnings ratio	33.0x	33.0x
Price/book ratio	5.7x	5.7x
Return on equity	14.7%	14.7%
Earnings growth rate	18.1%	18.1%
Foreign holdings	1.2%	0.0%
Turnover rate ²	14.1%	—
Standard deviation ³	21.51%	21.52%

Sector Diversification⁵

Industrials	22.0%
Technology	21.9
Consumer Discretionary	13.9
Health Care	12.3
Financials	7.5
Real Estate	7.3
Energy	5.5
Utilities	4.5
Telecommunications	2.0
Consumer Staples	1.9
Basic Materials	1.2
Other	0.0

1. Represents the expense ratio for the Vanguard ETF as reported in the most recent prospectus. There are material differences between mutual funds and ETFs. Unlike mutual funds, ETFs are priced continuously and bought and sold throughout the day in the secondary market (at a premium or discount to net asset value) with the assistance of a stockbroker, which entails paying commissions. Sources: Lipper, a Thomson Reuters Company, and Vanguard, December 31, 2023.

2. For most recent fiscal year. Turnover rate excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including Vanguard ETF Creation Units.

3. A measure of the volatility of a fund—based on the fund's last three years of monthly returns—used to indicate the dispersion of past returns. A higher standard deviation means a greater potential for volatility. For funds with less than 36 months of performance history, standard deviation is not calculated.

4. The holdings listed exclude any temporary cash investments and equity index products.

5. Sector categories are based on the Industry Classification Benchmark system ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period.

Vanguard ETF® shares are not redeemable with the issuing fund other than in very large aggregations worth millions of dollars. Instead, investors must buy or sell Vanguard ETF shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.

All ETF products are subject to risk, which may result in the loss of principal. Prices of mid-cap ETF products often fluctuate more than those of large-cap ETF products.

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For more information about Vanguard ETF Shares, visit [vanguard.com](https://www.vanguard.com), call 866-499-8473, or contact your broker to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

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F0932_092024

PROPOSAL FOR SERVICES FOR THE
VILLAGE OF BAL HARBOUR
POLICE OFFICER'S
PENSION PLAN & TRUST
PRESENTED BY
KABAT, SCHERTZER, DE LA TORRE,
TARABOULOS & Co.

1625 N Commerce Pkwy., Suite 315
Weston, Florida 33326
Eric J. Leventhal, Partner
eleventhal@ksdt-cpa.com

**VILLAGE OF BAL HARBOUR POLICE OFFICER'S
PENSION PLAN & TRUST
PROPOSAL FOR SERVICES**

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September 24, 2024

Village of Bal Harbour Police Officer's Pension Plan & Trust
c/o Rick Rivera, Plan Administrator
Village Hall, 655 96th Street
Bal Harbour, FL 33154

Introduction

To the Board of Trustees of the Village of Bal Harbour Police Officer's Pension Plan & Trust:

Thank you for your interest in Kabat, Schertzer, De La Torre, Taraboulos & Co. ("KSDT", "the Firm", "Us" or "We"). We are excited about the prospect of providing service to the Village of Bal Harbour Police Officer's Pension Plan & Trust (the "Plan").

In response to your stated business needs and objectives, we are confident that you and the Plan will benefit from having KSDT as your accountant at an affordable cost. The Plan will be a priority client, and will receive the full attention of an experienced, knowledgeable client service team. Our commitment to delivering superior service means that we strive to demonstrate initiative, anticipate problems, propose solutions, and communicate effectively with you and other members of the Plan throughout the year. In addition to our ability to handle a wide array of clients, KSDT is also a proud Member Firm of Integra-International Global CPA Alliance which extends our service reach to every major business center of the world through its 5,000 members.

KSDT has not had any complaints filed or disciplinary action, pending or otherwise, against the firm from federal, state or regulatory agencies.

KSDT has not had any terminations, suspensions, censures, reprimands, probations or similar actions against the firm or any member of the firm by the Florida State Board of Accountancy or any other licensing authority.

KSDT has not had any legal action taken against the firm, nor have any employees or officers of the firm been charged with any offense involving fraud, theft or dishonesty.

KSDT is registered and uses the E-Verify System when hiring all new employees hired after January 1, 2021.

MIAMI-DADE
305.670.3370
9300 S. Dadeland Blvd.
Suite 600
Miami, FL 33156

BROWARD
954.485.5788
1625 N. Commerce Pkwy
Suite 315
Weston, FL 33326

PALM BEACH
561.737.5568
951 Yamato Road.
Suite 210
Boca Raton, FL 33431

CHARLOTTE
704.246.3300
2201 South Blvd.
Suite 220
Charlotte, NC 33431

Scope of Work

At your request, we have prepared a proposal to perform the services listed below.

Financial Statement Audit for the Village of Bal Harbour Police Officer's Pension Plan & Trust for the Year Ended September 30, 2024

We will audit the statements of fiduciary net position as of September 30, 2024, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, and issue an independent auditor's report thereon in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The objective of an audit engagement is to express an opinion about whether the financial statements are free from material misstatement.

Other Services

We will also provide the following other services for the Village of Bal Harbour Police Officer's Pension Plan & Trust:

- We will also assist in preparing your financial statements and related notes in conformity with generally accepted accounting principles based on information provided by you.
- We will attend at least one meeting per year to present the results of our audits no later than March 30 of the year subsequent to the year-end under audit (included in professional fee estimate).
- We will provide consulting services regarding tax matters on an as needed basis.
- We will coordinate with other service providers regarding other annual Plan reports and necessary governmental filings.
- We will provide telephone consultation on Plan matters on an as needed basis.
- We will perform any other duties as required or requested by the Trustees on an as needed basis.
- We will provide comments and recommendations on the Plan's internal control structure (if any) in a separate letter.

Professional Fees Estimate

Financial Statement Audit

We estimate our fees relating to the Village of Bal Harbour Police Officer's Pension Plan & Trust for the financial statement audit services noted above to be as follows:

For the year ended September 30, 2024 we propose the fee to be \$17,000.
For the year ended September 30, 2025 we propose the fee to be \$17,850.
For the year ended September 30, 2026 we propose the fee to be \$18,500.

Professional Fees Estimate (Continued)

Other Services

For those services which are to be performed on an as needed basis outside the scope of the audit, we propose the fees to be on an hourly basis based upon the level of the individual providing the service to be as follows:

Eric Leventhal (Partner) - \$400 per hour
Director - \$350 per hour
Senior Manager - \$300 per hour
Senior Associate - \$200 per hour
Staff Associate – \$165 per hour

In addition to the above fees, we anticipate that out-of-pocket expenses will not exceed \$125 for each year (if any) and for any expenses incurred directly on your behalf, such as costs of confirmations or other reimbursable costs.

The fees quoted above are based on anticipated cooperation from your personnel and the assumption that the books and records are accurate. If we encounter any difficulties and are required to make adjustments to your books and records, it may affect the aforementioned fee due to increased amount of unexpected work on our end.

Individual Qualifications

The auditing services would be supervised for you principally by Eric J. Leventhal, CPA, Israel Diaz, CPA and Maribel Munoz-Garcia, CPA. Additionally, Khaled Ali, CPA may also be an additional point of contact.

Eric J. Leventhal is a Partner with KSDT, where he focuses his practice on auditing employee benefit plans and private and publicly held entities, including corporations, partnerships and individuals. Since joining KSDT in 2004, Leventhal has applied his diverse tax, accounting and consulting experience to help clients in the employee benefits plan area, manufacturing, professional services, financial services, retail, automotive and real estate industries. Leventhal's work includes complicated audits, reviews and compilations; business valuations; consultations regarding entity selection, payroll, tax implications and tax planning; and successful negotiations with federal, state and local taxing authorities on behalf of clients. Leventhal is a member of the Florida Institute of CPA's, the American Institute of CPA's and the National Association of Certified Valuators and Analysts.

Prior to joining KSDT, Leventhal worked in the audit practices of PricewaterhouseCoopers and one of South Florida's largest CPA firms, which is now a division of Marcum. Leventhal has been an accounting professional since 1997.

Individual Qualifications (Continued)

Israel J. Diaz is a Director with KSDT, where he focuses his practice on auditing employee benefit plans and labor unions. Diaz joined the firm in 2015 when S.I. Gordon & Company merged with KSDT. Diaz worked in the audit practice of S.I. Gordon & Company for over 20 years. Prior to S.I. Gordon & Company, Diaz worked in the audit practice of KPMG Peat Marwick and the financial reporting department for Baxter Diagnostics, Inc. Diaz is a member of the Florida Institute of CPA's. Diaz has been an accounting professional since 1986 and CPA since 1987.

Maribel Munoz-Garcia is a Director with KSDT, where she focuses her practice on auditing employee benefit plans, insurance trusts and labor unions. Munoz-Garcia joined the firm in 2015 when S.I. Gordon & Company merged with KSDT. She worked in the audit practice of S.I. Gordon & Company for over 7 years also focusing her work on auditing employee benefit plans, insurance trusts and labor unions. Prior to S.I. Gordon & Company, Munoz-Garcia worked in the audit and consulting practice of Arthur Andersen/Andersen Consulting, and the finance and audit departments of AutoNation/Vanguard and Broadspire/Crawford Insurance. Munoz-Garcia has been a CPA since 1990.

Khaled Ali is a Manager with KSDT, where he focuses her practice on auditing employee benefit plans, insurance trusts and labor unions. Ali joined the firm in 2020. Ali has been in public for 7 years.

Audit Approach

When conducting each engagement, KSDT takes a risk-based approach to auditing. In addition, the firm's philosophy and practice is to blend the technical, the practical and the business approach.

The audit is undertaken with detailed, agreed-upon expectations to which the Plan's management and the engagement team are equally committed. These commitments thread through every aspect of the way KSDT conducts and manages an audit, enabling the engagement team to utilize resources in the most efficient way so they may provide consistent, value-added audit services.

KSDT's audit approach is based on the following key areas of understanding and communication that link together to ensure efficient, consistent quality service coupled with innovative, industry-smart thinking:

- We obtain an in-depth understanding of the Plan. By using this understanding, the audit team assesses risk and properly plans the appropriate combination of work to obtain maximum effectiveness from each professional hour of service.
- We communicate effectively with Plan management in order to assist in fulfilling their governance responsibilities.
- We develop an audit plan, timing of procedures and time budget and continually monitor our progress.
- We use technology effectively by maximizing teamwork, communication and efficiency.
- We communicate with management continuously by remaining accessible and responsive to the client throughout the engagement.
- We evaluate performance through accountability.

Books, Files and Records of the Plan

We positively confirm our understanding that the books, files, and records of the Plan will always be in the property of the Plan, used exclusively for the Plan, and at the direction of the Trustees.

Statement on Information Security and Privacy Controls Present at the Firm

Maintaining the security, confidentiality, integrity, and availability of information stored in the firm's computer networks and data communications infrastructure ("firm systems") is a responsibility shared by all users of those systems. All users of firm systems are responsible for protecting those resources and the information processed, stored or transmitted thereby as set forth in this policy. Violations of this policy may result in disciplinary action.

It is the policy of the firm to promote secured and appropriate access to its applications, and to the systems and data used, processed, stored, maintained and/or transmitted in and through those systems. This policy defines individuals' responsibilities in promoting secured and appropriate access, and applies to all firm systems.

We are committed to ensuring that client information is secure. In order to prevent unauthorized access or disclosure we have put in place suitable physical, electronic and managerial procedures to safeguard and secure the information we collect and store.

Schedule and Timing

We estimate that the number of hours to complete the audit engagements to range between 100 and 140 hours. The total time is inclusive of approximately 4 to 5 days of fieldwork.

For the year ended September 30, 2025, we commit to perform the work within the specified time period as follows:

- We will provide the Plan with both a detailed audit plan and a list of all schedules to be prepared by the Plan by August 30th.
- We will complete any interim work by September 30th and all fieldwork by November 30th.
- We will have a draft of the financial statement and audit workpapers completed by the second week of November to enable the actuary to provide the GASB 67/68 report by no later than the second week of December.
- We will complete the financial statement and full note disclosures by no later than the third week in December, and all fieldwork will be completed by December 31.
- We will present a draft of the audit report and recommendations to management available for review by January 15.
- We will present the completed audited financial statements to the Board of Trustees at its meeting prior to January 30th of the year following the year under audit (if not sooner).

Eric J. Leventhal, CPA would be the partner responsible for supervising the engagement and signing the audit opinion included with the financial statements or authorizing another individual to supervise and sign the opinion. The services would be performed from our Weston, Florida office located at 1625 N. Commerce Pkwy, Suite 315, Weston, FL 33326.

AICPA Peer Review Program

KSDT is a member of the AICPA Peer Review Program and is subject to Peer Review every 3 years. KSDT's Peer Review year end is June 30 with the next period to be reviewed being June 30, 2026. KSDT has received a *Pass* opinion on the latest review (June 30, 2023) of the firm's system of quality control. There have been no changes to the firm's system of quality control since the last Peer Review.

Liability Insurance

KSDT's current policy limits include general liability coverage of \$2,000,000, and professional liability coverage of \$2,000,000.

References

- Tomas Moran, Chairman of the Board of the City Pension Fund for Firefighters and Police Officers in the City of Pembroke Pines, Florida, 1951 NW 150th Avenue, Suite #104, Pembroke Pines, FL 33028 (954) 431-3124
- Barry Ruf, Chairman of the Board of the Lake Worth Firefighters Pension Trust Fund, 4360 Northlake Blvd., Suite 206, Palm Beach Gardens, FL 33410 (561) 624-3277
- Richelle B. Levy, Lorium Law, 101 NE 3rd Ave., Suite 1800, Fort Lauderdale, FL 33301, (954) 462-8000
- Scott Owens, II, Graystone Consulting, 100 North Tampa Street, Suite 3000, Tampa, FL 33602, (813) 227-2027

The Plan needs a high level of accounting experience, which requires professionals on your team to be intimately familiar with the various accounting and tax reporting guidelines specific to the Plan.

The firm performs approximately 70-75 audits of employee benefit plans of various types and included among them are approximately 55 retirement plans of various types.

The following is a list of municipal retirement plans we currently provide services to, with the years of our engagement in parenthesis.

City of Aventura Police Pension (12 Yrs.)
Avon Park Firefighters Pension Plan (1 Yr.)
Cooper City Firefighters Pension Plan (11 Yrs.)
Cooper City Police Pension Plan (> 6 Yrs.)
Dania Beach Police and Fire Pension (10 Yrs.)
Town of Davie Firefighters' Pension Trust Fund (2 Yrs.)
Deerfield Beach Non-Uniformed Employees' Pension Plan (12 Yrs.)
Deerfield Beach Firefighters Retirement Plan (>13 Yrs.)
Deerfield Beach Municipal Police Officers' Retirement Trust Fund (2 Yrs.)
Hallandale Police and Fire Pension Plan (10 Yrs.)
Hialeah Firefighters Retirement Plan (>13 Yrs.)
Hialeah Police Pension Fund (2 Yrs.)
Hollywood Police Officers Retirement System (3 Yrs.)
Jupiter Police Officers' Retirement Fund (4 Yrs.)
Lake Worth Firefighters Pension, Division I (14 Yrs.)

References (Continued)

Lake Worth Firefighters Pension, Division II (>13 Yrs.)
Lake Worth Police Pension Plan (9 Yrs.)
Lake Worth General Employees' Pension Plan (9 Yrs.)
Lantana Firefighters Relief and Pension Plan (>13 Yrs.)
City of Lauderdale Firefighters' Retirement System (2 Yrs.)
City Pension Fund for Firefighters and Police Officers in the City of Miami Beach (1 Yr.)
Miami Beach Firefighters Relief and Pension Plan (>13 Yrs.)
Miami Firefighters Relief and Pension Plan (10 Yrs.)
City of Miami Police Relief and Pension Plan (9 Yrs.)
Miramar Firefighters Retirement Plan (7 Yrs.)
North Collier Fire District Pension Plan (9 Yrs.)
City of North Miami Beach General Employees' Pension (7 Yrs.)
City of North Miami Beach Police and Fire Pension (7 Yrs.)
City of Oakland Park Retirement System for Police and Firefighters (2 Yrs.)
Pension Fund for Firefighters and Police Officers in the City of Pembroke Pines (2 Yrs.)
Pompano Beach General Employees' Pension (5 Yrs.)
Riviera Beach Municipal Firefighters' Pension Trust Fund (3 Yrs.)
South Miami Police Retirement Plan (10 Yrs.)
Sweetwater Police Retirement Plan (5 Yrs.)
West Palm Beach Employees Retirement System (7 Yrs.)
Wilton Manors General Employees and Police Plan (4 Yrs.)
Wilton Manors Volunteer Firefighter Plan (4 Yrs.)

Independence

We are independent from the Plan and have no business affiliations with any other entities related to the Plan. We are unaware of any possible conflicts of interest that may exist should the Plan engage us.

Summary

All of us at KSDT are dedicated to providing prompt and efficient service at the highest standard. Our staff is skilled in all phases of auditing and tax areas. Our hands on, service-oriented business philosophy coupled with our commitment to quality, reliability, and responsiveness to our clients' needs sets us apart from the ordinary.

We combine the personality, attentiveness and caring of a local firm with the skills, knowledge and breadth of services you expect from a national and international firm. Our focus is working with Plans like yours, and the people behind them, to help enhance their business and overall wealth.

Again, thank you for the opportunity to present our proposal. Should you decide to engage our firm, you can be assured that the Plan will continue to receive our highest level of attention and care. We look forward to being of continued service to you and the Plan. Upon acceptance, we will prepare a formal engagement letter with the Plan. Please feel free to call us if you have any questions or need any additional information about our firm.

Sincerely,

KABAT, SCHERTZER, DE LA TORRE, TARABOULOS & CO.
Kabat, Schertzer, De La Torre, Taraboulos & Co.

APPENDIX I – PEER REVIEW REPORT

Report on the Firm's System of Quality Control

December 15, 2023

To the Partners of Kabat, Schertzer, De La Torre, Taraboulos & Co., LLC
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Kabat, Schertzer, De La Torre, Taraboulos & Co., LLC (the Firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*; audits of employee benefit plans and an examination of service organization (SOC 1 engagement).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Kabat, Schertzer, De La Torre, Taraboulos & Co., LLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Kabat, Schertzer, De La Torre, Taraboulos & Co., LLC has received a peer review rating of *pass*.

