

PROFESSIONAL SERVICES AGREEMENT
(ANNUAL INDEPENDENT FINANCIAL AUDITING SERVICES)

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered on _____, by and between the **City of Lake Worth Beach**, a Florida municipal corporation ("City") and **Carr, Riggs & Ingram, LLC** a limited liability company authorized to do business in the State of Florida ("Consultant").

RECITALS

WHEREAS, in accordance with section 218.391, Florida Statutes, the City issued a Request for Proposals #25-203 for the City's Annual Independent Financial Auditing Services, which includes the Lake Worth Beach Community Redevelopment Agency (CRA) ("RFP"); and

WHEREAS, the Consultant provided the City with a written proposal in response to the RFP to provide the services as described and set out in the RFP; which is incorporated herein by reference; and

WHEREAS, the City desires to accept the Consultants' proposal in order for the Consultant to render the services to the City as provided in the RFP and herein; and

WHEREAS, Consultant further warrants that it is experienced and capable of performing the services hereunder in a professional and competent manner; and

WHEREAS, the purpose of this Agreement is to set forth certain terms and conditions for the provision of services by Consultant to the City; and

WHEREAS, the City finds entering this Agreement as serving a valid public purpose.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the sufficiency of which is hereby acknowledged by the parties, the City and Consultant agree as follows:

SECTION 1: INCORPORATION OF RECITALS. The foregoing Recitals are incorporated into this Agreement as true and correct statements.

SECTION 2: CONSULTANT'S SERVICES. The Consultant shall provide independent financial auditing services to the City as more specifically described in **Exhibit "A"** (which is the scope of work as set forth in the RFP), the Consultant's Engagement Letter with attachments thereto (which is attached hereto as **Exhibit "B"**), and as otherwise required by the RFP which is incorporated herein by reference. The City may request additional services as needed from the Consultant, which must be approved by mutual written agreement between parties prior to any additional services being provided under this Agreement.

SECTION 3: INDEPENDENT CONTRACTOR RELATIONSHIP. No relationship of employer or employee is created by this Agreement, it being understood that Consultant will act hereunder as an independent contractor and none of Consultant's, officers, directors, employees, independent contractors, representatives or agents performing services for Consultant pursuant to this

Agreement shall have any claim under this Agreement or otherwise against the City for compensation of any kind under this Agreement. The relationship between the City and Consultant is that of independent contractors, and neither shall be considered a joint venturer, partner, employee, agent, representative or other relationship of the other for any purpose expressly or by implication.

SECTION 4: TERM, TIME AND TERMINATION.

a. Term. The term of this Agreement shall commence upon the approval of this Agreement by the City Commission and shall be for an initial term of three (3) years (inclusive of the audits for fiscal years ending September 30, 2025, 2026, and 2027) unless earlier terminated as stated herein. The parties may extend the term for two (2) additional one (1) year terms (inclusive of the audits for fiscal years ending September 30, 2028 and 2029).

b. Time for Completion. Time is of the essence in the performance of this Agreement. Consultant shall at all times carry out its duties and responsibilities as expeditiously as possible and in accordance with the project schedule defined in Exhibit "A" and as set forth in the RFP.

c. Force Majeure. Neither party hereto shall be liable for its failure to perform hereunder due to any circumstances beyond its reasonable control, such as acts of God, wars, riots, national emergencies, sabotage, strikes, labor disputes, accidents, and governmental laws, ordinances, rules, or regulations. The Consultant or City may suspend its performance under this Agreement as a result of a force majeure event without being in default of this Agreement, but upon the removal of such force majeure event, the Consultant or City shall resume its performance as soon as is reasonably possible. Upon the Consultant's request, the City shall consider the facts and extent of any failure to perform the services and, if the Consultant's failure to perform was without its or its sub-consultant's fault or negligence, the schedule and/or any other affected provision of this Agreement may be revised accordingly, subject to the City's rights to change, terminate, or stop any or all of the services at any time. No extension shall be made for delay occurring more than seven (7) days before a notice of delay or claim therefore is made in writing to the City. In the case of continuing cause of delay, only one (1) notice of delay or claim is necessary.

d. Termination without cause. Either party may terminate this Agreement at any time with or without cause by giving not less than thirty (30) days written notice of termination.

e. Termination for cause. Either party may terminate this Agreement at any time in the event that the other party engages in any act or makes any omission constituting a material breach of any term or condition of this Agreement. The party electing to terminate this Agreement for breach shall provide the other party with written notice specifying the nature of the breach. The party receiving the notice shall then have three (3) business days from the date of the notice in which to remedy the breach. If such corrective action is not taken within three (3) business days, then this Agreement shall terminate at the end of the three (3) business day period without further notice or demand.

f. Early Termination. If this Agreement is terminated before the completion of all services by either party, the Consultant shall:

1. Stop services on the date and to the extent specified including without limitation services of any sub-consultants.
2. Transfer all work in progress, completed work, and other materials related to the terminated services to the City in the format acceptable to City.
3. Continue and complete all parts of the services that have not been terminated.

g. Effect of Termination. Termination of this Agreement shall not affect any rights, obligations, and liabilities of the parties arising out of services provided prior to the date of termination. Notwithstanding the foregoing, the parties acknowledge and agree that the City is a municipal corporation existing under the laws of the State of Florida, and as such, this Agreement (and all Exhibits hereto) are subject to budgeting and appropriation by the City of funds sufficient to pay the costs associated herewith in any fiscal year of the City. Notwithstanding anything in this Agreement to the contrary, in the event that no funds are appropriated or budgeted by the City's governing board in any fiscal year to pay the costs associated with the City's obligations under this Agreement, or in the event the funds budgeted or appropriated are, or are estimated by the City to be, insufficient to pay the costs associated with the City's obligations hereunder in any fiscal period, then the City will notify Consultant of such occurrence and either the City or Consultant may terminate this Agreement by notifying the other in writing, which notice shall specify a date of termination no earlier than twenty-four (24) hours after giving of such notice. Termination in accordance with the preceding sentence shall be without penalty or expense to the City of any kind whatsoever; however, City shall pay Consultant for all services performed under this Agreement through the date of termination.

SECTION 5: COMPENSATION.

a. Payments. The City agrees to compensate the Consultant in accordance with the Consultant's Price Schedule set forth in **Exhibit "C"**, which is attached hereto. The City shall not reimburse the Consultant for any additional costs incurred as a direct or indirect result of the Consultant providing services to the City under this Agreement and not set forth in **Exhibit "C"**.

b. Invoices. Consultant shall render invoices to the City for services that have been rendered in conformity with this Agreement. The invoices shall specify the services performed and the time spent on such work. All reimbursable expenses shall also be clearly identified on the invoice with supporting documentation. Invoices will be reviewed for approval and if an invoice is not approved, the City will notify Consultant within ten (10) days of deficiencies in the invoice. Once the deficiencies are corrected and a new or amended invoice submitted, the City shall make payment within twenty (20) days. Invoices will normally be paid within thirty (30) days following the City's receipt of Consultant's invoice.

c. Interest. Interest on any late payments shall be calculated in accordance with Florida's Prompt Payment Act (for non-construction services).

SECTION 6: INDEMNIFICATION. Consultant, its officers, employees and agents shall indemnify and hold harmless the City, including its officers and employees from liabilities, damages, losses, and costs, including but not limited to, reasonable attorney's fees (at the trial and appellate levels), to the extent caused by the negligence, of Consultant, its officers, directors,

employees, representatives and agents employed or utilized by Consultant in the performance of the services under this Agreement. The City agrees to be responsible for its own negligence; however, nothing contained in this Agreement or otherwise with the Consultant shall require the City to defend, indemnify, reimburse, or hold harmless the Consultant or be construed as a waiver of the City's right to sovereign immunity beyond the limited waiver provided in section 768.28, Florida Statutes. Further, nothing in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the City or Consultant.

