A proposal for

Texas Municipal Power Agency

Public Sector

RFP #TX2401

Forvis Mazars, LLP
14221 North Dallas Parkway, International Plaza II, Suite 400
Dallas, TX 75254
972.702.8262
forvismazars.us

October 28, 2024

Ms. Lyndi Birkhead
Director of Finance & Support Services
Texas Municipal Power Agency
P.O. Box 7000
Bryan, TX 77805

Dear Ms. Birkhead:

Texas Municipal Power Agency (the Agency) is no stranger to the complex challenges that come with transmitting electricity. Maintaining and expanding infrastructure and a regulatory environment are just a few of the issues the Agency has to address as you work to satisfy the demand for services. Navigating this environment can be difficult without a professional services firm with extensive public sector experience, including public power, to provide helpful guidance and tools you require. Forvis Mazars is still here to help. With a deep bench of national resources and a strong Texas presence, we have the availability of personnel to smoothly transition engagement executives to meet the Agency's ongoing service needs thanks to our understanding of your operations gained throughout our working history. Josh Findlay will assume leadership of your proposed engagement team while Kevin Kemp will remain as the client relationship partner during this transition.

Forvis Mazars will continue to provide the Agency with the industry-specific insight and knowledge you deserve. As you know, at Forvis Mazars, we have a client-centered service approach and commitment to industry specialization. Our professionals choose the industry they work in and have a passion for it. Your proposed engagement team has experience serving municipal power agencies, many of which are comparable in size to the Agency, so you can be confident we understand the complexities of the public sector and stay apprised of trends to better serve the Agency.

We believe our proposal will help you select our firm for efficient and objective services delivered by experienced professionals. If you have questions about our proposal, you may reach us by phone at 972.702.8262 or by email as provided below.

Respectfully Presented,

Kevin Kemp, CPA
Partner
kevin.kemp@us.forvismazars.com

Josh Findlay, CPA
Director
josh.findlay@us.forvismazars.com

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Executive Summary
Listening to Understand Your Needs

Forvis Mazars is grateful for the opportunity to propose audit services to Texas Municipal Power Agency (the Agency). With an emphasis on providing an Unmatched Client Experience®, we're here to continue assisting the Agency, and we understand your specific needs. From our work with clients across the industry, we recognize entities similar to the Agency face specific challenges as they pursue their goals and objectives. Some of these include:

- Identifying ways to better serve your customers
- Properly implementing GASB pronouncements
- Demonstrating transparency and sound fiscal stewardship
- Remaining compliant with regulatory changes and reporting requirements

Forvis Mazars recognizes the Agency operates within this environment, and while you focus on responding to the challenges you face daily, we can offer the Agency a client-centered approach to the services you seek. Furthermore, we're confident our strong working history and understanding of the Agency's operations will allow us to continue serving as a valuable resource in the years to come.

A Trusted Advisor in Forvis Mazars

Forvis Mazars is committed to providing the Agency with an Unmatched Client Experience by offering the following:

Industry Focus

We will:

- Engage an industry-focused team to serve you
- Share **FORsights™** specific to your industry
- Consult with you on industry specific issues

Responsive Team

We will:

- Get back to you promptly
- Communicate with clarity, purpose, and consistency
- Seek to understand your desired communication channel

Quality Work

We will:

- Collaborate in a way that provides a seamless experience
- Prioritize sound financial advice
- Assemble an experienced team aligned with your needs

Commitment to Deadlines

We will:

- Be transparent
- Proactively plan
- Set clear expectations for what's next

Innovation & Technology

We will:

- Be proactive and utilize artificial intelligence
- Prioritize investments in technology to better serve you
- Provide efficiencies to focus on the important issues

Resources

We will:

- Create an efficient process by making decisions locally
- Provide access to local leadership
- Invest in Texas

Why Forvis Mazars

Unmatched Client Experience

When our partners created Forvis Mazars, we set out to build a different professional services firm, one so special that our people, clients, and future clients couldn't help but notice. It takes courage to take a step like we did, but we have the confidence to do so because of our history of and commitment to client service.

Our commitment to these values is memorialized in our book - The Forvis Mazars Way in Action. This book is about our passion, 100-year legacy, and aspiration to be special and different from our peers. It is about our commitment to providing an Unmatched Client Experience (or UCX for short), while putting integrity first in all we do. We provide this book to our people and our clients. We ask them to hold us accountable. What does an Unmatched Client Experience look like for the Agency? It includes professionals who are committed to the following:

UNMATCHED CLIENT EXPERIENCE

1 Listen to Understand

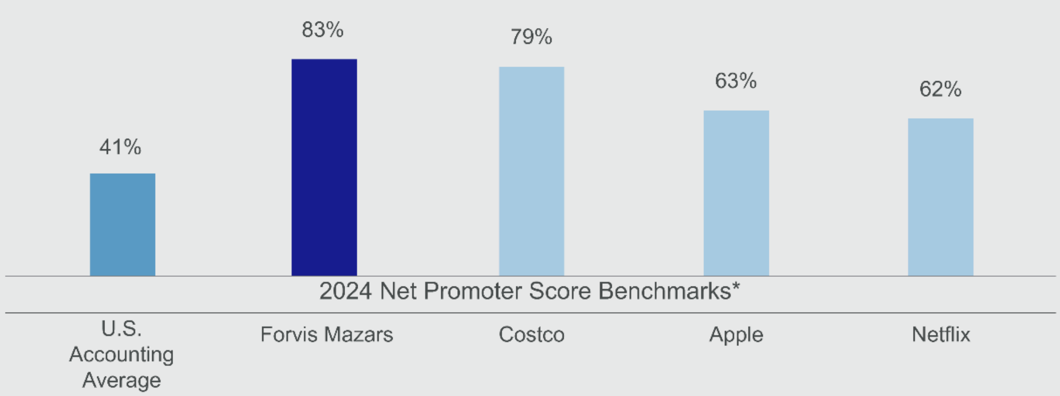
2 Be Responsive

3 Consult with Purpose to Deliver Value

View our UCX book

Proven Experience

Our firm is committed to delivering an Unmatched Client Experience through exceptional quality and client service. In 2024, Forvis Mazars won ClearlyRated's Best of Accounting Award for Service Excellence. ClearlyRated utilizes a Net Promoter® Score (NPS®) to determine the results. NPS is a simple metric based on a survey question that asks clients how likely they are to recommend the firm to a friend or colleague on a numeric scale of 0 - 10. To better understand how Forvis Mazars' NPS score was calculated visit ClearlyRated's resource for NPS for Accounting firms. Below, we have shared statistics regarding Forvis Mazars' NPS and comparable scores from other leading brands and our industry.



BEST of Accounting CLIENT SATISFACTION 2024

ClearlyRated's 2024

Best of Accounting Award for Service Excellence four years in a row

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Public Sector Support

Being a public servant isn't for the faint of heart. Infrastructure needs, limited revenue sources, regulatory changes, and budgetary constraints are only a few of the many challenges you may face as you strive to meet the needs of your customers and impacted communities. Our advisors have the knowledge and experience to provide the support you need to help you move forward with confidence.

Public Sector Services & Support

Financial Management Consulting

Our suite of financial management consulting services can help clients gain insight to efficiently spend public funds and drive improvement

Operations Management Consulting

We can help clients develop practical management tools to provide insight into your organization's performance

Risk Management Consulting

We can help build a risk management program, set strategies, and provide tools to apply across your organization.

Representative Client Listing*

- City of Arlington, Texas
- City of Balch Springs, Texas
- City of Cedar Hill, Texas
- City of Celina Texas
- City of Decatur, Texas
- City of Ennis, Texas
- City of Fate, Texas
- City of Fort Worth
- City of Frisco, Texas
- City of Grapevine, Texas
- City of Hurst
- City of Keene Texas
- City of Keene, Texas
- City of Lancaster, Texas
- City of Mansfield, Texas
- City of North Little Rock, AR
- City of North Richland Hills, Texas
- City of Ovilla Texas
- City of Royse City, Texas
- City of San Antonio Texas
- City of Sherman, Texas
- City of University Park
- Town of Addison
- Town of Little Elm, Texas
- City of Lincoln, Nebraska
- Omaha Public Power District
- MS Office of State Auditor
- Indianapolis Airport Authority
- Indiana Chamber of Commerce
- Platte River Power Authority
- Village of New Lenox
- Bloomington & Normal Water Reclamation District
- City of Phoenix
- City of Indianapolis
- Sedgwick County
- Jackson County
- Douglas County
- City of Colorado Springs
- City of Aurora

600+

Public Sector Clients Served

#3

Provider of Single Audits

Per Federal Audit Clearinghouse data for 2022 Year-Ends

Thought Leadership

Forvis Mazars is pleased to host annual Public Sector Seminars! These live, interactive CPE-eligible events cover hot topics in the industry and current challenges. In addition, we leverage insight and innovation to develop FORsights, our series of alerts, articles, and webinars tailored to the public sector industry to help you stay informed and prepared for what's next.

Clients Served

- State & Local Governments
- Airports
- Transportation Authorities
- Public Power & Utility Providers
- Tribal Governments
- Public Colleges & Universities

RFP Response

For your convenience, we have structured our proposal according to the requirements in your RFP. We believe our proposal will demonstrate our qualifications to serve the Agency.