Novogradac & Company LLP

Novogradac & Company LLP

APPENDIX II – CERTIFICATE OF LIABILITY INSURANCE

APPENDIX III – SAMPLE ENGAGEMENT LETTER



[DATE]

Board of Trustees
[CLIENT NAME]
[CITY, STATE]

Kabat, Schertzer, De La Torre, Taraboulos & Co. (the Auditor, we, our, or our Firm) are pleased to confirm our understanding of the services we are to provide for the [CLIENT NAME] (the Plan, you or your) for the year ended [DATE]. The term “Party” will individually identify either our Firm or the Plan, and the term “Parties” will collectively identify and refer to both our Firm and the Plan. The term “our personnel” will identify our past, current and future partners, shareholders, members, officers, directors, employees, agents and representatives.

Audit Scope and Objectives

We will audit the statement of fiduciary net position of the Plan and the related statement of changes in fiduciary net position and the related notes to the financial statements, as of and for the year and year ended [DATE]. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement your financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board (“GASB”) who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to your RSI in accordance with auditing standards generally accepted in the United States of America (“GAAS”). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI as of and for the year and year ended [DATE] is required by U.S. generally accepted accounting principles generally accepted in the United States of America (“GAAP”) and will be subjected to certain limited procedures, but will not be audited:

- 1) Management’s Discussion and Analysis.
- 2) Schedule of Contributions from Employer and Other Contributors.
- 3) Schedule of Investment Returns.
- 4) Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios

The following supplemental schedules as of and for the year and year ended [DATE], will be presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and is derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

Audit Scope and Objectives (Continued)

Such information will be subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

- 1) Schedules of Investment and Administrative Expenses

Auditor's Responsibilities for the Audit of the Financial Statements

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and to report on the fairness of the supplementary information referred to above when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We will issue a written report upon completion of our audit of your financial statements. Our report will be addressed to the Board of Trustees. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraphs. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states: (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that you are subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to your management and those charged with governance that an audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from: (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We have identified the following significant risks for potential material misstatement as part of our audit planning:

- Risk of lack of financial reporting expertise
- Investment manager or subcustodian reports may not reconcile to custodial reports (if applicable)
- Investments may not be properly recorded at fair value as of the reporting date
- Investment transactions may not be properly recorded or recorded on a timely basis
- Employer contributions may not be properly calculated or may not meet minimum funding requirements (if applicable)
- Amounts due to/from brokers for securities purchased/sold may not be properly recorded (if applicable)

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of your compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing your financial statements and related notes in conformity with GAAP based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with GAAP, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Responsibilities of Management for the Financial Statements (Continued)

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with: (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving: (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report. Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Our audit of financial statements does not relieve you of your responsibilities.

Engagement Administration

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to you; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is our property of and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal or state regulator or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of our personnel.

Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

This engagement is intended solely for your benefit and your management and the Board of Trustees. This engagement will not be planned or conducted in contemplation of reliance by any third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction. Furthermore, you agree that the terms of this engagement do not encompass an undertaking by us (1) to consent, by means of separate letter or otherwise, to the inclusion of our compilation report on the financial statements referred to above in a filing with a Federal or state regulatory agency or otherwise reissue our report for purposes of a securities offering or other financing transaction, or (2) to acknowledge reliance on our report by others.

With regard to the electronic dissemination of the audited financial statements, including financial statements published electronically on a website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document. Further, you hereby authorize us to electronically submit to your employees or to others as you may request or as may be necessary to perform our engagement, any financial statements, working papers, and other information related to our services under this engagement letter. In that regard, unless it is determined that we failed to comply with any professional standards, or that any of the contents of our work product is incorrect, you agree that we shall have no liability for any loss or damage to any person or entity resulting from any electronic transmission for this engagement, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

Engagement Administration (Continued)

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that e-mails from us will be properly delivered and read only by the addressee. In that regard, unless it is determined that we failed to comply with any professional standards, or that any of the contents of our work product is incorrect, or that we sent any email transmission to any person not entitled to receive our email transmission, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of e-mail transmissions for this engagement, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to your Company throughout the performance of our services.

Any discussions that you have with our personnel regarding employment could pose a threat to our independence.

Therefore, we request that you inform our engagement partner prior to any such discussions so that we can implement appropriate safeguards to maintain our independence. If at any time, we believe that our independence has been or will be compromised, we may be required to modify, or recall and modify, our compilation report to reflect our lack of independence. In the event additional work is required to satisfy independence requirements, such work will be billed at our standard hourly rates.

We acknowledge your right to terminate our services at any time, and you acknowledge our right to resign at any time (including instances where in our judgment, our independence has been impaired or we can no longer rely on the integrity of management), subject in either case to our right to payment for all direct or indirect charges incurred through the date of termination or resignation or thereafter as circumstances and this letter may require.

Confidentiality, Ownership of and Access to Working Papers

With respect to financial, statistical and personnel data relating to your business which is confidential and which is submitted to or obtained by us in order to carry out our engagement we will instruct our personnel to keep such information confidential.

We may receive requests for information in our possession arising out of this engagement. The requests may come from governmental agencies, courts or other tribunals. If permitted, we will notify you of any request for information prior to responding. In certain proceedings an accountant-client privilege may exist. You may, prior to the response to any request, initiate legal action to prevent or limit our response. Unless you promptly initiate such action after we notify you at your last known address as reflected in our files, we will release the information requested.

Confidentiality, Ownership of and Access to Working Papers (Continued)

As a result of the services we provide to you pursuant to this engagement letter, and/or as a result of our prior or future services to you, you may request or authorize us, or we may be required or requested to provide testimony, information or documents (pursuant to a government regulation, subpoena, court order, or other legal process) to you or a third-party in connection with a legal, arbitration or administrative proceeding (including a grand jury investigation) in which we are not a party. If this occurs, our efforts in complying with such requests or demands will be deemed part of this engagement letter and we shall be entitled to compensation for our professional time (at our then current hourly rates) and reimbursement for all of our out-of-pocket expenditures (including legal fees and costs of counsel of our own choosing through all trial and appellate levels) in complying with such request or demand. This is not intended, however, to relieve us of our duty to observe the confidentiality requirements of our profession.

Our records and files, including our engagement documentation whether kept on paper or electronic media, are our property, constitute our confidential information, and are not a substitute for your own records. Our Firm policy calls for us to destroy our engagement files and all pertinent engagement documentation after a retention period of five (5) years (or longer, if required by law or regulation), after which time these items will no longer be available.

We are under no obligation to notify you regarding the destruction of our records. We reserve the right to modify the retention period without notifying you. Catastrophic events of physical deterioration may result in our Firm's records being unavailable before the expiration of the above retention period. These retention terms shall remain in effect unless in direct conflict with the terms listed in the Public Records Requests/Retention section below.

If any federal or state awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We do not keep any of your original records, so we will return those to you upon the completion of this engagement. When records are returned to you, it is your responsibility to retain and protect the records for possible future use, including potential examination by governmental or regulatory agencies.

Except as set forth above, you agree that we may destroy paper originals and copies of any documents, including without limitation, correspondence, agreements, and representation letters, and retain only digital images thereof.

We, as well as other accounting firms, participate in a peer review program, covering our attestation engagements and accounting practices. This program requires that once every three (3) years we subject our system of quality control to an examination by another accounting firm. During the course of a peer review, selected working papers and financial reports, on a sample basis, will be inspected by an outside party on a confidential basis. Therefore, the work we performed for you for this engagement may be selected for their review. If it is, they are bound by professional standards to keep all information confidential. Your signing this letter represents your acknowledgement and permission to allow such access should this engagement be selected for review.

Confidentiality, Ownership of and Access to Working Papers (Continued)

We retain ownership of the working papers produced by us in connection with the performance of services under this engagement letter. Upon your written request, access to these working papers other than described above may, at our sole discretion, be granted if there is a specific business purpose for such review, and you will be billed for such access at our then current hourly rates. We will evaluate each written request independently. You acknowledge and agree that we will have no obligation to provide such access or to provide copies of our work papers without regard to whether access has been granted with respect to any prior request.

The working papers prepared in conjunction with our engagement are our property and constitute confidential information. The working papers will be retained by us in accordance with applicable laws and our policies and procedures. However, we may be required, by law or regulation, to make certain working papers available to regulatory authorities for their review, and upon request, we may be required to provide such authorities with photocopies of selected working papers.

Engagement Fees and Other

Eric Leventhal is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be [FEE]. You will also be billed for travel and other out-of-pocket expenses if applicable (not to exceed \$125). You will also be billed for expenses incurred directly on your behalf, such as costs of confirmations or other reimbursable costs.

Our invoices for these fees will be rendered on a monthly basis and are payable within 30 days of presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered each month as work progresses. In accordance with our firm policies, work may be suspended if invoices are 60 days or more overdue and will not be resumed until your account is paid in full. In such instance, we will also have the right to withdraw from this engagement upon notice to you.

We will schedule this engagement based in part on agreed upon deadlines, working conditions, availability of your key personnel and your preparedness. We plan this engagement based on the assumption that your personnel will cooperate and provide assistance by performing needed tasks and answering questions that arise in the course of our procedures. The fees stated above are based upon the complexity of the work to be performed, and our professional time. In addition, each of these fees depends upon the timely delivery, availability, quality, accuracy, and completeness of the information you provide to us.

Engagement Fees and Other (Continued)

You agree that you will deliver all records requested and respond to all inquiries made by our staff to complete this engagement on a timely basis. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you concerning the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We reserve the right to suspend our work due to nonpayment within terms or for other appropriate business reason, such as, but not limited to, an inordinate delay in providing us required information. In the event that our work is suspended as a result of nonpayment, or suspended (or terminated) for any other reason, you agree that we will not be responsible for your failure to meet government and other filing and submission deadlines, or for penalties or interest that may be assessed, or other damages that may be sustained by you or your owners, resulting from your failure to meet said deadlines.

In the event that we are or may be obligated to pay any cost, liability, loss, settlement, judgment, fine, penalty or similar award or sanction, including without limitation, reasonable attorneys' fees and expenses (at all trial and appellate levels) as a result of a claim, demand, investigation, or other proceeding (in court, arbitration or otherwise) instituted by any third party, then to the extent that such obligation is or may be a direct result of your intentional or knowing misrepresentation, recklessness and/or gross negligence; you agree to defend, and hold us (including our partners, principals, and employees) harmless against all such obligations. This hold harmless provision shall survive the completion and/or termination of this engagement and/or this letter. The hold harmless provision of this paragraph become null and void in the event the Plan becomes subject to SEC registration rules.

Dispute Resolution Procedure

It is our goal to maintain a constructive and positive relationship with you. If for any reason you are dissatisfied with the quality or costs of our services, please let us know so we can discuss and, hopefully, rectify the problem. Should we be unable to amicably resolve any such dispute, we believe a prompt and fair resolution, without the time and expense of formal court proceedings, would be in our mutual interests. To this end, the Parties to this engagement letter agree that if any dispute, controversy, or claim arises in connection with the performance or breach of this engagement letter (including disputes regarding the validity or enforceability of this engagement letter), either Party may, upon written notice to the other Party, request facilitated negotiations. Such negotiations shall be assisted by a neutral facilitator acceptable to both Parties and shall require the best efforts of the Parties to discuss with each other in good faith their respective positions and, respecting their different interests, to finally resolve such dispute.

Dispute Resolution Procedure (Continued)

Each Party may disclose any facts to the other Party or to the facilitator that it, in good faith, considers necessary to resolve the dispute. However, all such disclosures will be deemed in furtherance of settlement efforts and will not be admissible in any subsequent arbitration or litigation against the disclosing Party. Except as agreed by both Parties, the facilitator and the Parties shall keep confidential all information disclosed during negotiations. The facilitator shall not act as a witness for either Party in any subsequent arbitration or litigation between the Parties.

Such facilitated negotiations shall take place at a mutually convenient location located in Miami, Florida and shall conclude within ninety (90) days from receipt of the written notice unless extended by mutual consent. The Parties may also agree at any time to terminate or waive facilitated negotiations. The results of this facilitated negotiation shall be binding only upon agreement of each Party to be bound.

The costs and legal fees (if any) incurred by each Party in such negotiations will be borne by it; the fees and expenses of the facilitator, if any, shall be borne equally by the Parties.

Public Records Requests/Retention

IF THE AUDITOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE AUDITOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT [INPUT APPROPRIATE CONTACT]

Auditor agrees to comply with the Florida public records laws and specifically to:

- (a) Keep and maintain public records required by the Plan to perform the service.
- (b) Upon request from the Plan's custodian of public records, provide the Plan with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the Advisor does not transfer the records to the public agency.
- (d) Upon completion of the contract, transfer, at no cost, to the Plan all public records in possession of the Auditor or keep and maintain public records required by the Auditor to perform the service. If the Auditor transfers all public records to the Plan upon completion of the contract, the Auditor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Auditor keeps and maintains public records upon completion of the contract, the Auditor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Plan, upon request from the Plan's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

Other Provisions

In no event will either party be liable to the other and/or any third party for any special, indirect, incidental, or consequential losses, damages and/or expenses (including, without limitation, lost profits, opportunity costs, etc.) in connection with or otherwise arising out of this engagement and engagement letter, even if advised of the possibility of such damages. In no event shall either party be liable for exemplary or punitive losses, damages and/or expenses arising out of or related to this engagement and engagement letter.

YOU AGREE THAT YOU WILL NOT, DIRECTLY OR INDIRECTLY, AGREE TO ASSIGN OR TRANSFER ANY CLAIM AGAINST US OR OUR PERSONNEL ARISING OUT OF THIS ENGAGEMENT TO ANYONE.

Section 448.095, Florida Statutes.

Kabat, Schertzer, De La Torre, Taraboulos & Co. agrees to register with and use the E-Verify system to verify the work authorization status of all employees hired on and after January 1, 2021. Additionally, Kabat, Schertzer, De La Torre, Taraboulos & Co. agrees to require any subcontractor to provide them with an affidavit stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien.

Entire Agreement

This engagement letter constitutes the entire agreement and understanding between you and this Firm for the services which are the subject of this engagement letter and replaces and supersedes all previous proposals, correspondence, and understandings, oral or written, and all other communications between the Parties relating to the engagement subject matter.

This engagement letter may not be modified in any respect unless in writing and signed by all of the Parties hereto.

The waiver by any Party hereto of any provision of this engagement letter shall not operate or be construed as a waiver of any subsequent breach by any Party.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Termination

This Agreement will remain in full force and effect until terminated. This Agreement may be terminated at any time by the [CLIENT NAME] and may be terminated by Kabat, Schertzer, De La Torre, Taraboulos & Co., upon thirty (30) days' prior written notice to the Board of Trustees for the [CLIENT NAME]. Any outstanding reasonable costs and fees shall be paid by the [CLIENT NAME]. Any costs or fees incurred by Kabat, Schertzer, De La Torre, Taraboulos & Co. after notice has been delivered will be first approved by the [CLIENT NAME].

Professional Liability Insurance

During the term of this Agreement, Kabat, Schertzer, De La Torre, Taraboulos & Co. shall maintain a professional liability insurance policy minimum of \$1,000,000. The Board of Trustees for the [CLIENT NAME] will be notified if this policy is changed, amended or cancelled within fifteen (15) days of such an occurrence. Kabat, Schertzer, De La Torre, Taraboulos & Co. will provide the Declaration Page as proof of maintaining professional Liability Insurance of at least \$1,000,000, to the Board of Trustees for the [CLIENT NAME] in the month of October for each year the Agreement is in effect.

Severability

If any portion of this engagement letter is held to be void, invalid, or otherwise unenforceable, in whole or in part, the remaining portions of this engagement letter shall each remain in effect.

Signatures

Any electronic signature transmitted through DocuSign or manual signature on this engagement letter transmitted by facsimile or by electronic mail may be considered an original signature.

Counterpart signatures are acceptable.

Governing Law

THIS ENGAGEMENT LETTER SHALL BE GOVERNED AND ITS TERMS CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA APPLICABLE TO CONTRACTS TO BE PERFORMED IN THAT STATE.

WE AND YOU EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION OR LEGAL PROCEEDINGS BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS ENGAGEMENT LETTER OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER US OR YOU.

The arrangements described in this letter will be updated annually and for each separate engagement for professional services we propose to provide to the Company.

This letter reflects the entire agreement between the Company and the Firm relating to the services to be rendered by us. It replaces and supersedes any previous proposals, correspondence and understandings, whether written or oral. If any portion of this letter is held to be void, invalid or otherwise unenforceable, in whole or in part, the remaining portions of this letter shall remain in effect. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all parties. The agreements of the Company and the Firm contained in this letter shall survive the completion or termination of this engagement and/or this letter.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

We want to express our appreciation for this opportunity to work with you.

Very truly yours,

Very truly yours,

KABAT, SCHERTZER, DE LA TORRE, TARABOULOS & Co.

Kabat, Schertzer, De La Torre, Taraboulos & Co.

ACCEPTED AND AGREED:

This letter accurately sets forth the nature and scope of the professional services to be provided to the Company and the obligations of the Company hereunder:

[CLIENT NAME]

By: _____ Date: _____

MARCUM
ACCOUNTANTS ▲ ADVISORS



PROFESSIONAL SERVICES
PROPOSAL for

VILLAGE OF BAL HARBOUR POLICE OFFICER'S PENSION PLAN & TRUST

Professional Auditing Services

September 30, 2024

Moises D. Ariza, CPA, CGMA, Partner
One SE 3rd Avenue, Suite 1100
Miami, FL 33131
Phone: 305.995.9612
moises.ariza@marcumllp.com



September 30, 2024

Village of Bal Harbour
Police Officer's Pension Plan & Trust
Rick Rivera, Plan Administrator
Bal Harbour Village Hall
655 96th Street, Bal Harbour, FL 33154

Marcum LLP ("Marcum" or "the Firm") is pleased to respond to the RFP to provide independent accounting and auditing services for the Village of Bal Harbour Police Officer's Pension Plan & Trust (referred to as the "Plan").

As outlined in our proposal, we will conduct a financial audit and express an opinion on the fair presentation of the Plan's basic financial statements in conformity with accounting principles generally accepted in the United States of America, for the fiscal year ending September 30, 2024. We commit to perform the work within the period defined in the request for proposal. Marcum is independent of the Plan as defined by generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. This proposal will detail our methodology and how we will work with the Plan to develop a strong partnership.

For 70 years, Marcum, **as a National Top 13 Firm**, has provided professional services to the public sector, including counties, local governments, government pension plans, public utilities, charter schools, community redevelopment agencies, special districts, and other government entities. **In the past year alone, the Florida region of Marcum has performed more than 50 audits of government entities. At a national level, we provide services to more than 300 government entities and 400 employee benefit plans.** Some of our key qualities that differentiate us are as follows:

► **TRANSITION EXPERIENCE**

Our team offers a great deal of experience with transitioning to new clients and our process streamlines the transition, while minimizing the disruption to you during the auditor change. As a result of having a new team with a new approach and significant government pension plan experience, we offer you a different look at your systems with no pre-disposition to those systems.