SECTION 7: COMPLIANCE AND DISQUALIFICATION. Each of the parties agrees to perform its responsibilities under this Agreement in conformance with all laws, regulations, and administrative instructions that relate to the parties' performance of this Agreement.

SECTION 8: PERSONNEL. Consultant represents that it has, or will secure at its own expense, all necessary personnel required to perform the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the City. All of the services required hereunder shall be performed by Consultant or under its supervision, and all personnel engaged in performing the services shall be fully qualified and authorized or permitted under federal, state and local law to perform such services.

SECTION 9: SUB-CONSULTANTS. The City reserves the right to accept the use of a sub-consultant or to reject the selection of a particular sub-consultant and approve all qualifications of any sub-consultant in order to make a determination as to the capability of the sub-consultant to perform properly under this Agreement. All sub-consultants providing professional services to Consultant under this Agreement will also be required to provide their own insurance coverage identical to those contained in this Agreement. In the event that a sub-consultant does not have insurance or does not meet the insurance limits as stated in this Agreement, Consultant shall indemnify and hold harmless the City for any claim in excess of the sub-consultant's insurance coverage, arising out of the negligent acts, errors or omissions of the sub-consultant.

SECTION 10: FEDERAL AND STATE TAX. The City is exempt from payment of Florida State Sales and Use Tax. Consultant is not authorized to use the City's Tax Exemption Number.

SECTION 11: INSURANCE. Prior to commencing any services, Consultant shall provide proof of insurance coverage as required hereunder. Such insurance policy(s) shall be issued by the United States Treasury or insurance carriers approved and authorized to do business in the State of Florida, and who must have a rating of no less than "excellent" by A.M. Best or as mutually agreed upon by the City and Consultant. All such insurance policies may not be modified or terminated without the express written authorization of the City.

<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Professional liability/ Errors and Omissions	\$1,000,000 per occurrence
Commercial general liability (Products/completed operations	\$1, 000,000 per occurrence
Contractual, insurance broad form property, Independent Consultant, personal injury)	\$2,000,000 annual aggregate

circumstances will Consultant be required to disclose any confidential or proprietary information regarding its products and service costs.

SECTION 16: NONDISCRIMINATION. Consultant warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, or sexual orientation.

SECTION 17: AUTHORITY TO PRACTICE. Consultant hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business and provide the services required under this Agreement, and that it will at all times conduct its business and provide the services under this Agreement in a reputable manner. Proof of such licenses and approvals shall be submitted to the City upon request.

SECTION 18: SEVERABILITY. If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, to remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

SECTION 19: PUBLIC ENTITY CRIMES. Consultant acknowledges and agrees that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier or sub-contractor under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list. The Consultant will advise the City immediately if it becomes aware of any violation of this statute.

SECTION 20: NOTICE. All notices required in this Agreement shall be sent by hand-delivery, certified mail (RRR), or by nationally recognized overnight courier, and if sent to the City shall be sent to:

City of Lake Worth Beach
Attn: City Manager
c/o Finance Director
7 N. Dixie Highway
Lake Worth Beach, FL 33460

and if sent to Consultant, shall be sent to:

Carr, Riggs & Ingram
Attn: Christine Noll-Rhan, CPA
3300 PGA Blvd. #700
Palm Beach Garden, FL 33410

The foregoing names and addresses may be changed if such change is provided in writing to the other party. Notice shall be deemed given upon receipt.

SECTION 21: ENTIRETY OF AGREEMENT. The City and Consultant agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

SECTION 22: WAIVER. Failure of a party to enforce or exercise any of its right(s) under this Agreement shall not be deemed a waiver of that parties' right to enforce or exercise said right(s) at any time thereafter.

SECTION 23: PREPARATION AND NON-EXCLUSIVE. This Agreement shall not be construed more strongly against either party regardless of who was more responsible for its preparation. This is a non-exclusive Agreement and the City reserves the right to contract with individuals or firms to provide the same or similar services.

SECTION 24: MATERIALITY. All provisions of the Agreement shall be deemed material. In the event Consultant fails to comply with any of the provisions contained in this Agreement or exhibits, amendments and addenda attached hereto, said failure shall be deemed a material breach of this Agreement and City may at its option provide notice to Consultant to terminate for cause.

SECTION 25: LEGAL EFFECT. This Agreement shall not become binding and effective until approved by the City. The Effective Date is the date this Agreement is executed by the City.

SECTION 26: NOTICE OF COMPLAINTS, SUITS AND REGULATORY VIOLATIONS. Each party will promptly notify the other of any complaint, claim, suit or cause of action threatened or commenced against it which arises out of or relates, in any manner, to the performance of this Agreement. Each party agrees to cooperate with the other in any investigation either may conduct, the defense of any claim or suit in which either party is named, and shall do nothing to impair or invalidate any applicable insurance coverage.

SECTION 27: SURVIVABILITY. Any provision of this Agreement which is of a continuing nature or imposes an obligation which extends beyond the term of this Agreement shall survive its expiration or earlier termination.

SECTION 28: COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and will become effective and binding upon the parties as of the effective date at such time as all the signatories hereto have signed a counterpart of this Agreement.

SECTION 29: PALM BEACH COUNTY IG. In accordance with Palm Beach County ordinance number 2011-009, Consultant acknowledges that this Agreement may be subject to investigation and/or audit by the Palm Beach County Inspector General. Consultant has reviewed Palm Beach County ordinance number 2011-009 and is aware of its rights and/or obligations under such ordinance.

SECTION 30: AGREEMENT DOCUMENTS AND CONTROLLING PROVISIONS. This Agreement consists of the terms and conditions set forth in this Agreement, the RFP (which is incorporated herein by reference), **Exhibit “A”**, **Exhibit “B”**, and **Exhibit “C”**. The parties agree to be bound by all the terms and conditions set forth in the aforementioned documents. To the extent that there exists a conflict between the terms and conditions of this Agreement and the remaining documents, the terms and conditions of this Agreement shall prevail with the RFP next taking precedence. Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

SECTION 31: OWNERSHIP OF DELIVERABLES. The deliverables, work product, specifications, calculations, supporting documents, or other work products which are listed as deliverables by Consultant in **Exhibit “A”** to the City shall become the property of the City. Documentation or other information provided by the City to the Consultant during the term of this Agreement shall remain the property of the City. Consultant may keep copies or samples thereof and shall have the right to use the same for its own purposes. The City accepts sole responsibility for the reuse of any such deliverables in a manner other than as initially intended or for any use of incomplete documents.

SECTION 32: REPRESENTATIONS AND BINDING AUTHORITY. By signing this Agreement, on behalf of Consultant, the undersigned hereby represents to the City that he or she has the authority and full legal power to execute this Agreement and any and all documents necessary to effectuate and implement the terms of this Agreement on behalf of Consultant for whom he or she is signing and to bind and obligate such party with respect to all provisions contained in this Agreement.

SECTION 33: PUBLIC RECORDS. Consultant shall comply with Florida’s Public Records Act, Chapter 119, Florida Statutes, and, if determined to be acting on behalf of the City as provided under section 119.011(2), Florida Statutes, specifically agrees to:

- (a) Keep and maintain public records required by the City to perform the service.
- (b) Upon request from the City’s custodian of public records or designee, provide the City 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 Chapter 119, Florida Statutes, 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 this Agreement and following completion of this Agreement if Consultant does not transfer the records to the City.
- (d) Upon completion of this Agreement, transfer, at no cost, to the City all public records in possession of Consultant or keep and maintain public records required by the City to perform the service. If Consultant transfers all public records to the City upon completion of the Agreement, Consultant shall destroy any duplicate public records that are exempt or confidential or exempt from public records disclosure requirements. If Consultant keeps and maintains public records upon completion of the Agreement, Consultant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from

the City's custodian of public records or designee, in a format that is compatible with the information technology systems of the City.