INFORMATION CONTAINED IN FORVIS MAZARS' RFP RESPONSE, WHICH IT ASSERTS AS CONFIDENTIAL, IS EITHER BUSINESS AND/OR PROPRIETARY TRADE SECRET INFORMATION NOT SUBJECT TO DISCLOSURE AS SET FORTH IN THE STATE OF TEXAS PUBLIC INFORMATION ACT. SUCH CONFIDENTIAL INFORMATION HAS INDEPENDENT ECONOMIC VALUE TO FORVIS MAZARS, IS NOT REASONABLY ASCERTAINABLE BY THIRD PARTIES, AND IS THE SUBJECT OF REASONABLE EFFORTS BY FORVIS MAZARS TO MAINTAIN ITS SECRECY AND/OR CONFIDENTIALITY. SUCH INFORMATION IN THIS PROPOSAL SHALL BE DESIGNATED WITH AN ASTERISK (*).

a) Deadline Commitment

Briefly state understanding of the work to be done and make a positive comment to perform the work within the deadlines.

Forvis Mazars understands the work to be performed includes a Financial Statement Audit and an Employee Benefit Plan Audit for the years ending September 30, 2025 – 2029. We are committed to continue meeting the Agency's deadlines.

b) Contacts

State the firm name, address and name and telephone number of the firm representative who should be contacted regarding the proposal.

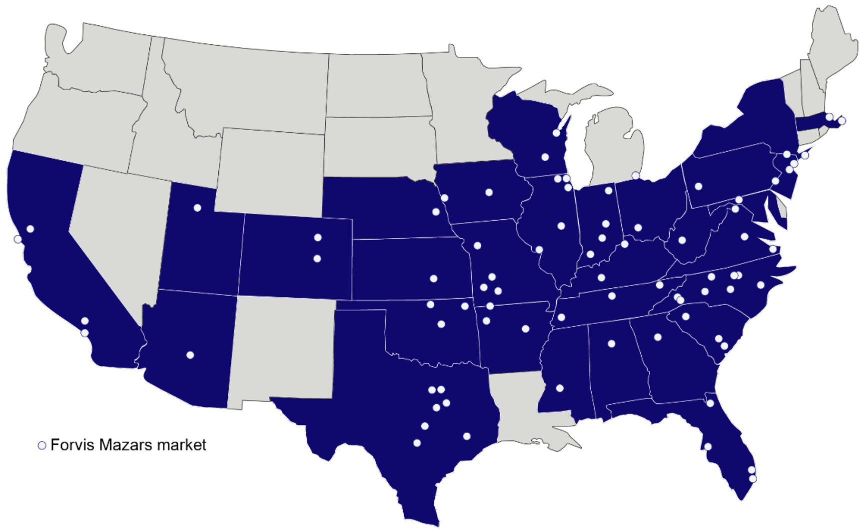
Forvis Mazars, LLP
Director Josh Findlay, CPA
14241 North Dallas Parkway, International Plaza II, Suite 400
Dallas, TX 75254
972.702.8262

c) Firm Information

Describe firm's history, locations, revenue size, number of partners, employees, etc.

Forvis Mazars, LLP was formed in 2022 through the combination of two nearly 100-year-old firms, both committed to providing Unmatched Client Experiences—BKD, established in Kansas City and Joplin, Missouri, in 1923, and Dixon Hughes Goodman LLP (DHG), established in Norfolk, Virginia, in 1932. BKD and DHG each brings a distinct legacy of what it means to provide professional services that go above and beyond. The current name, Forvis Mazars, LLP, was created in 2024 when FORVIS and Mazars created a two-firm network.

Forvis Mazars spans across 79 markets in 28 states in the U.S. Forvis Mazars has a net revenue of approximately $2 billion for FYE 2023.



Forvis Mazars, LLP is an independent member of Forvis Mazars Global Limited, a leading global professional services network. Ranked among the largest public accounting firms in the United States, the firm's more than 7,000 dedicated team members, including approximately 600 partners, provide an Unmatched Client Experience through the delivery of assurance, tax, and consulting services for clients in all 50 states and internationally through the global network.

d) Service Office

If firm has multiple office locations, specify which location firm propose to service this account.

The Agency's services will be provided by our Dallas office.

Forvis Mazars, LLP
14241 North Dallas Parkway, International Plaza II, Suite 400
Dallas, TX 75254

A Strong History of Performance

In addition to the requested reference information above, we would like to comment on the working history and understanding of your operations we have developed with the Agency.

Building strong working relationships with our clients is a top priority, which we know takes time and resources. Fortunately, our Dallas team has already invested in developing a deep understanding of the Agency's people and operations during the last 10 years, which we believe sets Forvis Mazars apart from other firms that will likely need to spend more time getting to know you. We are committed to being the service provider you can continue to trust for quality deliverables and Unmatched Client Experiences.