► **SMALL-FIRM CARE AND ATTENTION WITH LARGE-FIRM RESOURCES**

Our local firm approach provides hands-on service and timely communication, resulting in the Plan receiving the best of both worlds. Our Florida offices are located in **Miami**, Fort Lauderdale, West Palm Beach, and Tampa. We currently have approximately 350 employees in our Florida offices; however, the resources of all of our offices are available to us.

► **SPECTRUM OF SERVICES**

We provide a range of assurance, advisory, and technology services and an extensive portfolio of specialty and niche practices. We leverage our access to Marcum's wealth of expertise and experience to provide further valuable guidance and support to our clients.



► **EXPERIENCED TEAM**

For this proposed engagement Marcum has assembled an audit team, whose skills and experience match the requirements of the Plan. The proposed client service and audit engagement partner, Moises D. Ariza, CPA, CGMA, has extensive experience in performing audits of Florida government entities. He will be supported by a quality control director, Beila Sherman, CPA; audit senior manager, Hermes Garzon, CPA; audit senior, Elda Santoro, CPA; and other audit staff. **All decisions that affect the planning, execution, and completion of the proposed audit will be made by Moises D. Ariza.**

► **AUDIT QUALITY**

The issues of audit quality and technical proficiency are important matters for consideration. We ensure that professional standards are exceeded on all of our engagements through a robust quality control system that encompasses a Partner and Manager Review Process, Professional Development, Technical Support, Internal Inspections, and the AICPA Peer Review Process.

Our technical competencies will be essential over the next several years with the implementation of new significant standards set by the Governmental Accounting Standards Board. **This assistance will be provided at no additional cost to the Plan.**

► **COMPLEMENTARY RESOURCES THAT ADD VALUE BEYOND THE AUDIT**

We are committed to providing our clients with educational insights and timely updates on matters relevant to their industry through complimentary webinars, newsletters, and other communications. Additionally, annually we offer a full day government CPE seminar (**Marcum's Government Symposium**) featuring both local and national speakers. This seminar is geared towards offering our clients training on key audit and accounting issues **at no cost to the Plan.**

► **PROACTIVE COMMUNICATION & PARTNERSHIP**

Perhaps the quality that best **describes Marcum is our ability to go beyond the routine, to provide an extra dimension in quality, effort and service to our clients.** The members of our firm are always accessible and are sensitive to your needs. We will be available to answer questions, discuss audit issues, and provide solutions throughout the year. We believe that this commitment sets Marcum apart from other firms.

We welcome the opportunity to answer any questions and to provide further information regarding our services and experience. Thank you for your consideration.

Sincerely,



Moises D. Ariza, CPA, CGMA
Partner, Government Services
Authorized to represent and contractually bind the Firm
Phone: 305.995.9600
moises.ariza@marcumllp.com





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TAB 1: FIRM PROFILE



MARCUM LLP (a Limited Liability Partnership) is a **national** accounting and advisory services firm dedicated to helping clients like the Plan achieve their goals. **Since 1951**, clients have chosen Marcum for our deep expertise and insightful guidance in helping them forge pathways to success, whatever challenges they're facing.

Marcum offers a complete spectrum of tax, assurance, and advisory services, as well as an extensive portfolio of industry-focused practices with specialized expertise for the public sector including local government entities. As part of the Marcum Group, the Firm also provides a full complement of technology, wealth management, executive search and staffing, and strategic marketing services.

Headquartered in New York City, Marcum has 50 offices in major business markets across the U.S. and select international locations. The Florida Region of Marcum includes offices in **Miami**, Fort Lauderdale, West Palm Beach and Tampa. The audit will be performed and staffed from our Miami office located at **One SE Third Avenue, Suite 1100, Miami, Florida 33131**. All audit team members are **full-time employees**. All audit team members are **full-time employees**. We have a complete government service team of 46 locally based individuals and more than 4,100 associates nationwide.

We affirm that Marcum is eligible and meets all minimum requirements listed in the RFP.

The size of our Florida team is as follows:

Personnel	Total	CPA	Government Specialist
Partners	35	35	3
Directors	31	11	2
Senior Managers	33	17	2
Managers	34	16	3
Supervisors	42	14	3
Seniors	64	21	11
Staff Accountants	69	9	20
Operations	42	0	2
TOTAL	350	120	46



CLIENT-DRIVEN

Understanding the governmental sector and helping clients identify their needs and meet their challenges and uncovering opportunities that propel them towards success is Marcum's mission. Our own success is based on our commitment to building meaningful, trusted relationships with our clients, creating positive service experiences, and delivering unexpected value wherever and whenever we can, while maintaining our professional independence and objectivity.

Our assurance professionals, most who have been focused in the government arena throughout their entire careers, have an in-depth understanding of the complex economic and political environment in which these entities operate. Their knowledge and experience allow us to provide the highest level of professional service to our government clients.

COMMITMENT TO EXCELLENCE

From the way we service clients to the training and development of our professionals, Marcum is committed to excellence in every aspect of our operation.

Our focus on client success compels us to look beyond the numbers to see the opportunities, challenges, and solutions in every engagement. Innovation, proactivity, teamwork, and open communication are the hallmarks of our approach.

MARCUM NATIONAL AND REGIONAL RECOGNITION

Top industry trade journals and business news media recognize Marcum as an accounting and advisory leader. We consider these a badge of honor confirming our commitment to our clients' success.



TOP 10 ACCOUNTING FIRM

CRAIN'S NEW YORK BUSINESS / HARTFORD BUSINESS JOURNAL / LONG ISLAND BUSINESS NEWS
NJBIZ / PHILADELPHIA BUSINESS JOURNAL / PROVIDENCE BUSINESS NEWS
SOUTH FLORIDA BUSINESS JOURNAL

INTERCONNECTED SERVICES

Our group provides interconnected professional services to help government entities achieve their operational, strategic and compliance goals. Our service offerings grew from government entities seeking our advice beyond audit and compliance and our drive to **do more** for these organizations like the Plan.

By providing a vast array of expertise and service lines to support our clients' operations, our capacity and passion to serve and strengthen every aspect of our clients' operations remains unparalleled.



TAB 2: SUMMARY OF QUALIFICATIONS

ENGAGEMENT TEAM

The team members proposed for the Plan have comprehensive industry knowledge and possess the critical regulatory, technical, and business process skills necessary to provide you with an effective and efficient audit. These professionals are well-versed in the complexities of governmental accounting, auditing, and financial reporting, including all GASB pronouncements, Federal and Florida Single Audit Acts, OMB Uniform Guidance, CRA and Pension operations, and State Laws and Rules of the Auditor General.

Moises D. Ariza will serve as the Lead Engagement Partner and will assume full responsibility for the engagement while maintaining continuous contact with management of the Plan. Mr. Ariza will be available to members of the engagement team and management as a high-level technical resource. Moises D. Ariza and Hermes Garzon are “key” team members. We anticipate key team members to remain consistent over the term of the engagement.

ENGAGEMENT TEAM STRUCTURE

QUALITY CONTROL

Beila Sherman
CPA
Quality Control Director

ASSURANCE

Moises D. Ariza
CPA, CGMA
Lead Engagement Partner

▼
Hermes Garzon
CPA
Audit Senior Manager

▼
Elda Santoro
CPA
Audit Senior

▼
AUDIT STAFF

PROPOSAL FOR
VILLAGE OF BAL HARBOUR POLICE OFFICER'S PENSION PLAN & TRUST

MOISES D. ARIZA, CPA, CGMA

PARTNER ▶ ASSURANCE SERVICES

▶ moises.ariza@marcumllp.com



Moises D. Ariza is a partner in the Firm's Assurance Division. He has more than fourteen years of experience in the accounting profession providing accounting, assurance, and advisory services to a wide range of clients. Much of his client base includes nonprofit organizations, local governments, employee benefit plans, manufacturing companies and retail entities.

In addition, Mr. Ariza has significant expertise in performing Federal and Florida Single Audits in accordance with OMB Uniform Guidance and the Florida Single Audit Act, as well as program-specific compliance audits.

Mr. Ariza is involved in all phases of the audit process, from planning and initial risk assessment to ensuring compliance with all State and Federal laws, and the preparation and review of financial statements. He is a qualified peer reviewer and regularly performs peer reviews under the AICPA Peer Review Program.

Within the firm, Mr. Ariza develops in-house training seminars for the Firm's professional staff as well as continuing education programs for various outside organizations. Moises is an active team leader in the Firm's Employee Benefit Plan Group, Nonprofit Sector and Government Services Group.

Professional & Civic Affiliations

- Chartered Global Management Accountant (CGMA)
- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Government Finance Officers Association (GFOA)
- GFOA Special Review Committee, Active Member
- Association of Latin Professionals in Finance and Accounting, Member (ALPFA)
- Miami-Dade, Broward and Palm Beach County League of Cities, Associate Member
- South Florida Government Finance Officers Association, Associate Member
- Florida Government Finance Officer Association, Member (FGFOA)
- YMCA of South Florida, Finance Committee Member

Awards & Accolades

- Top 20 Professionals Under 40, Brickell Magazine, 2021
- Young Horizons Award, Florida Institute of CPAs, 2021

Articles, Seminars & Presentations

- Navigating through GASB No. 68, Published Article
- The Importance of Governmental Financials, FGFOA Conference
- GASB Statement No. 68, 2015 Marcum Governmental Symposium Government Auditing Standards and OMB Uniform Guidelines, Internal Training
- Risk Assessment and Audit Approach, Internal Training
- Related Party Transactions, Internal Training
- Employee Benefit Plans, Internal Training

CPE Hours (two years)

Government	145
Ethics	16
Other (Accounting, Auditing, Technical and Behavioral)	<u>60</u>
Total	<u>221</u>

PRACTICE FOCUS

- Financial Audits
- Federal & Florida Single Audits
- Financial Reporting
- Program-Specific Compliance Audits

INDUSTRY FOCUS

- Local Governments
- Government Pension Plans
- ERISA Pension Plans
- Special Districts
- Nonprofits

EDUCATION

- Bachelor of Accounting –
Florida International University

- Master of Accounting –
St. Thomas University

PROPOSAL FOR
VILLAGE OF BAL HARBOUR POLICE OFFICER'S PENSION PLAN & TRUST

MOISES D. ARIZA ► CURRENT AND FORMER GOVERNMENT CLIENTS

Government Experience	Year on Job	Pension Audit	Single Audit	CRA
Broward County	2		✓	✓
Children's Services Council of Broward County	5	✓		
City of Boca Raton	7	✓	✓	✓
City of Boynton Beach	3		✓	
City of Coconut Creek	5	✓	✓	
City of Deerfield Beach	6	✓	✓	✓
City of Delray Beach	2	✓	✓	
City of Florida City	10	✓	✓	✓
City of Hollywood	5	✓	✓	✓
City of Homestead	12		✓	✓
City of Miramar	2	✓	✓	
City of Palm Beach Gardens	5	✓		
City of Pompano Beach	5	✓	✓	✓
City of Sunrise	10		✓	
City of West Palm Beach	5	✓	✓	✓
East Central Regional Wastewater Treatment Facilities	3			
Housing Finance Authority of Palm Beach County	3			
Indian Creek Village	2			
Florida Keys Aqueduct Authority	8		✓	
Miami-Dade Water & Sewer Department	14		✓	
The Children's Service Council of Palm Beach County	2		✓	
The Children's Trust	7			
Town of Bay Harbor Islands	8	✓	✓	
Town of Jupiter	3	✓		
Town of Palm Beach	4	✓	✓	
Town of Southwest Ranches	5		✓	
Town of Surfside	8	✓	✓	
Village of Key Biscayne	10	✓	✓	
Village of Palmetto Bay	4		✓	
Village of Royal Palm Beach	3			
Village of Tequesta	3	✓		

BEILA SHERMAN, CPA

QUALITY CONTROL DIRECTOR ► ASSURANCE SERVICES

► beila.sherman@marcumllp.com



Beila Sherman has more than 25 years of experience providing accounting, auditing and advisory services for a wide range of entities. As a Director in the Firm's Assurance division, her primary responsibilities include on-site supervision and review of audit engagements to ensure they are prepared in accordance with professional and Firm standards.

Ms. Sherman provides guidance to clients ranging from complex accounting issues to general business and accounting developments. She has significant experience in the evaluation of internal controls.

In addition, Ms. Sherman develops in-house training seminars for the Firm's professional staff as well as continuing education courses for various outside organizations, on current accounting and auditing matters. She is actively involved in the division's professional development activities.

Professional & Civic Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Institute of Certified Public Accountants – CIRA Section
- Government Finance Officers Association (GFOA)
- Canadian Institute of Chartered Accountants (CPA)
- South Florida Government Finance Officers Association, Associate Member (SFGFOA)
- Miami-Dade, Broward, and Palm Beach Counties Leagues of Cities

Articles & Presentations

- Internal CPE Training, Instructor
- "Governmental Accounting (GASB) and Government Auditing Standards", Internal Training
- "Federal and Florida Single Audits Acts", Internal Training
- Florida School of Government Finance Instructor
- FGFOA Presenter
- FASD Presenter

CPE Hours (three years)

Government	168
Ethics	16
Other (Accounting, Auditing, Technical and Behavioral)	40
Total	224

PRACTICE FOCUS

- Financial Audits
- Federal Single Audits
- Florida Single Audits
- Operational & Performance Reviews
- Agreed-Upon Procedures
- Attestation Services
- Advisory Services
- Peer Reviews

INDUSTRY FOCUS

- Local Governments
- Nonprofit Organizations
- CIRA Organizations
- Wholesale & Retail Distributors
- Manufacturers
- Construction Companies
- Real Estate Companies

EDUCATION

- Bachelor of Business Administration, Mount Saint Vincent University

PROPOSAL FOR
VILLAGE OF BAL HARBOUR POLICE OFFICER'S PENSION PLAN & TRUST

BEILA SHERMAN ► CURRENT AND FORMER GOVERNMENT CLIENTS

Government Experience	Year on Job	Pension Audit	Single Audit	CRA
Bal Harbour Village	8	✓	✓	
Broward County	5		✓	✓
Children's Services Council of Broward County	5	✓		
City of Boca Raton	9	✓	✓	✓
City of Coconut Creek	5	✓	✓	
City of Deerfield Beach	3	✓	✓	✓
City of Florida City	15		✓	✓
City of Hallandale Beach	6	✓	✓	✓
City of Hollywood	3	✓	✓	✓
City of Homestead	10		✓	✓
City of Miramar	4	✓	✓	
City of North Miami	15	✓	✓	✓
City of North Miami Beach	15	✓	✓	✓
City of Oakland Park	4			
City of Palm Beach Gardens	5	✓	✓	
City of Pembroke Pines	10	✓	✓	
City of Pompano Beach	3	✓	✓	✓
City of Sunny Isles Beach	5		✓	
City of Sunrise	8		✓	
City of West Palm Beach	5	✓	✓	✓
Florida Keys Aqueduct Authority	7		✓	
Miami-Dade Water & Sewer Department	12		✓	
The Children's Trust	6	✓		
Town of Bay Harbor Islands	15	✓	✓	
Town of Surfside	8	✓	✓	
Village of Key Biscayne	8	✓	✓	
Village of Tequesta	5	✓		

HERMES GARZON, CFE, CPA
SENIOR MANAGER ▶ ASSURANCE SERVICES

▶ hermes.garzon@marcumllp.com



Hermes Garzon is a senior manager in the Firm’s Assurance Division. He has approximately ten years of experience providing accounting and auditing services for local governments, nonprofit organizations, and private businesses in a variety of industries, including construction and manufacturers. Mr. Garzon also provides advisory services pertaining to tracing of funds, reconstruction of financial business records, and financial data analytics.

Mr. Garzon has significant experience performing Federal and Florida Single Audits in accordance with OMB Uniform Guidance and the Florida Single Audit Act, as well as program-specific compliance audits.

Mr. Garzon is involved in all phases of the audit process, from planning and initial risk assessment to ensuring compliance with all State and Federal laws, along with the preparation of financial statements. He is client service driven and is always willing to assist with auditing and financial reporting issues, including but not limited to, implementation of new accounting pronouncements.

Professional & Civic Affiliations

American Institute of Certified Public Accountants (AICPA)
 Florida Institute of Certified Public Accountants (FICPA)

Partial Listing of Clients:

- City of Boca Raton
- City of Deerfield Beach
- City of Florida City
- City of Hollywood
- City of Homestead
- City of Palm Beach Gardens
- City of Pompano Beach
- City of Sunrise
- Florida Keys Aqueduct Authority
- The Children’s Trust of Miami-Dade County
- Town of Palm Beach
- Town of Surfside
- Village of Key Biscayne
- Village of Palmetto Bay
- Village of Tequesta

CPE Hours (three years)

Government	77
Other (Accounting, Auditing, Technical and Behavioral)	<u>22</u>
Total	<u>99</u>

PRACTICE FOCUS

Financial Audits
 Federal Single Audits
 Florida Single Audits
 Program-Specific
 Compliance Audits
 Forensic Accounting

INDUSTRY FOCUS

Local Governments
 Government Pension Plans
 Defined Contribution Plans
 Special Districts
 Nonprofit Organizations
 Construction
 Manufacturers

EDUCATION

Bachelor’s Degree,
 Accounting, Florida
 International University

ELDA SANTORO, CPA
SENIOR ▶ ASSURANCE SERVICES

▶ elda.santoro@marcumllp.com



Elda Santoro is a Senior in the Firm's Assurance Division. She has successfully obtained her license as a Certificate Public Accountant and has approximately six years of dedicated experience in the accounting profession. Elda has cultivated a deep understanding of the intricacies that come with financial management and reporting and has extensive knowledge in the field of accounting and auditing for governmental and nonprofit organizations. Elda also has extensive experience with Florida Single audits with accordance with OMB Uniform Guidance and the Florida Single Audit Act, as well as program-specific compliance audits.

Whether assisting nonprofits to ensure compliance with regulatory standards or assisting governmental entities in navigating the details of single audits, Elda's expertise and meticulous attention to detail is demonstrated in every engagement. Elda is involved in every phase of the audit process from the planning, assessing risk, to the final completion of the financial statements. With a focus on client service, Elda is consistently supporting clients with a range of accounting, auditing, and financial reporting concerns. This includes, but is not limited to, assisting with the implementation of new accounting pronouncements, showcasing her dedication to providing comprehensive and impactful assistance.