IF CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT THE CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT THE CITY OF LAKE WORTH BEACH, ATTN: CITY CLERK, AT (561) 586-1662, CITYCLERK@LAKEWORTHBEACHFL.GOV, 7 N. DIXIE HIGHWAY, LAKE WORTH BEACH, FL 33460.

SECTION 34: CONFIDENTIAL AND PROPRIETARY INFORMATION. Each party (the "Receiving Party") will keep confidential and not disclose to any other person or entity or use (except as expressly and unambiguously authorized by this Agreement) information, technology or software ("Confidential Information") obtained from the other party (the "Disclosing Party"); provided, however, that the Receiving Party will not be prohibited from disclosing or using information (i) that at the time of disclosure is publicly available or becomes publicly available through no act or omission of the Receiving Party, (ii) that is or has been disclosed to the Receiving Party by a third party who is not under, and to whom the Receiving Party does not owe, an obligation of confidentiality with respect thereto, (iii) that is or has been independently acquired or developed by the Receiving Party without access to the Disclosing Party's Confidential Information, (iv) that is already in the Receiving Party's possession at the time of disclosure, or (v) that is required to be released by law.

SECTION 35: EXPORT ADMINISTRATION. Each party agrees to comply with all export laws and regulations of the United States ("Export Laws") to assure that no software deliverable, item, service, technical data or any direct product thereof arising out of or related to this Agreement is exported directly or indirectly (as a physical export or a deemed export) in violation of Export Laws.

SECTION 36: SCRUTINIZED COMPANIES.

(a) Consultant certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List and are not engaged in a boycott of Israel. Pursuant to Section 287.135, Florida Statutes, the City may immediately terminate this Agreement at its sole option if Consultant or any of its subcontractors are found to have submitted a false certification; or if Consultant or any of its subconsultants, are placed on the Scrutinized Companies that Boycott Israel List or are engaged in a boycott of Israel during the term of this Agreement.

(b) If this Agreement is for one million dollars or more, Consultant certifies that it and its subconsultants are also not on the Scrutinized Companies with Activities in Sudan List, Scrutinized Companies with Activities in Iran Terrorism Sectors List, or engaged in business operations in Cuba or Syria as identified in Section 287.135, Florida Statutes. Pursuant to Section 287.135, the City may immediately terminate this Agreement at its sole option if Consultant, or any of its subconsultants are found to have submitted a false certification; or if Consultant or any of its subconsultants are placed on the Scrutinized Companies with Activities in Sudan List, or has been placed on a list created pursuant to Section 215.473, Florida Statutes, relating to scrutinized

active business operations in Iran, or are or have been engaged with business operations in Cuba or Syria during the term of this Agreement.

SECTION 37: E-VERIFY. Pursuant to Section 448.095(5), Florida Statutes, the Consultant shall:

(a) Register with and use the E-Verify system to verify the work authorization status of all newly hired employees and require all subcontractors to register with and use the E-Verify system to verify the work authorization status of all the subcontractors' newly hired employees;

(b) an affidavit from all subcontractors stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien;

(c) Maintain copies of all subcontractor affidavits for the duration of this Agreement and provide the same to the City upon request;

(d) Comply fully, and ensure all subcontractors comply fully with Sections 448.09(1) and 448.095, Florida Statutes;

(e) Be aware that a violation of Sections 448.09 or 448.095, Florida Statutes, shall be grounds for termination of this Agreement; and,

(f) Be aware that if the City terminates this Agreement under Section 448.095(5)(c), Florida Statutes, the Consultant may not be awarded a contract for at least 1 year after the date on which the Agreement is terminated and will be liable for any additional costs incurred by the City as a result of the termination of this Agreement.

SECTION 38: SECTION 787.06 COMPLIANCE. The Consultant, by signing this Agreement as set forth below, attests that the Consultant does not use coercion for labor or services as defined in section 787.06, Florida Statutes.

REMAINDER OF THIS PAGE LEFT BLANK
SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have made and executed this Professional Services Agreement (Annual Independent Financial Auditing Services) as of the day and year set forth above.

CITY OF LAKE WORTH BEACH, FLORIDA

ATTEST:

By: _____
Betty Resch, Mayor

By: _____
Melissa Ann Coyne, MMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY:

By: _____
Glen J. Torcivia, City Attorney
Director

By: _____
Yannick Ngendahayo, Financial Services

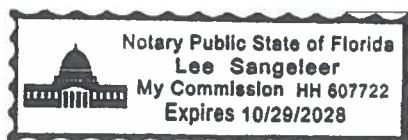
CONSULTANT: Carr, Riggs & Ingram, LLC

By: Christine Noll-Rhodes
Authorized Representative

[Corporate Seal]

THE FOREGOING instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization on this 20 day of August 2025, by Christine Noll-Rhodes as the Partner [title] of **Carr, Riggs & Ingram, LLC** a limited liability company authorized to do business in the State of Florida, who is ☒ personally known to me or ☐ who has produced _____ as identification, and who did take an oath under penalty of perjury that the facts stated with regard to section 787.06, Florida Statutes, are true and correct, and that he or she is duly authorized to execute the foregoing instrument and bind **Carr, Riggs & Ingram, LLC** to the same.

Notary Seal:



Lee Sangeleer
Notary Public Signature

EXHIBIT “A”

SCOPE OF SERVICES from RFP

The City of Lake Worth Beach is requiring Consultant (herein referred to as an “Auditor”) to audit its financial statements. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Government Auditing Standards, the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), Audits of State and Local Governments (Revised) – AICPA, Section 215.97 and F.S. 218.39, Florida Statutes, Florida Single Audit Act; and Chapter 10.550 Local Governmental Entity Audits, Rules of the Auditor General, State of Florida and any other applicable Federal, State and local laws and regulations.

In accordance with Revised Rule 10.556 to disclose a new requirement pursuant to Section 8 of Chapter 2019-163, Laws of Florida, the City also requires a separate annual financial audit for the Lake Worth Beach Community Redevelopment Agency (CRA).

A. GENERAL REQUIREMENT

The City desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) and the financial reporting requirement of Governmental Accounting Standards Board (GASB).

The auditor must be a certified public accounting firm duly licensed under chapter 473 and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.

The Auditor must audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, which collectively comprise the City's basic financial statements. The Auditor is not required to audit the introductory section of the Annual Comprehensive Financial Report (ACFR), its Management's Discussion and Analysis, its required supplementary information, and the statistical section of the ACFR. However, the auditor is to provide an “in-relation-to” report on the combining and individual fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the basic financial statements. The auditor shall also be responsible for performing certain limited procedures involving required Management's Discussion and Analysis and the required supplementary information required by the Governmental Accounting Standards Board (GASB) as mandated by generally accepted auditing standards.

The auditor shall provide all opinions required by the Auditor General and State, federal, and local grantors associated with the annual financial report and as necessary for grant compliance. The auditor is not required to audit the Pension Funds; these are audited by third party and audited financials will be provided.

All report preparation, editing and printing and binding shall be the responsibility of the Auditor.

The Auditor shall provide a separate annual financial report on the operational cost related to the sub-regional Transmission Facilities (together with a report as to compliance with the Interlocal Wastewater Service and Wastewater Facilities Cost Sharing Agreement.

The auditor may be requested to perform other auditing services at the discretion of the City. Any such additional work agreed to between the City and the firm shall be performed only upon a written agreement.