Throughout our working relationship, we have been available to offer guidance and benefits in the following ways:

- Provided recommendations over the years to help with the Agency's system of internal controls over financial reporting
- Provided recommendations to help strengthen the Agency's accounting practices and procedures
- Provided guidance and assistance on the implementation of complex accounting standards such as:
    - GASB Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*
    - GASB Statement No. 74 (GASB 74), *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*

- GASB Statement No. 84 (GASB 84), *Fiduciary Activities*
- GASB Statement No. 87 (GASB 87), *Leases*
- GASB Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*

- Provided year-round, proactive accounting and operational advice on various matters including:
  - Accounting for debt issuance and refunding
  - Accounting for the impairment of the generation plant
  - Accounting for the decommissioning liability of the generation plant
  - Accounting treatment for the sale of the generation plant
  - Accounting treatment for the sale of the mine

e) References

e) References: Provide at least three client references, preferably in the utility or governmental industry.

We have a track record of helping similar entities and understand our clients are our best ambassadors. Listening to us helps, but hearing directly from your peers can be a meaningful step in your decision-making process. We encourage you to reach out to the following clients to discuss Forvis Mazars' services and capabilities at your convenience.

Brazos Electric Power Cooperative*
7616 Bagby Ave.
Waco, TX 76712
Mr. Brent Fox, Controller
254.750.6500
bfox@brazoselectric.com

City of Phoenix, Arizona*
200 W. Washington Street
Phoenix, AZ 85003
Mr. Joe Jatzkewitz
Assistant CFO/City Treasurer
602.495.7058
joe.jatzkewitz@phoenix.gov

City of Midland, Texas*
300 N. Loraine
Midland, TX 79701
Ms. Christy Weakland, CPA
Director of Finance
432.685.7210
cweakland@midlandtexas.gov

f) Summary of Staff Experience

Identify the team who will work on the audit along with summaries of their experience.

Team Biographies & Experience

We take team selection seriously and have the appropriate team of advisors to meet your needs. Previous experience is a primary determinant for assigning professionals to your engagement, and we have assigned individuals who are experienced in working with similar entities to your engagement.

Kevin Kemp, CPA
Client Relationship Partner
972.702.8262
kevin.kemp@us.forvismazars.com

Kevin has more than 30 years of experience providing audit and management consulting services to a client base that includes utilities, municipalities and their component units, counties, state agencies, and numerous service-related entities receiving government assistance.

Kevin serves clients by assisting them in obtaining tax-exempt financing, analyzing expansion opportunities, and improving internal controls. He has served as primary contact for numerous clients, provided review services for audits subject to the Uniform Guidance, and maintained contacts with regulatory agencies. In addition, he has staff recruitment and training responsibilities.

His professional affiliations include membership in the Government Finance Officers Association and American Institute of CPAs. He is a licensed CPA in Arkansas and Texas.

Kevin is a graduate of University of Central Arkansas, Conway, with a B.B.A. degree.

Josh Findlay, CPA
Engagement Executive
972.702.8262
josh.findlay@us.forvismazars.com

Josh has more than nine years of experience providing audit and consulting services to governmental and nonprofit organizations, including Single Audits. He assists clients with preparing financial statements and reports to meet financial reporting and other regulatory disclosure requirements. Josh also advises clients on future accounting pronouncements and assists with new standard implementation.

He performs a variety of governmental and nonprofit audit engagements, including for municipalities and their component units, private colleges and other service-related entities that receive federal and state assistance.

Josh's professional memberships include the AICPA, TXCPA, and Government Finance Officers Association of Texas.

Josh is a Certified Implementor for The Reporting Solution, and a licensed CPA in Texas.

He received his B.S. degree in accounting and finance from the University of Arkansas, Fayetteville.

Chad M. Moore, CPA
Concurring Reviewer
405.842.7977
chad.moore@us.forvismazars.com

Chad is a member of the Energy & Natural Resources Practice, the manufacturing and distribution group, and the Construction & Real Estate Practice at Forvis Mazars. He leads the Oklahoma practice for these industries as well as the firmwide electric utility team. Chad has approximately 19 years of experience providing audit and consulting services to electric utilities and other energy companies, commercial businesses, state and local public sector entities, and nonprofit organizations, as well as associated employee benefit plans.

He is a member of the American Institute of CPAs, Oklahoma Society of CPAs (OSCPA), National Society of Accountants for Cooperatives (NSAC), and Government Finance Officers Association of the United States and Canada. He presents on accounting and other industry-related issues facing electric utilities to various organizations, including NSAC, Oklahoma Association of Electric Cooperatives, and Nebraska Rural Electric Association.