Partial Listing of Clients:

- ▶ City of Miami Firefighters and Police Officers Retirement Trust
- ▶ City of Sunny Isles
- ▶ Delray Beach Community
- ▶ Pompano Beach Police and Firefighters Pension
- ▶ Village of Palm Springs
- ▶ Village of Palmetto Bay

CPE Hours (two years)

Government	72.5
Ethics	16
Other (Accounting, Auditing, Technical and Behavioral)	<u>13</u>
Total	<u>101.5</u>

PRACTICE FOCUS

Financial Audits
 Federal Single Audits
 Florida Single Audits
 Program-Specific
 Compliance Audits

INDUSTRY FOCUS

Nonprofit Organizations
 Local Governments
 Governmental Pension Plans

EDUCATION

Bachelor of Accounting,
 La Salle University

CONTINUING PROFESSIONAL EDUCATION

Having the best-qualified professionals requires a continuous investment in training and resources that improve and maintain competencies. As the guidelines and compliance requirements of our industry change frequently, we are proactive in keeping up with the changes in the profession and providing the necessary training for our staff. Technical training for all of our staff covers accounting, auditing, federal regulations, tax, employee benefits and computer systems. In addition to the standard technical training required to maintain our certifications, we include training on mentoring, interviewing, time management, coaching and more.

Our training initiatives help our professionals maintain the highest level of technical and business competencies that our clients have come to expect. Our team encourages and requires continuing education and training at all levels, and this steadfast commitment to our own personal and professional growth benefits our clients and us.

Every year, Marcum provides a minimum of 40 hours of continuing professional education (CPE) in-house to all professional staff. These seminars include sessions in government accounting, auditing, and financial reporting, including Yellow book, single audit, IT audits and information systems and other accounting and auditing issues. In addition to the in-house training, our partners and professional staff attend various outside seminars/conferences.

Marcum affirms all members of the audit team meet or exceed the CPE requirements mandated by professional auditing standards (including *Government Auditing Standards*) and all CPAs assigned meet or exceed the CPE and ethics training mandated by the Florida State Board Accountancy (including Florida Statutes, Chapter 11.45, information technology training).

Refer to **Appendix A: Licenses** for Firm and Engagement Team licenses.

EXPERIENCE IN THE PUBLIC SECTOR

GOVERNMENT SERVICES

For over 70 years, Marcum has successfully provided professional auditing, accounting, financial reporting, and management advisory/consulting services to a broad spectrum of government entities, including preparing government financial statements, and performing Federal and Florida Single Audits. Annually we perform more than 300 government entity audits, 400 employee benefit plan audits, and 200 Single Audit engagements.



The assurance services we provide to government entities includes single audits, pension audits, compliance audits, forensic audits, IT audits, internal audits, GASB implementation, financial statement audits, aiding in obtaining the Certificate of Achievement for the ACFR, and Annual Financial Report preparation and assistance, performance or operational reviews and a wide range of consulting services for local governments.

In addition, the partner and quality control director on the proposed engagement team have been instrumental in assisting clients with the implementation of new pronouncements. Most recently, to note significant GASB pronouncements, the team assisted our clients with the implementation of GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

DEFINED BENEFIT PLANS

Marcum LLP performs assurance services for a wide variety of benefit plans which financial statements are prepared in conformity with generally accepted accounting principles as prescribed by the GASB. Our experience with plans of all sizes and designs has allowed us to develop a unique audit approach with tailored processes based on our strong understanding of these plans and associated risks. We understand how plans operate, the risk associated with fiduciary responsibilities, and the auditing challenges, particularly under the GASB pension.

Marcum specializes in audits of all types of Employee Benefit Plans including:

- Defined Benefit Plans
 - Government Single-Employer Plans
 - Cash Balance Plans
 - Money Purchase Plans
- Defined Contribution Plans
 - 401 (K) Plans
 - Profit-Sharing Plans
- Employee Stock Option Plans (ESOP)
- 403 (b) and 401 (a) Plans
- Health and Welfare Benefit Plans

ACTIVE PARTICIPATION ON BOARDS AND COMMITTEES

The partners, directors, and managers of the Firm are actively involved in recognized standard-setting organizations at the national, state, and local level. These organizations include the Florida Government Finance Officers Association (FGFOA), Florida Association of Special Districts (FASD), and the Florida League of Cities (FLC).

Marcum is also a member of the AICPA Employee Benefit Plan Audit Quality Center (EBPAQC) and the AICPA's Governmental Audit Quality Center (GAQC). Our involvement in these organizations further demonstrates our commitment to the public sector and helps keep us on top of issues affecting government entities.



RESOURCES FOR OUR GOVERNMENT CLIENTS

Marcum is also committed to providing professional development programs to the entire South Florida community involved in the government sector. **For the past 29 years, Marcum has presented an annual Government Symposium, an 8-hour accounting and auditing seminar that focuses on current developments in government affairs, including accounting, legal and operational topics.** We encourage our clients and non-clients alike, to attend this technical (CPE) Symposium at no cost.



Additionally, Marcum provides more than 40 virtual courses that can be attended live or at a later date. All Marcum clients have access to this database at no cost.

QUALITY CONTROL & PEER REVIEW REPORT

The quality of our professional practice is of utmost importance to the Firm, our clients, and to the users of our reports. As such, we maintain a quality control program that ensures our internal policies are met and professional standards are exceeded on all of our engagements. To ensure that the Firm's performance is in conformity with our stated standards and those issued by the AICPA, our quality control system encompasses the following:

- ▶ **Professional Development.** Marcum provides a minimum of 40 hours (five days) of CPE in-house to all professional staff. These seminars include sessions in accounting, auditing, financial reporting, and internal controls. In addition to the in-house training, our partners and professional staff attend various outside seminars.
- ▶ **Internal Inspections.** Annually the Firm selects a random sample of accounting, auditing, advisory and tax engagements and performs a review to ensure compliance with firm policies and professional standards.
- ▶ **Centralized Financial Statement Review Process.** The quality control department performs a review of our audit binders and financial statements prior to the release of the finished product. Their involvement includes participation in engagement planning to approve the audit approach, review of high risk and complex areas throughout fieldwork and a review of the financial statements and related information. Their involvement in the planning and fieldwork stages helps eliminate any last minute surprises and assures the high level of quality we demand from our professionals is maintained.
- ▶ **Peer Review.** The Firm participates in an external quality review program requiring an on-site independent examination of our Accounting and Auditing practice. The Firm has consistently received clean opinions (rating of "Pass") on the quality of the Firm's audit practice. This is the highest level of achievement and recognition in the peer review program. The review encompassed governmental engagements. **Please refer to Appendix C for a copy of our latest peer review report which includes our government engagements.**

LICENSE TO PRACTICE IN FLORIDA

We affirm that Marcum LLP is a licensed certified public accounting firm and is in good standing with all regulatory agencies. The Firm is a member of the American Institute of Certified Public Accountants (AICPA) and the Florida Institute of Certified Public Accountants (FICPA). All professional staff, upon successful completion of the CPA exam, become members of both the AICPA and their respective state society of CPAs. The Firm is properly licensed and certified to practice in Florida and is registered annually with the Florida Department of Business and Professional Regulation – Board of Accountancy.



All key team members assigned to this engagement are licensed to practice in the State of Florida. **Refer to Appendix A for the active CPA licenses for all individual CPA's assigned to the audit and for the firm in the State of Florida from the Florida Board of Accountancy.**

INDEPENDENCE

Marcum's policy is that all professional personnel be familiar with and adhere to the independence, integrity, and objectivity rules, regulations, interpretations, and rulings of the American Institute of Certified Public Accountants (AICPA), the Florida Board of Accountancy and other state CPA societies, *Government Auditing Standards* issued by the Comptroller General of the United States, relevant statutes, and applicable regulatory agencies. In addition, all professionals – from partner to staff auditor – are required to sign affidavits annually attesting to their independence. **We affirm Marcum LLP is independent of the Plan, and its component units, as defined by Generally Accepted Auditing Standards and *Government Auditing Standards* issued by the Comptroller General of the United States.**

Marcum's quality control document contains detailed policies related to maintaining independence. These policies are the most stringent policies adopted by the AICPA and the various state boards of accountancy. Engagement team members are required to consider any possible situations where independence may be impaired during the acceptance or continuance process and if any arise during the performance of an engagement.

Marcum has not been engaged by the Plan in the past five (5) years. However, Marcum will provide written notice of any professional relationships entered during the contract term that may warrant the Board's attention.

TAB 3: LOCAL GOVERNMENTAL PENSION PLAN EXPERIENCE

Below is a partial list of Florida government benefit pension plan engagements for which the Firm has provided auditing services.

GOVERNMENT PENSION PLAN EXPERIENCE	YEARS SERVED	INVESTMENT ASSETS (APPROX.)
City of Boca Raton Executive Employees Retirement Plan	11	\$48 M
City of Boca Raton General Employees' Pension Plan	11	\$191 M
City of Boca Raton Police and Firefighters' Retirement System	11	\$400 M
City of Florida City Police Pension Plan	22	\$9 M
City of Fort Lauderdale Police and Firefighters' Retirement System	14	\$964 M
City of Hallandale Beach General Employees Retirement System	5	\$64 M
City of Hialeah General Employees Retirement System	5	\$685 M
City of Hollywood Florida Employees' Retirement Fund	4	\$332 M
City of Miami Firefighters' and Police Officers' Retirement Trust	6	\$1.5 Billion
City of Miami Springs General Employees' Retirement System	8	\$22 M
City of Miami Springs Police and Firefighters' Retirement System	8	\$32 M
City of Palm Beach Garden General Employees Pension	7	\$4 M
City of Pompano Beach Police and Firefighters' Retirement System	8	\$258 M
City of Sunrise Firefighters' Retirement Plan	1	\$165 M
City of Tampa Police and Fire Pension Fund	1	\$2.4 Billion
Miami Beach Employees' Retirement Plan	6	\$660 M
Miami Police Relief and Pension Fund	3	\$70 M
Town of Bay Harbor Islands Employees' Retirement System	15	\$21 M
Town of Palm Beach Retirement System	7	\$230 M
Village of Key Biscayne Employee Retirement System	25	\$43 M
Village of Tequesta Employees Retirement System	11	\$23 M

TAB 4: CURRENT FLORIDA GOVERNMENT CLIENTS

1.) Palm Beach County

- ▶ City of Boca Raton
- ▶ City of Boca Raton CRA
- ▶ City of Boca Raton ERP
- ▶ City of Boca Raton GERS
- ▶ City of Boca Raton Police and Firefighters Retirement System
- ▶ City of Boynton Beach
- ▶ City of Delray Beach
- ▶ City of Palm Beach Gardens
- ▶ East Central Regional Wastewater Treatment Facilities Operations Board
- ▶ Healthy Start Coalition of Palm Beach County
- ▶ Loxahatchee River Environmental Control District
- ▶ Palm Beach County Housing Finance Authority
- ▶ South Central Regional WW Treatment and Disposal Board
- ▶ The Children's Services Council of Palm Beach County
- ▶ Town of Jupiter
- ▶ Town of Palm Beach
- ▶ Town of Palm Beach Retirement System
- ▶ Village of Palm Springs
- ▶ Village of Royal Palm Beach
- ▶ Village of Wellington
- ▶ Northern Palm Beach County Improvement District

2.) Miami-Dade County

- ▶ City of Florida City
- ▶ City of Florida City CRA
- ▶ City of Hialeah
- ▶ City of Homestead
- ▶ City of Homestead CRA
- ▶ City of Miami Firefighters & Police Officers Retirement Trust
- ▶ City of Sunny Isles Beach
- ▶ Miami-Dade County (WASD)
- ▶ Miami Police Relief and Pension Fund
- ▶ The Children's Trust of Miami-Dade County
- ▶ Town of Bay Harbor Islands
- ▶ Town of Bay Harbor Islands ERS
- ▶ Town of Surfside
- ▶ Town of Surfside Employees' Retirement Plan
- ▶ Village of Palmetto Bay

2.) Broward County

- ▶ Broward County (IT Dept.)
- ▶ City of Deerfield Beach
- ▶ City of Deerfield Beach CRA
- ▶ City of Fort Lauderdale Police and Firefighters Retirement System
- ▶ City of Hollywood
- ▶ City of Hollywood CRA
- ▶ City of Hollywood GERS
- ▶ City of Pompano Beach Police and Firefighters Retirement System
- ▶ City of Sunrise

4.) Monroe County:

- ▶ Florida Keys Aqueduct Authority

5.) Hillsborough County

- ▶ City of Tampa Police and Firefighters' Pension Plan

6.) Lee County:

- ▶ City of Fort Myers

7.) Collier County

- ▶ City of Naples

TAB 5: REFERENCES

SIMILAR GOVERNMENT ENGAGEMENTS

The following represents engagements similar to the engagement described in the RFP performed by **Moises D. Ariza, the designated audit partner.**

1. City of Miami Firefighters' and Police Retirement Trust

1895 SW 3rd Avenue, Miami, FL 33129
Dania L. Orta, Administrator
(305) 858-6006

Services: Annual Audit Services

Staff Hours: 250

Investment Assets (Approx.): \$1.5 Billion

Partner: Moises Ariza

2. City of Fort Lauderdale Police and Firefighters Retirement System

888 South Andrews Avenue, Fort Lauderdale, Florida 33316

Lynn Wengeur, Plan Administrator
(954) 828-5595

Services: Annual Audit Services

Staff Hours: 200

Investment Assets (Approx.): \$964 Million

Partner: Moises Ariza

3. City of Boca Raton Police and Firefighters' Retirement System

201 W. Palmetto Park Road, Boca Raton, FL 33432
Leslie Harmon, Plan Administrator
(561) 544-8518

Services: Annual Audit Services

Staff Hours: 120

Investment Assets (Approx.): \$400 Million

Partner: Moises Ariza

4. Pompano Beach Police & Firefighters' Retirement System

50 NE 26th Ave, Suite 302, Pompano Beach, Florida 33062
Debra Tocarchick, CEBS, CPPT, Executive Director
(954) 782-4161

Services: Annual Audit Services

Staff Hours: 140

Investment Assets (Approx.): \$232 Million

Partner: Moises Ariza

5. City Pension Fund for Firefighters and Police Officers in the City of Tampa

3001 North Boulevard, Tampa, FL 33603
Tiffany Weber, Plan Administrator
813.274.8550

Services: Annual Audit Services

Staff Hours: 285

Investment Assets (Approx.): \$2.5 Billion

Partner: Moises Ariza

TAB 6: PROJECT APPROACH & TIME-TABLE

PROJECT APPROACH & PHILOSOPHY

Through the audit, we strive to understand your vision, entity operations, financial performance, accounting systems, and internal controls. While this process ultimately leads to an audit opinion on your financial statements, our goal is to provide value beyond this assurance.

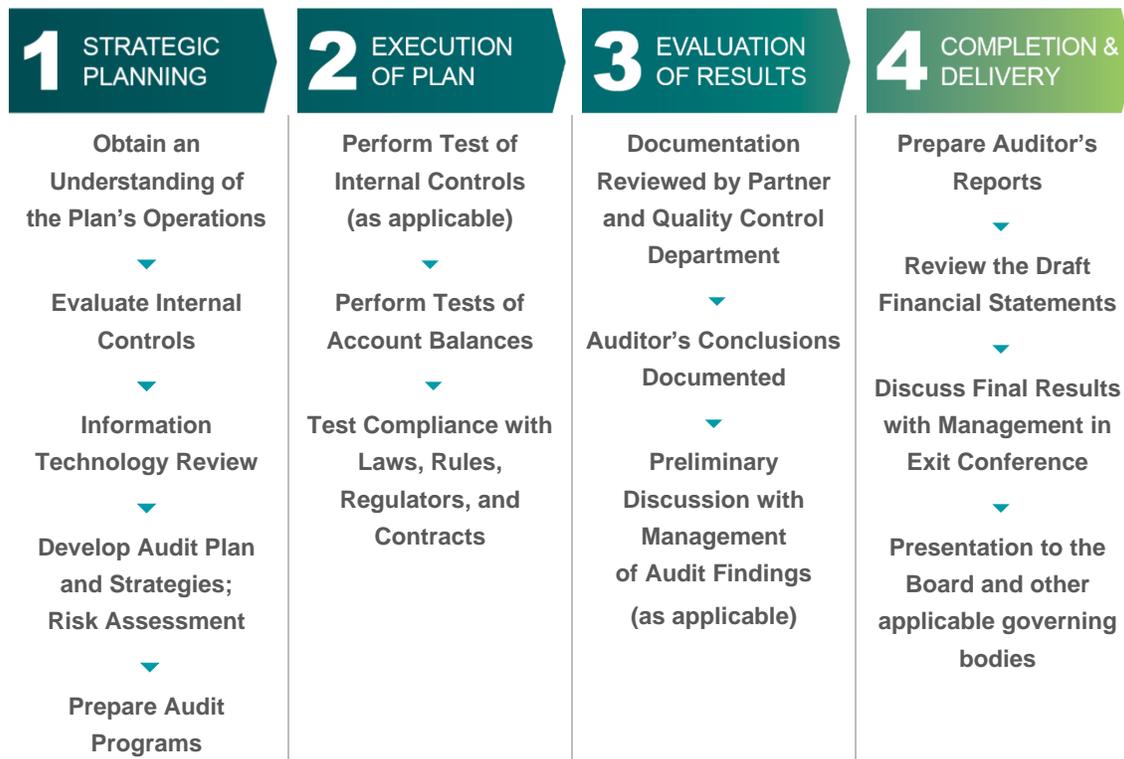
WE AIM FOR A PARTNERSHIP THAT EXCEEDS THE AUDIT

- ▶ Enhanced internal controls and efficiencies
- ▶ Stronger financial operations
- ▶ Valuable operating solutions and ideas
- ▶ Best practice benchmarks
- ▶ A resource that is always available to you

Our professionals will complement the Plan's team with the right blend of technical, practical, and personal insight to help you successfully deliver on all of your initiatives.

AUDIT PHILOSOPHY

The audit will be conducted in four phases, as shown below. These phases are discussed in more detail on the following pages.