B. REPORTS TO BE ISSUED

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

- A. A report on the fair presentation of the basic financial statements in conformity with accounting principles generally accepted in the United States (GAAP).
- B. A report on internal control over financial reporting based and other matters based on an audit of financial statements performed in accordance with government auditing standards.
- C. A report on compliance with applicable laws and regulations, as required by Government Auditing Standards.
- D. A management letter required by Section 11.45(3) (a) 4, Florida Statutes.
- E. Reports required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as may be amended, to include, but not limited to:
 - i. An "in relation to" opinion on the schedules of federal and state financial assistance.
 - ii. A report on compliance on each major program and on internal control over compliance in accordance with the Uniform Guidance.
 - iii. A schedule of expenditures of federal awards and notes to schedule of federal awards.
 - iv. A schedule of findings and questioned costs.
 - v. A schedule of prior audit findings.
 - vi. A report on compliance with requirements applicable to State Financial Assistance.
 - vii. Reports as may be required to comply with Florida Statutes, Sections 215.97, and 218.39.
- F. Other required disclosures required by relevant Rules of the Auditor General.
- G. Irregularities and Illegal Acts – auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the Director of Financial Services, the City Manager, and City Commission as appropriate.
- H. In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.
- I. Reportable conditions that are also material weaknesses shall be identified as such in the report.
- J. Non-reportable conditions and other matters discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.

- K. The report on compliance shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance.
- L. Use of the audited financial statements, opinions or any of the above-named reports will not result in additional compensation unless their use requires additional certification or services on the part of the firm.
- M. Coordinate with City staff in the production of an ACFR in compliance with GFOA guidelines (to the extent desired by City staff).
- N. Annual Comprehensive Financial Report (ACFR), the City desires the auditor to publish the ACFR using the City's format and provide (15) bound copies for distribution and a .pdf file that can be used for electronic submission.
- O. Use of the audited financial statements, opinions or any of the above-named reports will not result in additional compensation unless their use requires additional certification or services on the part of the firm. The auditor shall submit a signed audit report on the fair presentation of the financial statements in conformity with GAAP no later than March 31, for the previous fiscal year ending September 30, along with the required reports on internal control structure and compliance with laws and regulations.

C. SPECIAL CONSIDERATIONS

- 1. The auditor shall prepare and review the ACFR in compliance with Certificate of Achievement program guidelines.
- 2. The schedules of federal and state financial assistance and related auditor's report, as well as the reports on the internal control structure and compliance, are to be issued in conjunction with the comprehensive annual financial report.
- 3. The City may, during the period of this contract, prepare one or more official statements in connection with the sale of debt securities, which will contain the basic financial statements and the auditor's report thereon.
- 4. The City also requires a separate annual financial report on the operational cost related to the sub-regional Transmission Facilities (together with a report as to compliance with the Interlocal Wastewater Service and Wastewater Facilities Cost sharing agreement. These reports are to be prepared by the Auditor.

D. WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS

All working papers and reports must be retained, at the auditor's expense, for a minimum of three years, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor will be required to make working papers available, upon request by the City Commission, City Manager or Director of Financial Services and/or a designee. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

E. DESCRIPTION OF THE CITY

i. Background Information

The City was incorporated as a municipality in 1913 under Chapter 6713, Laws of Florida. It is located in Palm Beach County and is bordered by the City of West Palm Beach to the north, the Intracoastal Waterway and Atlantic Ocean to the east, the City of Lantana to the south and various municipalities and unincorporated county areas to the West. The City has a population of over 40,000 living within an area of a little over 5.0 square miles. The City is primarily a residential community with tourism, retail and construction the main industries supporting the local community. The median age has dropped from 50 in the 1990s to under 39 today.

The City operates under a Commission-City Manager form of government. The City Commission is comprised of a mayor and four commissioners. The City Manager is appointed by the City Commission and serves as the Chief Executive Officer. In addition to public safety, recreation, public works, refuse collection and disposal, community development and administrative functions, the City operates an electric utility, a local water and sewer system, a regional sewer system, a storm water utility, and a golf course.

The City's latest Annual Comprehensive Financial Report is available for download at City's website or by following the link:

<https://colwb.app.box.com/s/k9es5vk2brq7h0f2f4apiovhi53qm4wc>

ii. Contact Person

The auditor's principal contact with the City will be Director of Financial Services, or a designee, who will coordinate the assistance to be provided by the City to the auditor.

iii. Fund Structure

The City uses the following fund types and account groups in its financial reporting:

Fund Type/Group	<u>Sub-fund Type</u>
General fund	

Fund Type/Group	<u>Sub-fund Type</u>
Special Revenue funds	
	American Rescue Plan Act
	Building Permit
	Golf
	Beach
	Electric Utility Rate Stabilization
	Public Education
	Electric Utility Storm

	Parking Improvement
	Code Remediation
	Grants
	Tree Beautification
	Utility Conservation
	Simpkins Trust
	Library Trust
	Law Enforcement & Firefighter Education
	Law Enforcement Confiscated Property
Capital Project fund	
	Capital Projects
	Park of Commerce
	Discretionary Sales Tax
	Neighborhood Road Improvement
	Recovery Capital Project
Enterprise funds	
	Electric
	Water
	Local Sewer
	Regional Sewer
	Storm water
	Refuse Collection and Disposal
Internal Service funds	
	Insurance Services
	Technology Service
	Garage
	Employee Benefits

The number of sub funds may be increased or decreased depending upon the City's requirements.

The City has three pension plans: Police Officers Relief and Retirement System Pension Fund, General Employee's Pension Fund and the Firefighter Pension Trust Fund. These plans are audited by a separate firm.

iv. Financial Summary

The audited total assets of the City were app. \$562,000,000 as of September 30, 2023. Total revenues and other financing sources were approximately \$180,000,000 for the fiscal year ended September 30, 2023.

v. Basis of Accounting

All Governmental funds are accounted for using the modified accrual basis of accounting. All Proprietary, and Pension Trust funds are accounted for using the accrual basis of accounting.

vi. Federal and State Financial Assistance

Attached is the Schedule of Expenditures of Federal Awards for the year ended September 30, 2023. The City expects that the grant volume and variety will be consistent with this level of activity.

vii. Description of the Financial Services Department

The Financial Services Department is headed by the Director of Financial Services. The Financial Services accounting division consists of 13 employees, including an Assistant Finance Director, a Senior Accountant, One Accountant III, Three Accountant II, Three Accountant I's, Purchasing Manager and 2 Purchasing Agents.

The Utility Billing & Collection division consists of 11 employees, including a Utility Business Service Manager, an Administrative Secretary, and 9 full-time clerical support staff. This division is responsible for the billing and collection of Electric, Water and Sewer System revenues, commercial refuse and customer service for approximately 27,000 accounts monthly.

viii. Computer System

The City financial application software is provided by Central Square Technology Inc. and operates on the IBM iSeries operating system.

F. TIME REQUIREMENTS

i. Date Audit May Commence

The City will have all Finance management personnel available to meet with the firm's personnel immediately upon execution of the auditor's contract.

ii. Schedule for the Audit

Each of the following shall be completed by the auditor no later than the dates indicated unless special arrangements have been made.

Task	Details	Due Date
------	---------	----------

Detailed Audit Plan	Develop with finance staff, including final list of schedules	November 15th
Field Work	Extended fieldwork	December to February 28th
Draft Auditor Reports	Drafts of audit reports and recommendations to the management	February 28th
Final Auditor Reports and Compliance Section	Final drafts of audit reports	March 15th
Entrance Conference	With Director of Finance	Prior to start date of field work
Weekly Progress Reports	With Director of Finance	Weekly
Presentation to City Commission	Presentation	Mid April

G. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

i. Financial Services Department

The Finance staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and reasonable explanations.

ii. Statements and Schedules to be Prepared by the Staff

The Accounting staff will provide statements and schedules for all material balance sheet accounts, as well as any additional schedules requested and prepare the 3rd party confirmations.

iii. Accommodations

The City will provide the auditor with reasonable work space, tables and chairs. The auditor will also be provided with access to one telephone line, and limited access to City's ERP system as deemed necessary.

iv. Report Preparation

The Auditor will be responsible with the preparation, editing, and distribution of the Annual Comprehensive Financial Report.