Chad serves as chair-elect and finance committee chair for ReMerge and previously volunteered as board member for Bethany YMCA and co-chair of their annual Community Support Campaign. He is a graduate of Leadership Oklahoma City Class 34. Chad was recipient of a 2016 Journal Record Achievers Under 40 Award, 2014 Northwestern Oklahoma State University Outstanding Business/Professional Alumni Award, 2013 Bethany YMCA Volunteer of the Year Award, and 2013 OSCPA Trailblazer Award. He also received the local Forvis Mazars office Achieving Client Excellence Award for providing Unmatched Client Experiences™.

He is a 2001 graduate of Northwestern Oklahoma State University, Alva, with a B.S. degree in accounting.

Taylor Zachary
Audit In-Charge
972.702.8262
taylor.zachary@us.forvismazars.com

Taylor has more than three years of experience providing accounting and audit services to governmental and nonprofit organizations, including extensive experience in Single Audits and employee benefit plans. As a member of Forvis Mazars' Nonprofit Practice and the Public Sector Practice, she currently serves as a senior associate for numerous clients across Texas.

She oversees the daily operations of the audit, including supervision and training of the audit team, review of audit workpapers, and communication between the engagement team and the client team. In addition, Taylor has participated at Forvis Mazars' annual Public Sector Seminar since joining the firm.

Taylor graduated from the Patterson School of Accountancy at the University of Mississippi, Oxford, with a BAcc degree in 2020 as well as a MAcc and Data Analytics degree in 2021.

g) Cost

Provide a cost for providing the services described in the scope of work. At a minimum, provide total hours, blended rates, estimated out-of-pocket expenses, and total costs separately for the audit of the Agency and the pension plan. State whether the price is a five-year fixed price as requested. If the firm cannot commit to a fixed price, describe firm's policy for annual rate increases and commitment to estimated hours and costs provided in an engagement letter and other terms firm is willing to commit to.

h) Rate Schedule: Provide the rate schedules by position used to develop the cost estimate. Describe firm's policy on what situations, if any, the rate schedule would not apply to additional audit work performed for the Agency.

Proposed Fixed Fee

Our fixed fee for fiscal year 2025 will include an administrative fee of 5% to cover items such as copies, postage and other delivery charges, supplies, technology-related costs, such as computer processing, software licensing, research and library databases, and similar expense items.

Our fees may increase if our duties or responsibilities change because of new rules, regulations, and accounting or auditing standards. We will consult with you should this happen.

For the remaining term of the contract, we anticipate an increase in our professional fees by 3% to 5% annually, consistent with inflation. If there are significant changes in your operations or changes in accounting or auditing standards, we will meet with you to discuss how these changes will affect your fees.

Providing a high level of value for the fees you pay is an integral part of our basic engagement philosophy, which means we respond to questions quickly and do so without hidden fees. We do not bill for responses to your day-to-day questions that require no significant investment of research, time, or other costs. If an issue is going to take more than one hour to research, we will inform you in advance of the estimated hours and fees it will require.

For the Year Ending September 30	2025		
Financial Statement Audit			
Staff Level	**Hours**	**Rates**	**Total**
Partner / Director	20	$310	$6,200
Senior Manager	40	$230	$9,200
Manager	60	$200	$12,000
Senior Associate	125	$150	$18,750
Associate	5	$70	$350
Subtotal	**250**		**$46,500**
Employee Benefit Plan Audit			
Staff Level	**Hours**	**Rates**	**Total**
Partner / Director	4	$310	$1,240
Senior Manager	10	$230	$2,300
Manager	15	$200	$3,000
Senior Associate	40	$150	$6,000
Associate	1	$70	$70
Subtotal	**70**		**$12,610**
Total	**320**		**$59,110**

Appendix

Exceptions to Terms & Conditions

Upon being selected as the successful bidder, Forvis Mazars understands the parties will negotiate the terms and conditions contained in the sample professional services agreement, attached to the RFP, to comply with professional standards and/or firm policies. As Forvis Mazars has successfully resolved similar agreements with the Agency previously, Forvis Mazars is confident the parties can successfully negotiate mutually acceptable terms and conditions. Forvis Mazars sincerely appreciates the Agency's consideration and understanding. We look forward to working with you in this regard.

Audit Approach

Financial Statement Audit in Accordance with *Government Auditing Standards*

Auditing standards set the technical requirements for our process, culminating with the expression of our opinion on the presentation of your financial statements. Our audit will be performed 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 Forvis Mazars Audit Experience

While auditor selection should start with evaluating technical competence, it also should extend to your expectations for a service experience. Your audit experience includes how your engagement is managed, how you and your team are treated, the quality and timeliness of communication you receive, and your confidence in the results and guidance you receive. We want you to consider our philosophy around independence, integrity, and quality, along with our commitment to Unmatched Client Experiences™ and the strength of your proposed engagement team.