PHASE I: STRATEGIC PLANNING

PROCEDURES FOR INTERNAL CONTROL

A thorough understanding of the Plan, its agencies, and your operating environment is essential for developing an efficient, cost-effective audit plan. During this phase, the engagement partner and key supervisory personnel will meet with the appropriate personnel to ensure we have an understanding of your operations. You will also have the opportunity to express your expectations regarding the services that we will provide. This effort will be coordinated so that there will be minimal disruption to your staff. During this phase, we will perform the following activities:

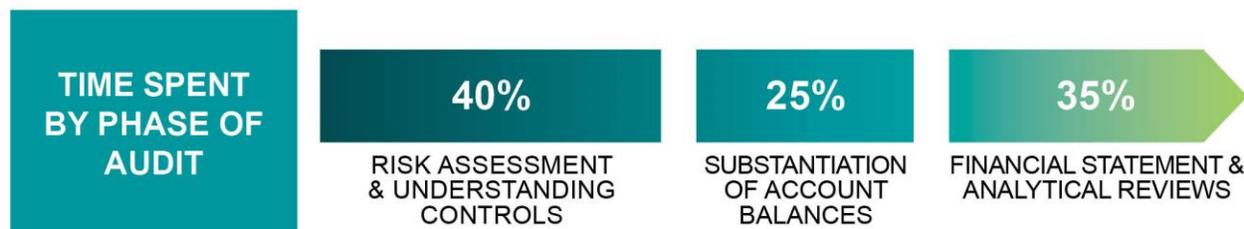
- ▶ Review the current regulatory and statutory compliance requirements within which the Plan operates. This will include a review of applicable state regulations; ordinances, contracts, and other agreements; meeting minutes of the Plan and other governing bodies as applicable;
- ▶ Review major sources of information such as budgets, organization charts, procedures manuals, financial systems and management information systems;
- ▶ Determine the most practical and effective way to apply computer-aided audit tools to convert and analyze data and generate reports;
- ▶ Performance of fraud inquiries and retrospective review;
- ▶ Determination of materiality levels;
- ▶ Regarding controls that are relevant to the audit, Marcum will evaluate the design of the controls and determine whether they have been properly designed and implemented;
- ▶ Documentation of current year activity expectations and performance of preliminary analytical procedures;
- ▶ Consider internal control systems, including determining an audit risk assessment;
- ▶ Consider the methods used to process accounting information that influence the design of the internal control system. This includes understanding the design of relevant policies, procedures, and records and whether they have been placed in operation;
- ▶ Design audit programs to ensure that they incorporate financial statement assertions, specific audit objectives and appropriate audit procedures to achieve the specified objectives;
- ▶ Identify and resolve accounting, auditing and reporting matters; and
- ▶ Prepare detailed audit plans, including a list of schedules to be prepared by the Plan's personnel.

RISK-BASED AUDIT TECHNOLOGIES

The Firm employs a risk-based approach early in the audit process. This approach considers how the overall risk identified in the general risk analysis affects specific account balances. We consider, in part:

- ▶ Relative significance of the account to the financial statements as a whole;
- ▶ Volume of transactions;
- ▶ Susceptibility of the account to fraud;
- ▶ Accounts that have traditionally required significant adjustments; and
- ▶ Account with complex calculations, judgement, and accounting issues that have a high assessed level of inherent risk.

Based on these considerations, we assess the inherent risk and control risk to determine the overall audit risk. Once this assessment is completed, the audit procedures to be used are determined. By redirecting our efforts through a risk-based approach, audits are significantly enhanced, which provide greater value to our clients. We will use several approaches to conduct the audit engagement. These approaches include traditional audit techniques and strategies, and an evaluation of the systems utilized by the Plan.



PROCEDURES FOR PENSION PLANS

Marcum is available to conduct the audit onsite or remotely at the discretion of the Plan. Audit procedures typically performed onsite include but are not limited to the following:

- ▶ Review of payroll records to assist in the recalculation of amounts withheld for employee contributions for select pay periods and to ensure that pensionable wages are in accordance with Plan provisions.
- ▶ Review of personnel files to substantiate the accuracy of the census data utilized to determine the annual employer contribution and GASB 67 financial statement disclosures.
- ▶ Interviews with management regarding the Plan's internal controls for significant transaction cycles such as the process followed to reconcile investments, ensure contributions are complete and accurate, that death verification procedures are being performed, and understanding how benefits are paid to retirees and beneficiaries.

- ▶ Interviews with management regarding the Plan's IT environment to ensure if sufficient controls are in place to protect personal and financial information.
- ▶ Testing of investment fair values and underlying investment valuation methods and techniques.
- ▶ Testing of investment unfunded commitments.

PHASE II: EXECUTION OF AUDIT PLAN

The audit team will complete a major portion of transaction testing and audit requirements during this phase. The procedures performed during this period will enable us to identify any matters that may impact the completion of our audit work or require the attention of management. Tasks to be performed in Phase II include, but are not limited to:

- ▶ Apply analytical procedures to assist in planning the nature, timing and extent of auditing procedures used to obtain evidential matter for specific account balances or transaction classes. Analytical procedures are utilized in almost every audit area tested.
- ▶ Perform substantive account balance and transaction tests. Samples will be drawn from major transaction systems, including cash disbursements, cash receipts, accounts payable, and payroll. The size of the samples will be determined after the review of the internal control system.

SAMPLE SIZE AND EXTENT OF STATISTICAL SAMPLING

There are three types of tests that involve audit sampling (statistical and non-statistical sampling) which Marcum may use:

- ▶ **Account Balance Tests.** Substantive tests of account balances are performed on year-end balances. Certain accounts justify a 100 percent examination, such as confirming an investment and bank balance, which does not involve sampling at all.
- ▶ **Transaction and Control Tests.** Substantive transaction and control tests are often combined to use one sample to achieve more than one audit objective. We often test the controls to verify that the transactions were properly authorized in accordance with the Plan's procedures.
- ▶ **Compliance Tests.** Compliance tests with laws and regulations are included with the tests of transactions and controls.

Additional samples are sometimes necessary to test specific laws and regulations. Sample sizes for compliance testing are determined based on the number of transactions and the significance of the requirement.

The audit team will report on a weekly basis to management the status of any potential adjustments so that management may have adequate time to investigate, gather information and respond, if necessary.

We use a risk-based assessment of the opportunities for a material financial statement error or irregularity to occur and remain undetected.

ANALYTICAL PROCEDURES

Tasks to be performed in Phase II of Marcum LLP's Audit Process include applying analytical procedures to assist in planning the nature, timing and extent of auditing procedures used to obtain evidential matter for specific account balances or transaction classes. Analytical procedures are utilized in almost every audit area tested.

LAWS AND REGULATIONS AND COMPLIANCE TESTS

Compliance tests with laws and regulations are included with the tests of transactions and controls. Additional samples are sometimes necessary to test specific laws and regulations. Sample sizes for compliance testing are determined based on the number of transactions and the significance of the requirement.

COMMUNICATION AND PLANNING



Our firm believes that open and honest communication is a hallmark of strong client service, and without open and honest dialogue, the auditor/client relationship cannot properly function. During the planning phase of the audit, Marcum will schedule a "Planning Kick-Off Meeting" with your organization's management.

This meeting allows our team to meet in person with management and revisit audit time frames and due dates, as well as determine the level of assistance we need from your staff and management team.

INFORMATION TECHNOLOGY AUDIT TECHNIQUES

In accordance with Professional Auditing Standards, we are required to gain an understanding of the procedures, both automated and manual, by which transactions are initiated, recorded, processed and reported, from their occurrence to their inclusion in the financial statements. During the planning stage of our audit, we evaluate the effect information technology (IT) will have in performing our audit procedures. This evaluation includes obtaining an understanding (generally through observations and inquiries of IT personnel) of internal controls and identifying those controls that are automated.

Our approach includes review of IT general controls as follows:

- ▶ Security—Physical and Access Controls
- ▶ Change Management for Systems and Configurations
- ▶ Application/System Development and Customization
- ▶ IT Risk Management
- ▶ Data Backup and Recovery/Business Continuity Plans
- ▶ Electronic Banking Wire and ACH Security
- ▶ Segregation of Duties within Systems and IT function



PHASE III: EVALUATION OF AUDIT RESULTS

This phase includes a review of all audit documentation by the partners to ensure that testing and documentation support the conclusions reached. This phase also includes preliminary discussions with management of the audit findings.

Marcum will accumulate misstatements identified during the audit, other than those that are clearly trivial and will determine whether the audit plan and strategy per audit area needs to be revised.

PHASE IV: REPORTING

In this phase of the audit, the engagement team will complete the tasks related to the closing of year-end balances and financial reporting. This will include final testing in areas including compliance, balance sheet accounts, revenues and expenditures.

EXIT CONFERENCE

Upon completion of audit work, Marcum will hold a closing or exit conference with senior members of the Plan's finance department. The exit conference assists Marcum in obtaining the views of responsible officials concerning the findings, conclusions, and recommendations, as well as planned corrective action, as required by *Government Auditing Standards* and *OMB Uniform Guidance*.

This conference also provides the Plan with an advance opportunity to discuss whether planned corrective actions adequately address the auditor's recommendations and to initiate corrective action without waiting for a final audit report. Marcum will also consider having preliminary exit meetings with directors, department heads, and other operating personnel who have direct responsibility for financial management systems.

MANAGEMENT LETTER

The Firm will prepare a management letter for the Plan to identify systemic deficiencies observed. The letter also may offer recommendations for changes in accounting and other procedures in order to improve operations of the Plan. As each potential management letter point is identified in the audit process, the engagement team will document the condition, our recommendation, and the benefits of the recommended action. All potential comments will be reviewed with key staff members before issuance.

The Firm's policy is to prepare this report as a vehicle for suggesting improvements to enhance efficiency, management effectiveness, and the degree of internal control. Findings (material weaknesses and significant deficiencies and material instances of noncompliance) are required to be reported in writing and will be included in the schedule of findings and questions costs.

MANAGEMENT LETTER ADDS VALUE BEYOND THE FINANCIAL STATEMENT



- ▶ Internal Controls Suggestions
- ▶ Operational Suggestions
- ▶ Cost vs. Benefit Evaluations
- ▶ Identify Areas for Efficiencies
- ▶ Workable Solutions
- ▶ Collaborative Process



OUR COMMITMENT

We will act as a valued advisor to recommend meaningful operation solutions, leverage our Firm resources to your benefit, and make ourselves readily available to the Plan.



- ▶ Understanding your organization
- ▶ Risk assessment
- ▶ Testing internal controls as applicable



- ▶ Operational and technology efficiencies
- ▶ Best practices



- ▶ Tax compliance
- ▶ Implementation of new accounting standards



- ▶ Year-round communication with management
- ▶ Communications with your governance

PROPOSED SEGMENTATION BY LEVEL OF STAFF

PHASE	Audit Partner & Quality Control Director	Audit Senior Manager	Audit Senior In-Charge & Staff	TOTAL
Phase 1: Strategic Planning	10	17	16	43
Phase 2: Execution of Audit Plan	5	20	20	45
Phase 3: Evaluation of Audit Results	5	20	20	45
Phase 4: Reporting	10	17	0	27
Total Hours	30	74	56	160

Note: In the first year of an engagement, additional hours are required to transition the audit to a new audit Firm. Our extensive experience with transitioning new clients has led to a streamlined process that is respectful of your time and resources. As a result, the Plan will receive the benefit of a new team with significant government experience as well as a fresh look at your systems, with minimal disruption. **The above schedule does not include the first year “transition hours” which we intend to absorb.**

PROJECT TIMELINE

Marcum is committed to completing the audit procedure within the below timeframe or within any other reasonable schedule requested by the Plan. Marcum LLP is available to commence the audit as soon as notification of award has been issued. Each of the following will be completed as stipulated by the RFP:

TASK	ANNUAL TIMING
Detailed Audit Plan	By August 30 th
Interim Work	By September 30 th
Fieldwork	By November 30 th
Draft Reports	By January 15 th
Final Reports	By January 30 th

TAB 7: INSURANCE

Refer to **Appendix B** for the Firm's Certificate of Insurance.

TAB 8: LITIGATION

GOVERNMENT / AICPA LITIGATION AND DISCIPLINARY ACTIONS

Marcum LLP affirms there has been no litigation whereby a court has ruled against the firm in any matter related to the professional government auditing services of the Firm. The firm has been providing audit services to government entities for over 70 years and has never been a party involving a government entity.

There have been no pending indictments, litigation, or proceedings in the past whereby a court or any administrative agency has ruled against the firm in any matter related to its professional government auditing services of the Firm. There have not been any terminations, suspensions, censures, reprimands, probations or similar actions against any member of Marcum LLP by the Florida State Board of Accountancy.

Marcum LLP ("Marcum") is a global firm with significant operations and as a result, it is a party to ordinary course litigation. No litigation, proceeding or investigation by any regulatory body will have a material impact on Marcum's ability to operate its business and to provide the services contemplated hereunder.

We affirm that our team has a proven track record, having met all commitments and successfully completed every engagement contract in the past.

FEDERAL OR STATE DESK REVIEWS OR FIELD AUDITS

There are no actions resulting from any federal or state desk reviews or field audits to Marcum or its auditors of government entities.

There has been no disciplinary action taken nor pending against Marcum or any of the professional staff with the Florida State Board of Accountancy, the Auditor General, or any other regulatory bodies.

TAB 9: E-VERIFY

Marcum LLP confirms compliance is met as related to the E-Verify requirements set forth in Section 448.095, Florida Statutes.

TAB 10: SAMPLE ENGAGEMENT LETTER

Refer to **Appendix E** for the Firm's sample engagement letter.

TAB 11: FEE PROPOSAL

Marcum LLP affirms that the designated Engagement Audit Partner, Moises D. Ariza, is authorized to represent and contractually bind the Firm, submit the bid, and sign a contract with the Plan.

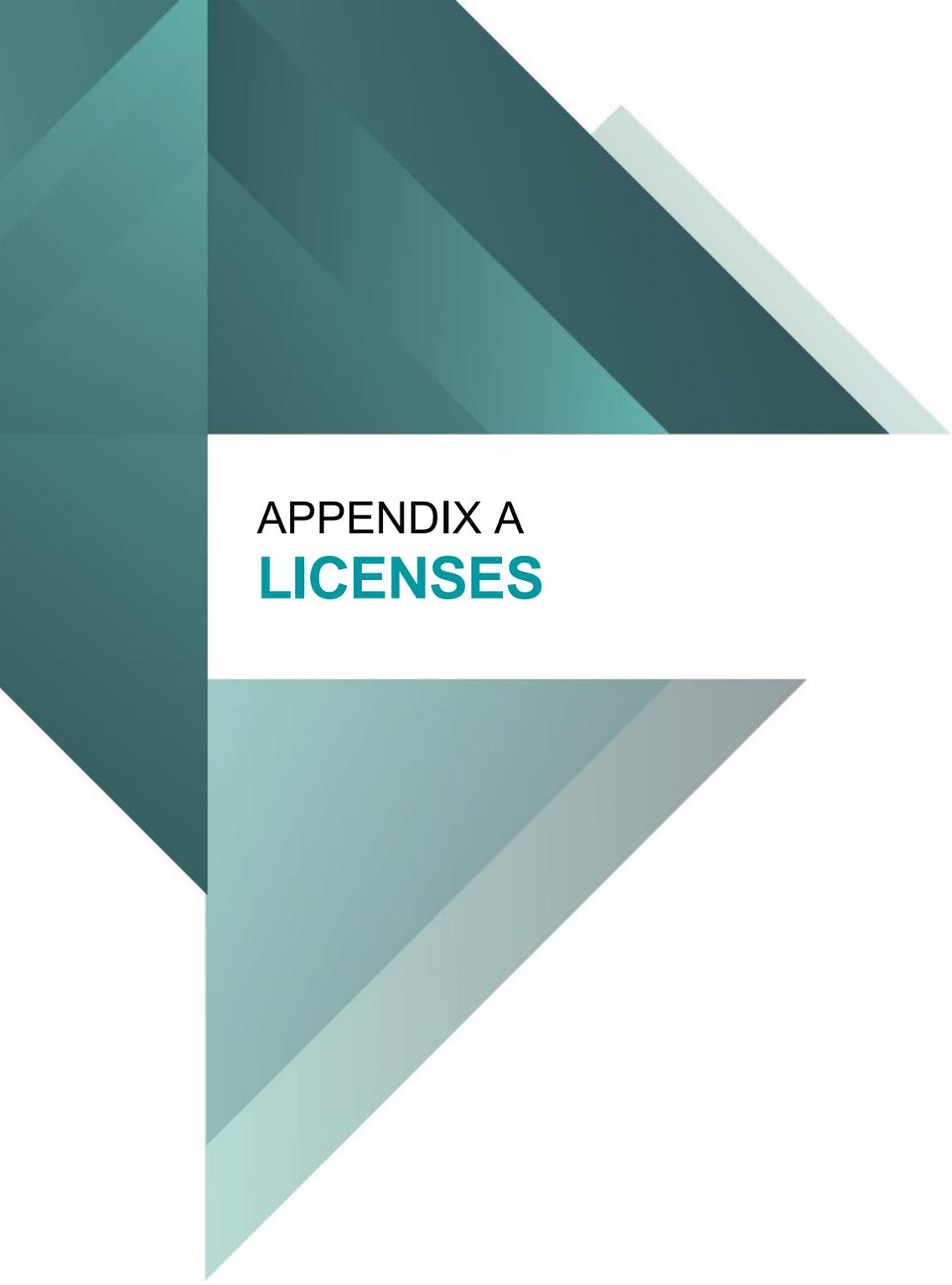
1. Annual Audit:

Our fee for these services will be based on the actual time spent at our discounted hourly rates. Our discounted hourly rates vary according to the level of the personnel assigned to your engagement. **The financial audit fee is \$23,000.**

2. Rates for Additional Professional Services

If it should become necessary for the Plan to request the auditor to render any additional services to either supplement the services requested in this Request for Proposal or to perform additional work as a result of the specific recommendations, the hourly rates shown below would be used. Such additional work shall be performed only upon a written agreement between the Plan and the firm.

TEAM MEMBER	HOURLY RATES
Partner/ Director	\$ 395
Senior Manager	\$ 295
Manager	\$ 245
Supervisor/Senior	\$ 195
Staff	\$ 150



APPENDIX A
LICENSES

CPAVerify Firm Report Results

NAME: **MARCUM LLP**
STATE OF LICENSE: **FL**
LAST UPDATED: **2024-02-28**

Address:	Business MARCUM LLP 201 E LAS OLAS BLVD 21ST FLOOR FORT LAUDERDALE, FL, US 33301	Mail 730 THIRD AVE. 11TH FL. LEGAL DEPT NEW YORK, NY, US 10017
License/Permit/Certificate Number:	AD63249	
Registration Number:		
License/Permit/Certificate Status:	CURRENT	
License/Certificate Status Details:	Holds a valid license to practice public accounting.	
License Type:	CPA FIRMS	
License Type Details:	Shall be deemed and construed to mean any legal entity that holds an active, delinquent, or temporary license issued under Chapter 473, F.S., or its state of domicile.	
Basis for License:		
Issue Date:	2003-02-14	
Expiration Date:	2025-12-31	
Enforcement, Non-Compliance or Disciplinary Actions:	None Reported To This Site By The Board	
Other Information:	None	

Contact the Board for official verification of information.