The Auditor should produce up to 15 printed copies and PDF format electronic copies of the ACFR.

END OF SCOPE OF WORK

EXHIBIT “B”
(Consultant’s Engagement Letter and the attachments (total of 41 pages);

EXHIBIT B



MASTER SERVICES AGREEMENT

We are pleased that you have chosen to engage Carr, Riggs & Ingram to provide certain accounting, advisory, assurance, consulting, tax, and/or related services.

ALTERNATIVE PRACTICE STRUCTURE

"Carr, Riggs & Ingram" and "CRI" are the brand names under which Carr, Riggs & Ingram, L.L.C. ("CPA Firm") and CRI Advisors, LLC ("CRI Advisors" or "Advisors") provide professional services. Carr, Riggs & Ingram, L.L.C., Carr, Riggs & Ingram Capital, LLC and their respective subsidiaries operate as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. CPA Firm is a licensed independent CPA firm that provides attest services, as well as additional ancillary services, to its clients. CRI Advisors provides tax and business consulting services to its clients. CRI Advisors and its subsidiaries are not licensed CPA firms and will not provide any attest services. The entities falling under the Carr, Riggs & Ingram or CRI brand are independently owned and are not responsible or liable for the services and/or products provided, or engaged to be provided, by any other entity under the Carr, Riggs & Ingram or CRI brand. Our use of the terms "CRI," "we," "our," "us," and terms of similar import, denote the alternative practice structure conducted by CPA Firm and CRI Advisors, as appropriate.

This Master Services Agreement 2.0 ("MSA"), shall govern, throughout the entirety of our contractual relationship(s), including the provision of our services and deliverables as set forth in one or more Engagement Letters from CRI (the "services").

CLIENT

"Client" (collectively referred to as "Client", "you", or "your") for the purposes of this MSA, shall mean the party or parties specifically listed as the Client(s) on the applicable Engagement Letter. As examples, the Client might include {ONLY AS SPECIFICALLY IDENTIFIED OR LISTED IN THE ENGAGEMENT LETTER(S)}:

- For Individual Client(s): you, your spouse (if filing jointly), your dependent children, other dependents, any grantor trusts for which you act as trustee, and any investment partnership or limited liability company if all of the ownership interests are owned by the foregoing persons;
- and
- For Business Client(s) (e.g. for-profit, not-for profit, or governmental entities; fiduciary clients, etc.): the primary business and any subsidiaries or controlled affiliates.

With respect to each Engagement Letter, our Client(s) for a particular engagement will include only those individuals and entities made known to us by you and specifically identified and listed under the Client Acknowledgement section of an Engagement Letter. Neither this MSA nor any Engagement Letter will create any client relationship nor any service-related obligation between us and any natural person or entity unknown to us and/or not specifically listed or identified in an Engagement Letter.

AUTHORITY TO BIND

BY EXECUTING AN ENGAGEMENT LETTER THAT REFERENCES AND INCORPORATES THIS MSA, CLIENT ACCEPTS AND AGREES TO THE TERMS OF THIS MSA. ANY INDIVIDUAL EXECUTING OR ACCEPTING THIS MSA ON BEHALF OF ANY INDIVIDUAL, COMPANY, OR OTHER LEGAL ENTITY, REPRESENTS THAT THEY HAVE THE AUTHORITY TO BIND SUCH INDIVIDUAL, ENTITY, AND ITS AFFILIATES TO THESE TERMS AND CONDITIONS, WILL PROVIDE UPON REQUEST ANY INFORMATION OR DOCUMENTATION VERIFYING, IN CRI'S SOLE DISCRETION, SUCH AUTHORITY, IN WHICH CASE THE TERM "CLIENT" SHALL REFER TO EACH REPRESENTED INDIVIDUAL, ENTITY, OR AFFILIATES. IF THE EXECUTING INDIVIDUAL DOES NOT HAVE SUCH AUTHORITY, OR DOES NOT AGREE WITH THESE TERMS AND CONDITIONS, THEY MUST NOT EXECUTE OR ACCEPT THIS MSA AND MAY NOT USE THE SERVICES.

ENGAGEMENT LETTERS

All services to be performed by us must be described in an Engagement Letter executed by the applicable CRI entity and the Client(s). Each Engagement Letter will identify the applicable CRI entity executing the Engagement letter and performing the services; the Engagement letter will also provide details on the nature of the work and any expected deliverable. Our services will be limited to the services specifically described in that Engagement Letter. Our agreement to perform services under any particular Engagement Letter does not obligate us to perform any future services under any additional Engagement Letters.

Engagement Letters are subject to the terms and conditions outlined in this MSA. Upon execution of an Engagement Letter, this MSA is incorporated into each Engagement Letter executed by the parties.

OUR RESPONSIBILITIES

We will perform the services detailed in the Engagement Letter(s) in accordance with applicable professional standards. Our responsibility is limited to the period(s) covered by the service(s) detailed in the Engagement Letter(s) and does not extend to any later periods for which we are not engaged to provide applicable services, unless evidenced by a separate Engagement Letter.

We are available to provide you with business advice, but we are not obligated to do so unless you specifically engage us to do so via an Engagement Letter for this purpose. The parties agree that Client will only rely on written, not oral, statements or advice from CRI. We believe written advice is necessary to avoid confusion and to make clear the specific nature and limitations of our advice. You should not rely on any advice unless it has received a full supervisory review and is provided by us in writing directly to you.

Unless otherwise stipulated in the Engagement Letter:

1. we will not perform any procedures designed to:

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- a. discover defalcations or other irregularities,
 - b. audit or otherwise verify the information you give us, or
 - c. detect immaterial misstatements or violations of laws or government regulations;
2. our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within your entity or noncompliance with laws and regulations; and our services are not designed to provide assurance on internal control or to identify deficiencies in internal control.

We are not investment counselors or brokers. Our advice concerning a particular investment shall be limited to advising you with regard to any applicable tax ramifications of the investment. It shall not include advising you regarding the economic viability or consequences of the investment or whether or not you should make, retain, or dispose of the investment. Our advice regarding any applicable tax ramifications of the investment shall be based on documents and information that you provide us regarding the investment. However, if you would like investment advice, we are happy to provide contact information for (a) qualified investment advisor(s).

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. Our services do not relieve you of your responsibilities.

CLIENT RESPONSIBILITIES

Our services will be conducted on the basis that you acknowledge and understand your responsibility for (as and if applicable):

- assuming all management responsibilities; overseeing any services we provide by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience;
- evaluating the adequacy and results of services (including non-attest services) performed by us; and accepting responsibility for the results of such services; designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial information that is free from material misstatement, whether due to fraud or error, including monitoring ongoing activities;
- the selection and application of accounting principles and framework;
- the preparation and fair presentation of the financial information in conformity with the applicable accounting framework;
- making drafts of financial information or financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers);
- timely providing us with:
 1. access to all information of which you are aware or have in your possession, custody, or control that is relevant to the services for which we are engaged, including but not limited to items such as records, documentation, identification of all related parties and all related party relationships and transactions, and other matters;
 2. additional information that we may request;
- unrestricted access to persons within the entity from whom we determine it necessary to perform our services;

- the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting you or your entity 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 information or financial statements;
- informing us of your knowledge of any allegations of fraud or suspected fraud affecting you or your entity received in communications from employees, former employees, regulators, or others;
- identifying and ensuring compliance with applicable laws and regulations;
- the safeguarding of assets, the proper recording of transactions in the book(s) of accounts; and the substantial completeness and accuracy of the financial records, and the full and accurate disclosure of all relevant facts to us.
- informing, in writing, the engagement partner (or individual leading the engagement) before entering into any substantive employment discussions with any CPA Firm or CRI Advisor personnel, to ensure our independence is not impaired under the AICPA Code of Professional Conduct, if applicable

You represent that the information you are supplying to us is accurate and complete to the best of your knowledge and that you have disclosed to us all relevant facts affecting our services.