Proposed Timeline

AUDIT ACTIVITY	SEP	OCT	NOV	DEC
Audit Planning				
Interim Testing				
Final Fieldwork				
Financial Reporting				

Executing the Audit

Once we have established our overall process and communication plans with you, the detailed work can begin. Key elements of that work include:

Risk Assessment

We will update our assessment of risks of material misstatement in your financial statements, including those from potential fraud and IT risks. Our work is supported by our strong understanding of your business environment and by gathering information through interviews and tests for significant transaction cycles.

Audit Design

Based on risks identified, we will design an audit approach specific to your organization. This tailoring takes into consideration the uniqueness of your operations, the design of internal controls you have implemented, and the nature of financial statement amounts and disclosures. We consider whether matters are truly important (materiality), as well as obtain input about concerns from management and the Audit and Budget Committee to design the tests we will perform.

Gathering Evidence

Once the plan is complete, we will execute the audit through a combination of on- and off-site work performed in accordance with the agreed-upon timeline.

Reviewing the Work

Critical to our process is a review of the team's work by our engagement executive, as well as a quality review by another executive who is independent from the detailed work. The quality review is designed to improve our deliverable by providing a fresh perspective and reinforcing quality.

Sharing Our Results

We base our audit opinion on the evidence gathered and then communicate our findings. Professional standards drive the content of our opinion and the required communication about any deficiencies and other items we may identify during the audit. Beyond these requirements, we share results formally through our letters and presentations to management/ and the Audit and Budget Committee, as well as opportunities for improvement through conversations during the audit process.

Broad Audit Risk Considerations

Some risk considerations apply across nearly all of our audits. We pay particular attention to the following items:

Revenue Recognition

In general, revenue recognition is typically an area of higher risk due to fraud or error. We will update our understanding of your significant revenue sources and the criteria applied to those revenues and perform a variety of inquiry, analytical, and substantive audit procedures to confirm that understanding and challenge stated amounts.

Significant Accounting Estimates

Nearly all financial statements have significant estimates in amounts and disclosures, even when not readily apparent. Estimates may include amounts ultimately collectible from third parties, expected losses, or costs occurring at a specific amount and time, etc.

We will gather information supporting management's estimates and challenge key assumptions used to develop these amounts. We also will test estimates on available data and historical trends and document our conclusions on the reasonableness of recorded amounts.

Risk of Management Override of Controls

When considering fraud, auditing standards require evaluating the risk that management could override existing controls. We will perform interviews of selected individuals, apply an element of unpredictability in our testing, and brainstorm as a team to evaluate risks and possible actions based on our observations. We also will perform journal entry testing, review estimates for bias and significant changes, and consider the business rationale for significant unusual transactions.

Procedures & Risks Specific to Utilities

Audit procedures can vary, but they often include traditional observation, sampling, and testing combined with more advanced deployment of technology for trend analysis, summarization of documents, and assessment of large data sets.

Our work with hundreds of clients in the utility industry means our advisors are very familiar with companies similar to the Agency. While no two audits are the same, certain activities are common to utilities. Specific risk areas for the Agency are likely to include:

Accounts Receivable

This is an area of significant risk due to the subjective nature of the Agency's estimate for the allowance for doubtful accounts and the proper recognition of revenue. We will test the cutoff of revenue and review the revenue journal both before and after year end. We may confirm significant accounts receivable, as well as a sample of others to test both existence and proper classification, if considered necessary.

Plant in Service

Plant in service is typically significant, resulting in an area of focus in performing our audit. Risk comes from the amount of capitalized costs, asset retirement obligations (ARO), potential impairment of long-lived assets and varying depreciation methods.

We employ a variety of audit procedures assessing plant in service, including vouching capitalized costs and searching for events or circumstances that would indicate potential impairment, reviewing ARO methodology, and challenging depreciation methods for reasonableness and consistency.

Long-Term Debt

We review debt documents to help gain an understanding of the flow of funds prescribed for any pledged revenues and significant debt covenants. We review the covenants and obtain evidence through inquiry and other means, including the recalculation of any financial covenants, to support the conclusion that all covenants have been met and all debt service payments have been made on time. We also will confirm the annual payment activity and ending balances of certain bonds and notes payable with trustees. In the case of any refunded debt in the year being audited, we will recalculate the accounting gain or loss by reviewing trustee statements and bond documents to test for proper classification and footnote disclosures.

Other Postemployment Benefit Liabilities

Due to the subjective nature of the estimation processes associated with determining the other postemployment benefit (OPEB) liabilities, we will obtain and test the specific actuarial calculations for the OPEB liabilities. First, we will evaluate the professional qualifications and reputation of the actuary. We will read the actuarial reports to obtain an understanding of the methods and assumptions employed. Select testing of the underlying data used in the calculation will be performed. We will evaluate the valuation, cost, and amortization methods for consistency.

Net Position

Procedures we perform in this area include vouching (or cross-indexing to work performed in other areas) of significant increases and decreases to net position and recalculation of net investment in capital assets.