State Board Contact Information:	FLORIDA DIVISION OF CERTIFIED PUBLIC ACCOUNTING 240 NW 76TH DRIVE, SUITE A GAINESVILLE, FL 32607 Phone: (850) 487-1395 Website: http://www.myfloridalicense.com/DBPR/certified-public-accounting/ Licensee Lookup: http://www.myfloridalicense.com/DBPR/certified-public-accounting/
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Details of Enforcement, Non-Compliance or Disciplinary Actions:

1. If "Contact State Board For Details" is displayed then the State Board has reported some type of enforcement, non-compliance or disciplinary action to this site and the State Board should be contacted for full details about the action reported.
2. If "None Reported To This Site By The Board" is displayed then the State Board provides enforcement, non-compliance and disciplinary action data to this site and none was indicated for this record.
3. If "State Does Not Provide This Type of Data At This Site" is displayed then CPAVerify is not currently receiving enforcement, non-compliance or disciplinary action data for licensees in this state. Some states are limited to sharing this type of data with third party websites due to privacy laws or policies, but most State Boards offer this information on their official State Board websites.
4. Contact the State Board for official verification of all enforcement, non-compliance and disciplinary activity.

The results shown here include all data made available by participating states. Additional data about the individual or firm may exist and is not shown here for other states that are not yet participating in the CPAVerify website. Please refer to the Participating States tab for more information about which states are currently sharing their licensing data for use with this website and for clarification about which states these results do not include. If the Board of interest is not participating, you may refer to the "Contact Boards" tab where a link to every Boards' website and therefore individual license lookup tool is available.

2020 LIMITED LIABILITY PARTNERSHIP REINSTATEMENT
 \$25 REINSTATEMENT FEE + \$25 FILING FEE FOR EACH CALENDAR YEAR

SECRETARY OF STATE



FLORIDA DEPARTMENT OF STATE
 DIVISION OF CORPORATIONS

FILED

2021 JAN -4 PM 2:22

RECORDED & INDEXED

REGISTRATION # LLP090003311
 1. Name and Mailing Address

MARCUM LLP

ONE S.E. THIRD AVE.
 11TH FLOOR
 MIAMI, FL 33131 US

If above mailing address is incorrect in any way, line through incorrect information and enter correction in Block 2.

LLP # 19,300 + 21

LLP2100000071-4
 01/05/21--01019--030 **75.00
 CR2E029 (2/10)

2. New Mailing Address, if Applicable:

Suite, Apt #, etc.

City State Zip Code

3. Principal Place of Business Address

ONE S.E. THIRD AVE.
 11TH FLOOR
 MIAMI, FL 33131 US

4. New Principal Office Address, if Applicable:

Suite, Apt #, etc.

City State Zip Code

5. Federal Employee Identification Number

11-1986323

Applied For
Not Applicable

6. Certificate of Status Desired:

\$8.75 Additional Fee Required

7. Name and Address of Registered Agent

CORPORATION SERVICE COMPANY
 1201 HAYS STREET
 TALLAHASSEE, FL 32301

8. New Name and/or Address of Registered Agent:

Name

Street Address (P.O. Box Number is Not Acceptable)

FL

City Zip Code

9. New Registered Agent's Signature, if Changed
 The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

B. McKnight
 JAN 04 2021

SIGNATURE: _____
SIGNATURE, TYPED OR PRINTED NAME OF REGISTERED AGENT AND TITLE IF APPLICABLE. Date

10. General Partner's Signature (REQUIRED)
 The execution of this report as a partner constitutes an affirmation under the penalties of perjury that the facts stated herein are true.

SIGNATURE: *Ronald Storch* RONALD STORCH 12/21/20 (631) 414-4150
SIGNATURE AND TYPED OR PRINTED NAME OF SIGNING PARTNER. Date Daytime Phone #

E-mail Address: *RONALD.STORCH@MARCUMLLP.COM*
(To be used for future annual report notifications)

Local Business Tax Receipt

Miami-Dade County, State of Florida

-THIS IS NOT A BILL - DO NOT PAY



3319563

RECEIPT NO.

RENEWAL

3458270

BUSINESS NAME/LOCATION

MARCUM LLP

1 SE 3RD AVE STE 1100

MIAMI, FL 33131-1714

EXPIRES

SEPTEMBER 30, 2025

Must be displayed at place of business

Pursuant to County Code

Chapter 8A - Art. 9 & 10



OWNER

MARCUM LLP

SEC. TYPE OF BUSINESS

212

P.A./CORP/PARTNERSHI

P/FIRM

**PAYMENT RECEIVED
BY TAX COLLECTOR**

346.50 07/29/2024

FPPU21-24-009824

Employee(s)

77

This Local Business Tax Receipt only confirms payment of the Local Business Tax. The Receipt is not a license, permit, or a certification of the holder's qualifications, to do business. Holder must comply with any governmental or nongovernmental regulatory laws and requirements which apply to the business.

The RECEIPT NO. above must be displayed on all commercial vehicles - Miami-Dade Code Sec 8a-276.

For more information, visit www.miamidade.gov/taxcollector



CPAVerify Individual Report Results

NAME: **MOISES DAVID ARIZA**
 STATE OF LICENSE: **FL**
 LAST UPDATED: **2024-02-28**

	Business	Mail
Address:	ARIZA, MOISES DAVID FL, US	FL, US
License/Permit/Certificate Number:	AC45440	
Registration Number:		
License/Permit/Certificate Status:	CURRENT, ACTIVE	
License/Certificate Status Details:	Holds a valid license to practice public accounting.	
License Type:	CERTIFIED PUBLIC ACCOUNTANT	
License Type Details:	Shall be deemed and construed to mean a person, who holds an active, inactive, delinquent, or temporary license issued under Chapter 473, F.S., or who is practicing public accounting in this state pursuant to the practice privilege granted in Section 473.3141, F.S.	
Basis for License:	EXAM	
Basis for License Details:	Initial license applications are only available for applicants that have passed all sections of the Uniform CPA Examination in Florida.	
Issue Date:	2012-12-21	
Expiration Date:	2025-12-31	
Enforcement, Non-Compliance or Disciplinary Actions:	None Reported To This Site By The Board	
Other Information:	None	

Contact the Board for official verification of information.

State Board Contact Information: FLORIDA DIVISION OF CERTIFIED PUBLIC ACCOUNTING
 240 NW 76TH DRIVE, SUITE A
 GAINESVILLE, FL 32607

Phone: (850) 487-1395

Website: <http://www.myfloridalicense.com/DBPR/certified-public-accounting/>

Licensee Lookup:

<http://www.myfloridalicense.com/DBPR/certified-public-accounting/>

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CPAVerify Individual Report Results

NAME: **BEILA SHERMAN**
 STATE OF LICENSE: **FL**
 LAST UPDATED: **2023-06-06**

	Business	Mail
Address:	SHERMAN, BEILA FL, US	FL, US
License/Permit/Certificate Number:	AC0032647	
Registration Number:		
License/Permit/Certificate Status:	CURRENT, ACTIVE	
License/Certificate Status Details:	Holds a valid license to practice public accounting.	
License Type:	CERTIFIED PUBLIC ACCOUNTANT	
License Type Details:	Shall be deemed and construed to mean a person, who holds an active, inactive, delinquent, or temporary license issued under Chapter 473, F.S., or who is practicing public accounting in this state pursuant to the practice privilege granted in Section 473.3141, F.S.	
Basis for License:		
Issue Date:	1999-12-07	
Expiration Date:	2024-12-31	
Enforcement, Non-Compliance or Disciplinary Actions:	None Reported To This Site By The Board	
Other Information:	None	

Contact the Board for official verification of information.

State Board Contact Information:	FLORIDA DIVISION OF CERTIFIED PUBLIC ACCOUNTING 240 NW 76TH DRIVE, SUITE A GAINESVILLE, FL 32607
	Phone: (850) 487-1395
	Website: http://www.myfloridalicense.com/DBPR/certified-public-accounting/
	Licensee Lookup: http://www.myfloridalicense.com/DBPR/certified-public-accounting/

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CPAVerify Individual Report Results

NAME: HERMES ANTONIO GARZON
 STATE OF LICENSE: FL
 LAST UPDATED: 2024-02-29

	Business	Mail
Address:	GARZON, HERMES ANTONIO FL, US	FL, US
License/Permit/Certificate Number:	AC59240	
Registration Number:		
License/Permit/Certificate Status:	CURRENT, ACTIVE	
License/Certificate Status Details:	Holds a valid license to practice public accounting.	
License Type:	CERTIFIED PUBLIC ACCOUNTANT	
License Type Details:	Shall be deemed and construed to mean a person, who holds an active, inactive, delinquent, or temporary license issued under Chapter 473, F.S., or who is practicing public accounting in this state pursuant to the practice privilege granted in Section 473.3141, F.S.	
Basis for License:	EXAM	
Basis for License Details:	Initial license applications are only available for applicants that have passed all sections of the Uniform CPA Examination in Florida.	
Issue Date:	2023-01-17	
Expiration Date:	2025-12-31	
Enforcement, Non-Compliance or Disciplinary Actions:	None Reported To This Site By The Board	
Other Information:	None	

Contact the Board for official verification of information.

State Board Contact Information:	FLORIDA DIVISION OF CERTIFIED PUBLIC ACCOUNTING 240 NW 76TH DRIVE, SUITE A GAINESVILLE, FL 32607
	Phone: (850) 487-1395
	Website: http://www.myfloridalicense.com/DBPR/certified-public-accounting/
	Licensee Lookup: http://www.myfloridalicense.com/DBPR/certified-public-accounting/

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CPAVerify Individual Report Results

NAME: ELDA KOKURI
STATE OF LICENSE: PA
LAST UPDATED: 2024-02-28

Address:
License/Permit/Certificate Number: CA068072
Registration Number:
License/Permit/Certificate Status: ACTIVE
License/Certificate Status Details: Licensee allowed to practice in PA
License Type: CPA
Basis for License: EXAMINATION
Issue Date: 2023-08-14
Expiration Date: 2025-12-31
Enforcement, Non-Compliance or Disciplinary Actions: None Reported To This Site By The Board
Other Information: None

Contact the Board for official verification of information.

State Board Contact Information: STATE BOARD OF ACCOUNTANCY
P.O. BOX 2649
HARRISBURG, PA 17105-2649

Phone: (833) 367-2762
Fax: 717-705-5540
Email: ST-Accountancy@pa.gov
Website: <https://www.dos.pa.gov/account>
Licensee Lookup:
<https://www.dos.pa.gov/ProfessionalLicensing/BoardsCommissions/Accountancy/Pages/default.aspx#.VO>

Details of Enforcement, Non-Compliance or Disciplinary Actions:

1. If "Contact State Board For Details" is displayed then the State Board has reported some type of enforcement, non-compliance or disciplinary action to this site and the State Board should be contacted for full details about the action reported.
2. If "None Reported To This Site By The Board" is displayed then the State Board provides enforcement, non-compliance and disciplinary action data to this site and none was indicated for this record.
3. If "State Does Not Provide This Type of Data At This Site" is displayed then CPAVerify is not currently receiving enforcement, non-compliance or disciplinary action data for licensees in this state. Some states are limited to sharing this type of data with third party websites due to privacy laws or policies, but most State Boards offer this information on their official State Board websites.
4. Contact the State Board for official verification of all enforcement, non-compliance and disciplinary activity.

The results shown here include all data made available by participating states. Additional data about the individual or firm may exist and is not shown here for other states that are not yet participating in the CPAVerify website. Please refer to the Participating States tab for more information about which states are currently sharing their licensing data for use with this website and for clarification about which states these results do not include. If the Board of interest is not participating, you may refer to the "Contact Boards" tab where a link to every Boards' website and therefore individual license lookup tool is available.



APPENDIX B
INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/5/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement.

Table with 2 main sections: PRODUCER (License # BR-767175, Hub International Northeast Limited) and INSURED (Marcum LLP). Includes contact info for National Fire Insurance Company of Hartford, Continental Casualty Company, The Continental Insurance Company, North American Capacity Insurance Company, and Columbia Casualty Company.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES.

Main table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSD, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, Workers Compensation, and Cyber.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Evidence of Coverage

CERTIFICATE HOLDER CANCELLATION

Table with 2 columns: Evidence of Coverage and CANCELLATION. CANCELLATION text: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. Includes signature of Mary Jane Glavin.



CERTIFICATE OF LIABILITY INSURANCE

Date (MM/DD/YYYY)
10/11/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Pace Professional Services, Ltd. 585 Stewart Avenue, Suite 600 Garden City, NY 11530	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	EMAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A:	Swiss Re International SE / Castel / Convex/Chubb UK/ Ki
INSURED Marcum LLP 10 Melville Park Road Melville, NY 11747	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

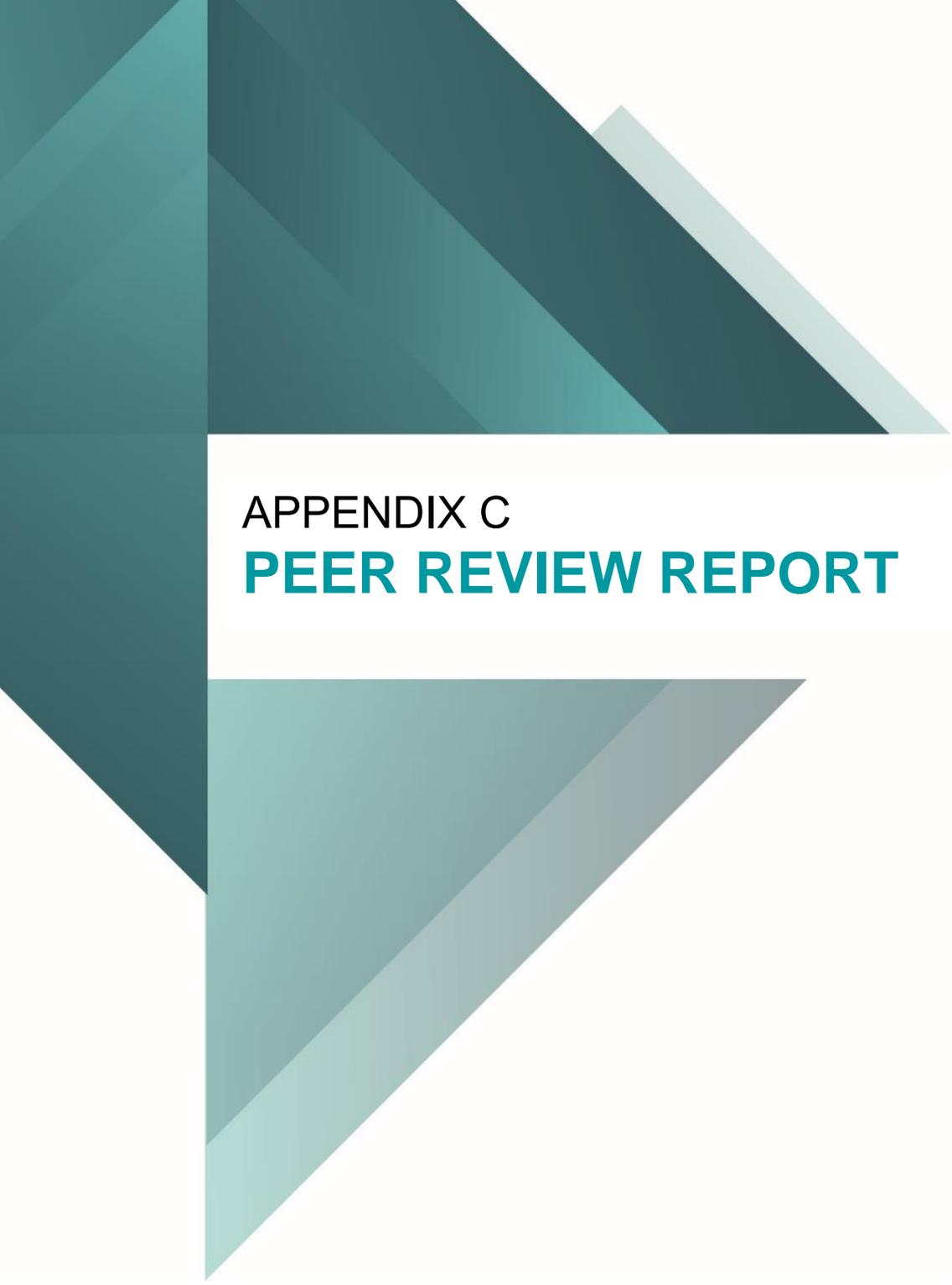
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (mm/dd/yyyy)	POLICY EXP (mm/dd/yyyy)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC			N/A			EACH OCCURANCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIM-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			N/A			COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$ EACH OCCURANCE \$ AGGREGATE \$ EACH OCCURANCE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/ EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		N/A			<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER \$ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Accountants Professional Liability			PSACO2300473	10/01/2023	10/01/2024	\$10,000,000/\$10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS/ VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

--

CERTIFICATE HOLDER	CANCELLATION
Marcum LLP 10 Melville Park Road Melville, NY 11747	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 



APPENDIX C

PEER REVIEW REPORT



Report on the Firm's System of Quality Control

To the Partners of
Marcum LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Marcum, LLP (the "firm"), applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended April 30, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, audits performed under FDICIA; and examinations of service organizations (SOC 1 and 2 engagements).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