USE OF FOREIGN AFFILIATES AND THIRD-PARTY SERVICE PROVIDERS

By executing this MSA, and for so long as it remains in effect, you consent to the use of international service providers, including disclosure of your confidential financial information, if applicable, to our service providers located outside the United States. We maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. We also secure and require confidentiality agreements with these service providers to maintain the confidentiality of your information and take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. We remain responsible for the work provided by any such third-party service providers.

RECORD RETENTION

We retain records in accordance with our record retention policy (currently 7 years). We do not keep any of your original records, so we will return those to you upon completion of the 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. You acknowledge and agree that upon the expiration of the applicable retention periods reflected within our record retention policy, available upon request, we are free to destroy our records related to the relevant or affected engagement(s).

REQUEST FOR DISCLOSURE

As part of the alternative practice structure both CPA Firm and CRI Advisors agree to comply with the AICPA Code of Professional Conduct, as applied to the alternative practice structure, and applicable federal, state and local rule with respect to confidentiality of client information. In the event that we are requested or required to disclose any confidential information by law, a subpoena or order issued by a

court of competent jurisdiction, other governmental or regulatory authority, or professional standards (each, an "Order") or are requested or required to disclose any of the confidential information by a non-governmental third party ("Third-Party Demand"), we shall, where legally permissible and reasonably practicable, give you reasonable notice of the Order or Third-Party Demand so that you may seek a protective order or other appropriate remedy at your sole expense, or waive our compliance with the applicable confidentiality provisions of this MSA. In the event you direct us not to make the disclosure, you agree to defend, reimburse, and hold us harmless from any costs or expenses incurred in defending the privilege, including, by way of illustration only, our attorney's fees, court costs, outside adviser's costs, out-of-pocket expenses of any kind, or penalties or fines imposed as a result of your asserting the privilege or your direction to us to assert the privilege or otherwise withhold production; provided, however, we retain the sole discretion, after consultation with our legal counsel, to determine whether or not, and to what extent, to comply with or otherwise address any Order or Third-Party Demand.

DATA SECURITY

In the interest of facilitating our services to you, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to you may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, we employ measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

You recognize and accept that we have no control over, and shall not be responsible for, the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this relationship.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network, other collaborative virtual workspaces, or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows the parties hereto to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use certain of these tools and in addition to execution of this MSA or any related Engagement Letter(s), you may be required to execute a separate client acknowledgement or agreement and agree to be bound by the terms, conditions, and limitations of such agreement. You agree that we have no responsibility for the activities of third-party vendors supplying these tools and agree to indemnify and hold us harmless with respect to any and all claims arising from or related to the operation of these tools. While we may back up your files to facilitate our services, you are solely responsible for the backup of your files and records. Therefore, we recommend that you also maintain your own backup files of these records. In the event you suffer a loss of any files or records due to accident, inadvertent mistake, or force majeure, copies of which you have provided to us pursuant to this MSA or any related Engagement Letter(s), we shall not be responsible or obligated to provide you a copy of any such file or record which we may retain in our possession.

DISPUTE RESOLUTION

In the event of a dispute between the parties, which arises out of or relates to this MSA or any related Engagement Letter(s), the breach thereof or the services provided or to be provided hereunder or in the related Engagement Letter(s), if the dispute cannot be settled through negotiation, the parties agree that before initiating arbitration, litigation, or other dispute resolution procedure, they will first try, in good faith, to resolve the dispute through mediation. All parties agree that an alternative form of dispute resolution shall not be undertaken by either party until the expiration of fifteen (15) calendar days following notice being provided to the other party indicating that the dispute cannot be settled through mediation. The mediation will be administered by the American Arbitration Association under its Dispute Resolution Rules for Professional Accounting and Related Services Disputes. .

GOVERNING LAW AND VENUE

This MSA and any underlying Engagement Letter(s), including but not limited to, any act or omission of CRI pursuant to the MSA and/or any work by CRI shall be governed by the laws of the State of Florida, without reference to any conflict of laws rules or principles. Any claim, civil action, or legal proceeding arising out of, or in any way relating to, this MSA or any underlying Engagement Letter(s), any act or omission of CRI pursuant to the MSA, and/or any other agreement(s) with CRI, must be brought in a state court having jurisdiction in Palm Beach County, Florida, and each party irrevocably submits to the jurisdiction and venue of any such court in any such action or proceeding and agrees to waive any defenses or objections to venue and jurisdiction within Palm Beach County, Florida, including forum non conveniens.

STATUTE OF LIMITATIONS

The parties agree that there shall be a one-year statute of limitation (from the earlier of delivery of the service or termination of the MSA or Engagement Letter(s)) for the filing of any requests for arbitration, lawsuit, or proceeding related to this MSA. If such a claim is filed more than one year, or the minimum durational period having been determined as permissible by applicable statutory law or by a court of competent jurisdiction, subsequent to the delivery of the service or termination of the MSA or Engagement Letter(s), whichever occurs first in time, then it shall be precluded by this provision, regardless of whether or not the claim has accrued at that time.

TERMINATION

The MSA shall continue in full force and effect until terminated in accordance with section 4 of the professional services agreement.

RELATIONSHIP AND DISCLOSURE BETWEEN AFFILIATES

As indicated, CPA Firm and CRI Advisors operate as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. CPA Firm provides attest services to its clients. CRI Advisors is not a licensed CPA firm and does not provide audit or attest services. CRI Advisors has a contractual arrangement with CPA Firm whereby CRI Advisors provides CPA Firm with professional and support personnel and other support services to allow CPA Firm to perform its professional services and performs all services in connection with our engagements for

which licensure as a CPA firm is not required. From time to time, CRI Advisors may consult with CPA Firm in the provision of services pursuant to this MSA or an underlying Engagement Letter. In order to avoid duplication of efforts arising out of this arrangement, you consent to our sharing among and between CRI Advisors and CPA firm the information that we may obtain from you in the course of an engagement performed or services provided in any and all Engagement Letter(s).

You consent to CRI Advisors and CPA Firm sharing your Client information with one another and their respective subsidiaries and affiliates, in support of the services to be provided under an Engagement Letter. Unless you indicate otherwise, your acceptance of the terms of this MSA shall be understood by us as your consent to make disclosures among and between CPA Firm and CRI Advisors and their respective subsidiaries, affiliates, and employees of confidential information that we may obtain in the course of our engagement.

You consent to the transfer by CPA Firm of all Client files, work papers and work product, for services other than attest services, if any, which includes confidential client information to CRI Advisors. Please let us know immediately if you have any objection to such transfer of your files.

You consent to us using your financial, tax, and personal information to send to you by any medium: firm newsletters, surveys, press releases, invitations to our seminars, information regarding related services from affiliated companies and/or portfolio companies, and any other communication sent to some or all of our clients. You also consent to us sharing your financial, tax, and personal or confidential information with our affiliated companies and/or portfolio companies. This consent is not conditioned upon our providing services to you.

CORPORATE TRANSPARENCY ACT/BENEFICIAL OWNERSHIP INFORMATION REPORTING

Assisting you with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting, is not within the scope of this MSA. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

SEVERABILITY

If any provision of this MSA or any underlying Engagement Letter(s) is found by any court to be void or otherwise unenforceable, the remainder of this MSA and any underlying Engagement Letter(s) will remain valid and enforceable as though such void or unenforceable provision were absent upon the date of its execution.