Procedures & Risks Specific to Employee Benefit Plan Audit

We will focus on the following areas for the Agency's employee benefit plan audit.

- Identifying whether the Agency executed and updated plan documents and service agreements with vendors and the financial statements appropriately disclose these provisions
- Update our understanding of your internal control function to help us properly apply risk assessment standards
- Considering whether non-discrimination testing has been completed and passed, and identified failures were corrected promptly
- Compliance with plan document provisions regarding eligibility for employee and employer contributions
- Compliance with plan document provisions regarding the definition of eligible compensation
- Recalculation of employee and employer contributions based on elections made by participants and provisions of the Agency's plan
- Compliance with plan document provisions regarding benefit payments and vesting
- Identifying whether remittance of employee contributions and participant loan repayments to the plan have been appropriately prompt
- Identifying whether valuation of investments held by the plan is appropriate

U.S. Presence

Top 10
U.S. Public Accounting Firm*

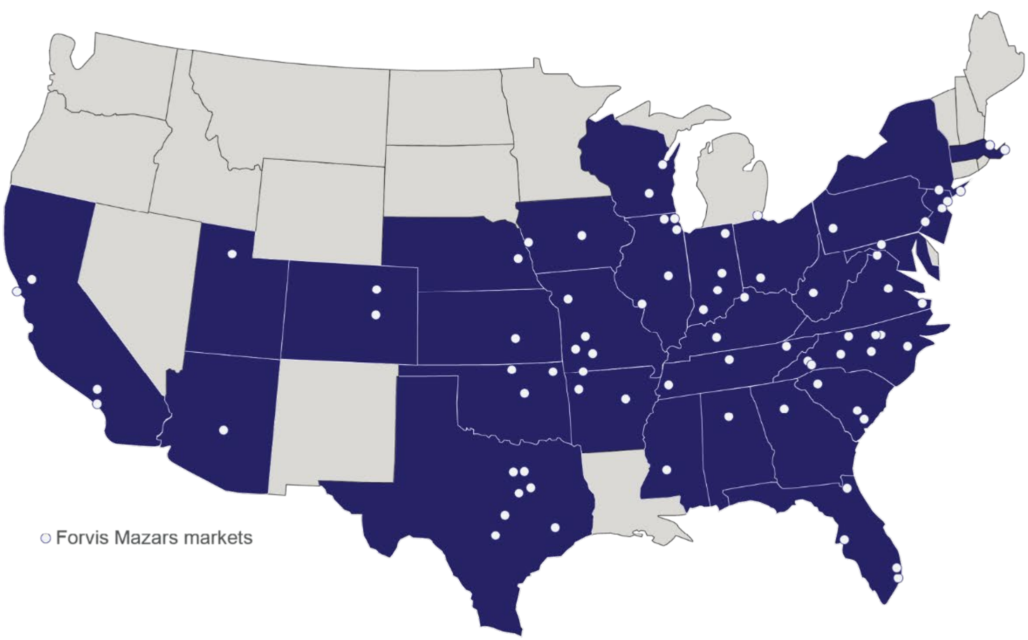
$2bn
Revenue (2023)

79
Markets

28
States

600+
Partners & Principals

7,000+
Employees



*Source: Inside Public Accounting, based on most recent rankings
2023 combined revenues: FORVIS $1.7bn, Mazars USA (expected) $305m

Global Presence

Top 10
Global Network*

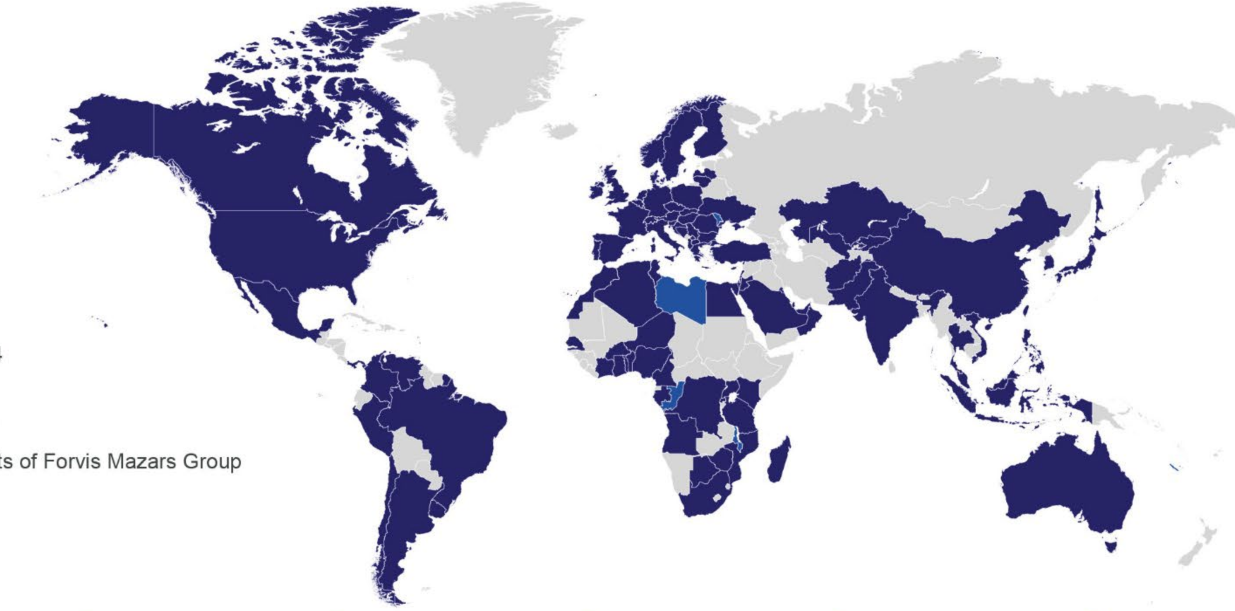
$5bn
Combined Revenue (2023)