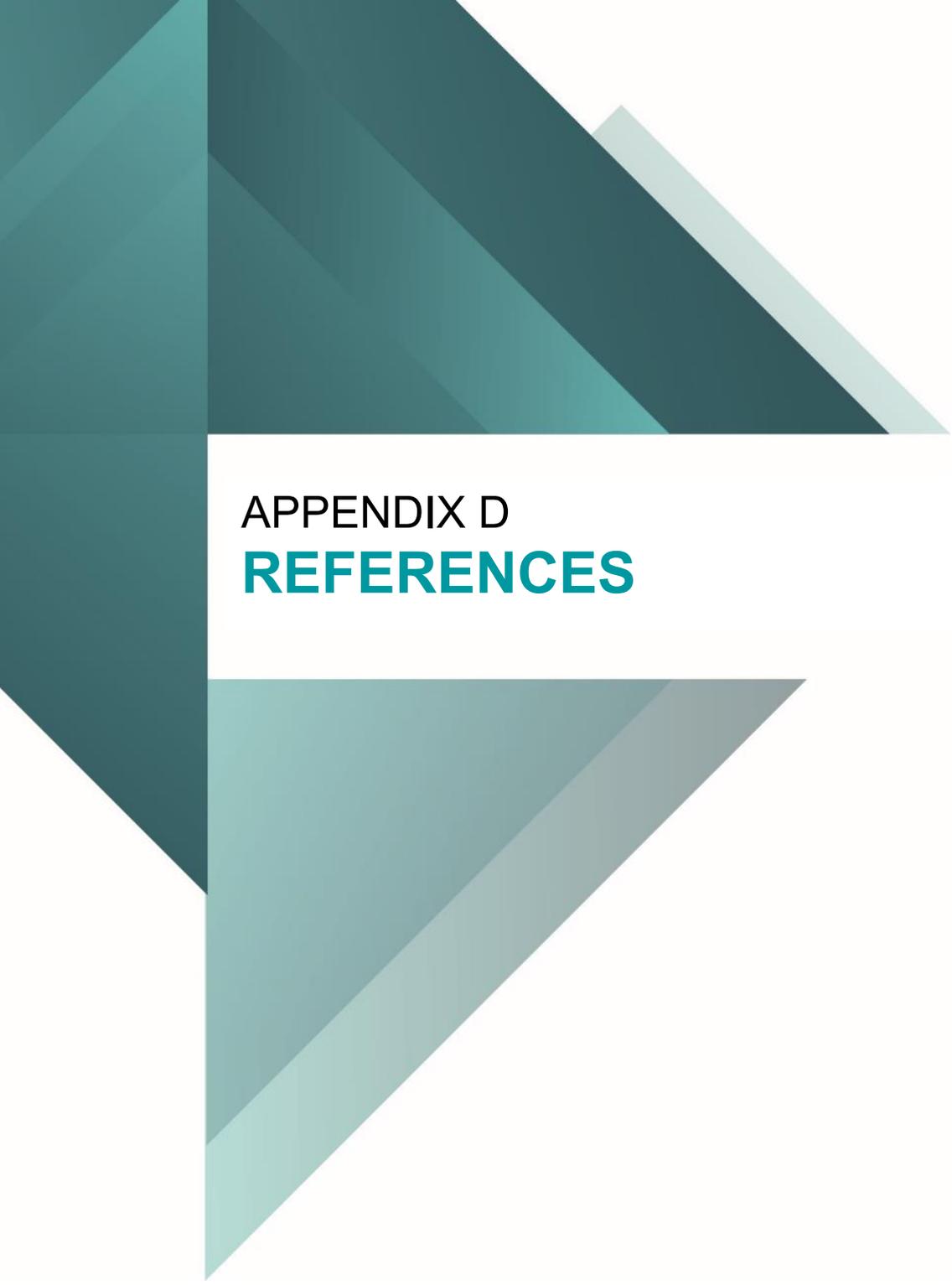
Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Marcum, LLP, applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended April 30, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Marcum, LLP has received a peer review rating of *pass*.

Brown, Edwards & Company, S. L. P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
January 30, 2024



APPENDIX D
REFERENCES



ADMINISTRATOR
Dania L. Orta

TRUSTEES
Ornel Cotera
Nelson Enriquez
Monica Fernandez
Thomas Gabriel
Sean MacDonald
Thomas Roell
Robert Suarez
Annette Valdivia

To Whom It May Concern:

It is with my great pleasure that I provide this letter of recommendation for the services provided by Marcum LLP.

We are extremely impressed and satisfied with the level of service that they have provided to our organization. The work performed by the partner to the staff level is to be commended. The audit team is very knowledgeable, professional and responsive to our accounting needs. Our audit was conducted in a timely, orderly, and systematic manner, encompassing all of the requirements of *Government Auditing Standards* and of the *Governmental Accounting Standards Board (GASB)*.

In addition, as a governmental pension plan with a portfolio of approximately \$1.9 billion in assets, Marcum LLP has demonstrated that not only do they have the expertise and industry knowledge to service governmental pension plans but also have the resources to service a plan of our size.

The firm's services have always been performed to the highest degree of professionalism. Their staff has always been very courteous, always willing to provide any required information and offering suggestions to improve systems, methods of operation, and facilitate the financial processes in our organization. The firm has always been a dependable resource in providing timely information and direction. The firm is always available to us throughout the year, not only during the audit.

We highly recommend the firm of Marcum LLP to any organization requiring auditing and related consulting services.

Please do not hesitate to contact my office if there are any questions regarding this letter of recommendation.

Respectfully,

Dania Orta
Plan Administrator



Tampa Fire & Police Pension Fund

3001 North Boulevard
Tampa, FL 33603-5516

(813) 274-8550 phone
(813) 274-7504 fax

www.tampagov.net/fppension

August 21, 2023

Re: Reference Letter for Marcum LLP

To Whom It May Concern:

It is my pleasure to write this letter of recommendation regarding the audit services provided by Marcum LLP. Our fund is a governmental pension plan with a portfolio of approximately \$2.6 billion in assets. Marcum LLP demonstrated expertise and industry knowledge specific to governmental pension plans like ours. They also had the resources available to service a plan of our size.

Marcum LLP was prepared with highly qualified staff who worked closely with management, which resulted in a smooth audit process. We found the team assigned to our account to be very professional and responsive. As such, our audit was conducted in a timely, orderly, and systematic manner, encompassing all the requirements of Government Auditing Standards and of the Governmental Accounting Standards Board (GASB).

We highly recommend the firm of Marcum LLP to any organization requiring auditing and related consulting services. Our partnership over the past two years has shown their overall understating of our organization's needs and has been a strong resource for our team. They have cooperated extensively with management and staff and have demonstrated high professional standards, work ethic, skills, and knowledge. Additionally, they met all the deadlines required by our fund.

Marcum LLP has been a dependable resource in providing timely information and direction and its staff are always available to us throughout the year, not only during the audit.

Please do not hesitate to contact me if you have any additional questions.

Respectfully,

Tiffany Weber
Plan Administrator

Retirement Plan for the Employees Of the Town of Surfside

TRUSTEES

Gary Golding, Chairman
Andrew Hyatt, Town Manager
Yamileth Slate-McCloud, Board Trustee
Julio Torres, Board Trustee
Valentine Whittaker, Board Trustee

Mayte D Gamiotea, Plan Administrator
9293 Harding Avenue,
Surfside, FL 33154
Phone # (305) 861-4863 office
Email address: m@gamiotea@townofsurfsidefl.gov

To Whom It May Concern:

It is with my great pleasure that I provide this letter of recommendation for the services provided by Marcum LLP.

We have been utilizing the services of Marcum LLP for approximately 11 years; and we are extremely impressed and satisfied with the level of service that they have provided to our organization. The work performed by the partner to the staff level is to be commended. The audit team is very knowledgeable, professional and responsive to our accounting needs. Our audit was conducted in a timely, orderly, and systematic manner, encompassing all of the requirements of *Government Auditing Standards* and of the *Governmental Accounting Standards Board (GASB)*.

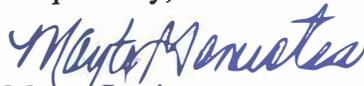
In addition, as a governmental pension plan with a portfolio of approximately \$26 million in assets, Marcum LLP has demonstrated that not only do they have the expertise and industry knowledge to service governmental pension plans but also have the resources to service a plan of our size.

The firm's services have always been performed to the highest degree of professionalism. Their staff has always been very courteous, always willing to provide any required information and offering suggestions to improve systems, methods of operation, and facilitate the financial processes in our organization. The firm has always been a dependable resource in providing timely information and direction. The firm is always available to us throughout the year, not only during the audit.

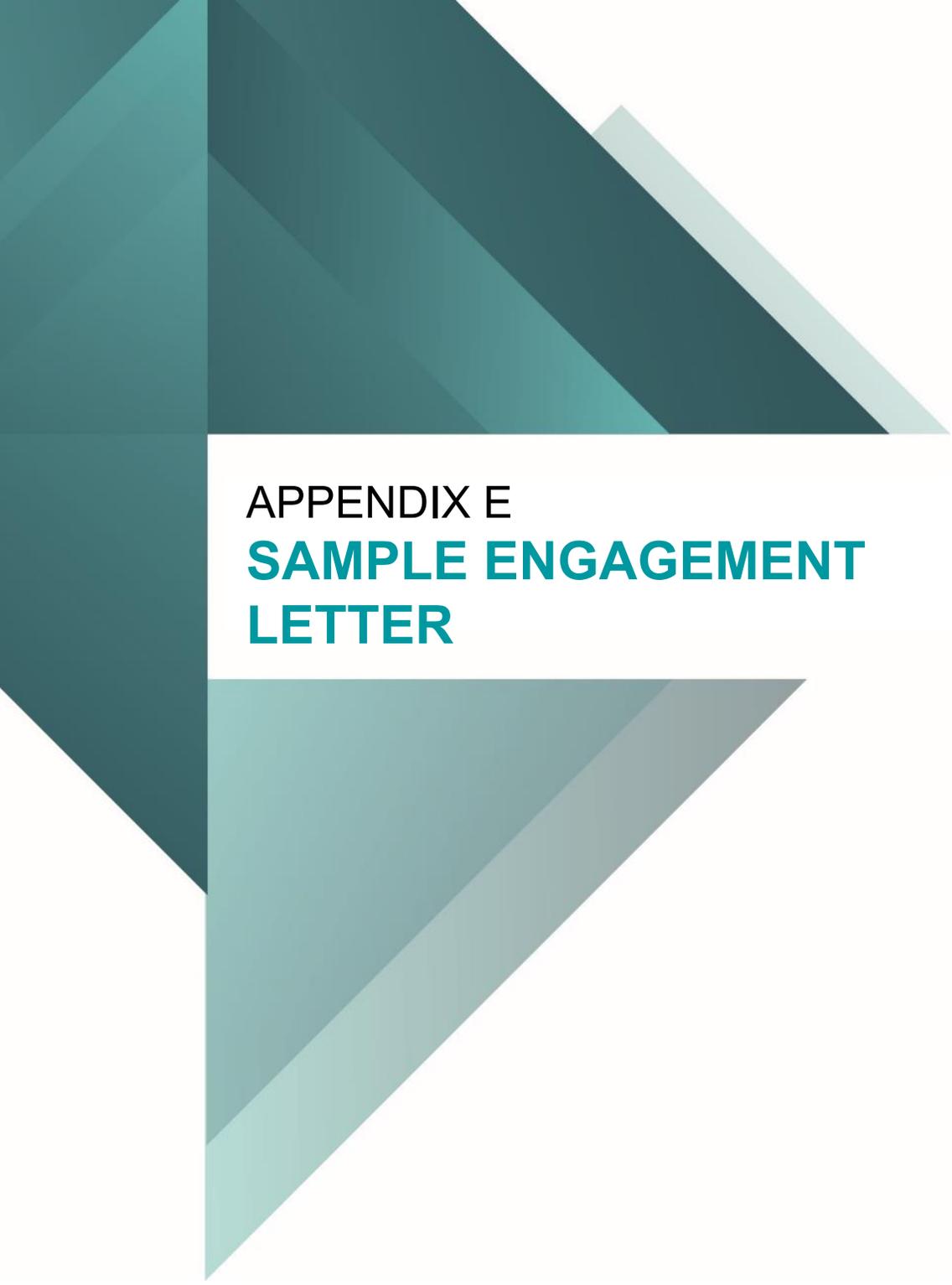
We highly recommend the firm of Marcum LLP to any organization requiring auditing and related consulting services.

Please do not hesitate to contact my office if there are any questions regarding this letter of recommendation.

Respectfully,



Mayte Gamiotea
Plan Administrator



APPENDIX E
**SAMPLE ENGAGEMENT
LETTER**

September 30, 2024

Village of Bal Harbour
Police Officer's Pension Plan & Trust
Attn: Rick Rivera, Plan Administrator
Bal Harbour Village Hall
655 96th Street, Bal Harbour, FL 33154

Dear Board of Trustees

You have requested that we audit the financial statements of the Village of Bal Harbour Police Officer's Pension Plan & Trust ("the Client," "your" or "your"), as of September 30, 2024, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Client's basic financial statements as listed in the table of contents. We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services Marcum LLP ("Marcum," the "Firm," "we," "us" or "our") will provide for the year ended September, 30, 2024.

Our audit will be conducted with the objectives of our expressing an opinion on each opinion unit.

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that management's discussion and analysis (MD&A) and various pension schedules, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with

auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited.

Audit of the Financial Statements

We will conduct our audits in accordance GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Client's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the Client's basic financial statements. Our report will be addressed to the governing body of the Client. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditors' report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Significant Risks

AU-C Section 260, prescribed by the American Institute of Certified Public Accountants, is a comprehensive guide for the auditor's communication with those charged with governance. AU-C Section 260 points out that communicating significant risks, including fraud risks, helps those charged with governance understand those matters and better allows them to perform their oversight duties with regard to the financial reporting process. We have identified the following significant risk of material misstatement as part of our audit planning, and are available to discuss these with you during the course of our audit:

- Management override of internal controls.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

3. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal and state award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain audit evidence;
 - d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
 - e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditors' report.
4. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
5. For acceptance of non-attest services, including identifying the proper party to oversee non-attest work;
6. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
7. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
8. For the accuracy and completeness of all information provided;
9. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
10. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. If you are missing any documents or workpapers from our prior years' engagements (if applicable), it is your responsibility to inform us. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditors' report to the date the financial statements are issued.

Communication with Those Charged with Governance

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

Auditors' Report and Reproduction

We will issue a written report upon completion of our audit of the Client's financial statements. Our report will be addressed to those charged with governance. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s) to our auditors' report. If for any reason, we are unable to complete the audit or we are unable to form or have not formed an opinion, we may decline to express an opinion or decline to issue a report as a result of the engagement. If, in our professional judgment, the circumstances require us to do so, we may resign from the engagement prior to completion.

Except to the extent prohibited by law, if you intend to publish or otherwise reproduce the financial statements and/or make reference to our Firm, you agree that the Client's management will provide us with a draft for our review and approval before disclosure, inclusion or incorporation by reference of any of our reports or the reference to Marcum before such document or information is published, printed or distributed. You also agree to provide us with the final reproduced material for our approval before it is distributed. In addition, to avoid unnecessary delay or misunderstanding, you agree to provide us timely notice of your intention to issue any such document. Notwithstanding the foregoing, you may distribute the financial statements "as is," without our written consent; provided such financial statements are not inserted in any other

document or are not altered or revised in any manner, including without limitation, the alteration, addition or removal of data or information to or from such financial statements.

With regard to the electronic dissemination of the Client's financial statements, including financial statements published electronically on the Client's website, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document. However, you agree that, except to the extent prohibited by law, you will notify Marcum and obtain our approval prior to including any of our reports on any electronic site.

Assistance By Your Personnel

We will ask that your personnel, to the extent possible, prepare required schedules and analyses, and make selected invoices and other required documents available to our staff. This assistance by your personnel will serve to facilitate the progress of our work and minimize our time requirements.

You agree to inform us as soon as possible, but no later than the effective date of change, of any changes to the organization structure as a result of a sale, merger, acquisition transfer or other disposition, reorganization or transaction, and any changes to individuals in directors, officers and financial reporting oversight roles. Note that in order to ensure Marcum maintains independence with respect any new entities or individuals associated with the Client, you should provide information of the upcoming change as early as possible in the process.

You acknowledge that the Client's confidential information may be transmitted to us through an information portal or delivery system established by us or on our behalf. You shall notify us in writing of your employees, representatives, or other agents to be provided access to such portal or system; upon the termination of such status, you shall immediately notify us in writing.

Background Checks

As a matter of our Firm policy, we may perform background checks on potential clients and/or on existing clients, on an as-determined basis. The terms and conditions of this engagement are expressly contingent upon the satisfactory completion of our investigatory procedures and we reserve the right to withdraw from any relationship should information which we deem to be adverse come to our attention. The results of all background checks and other investigatory procedures are submitted to, and reviewed by, our firm's Client Acceptance Committee.

Predecessor Auditor

Before formally accepting this engagement, we are required by auditing standards generally accepted in the United States of America to make certain communications with your predecessor auditor. Soon after our appointment as your new auditors, we will request your permission to contact your predecessor auditor, and they will require your authorization to respond fully to our

inquiries and to provide us with copies of certain of their working papers. Our continued acceptance of this engagement is subject to the results of such communication. We will notify you immediately if we become aware of anything from your predecessor auditor that results in our not being able to continue this engagement and resulting in us terminating and resigning from this engagement.

Independence

Professional standards require that a firm and its members maintain independence throughout the duration of the professional relationship with a client. Marcum will periodically reevaluate the Firm's independence as part of our customary client continuance process or more frequently, should circumstances arise that may require us to investigate whether Marcum's independence may have been impaired in which case Marcum may terminate and resign from this engagement in our sole and absolute discretion. You agree to promptly advise us of any matters or changes in circumstances that could affect our independence or give rise to conflicts including, changes in senior management or the Board or the Elected Body, or entities that may have preexisting relationships with Marcum or conflicts that could affect our independence.

Also, in order to preserve the integrity of our relationship, no offer of employment shall be discussed with any Marcum professionals assigned to the audit, including within the one-year period prior to the commencement of the year-end audit, and through the date of issuance of our audit report. Pursuant to professional standards, should such an offer of employment be made, or employment commences during the indicated time period, we will consider this an indication that our independence has been compromised. As such, we may be required to recall our auditors' report due to our lack of independence. In the event additional work is required to satisfy independence requirements, such work will be billed at our standard hourly rates.

Furthermore, we strive to maintain a staff of quality, trained professionals. In recognition of the investment we have made to recruit and develop our personnel, solely to the extent not prohibited by law, you agree to not solicit any of our employees involved in this engagement at any time while we are performing services for you or within one year thereafter; irrespective of whether they've worked on your account or not. However, this limitation shall not apply to employment via a general solicitation or open job posting which is not directed towards the employee or Marcum.

If you need a permanent employee and would like assistance in locating this type of individual, we can provide personnel search assistance for a fee to help you locate and hire a qualified individual.