COUNTERPARTS

This MSA may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument and shall become a binding agreement when one or more of the counterparts have been signed by each of the parties and delivered to the other party. Signatures provided by facsimile or electronically shall be valid and binding. If we do not receive signed client acknowledgement(s)/authorization from you within ninety (90) days from the

date hereof and you continue to interact with us related to your engagement(s) in or after that timeframe, then your continued interaction will signify and represent your agreement.

MODIFICATION

This MSA may be amended, modified, or supplemented only by written agreement executed by all parties. In the event of a conflict between the terms of this MSA and any Engagement Letter(s), the terms of this MSA shall supersede, unless the applicable Engagement Letter(s) specifically states otherwise and references this MSA.

LATE FEES AND INTEREST

Client agrees to pay all services, fees, and costs of any underlying engagement, and payment is due upon receipt of our invoice. We reserve the right, in our sole discretion, to impose late fees or interest on any balance that is past due. Failure to make timely payments may, upon notice, result in our termination of this MSA and any Engagement Letter(s).

ENTIRE AGREEMENT

This Agreement, including all Engagement Letter(s) and all attachments, schedules, and exhibits hereto or thereto, all of which are incorporated herein by reference, constitutes the full and complete agreement between the parties, including all predecessors of CRI, concerning the subject matter hereof and supersedes all prior and contemporaneous understandings and writings with respect thereto. No additional terms contained in any purchase order, order acknowledgement, confirmation, delivery acknowledgement, similar document, other correspondence, or written or oral communication between the parties will be valid and such additional or conflicting terms are deemed rejected by the parties.



CARR, RIGGS & INGRAM, L.L.C.

To Management and Those Charged with Governance
of City of Lake Worth Beach

This Engagement Letter and its attachments, if any, are governed by the Master Services Agreement 2.0 ("MSA") between Carr, Riggs & Ingram, L.L.C. ("CPA Firm", "we", "us", or "our") and the Client; the terms of which are hereby incorporated into this Engagement Letter by reference. By executing this Engagement Letter, the parties agree to and intend to be bound by the terms of the MSA.

"Carr, Riggs & Ingram" and "CRI" are the brand names under which CPA Firm and CRI Advisors, LLC ("CRI Advisors" or "Advisors") provide professional services. Carr, Riggs & Ingram, L.L.C., Carr, Riggs & Ingram Capital, LLC and their respective subsidiaries operate as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. CPA Firm is a licensed independent CPA firm that provides attest services, as well as additional ancillary services, to its clients. CRI Advisors provides tax and business consulting services to its clients. CRI Advisors and its subsidiaries are not licensed CPA firms and will not provide any attest services. The entities falling under the Carr, Riggs & Ingram or CRI brand are independently owned and are not responsible or liable for the services and/or products provided, or engaged to be provided, by any other entity under the Carr, Riggs & Ingram or CRI brand. Our use of the term "CRI," and terms of similar import, denote the alternative practice structure conducted by CPA Firm, CRI Advisors, their subsidiaries and affiliates, as appropriate.

This Engagement Letter confirms and specifies the terms of our engagement and clarifies the nature and extent of the services we will provide for City of Lake Worth Beach ("Client", "Entity", "you", or "your") as of and for the years ended September 30, 2025, 2026, 2027, 2028 and 2029 (the "Selected Period(s)"). Years ending September 30, 2028 and 2029 are optional periods. Except as otherwise expressly set forth herein, this Engagement Letter only governs attest services, provided to you by CPA Firm. Except as otherwise expressly set forth herein, any non-attest services, including any non-attest services provided by CRI Advisors or any other entities within the Carr, Riggs & Ingram alternative practice structure, will be governed by (a) separate Engagement Letter(s) between such entity and the Client.

In connection with the alternative practice structure, CRI Advisors maintains custody of client files for CPA Firm and CRI Advisors. By executing this engagement letter, you hereby consent to the transfer to CRI Advisors of all your client files, work papers and work product. Unless you indicate otherwise, your

acceptance of the terms of this engagement shall be understood by us as your consent to transfer such files and records.

SCOPE AND OBJECTIVES

We will audit the financial statements and the disclosures, which collectively comprise the basic financial statement(s) of the Entity for the Selected Period(s) ended for the following: governmental activities, business-type activities, aggregate remaining fund information, each major fund, aggregate discretely presented component units and the related disclosures to the financial statements, otherwise known as the notes to the financial statements (collectively, the "Financial Statements").

The Financial Statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") (the "Selected Basis").

We will perform an audit engagement with respect to the Financial Statements of the Entity. As and if applicable and indicated in the following paragraphs, we will also perform the appropriate procedures related to either supplementary information ("Supplementary Information") and/or required supplementary information ("RSI").

The objectives of our audit 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 issue an auditor's report that includes our opinion about whether your Financial Statements are fairly presented, in all material respects, in conformity with the Selected Basis and report on the fairness of the Supplementary Information referred to below when considered in relation to the Financial Statements as a whole. 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 the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States ("GAGAS") will always detect a material misstatement when it exists. Misstatements 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 of a reasonable user made based on the Financial Statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the Financial Statements in accordance with GAGAS.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance").

The Selected Basis provides for certain RSI, such as management's discussion and analysis ("MD&A"), to supplement Entity's 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 the 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 the Entity's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding 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 appropriate evidence to express an opinion or provide any assurance. This RSI is required by the Selected Basis and will be subjected to certain limited procedures, but will not be audited: MD&A, Budgetary Comparison Schedules, Budgetary Notes to Required Supplementary Information, Required Pension Supplementary Information, and Required Other Postemployment Benefit Supplementary Information.

We have also been engaged to report on Supplementary Information other than RSI that accompanies the Entity's Financial Statements. We will subject the following Supplementary Information to the auditing procedures applied in our audit of the 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, and we will provide an opinion on it in relation to the Financial Statements as a whole in a separate written report accompanying our auditor's report on the Financial Statements or in a report combined with our auditor's report on the Financial Statements: Schedule of Expenditures of Federal Awards and related notes, Budgetary Comparison Schedules, Combining Schedules, and Non major fund schedules.

In connection with our audit of the Financial Statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic Financial Statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Other information will include: Statistical Schedules, Transmittal Letter, Organizational Chart, and the following List of City Officials.

OUR RESPONSIBILITIES

We will conduct our audit in accordance with GAAS and GAGAS. We will also conduct our audit in accordance with the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance. We will include tests of your accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS and GAGAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the Financial Statements and determine whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation. 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 Entity or to acts by management or employees acting on behalf of the Entity. Because the determination of waste and abuse

is subjective, GAGAS do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or 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 an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and GAGAS. 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 or on major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come 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. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Entity and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the Financial Statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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 GAGAS. 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, misrepresentation, or the override of internal control.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

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

We have identified the following significant risks of material misstatement as part of our audit planning: management override of controls and improper revenue recognition due to fraud.

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 Entity's ability to continue as a going concern for a reasonable period of time.

AUDIT PROCEDURES - COMPLIANCE

As part of obtaining reasonable assurance about whether the Financial Statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, and agreements. 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 GAGAS.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the OMB Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of Entity's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Our audit does not relieve you of your responsibilities.

OTHER SERVICES

We will only perform the following non-attest services for the Entity, based upon information provided by you and in accordance with professional standards:

- Assist management in preparing the Financial Statements
- Assist management in preparing the RSI
- Assist management in preparing the Supplementary Information
- Assist management in preparing Other Information.
- Assist management by preparing, proposing and/or recording the following **client-approved** activities and/or journal entries: assist with preparation and submission of the data collection form

These non-audit services do not constitute an audit under GAGAS and such services will not be conducted in accordance with GAGAS.