100+
Combined Countries & Territories

400+
Combined Offices & Locations

1,800+
Combined Partners

40,000+
Combined Employees



As of June 1, 2024

- Forvis Mazars
- Correspondents of Forvis Mazars Group

- Afghanistan
- Albania
- Algeria
- Angola
- Argentina
- Australia
- Austria
- Bahrain
- Belgium
- Benin
- Bermuda
- Bosnia and Herzegovina
- Botswana
- Brazil
- Bulgaria
- Burkina Faso
- Cameroon
- Canada
- Cayman Islands
- Chile
- China
- Colombia
- Congo
- Côte d'Ivoire
- Croatia
- Cyprus
- Czech Republic
- Democratic Republic of the Congo (DRC)
- Denmark
- Egypt
- Finland
- France
- Gabon
- Germany
- Ghana
- Greece
- Hong Kong
- Hungary
- India
- Indonesia
- Ireland
- Israel
- Italy
- Japan
- Jordan
- Kazakhstan
- Kenya
- Korea
- Kosovo
- Kuwait
- Kyrgyzstan
- Latvia
- Lebanon
- Libya
- Lithuania
- Luxembourg
- Madagascar
- Malawi
- Malaysia
- Malta
- Mauritius
- Mexico
- Moldova
- Morocco
- Mozambique
- Netherlands
- New Caledonia
- Niger
- Nigeria
- North Macedonia
- Norway
- Oman
- Pakistan
- Palestine
- Panama
- Peru
- Philippines
- Poland
- Portugal
- Qatar
- Romania
- Rwanda
- Saudi Arabia
- Senegal
- Serbia
- Singapore
- Slovakia
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- Taiwan
- Tanzania
- Thailand
- Togo
- Tunisia
- Turkiye
- Uganda
- Ukraine
- United Arab Emirates
- United Kingdom
- United States
- Uruguay
- Uzbekistan
- Venezuela
- Vietnam
- Zimbabwe

Source: IAB World Network rankings, based on most recent rankings

2023 revenues: FORVIS $1.7bn (€1.6bn), Mazars (expected) $3bn (€2.8bn)

Forvis Mazars is the brand name for the Forvis Mazars Global network (Forvis Mazars Global Limited) and its two independent members: Forvis Mazars, LLP in the United States and Forvis Mazars Group SC, an internationally integrated partnership operating in over 100 countries and territories.

Forvis Mazars

Overview

With a legacy spanning more than 100 years, Forvis Mazars is committed to providing a different perspective and an unmatched client experience that feels right, personal and natural. We respect and reflect the range of perspectives, knowledge and local understanding of our people and clients. We take the time to listen to deliver consistent audit and assurance, tax, advisory and consulting services worldwide.

We nurture a deep understanding of our clients' industries, delivering greater insight, deeper specialization and tailored solutions through people who listen to understand, are responsive and consult with purpose to deliver value.

Deep industry understanding

Forvis Mazars' deep understanding of industry-specific environments, issues and trends helps us anticipate and address evolving needs to prepare you for strategic opportunities ahead.

Every industry is different, and we put a strong focus on specific industry experience and knowledge of your complex and evolving environment. We provide a range of audit and assurance, tax, advisory and consulting services to help your business by bringing together experienced professionals from all over the globe who understand local contexts and cultures.

We serve global industries including:

- Financial Services
- Manufacturing & Distribution
- Technology, Media & Telecommunications
- Life Sciences
- Private Equity

$5B
combined revenue (2023)

100+
combined countries, territories & markets

400+
combined offices & locations

1,800+
combined partners

40,000+
combined team members

forvis mazars

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