Access to Working Papers; Confidentiality

Marcum is periodically required to undergo inspection processes in accordance with legal, regulatory, professional and/or administrative bodies or authorities. During the course of these processes, selected working papers and financial reports, on a sample basis, will be inspected by

an outside party on a confidential basis. Consequently, the accounting work we performed for you may be selected. Your signature below represents your acknowledgement and permission to allow such access should your engagement be selected for review. The Client acknowledges and agrees that Marcum may disclose confidential information as permitted herein, as requested or directed by you or consistent with applicable law, rule, regulation, professional standards or guidelines or in connection with or to respond to its professional obligations. You authorize Marcum to participate in discussions with and to disclose your information to your agents, representatives, administrators or professional advisors (including accountants, attorneys, financial and other professional advisors), their respective officers, directors or employees, and other parties as you may direct.

Notwithstanding any other provision of this agreement, Marcum and the Marcum subcontractors (defined below) may use confidential information received hereunder, to develop, enhance, modify and improve technologies, tools, methodologies, services and offerings, and/or for development or performance of data analysis or other insight generation. Information developed in connection with these purposes may be used or disclosed to you or current or prospective clients to provide them services or offerings. Marcum and the Marcum subcontractors will not use or disclose confidential information in a way that would permit you to be identified by third parties without your consent. The foregoing consents are valid until further notice by you.

As a result of our prior or future services to you, we may be required or requested to provide information or documents to you or a third-party in connection with a legal or administrative proceeding (including a grand jury investigation) in which we are not a party. If this occurs, we shall be entitled to compensation for our time and reimbursement for our reasonable out-of-pocket expenditures (including legal fees) in complying with such request or demand. This is not intended, however, to relieve us of our duty to observe the confidentiality requirements of our profession.

Nothing in this letter is intended to limit your rights and obligations pursuant to the Florida "Sunshine Law", Florida Statute 286.011.

The audit documentation and working papers prepared in conjunction with our engagement are the property of Marcum and constitute confidential information. These working papers will be retained by us in accordance with applicable laws and with our Firm's policies and procedures. However, we may be required, by law or regulation, to make certain working papers available to regulatory authorities, federal agencies and/or the U.S. Government Accountability Office, for their review, and upon request, we may be required to provide such authorities with photocopies of selected working papers. If requested, access to such audit documentation will be provided under the supervision of Marcum's personnel. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least seven (7) years from the date of our report.

Regarding the application of Chapter 119 (Public Records), Florida Statutes, the Custodian of public records for this contract is:

Rick Rivera, Plan Administrator
Bal Harbour Village Hall
655 96th Street, Bal Harbour, FL 33154

Third-Party Service Providers

Marcum may use or subcontract the services to its affiliates, subsidiaries, Marcum related parties and/or third parties, including contractors, subcontractors and cloud-based service providers, in each case within or outside of the United States (each, a "subcontractor") in connection with the provision of services and/or for internal, administrative and/or regulatory compliance purposes. You agree that Marcum may provide confidential and other information Marcum receives in connection with this agreement to subcontractors for such purposes. Marcum maintains internal policies, procedures and safeguards to protect the confidentiality of your information and Marcum will remain responsible to you for the protection of such information and services performed by such subcontractors as provided herein.

Termination

Marcum's engagement ends on the earlier of termination or resignation (including without limitation, our declining to issue a report or other work product) or Marcum's delivery of its report. We acknowledge your right to terminate our services at any time, and you acknowledge our right to terminate our services and this agreement and resign at any time in our sole and absolute discretion, subject in either case to our right to payment for all direct and indirect charges including out-of-pocket expenses incurred through the date of termination or resignation or thereafter as circumstances and this agreement may require, plus applicable interest, costs, fees and attorneys' fees. All terms which by their nature are reasonably intended to survive will survive termination, resignation or expiration.

Dispute Resolution Procedure, Waiver of Jury Trial and Jurisdiction and Venue for Any and All Disputes Under This Engagement Letter and Governing Law

AS A MATERIAL INDUCEMENT FOR US TO ACCEPT THIS ENGAGEMENT AND/OR RENDER THE SERVICES TO THE VILLAGE OF BAL HARBOUR POLICE OFFICER'S PENSION PLAN & TRUST IN ACCORDANCE WITH THE PROVISIONS OF THIS ENGAGEMENT LETTER:

The Firm and the Client each hereby knowingly, voluntarily and intentionally waive any right either may have to a trial by jury with respect to any litigation based hereon, or arising out of, under or in connection with this engagement letter and/or the services provided hereunder, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of either party.

In any litigation brought by either the Firm or the Client, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs incurred, including through all appeals.

Limitation of Liability

You agree that our liability arising from or relating to our services shall not exceed the total amount paid by you for the services described herein. This shall be your exclusive remedy.

No action, regardless of form, arising out of the services under this agreement may be brought by you more than one year after the date the last services are provided under this agreement.

The Client hereby indemnifies Marcum and its partners, principals, and employees, and holds them harmless from all claims, liabilities, losses and costs arising in circumstances where there has been a known misrepresentation by a member of the Client's management, regardless of whether such person was acting in the Client's interest. This indemnification will survive completion or termination of this agreement.

Non-Attest Services

We will not assume management responsibilities on behalf of the Client. However, we will provide advice and recommendations to assist management of the Client in performing its responsibilities.

The Client's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

We are prohibited by professional standards from preparing source documents and authorizing or approving transactions. Accordingly, management must determine and approve all transactions including appropriate account classifications. As part of our engagement, we may propose standard, adjusting or correcting journal entries to the financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

The services cannot be relied on to detect errors, fraud or illegal acts that may exist. However, we will inform you of any material errors, fraud or illegal acts that come to our attention, unless they are clearly inconsequential. In addition, we have no responsibility to identify and communicate significant deficiencies or material weaknesses in the Client's internal control as part of a non-attest/non-audit service engagement.

We will perform the following services that are considered non-attest services:

- Assistance with reparation of the financial statement.

Our responsibilities and limitations of the non-attest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The non-attest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.
- These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Other Services

We are always available to meet with you and/or other executives at various times throughout the year to discuss current business, operational, accounting and auditing matters affecting the Client. Whenever you feel such meetings are desirable please let us know; we are prepared to provide services to assist you in any of these areas. We will also be pleased, at your request, to attend the meetings of the Client.

During the course of this engagement, Marcum may offer certain value-added resources to the Client, including without limitation, local and national educational webinars and events, subscription to Marcum thought leadership publications such as industry and insights newsletters, industry surveys and trend analysis, and academic reports into the prevailing economic outlook. The use, receipt of, and payment for (where applicable) these resources will be subject to the mutual agreement of Marcum and the Client. Client confirms that the use and receipt of these resources, as applicable, is approved by the Client's audit committee, or those charged with governance.

You acknowledge that you are responsible for the actions of your current and former employees, representatives, or other agents in connection with the transmission of your information. During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you understand that communication in those mediums involves a risk of misdirected or intercepted communications.

Marcum shall be obligated only for the services or work specified in this agreement. Any other services that may be required or requested by Client will be agreed upon by the parties in a separate, new specific engagement letter for such service or work.

Fees

Our fees will be based on the services to be provided hereunder, the timeliness and completeness of the information and documentation provided to us, firm technology, firm processes, and time required of personnel at our standard hourly rates. Our standard hourly rates vary according to the level of the personnel assigned to your audit. Fees for this engagement will be **[\$xx,xxx.xx]**

Our invoices for these fees will be rendered as the work progresses, and are due and payable upon presentation. In the event that you dispute any of the fees or expenses on a specific invoice, you agree to notify us within twenty (20) days of receipt of the invoice of such dispute. If you fail to notify us within the twenty (20) day period, your right to dispute such invoice will be waived. Prior to the commencement of the services described above, any past due balances are required to be paid in full. In accordance with our Firm policies, should any invoice remain unpaid for more than thirty (30) days, we reserve the right to defer providing any additional services until all outstanding invoices are paid in full. Invoice amounts due past sixty (60) days will incur a finance charge of 1% per month. Nothing herein shall be construed as extending the due date of payments required under this agreement, and you agree that we are not responsible for the impact on the Client of any delay that results from such non-payment by you.

Agreement

This letter comprises the complete and exclusive statement of the agreement between the parties, superseding all proposals oral or written and all other communications between the parties. If it is determined that any provision of this letter is unenforceable, all other provisions shall remain in full force and effect. This letter comprises the complete and exclusive statement of the agreement between the parties, superseding all proposals oral or written and all other communications between the parties. The Client may not assign or transfer this agreement, or any rights, licenses, obligations, claims or proceeds from claims arising out of or in any way relating to this agreement, any services provided hereunder, or any fees for services to anyone, by operation of law or otherwise without Marcum's prior written consent and any assignment without consent shall be void and invalid. Marcum may assign this agreement, including all the rights and benefits hereunder, to any affiliate or acquirer of or successor to its business, or purchaser of all or substantially all of its assets, stock or interests or in the event of a reorganization or restructuring, and by your signature hereto, you consent to such assignment and the transfer of the Client's files and information.

It is hereby understood and agreed that this engagement is being undertaken solely for the benefit of the Client and that no other person or entity shall be authorized to enforce the terms of this engagement. The undersigned represents and warrants that it has the requisite authority and consents to enter into and perform this Agreement and the obligations herein for and on behalf of the Village of Bal Harbour Police Officer's Pension Plan & Trust.

By executing this Agreement, you confirm, represent and warrant that (i) no person who is the target of sanctions imposed by the United States, European Union, or United Kingdom owns,

directly or indirectly, 5% or more of any type of stock or other ownership interest of the Company and (ii) the Company is not, and does not have subsidiaries that are, located or organized under the laws of Russia, and Marcum's Services are not performed for the benefit or use of or reliance on by any of the foregoing.

If you agree with the terms of our engagement, as described in this letter, please sign this PDF version of the engagement letter and return it to us by email and we will send you a fully executed copy.

Our acceptance of this engagement and return of a fully executed engagement letter is subject to the review and approval of our Firm's Client Acceptance Committee. If our Client Acceptance Committee decides not to accept this engagement for any reason, then we will inform you immediately in writing.

Moises D. Ariza is the Engagement Partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

In accordance with the requirements of *Government Auditing Standards*, our latest external peer review report of our Firm is available upon request.

Very truly yours,

Marcum LLP

Moises D. Ariza

MDA/th

SAMPLE

ACCEPTED

This letter correctly sets forth the agreement of Village of Bal Harbour Police Officer's Pension Plan & Trust.

Authorized signature: _____

Name: _____

Title: _____

Date signed: _____

SAMPLE

APPENDIX A

Village of Bal Harbour Police Officer's Pension Plan & Trust Circumstances Affecting Timing and Fee Estimate

The estimated fee is based on certain assumptions. Circumstances may arise during the engagement that may significantly affect the targeted completion dates and our fee estimate. As a result, additional fees may be necessary. Such circumstances include but are not limited to the following:

1. Changes to the timing of the engagement at your request. Changes to the timing of the engagement usually require reassignment of personnel used by Marcum in the performance of services hereunder. However, because it is often difficult to reassign individuals to other engagements, Marcum may incur significant unanticipated costs.
2. All requested schedules are not (a) provided by the accounting personnel on the date requested, (b) completed in a format acceptable to Marcum (c) mathematically correct, or (d) in agreement with the appropriate underlying records (e.g., general ledger accounts). Marcum will provide the accounting personnel with a separate listing of required schedules and deadlines.
3. Weaknesses in the internal control structure.
4. Significant new issues or unforeseen circumstances as follows:
 - a. New accounting issues that require an unusual amount of time to resolve.
 - b. Changes or transactions that occur prior to the issuance of our report.
 - c. Changes in the Client's accounting personnel, their responsibilities, or their availability.
 - d. Changes in auditing requirements set by regulators.
5. Significant delays in the accounting personnel's assistance in the engagement or delays by them in reconciling variances as requested by Marcum. All invoices, contracts and other documents which we will identify for the Client, are not located by the accounting personnel or made ready for our easy access.
6. A significant level of proposed audit adjustments are identified during our audit.
7. Changes in audit scope caused by events that are beyond our control.
8. Untimely payment of our invoices as they are rendered.

<u>Classification</u>	Approved Budget for <u>FY 2024</u>	Actual Expenses <u>To 9/31/24</u>	<i>Proposed</i> Budget for <u>FYE 2024 -2025</u>
Investment Consultant	\$ 64,000.00	\$ 61,825.00	\$ 64,000.00
Investment Fees	\$ 110,000.00	\$86,237.28	\$ 100,000.00
Custody Fees	\$ 14,000.00	\$ 10,625.00	\$ 12,000.00
Annual Dues, Conference expenses	\$ 5,000.00	\$ 750.00	\$ 5,000.00
Insurance	\$ 7,000.00	\$ 4,790.00	\$ 6,000.00
Plan Actuary	\$ 25,000.00	\$ 26,784.00	\$ 28,000.00
Legal Fees	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00
Special Legal	\$ 5,000.00	\$ -	\$ 5,000.00
Plan Administration	\$ 29,000.00	\$ 24,880.00	\$ 29,000.00
Plan Bookkeeping	\$ 7,500.00	\$ 10,000.00	\$ 12,500.00
External Audit	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Misc.	\$ 20,000.00	\$ -	\$ 20,000.00
	\$ 330,500.00	\$ 269,891.28	\$ 325,500.00

Warrant #129

<u>Requests for Payment:</u>	<u>Description</u>	<u>Amount</u>
<u>Legal Fees</u>		
Klausner, Kaufman, Et al. Invoice # 36288	Retainer: July 2024 - Oct. 2024 Dated: 10/31/2024	\$ 8,000.00
<u>Investment Manager Fees</u>		
BlackRock Investment Fees Inv.# 20240930-9371-205613-A	For Quarter ending 9/30/2024 Dated: Oct 9, 2024	\$ 2,266.67
<u>Custodial Bank Fees</u>		
U.S. Bank Inv.# 14476814	Billing Period: 2024 Dated: 10/24/2024	\$ 8,500.00
<u>Investment Consultant Fees</u>		
Morgan Stanley Inv.# 10873424212	1Q & 2Q Consulting Fees Dated: July 30, 2024	\$ 31,553.03
Morgan Stanley Inv.# 10873424290	Quarterly Consulting Fees (3Q) Dated: October 16, 2024	\$ 16,277.98
Investment Advisory Fees Graystone Consulting Inv.# 10994224281	Sub-Manager Fees for 10/1/23-9/30/24 Dated: October 7, 2024	\$ 86,237.28
<u>Actuary Fees</u>		
Gabriel Roeder Smith & Co. Invoice# 489755	Misc. actuarial services Dated: October 8, 2024	\$ 4,350.00
<u>Pension Administration Fees</u>		
PCOF Inv.# 2408 - 2411	For Month ended: July 2024 to October 2024	\$ 7,200.00
<u>Bookkeeping Services Fees</u>		
Winks Ledgers, LLC Invoice # 2024_BHVP_004	Services for Q2 2024	\$ 2,500.00
<u>Insurance</u>		
Florida Municipal Insurance INVOICE ID: ANC-10012B-2425	Dated: 10/21/2024 Fiduciary Liability Insurance	\$ 4,757.10
Total		\$ 171,642.06

October 7, 2024

745-568 DCGIIC 0266891077

Bal Harbour Vlg Pol Off Pen Pl & Tr
655 96th Street
Surfside FL 33154

PLEASE REVIEW | INVESTMENT ADVISORY FEE PAYMENT REQUIRED

We value you as a client and thank you for the opportunity to serve your investment needs. Please see below for the investment advisory fee(s) due.

FEE TYPE	PLAN	BILLABLE VALUE	FEE AMOUNT
Sub-manager	BAL HARBOUR VLG POL OFF PENSION PL	-	\$13,152.16
	Total Fees This Period		\$13,152.16
	Past Due Balance		\$73,085.12
	Net Amount Due		\$86,237.28

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REMITTANCE INSTRUCTIONS

Please return payment using this page and include it with your check in the enclosed business reply envelope. Please note that cash payments cannot be accepted. Wire and check information are below. If you have any questions, please contact your Financial Advisor.

Total Fees (10/01/2024 - 12/31/2024)	\$13,152.16
Past Due Balance	\$73,085.12
Net Amount Due	\$86,237.28

Please note that cash payments cannot be accepted. ACH, wire, and check payment instructions are below. For tracking purposes, electronic payments are preferred. If a check is used for payment, the Remit page of the invoice must be accompanied with the check. **Any payments that do not include the payment instructions provided, or Remittance page, may result in delayed processing or return of the payment. Please expect longer processing times for payments by check.**

By ACH (Preferred)

Bank name: UMB Bank, N.A. (United Missouri Bank)
Transit Routing number: 044000804
Checking Account number: 4790000109942
For Benefit of Morgan Stanley & Co.
Incorporated

By Wire

Bank Name: Citibank, New York
ABA: 021000089
For Benefit Of Morgan Stanley & Co.
Incorporated
Beneficiary Account: 40611172
For Further Credit to: 980000163
Ref: Invoice 0109942

By Check

Morgan Stanley Global Banking Operations
ATTN: Advisory Fee Billing
1300 Thames Street Wharf, 4th Floor
Baltimore, MD 21231-9907
Ref: Invoice 10994224281

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ADVISORY INVOICE DETAILS

SUB-MANAGER FEE SECTION

ACCOUNT	SUB-MANAGER NAME	BILLING PERIOD	DAYS IN BILLING PERIOD	BILLABLE VALUE	RATE	FEE AMOUNT
745-XXX833	Aristotle Value Equity	07/01/2024 - 09/30/2024	92	\$8,237,459.57	0.2800%	\$5,797.73
745-XXX839	Congress Small Cap Growth	07/01/2024 - 09/30/2024	92	\$1,736,959.98	0.3800%	\$1,659.13
745-XXX835	Earnest Partners Mid Value	07/01/2024 - 09/30/2024	92	\$1,179,684.89	0.3800%	\$1,126.82
745-XXX836	Kayne Mid Cap Sustain Growth	07/01/2024 - 09/30/2024	92	\$1,127,805.01	0.3500%	\$992.22
745-XXX837	Neuberger SC Intrinsic Value	07/01/2024 - 09/30/2024	92	\$1,572,551.27	0.4200%	\$1,660.20
745-XXX841	Aristotle Int'l Equity ADR	07/01/2024 - 09/30/2024	92	\$1,178,527.28	0.3000%	\$888.73
745-XXX842	Jennison Int'l Opport ADR SMA	07/01/2024 - 09/30/2024	92	\$1,167,712.29	0.3500%	\$1,027.33
Total Sub-Manager Fee This Period						\$13,152.16