For any non-attest services provided by CRI, you agree to assume all management responsibilities for these non-attest services and any other non-attest services we provide; oversee the services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

The non-attest services, if any, are limited to those previously defined in this letter, or as identified in a separate Engagement Letter. 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.

CLIENT RESPONSIBILITIES

In addition to your responsibilities identified in the MSA, our engagement will be conducted on the basis that you acknowledge and understand your responsibility 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 internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met
- following laws and regulations
- ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements
- ensuring that management and financial information is reliable and properly reported
- implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements
- the selection and application of accounting principles; for the preparation and fair presentation of the Financial Statements, schedule of expenditures of federal awards, and all accompanying information in conformity with the Selected Basis, and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements)
- identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information
- the preparation and fair presentation of the Financial Statements in conformity with the Selected Basis
- making drafts of Financial Statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers)
- evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern within one year after the date that the financial statements are available to be issued
- 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, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Entity from whom we determine it necessary to obtain audit evidence (4) if applicable, you will provide us with the final version of all documents comprising the annual report which includes other information, prior to the date of our auditor's

report. If the final version of these documents are not available prior to the date of our auditor's report, they will be provided as soon as practical and the Entity will not issue the annual report prior to providing them to the auditor (5) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance

- required written representations from you about the Financial Statements and related matters, at the conclusion of our audit
- required written representations that (1) you are responsible for presentation of the Supplementary Information in accordance with GAAP; (2) you believe the Supplementary Information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the Supplementary Information.
- required written representations from you about compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and GAGAS, at the conclusion of our audit
- required written representations from you about compliance with schedule of expenditures of federal awards and federal award programs, at the conclusion of our audit
- 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 latest period presented are immaterial, both individually and in the aggregate, to the Financial Statements taken as a whole
- 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 Entity 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
- 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
- identifying and ensuring that the government complies with applicable contracts, agreements, and grants
- taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report
- evaluating and monitoring noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; taking prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly following up and taking

corrective action on reported audit findings; and preparing a summary schedule of prior audit findings and a separate corrective action plan

- identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance
- agreeing to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards
- agreeing to make the audited Financial Statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon
- acknowledging to us in the written representation letter that: (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards
- preparation of the Supplementary Information, as applicable, in conformity with the Selected Basis. You agree to include our report on the Supplementary Information in any document that contains, and indicates that we have reported on, the Supplementary Information and to include the audited Financial Statements with any presentation of the Supplementary Information that includes our report thereon
- if publishing Financial Statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document
- disclosing the date through which subsequent events have been evaluated and whether that date is the date the Financial Statements were issued or were available to be issued
- informing, in writing, the engagement partner before entering into any substantive employment discussions with any CPA Firm or CRI Advisors personnel, to ensure our independence is not impaired under the AICPA Code of Professional Conduct
- informing us on a timely basis of the name of any single investor in you that owns 20% or more of your equity at any point in time
- informing us on a timely basis of any investments held by you which constitutes 20% or more of the equity/capital of the investee entity at any point in time

- establishing and maintaining a process for tracking the status of audit findings and recommendations
- identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Scope and 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
- 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

ENGAGEMENT ADMINISTRATION

Christine Noll-Rhan is the engagement partner and is responsible for supervising the engagement and signing the report(s) or authorizing another individual to sign it (them).

We understand that your employees will prepare all confirmations and schedules we request and will locate any documents selected by us for testing. A request list of information we expect to need for our audit will be provided to you. Your prompt attention to and timely return of the requested items will significantly contribute to the efficiency of our audit process.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including Financial Statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the Entity; 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 will be retained for a minimum of five years after the report release date. If we are aware that a federal 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.

In accordance with certain regulations, we, as your auditors, are required to make the following commitments:

- The documentation for this engagement is the property of CRI and constitutes confidential information. However, we may be requested to make certain documentation available to regulators, federal or state agencies, governmental agencies, etc. ("regulators" or "agencies") pursuant to authority given to it by law or regulation. If requested, access to such documentation will be provided under the supervision of CPA Firm personnel. Furthermore, upon request, we may provide copies of selected documentation to these regulators or agencies. These regulators or agencies may intend, or decide, to distribute the copies or information contained therein to others.
- We will file a copy of our most recent peer review report with any applicable regulators or agencies.
- As appropriate, we may meet with those charged with governance before the audit report(s) are filed with any required regulators or agencies.

The information that we obtain in auditing is confidential, as required by the AICPA Code of Professional Conduct. Therefore, your acceptance of this Engagement Letter will serve as your advance consent to our compliance with above commitments.

REPORTING

As part of our engagement, we will issue a written report upon completion of our audit of the Entity's Financial Statements. Our report will be addressed to management, those charged with governance, or both, as appropriate, of the Entity. 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 a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance.

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 GAGAS. The report on internal control and on compliance and other matters will state: (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 GAGAS in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. The report(s) will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with GAAS and the standards for financial audits contained in GAGAS may not satisfy the relevant legal, regulatory, or contractual requirements.

TERMINATION

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 withdraw from this engagement.

We reserve the right and sole discretion to withdraw for any reason from this engagement immediately upon written notice to you. Our withdrawal will release us from any obligation to complete the services covered by this Engagement Letter and will constitute completion of this engagement.

Our engagement with you will terminate upon the earlier of our delivery of your report or withdrawal. In either case, you agree to compensate us for our services, fees, and costs to the date of withdrawal.

CORPORATE TRANSPARENCY ACT/BENEFICIAL OWNERSHIP INFORMATION REPORTING

Assisting you with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting, is not within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

OUR FEES

The fee for the City's audit will be \$122,000, \$127,000, \$132,000, \$137,000, and \$142,000 for the years ending September 30, 2025, 2026, 2027, 2028, and 2029, respectively.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances (such as, but not limited to, difficulty or delays in obtaining requisite responses to necessary or required procedures, significant changes to promulgated standards, time incurred for financial statement adjustment(s) and the related procedures required, or significant changes to your organization or its internal control structure) will not be encountered during the engagement. 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 and are payable on presentation.



CARR, RIGGS & INGRAM, L.L.C.

This attachment is governed by the related Engagement Letter between Carr, Riggs & Ingram, L.L.C. ("CPA Firm", "we", "us", or "our") and the Client; the terms of which are hereby incorporated into this attachment by reference. By executing the Engagement Letter, the parties agree to and intend to be bound by the terms of this attachment. This attachment lists the Florida State Single Audit services we are to provide in conjunction with other services in the Engagement Letter for the Entity:

- Our objectives will include internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with state statutes, regulations, and the terms and conditions of state projects that could have a direct and material effect on each major program in accordance with the Audit Requirements for State Financial Assistance ("Florida Single Audit Act").
- We will conduct our audit in accordance with generally accepted auditing standards ("GAAS"); the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("GAGAS"); the Florida Single Audit Act; and Chapter 10.550, Rules of the Auditor General, and will include tests of accounting records, a determination of major program(s) in accordance with Florida Single Audit Act, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and GAGAS, we exercise professional judgment and maintain professional skepticism throughout the audit.
- 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 an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and GAGAS. 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 or on major programs. 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. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.
- As required by the Florida Single Audit Act, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major state project. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Florida Single Audit Act.
- 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, *Government Auditing Standards*, and the Florida Single Audit Act.

- The Florida Single Audit Act requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with state statutes, regulations, and the terms and conditions of state financial assistance awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *State Projects Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Entity's major programs. For state financial assistance programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Florida Single Audit Act.
- In addition to your responsibilities identified in the MSA and Engagement Letter, our engagement will be conducted on the basis that you acknowledge and understand your responsibility 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 internal controls over federal and state awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met
 - ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements
 - the selection and application of accounting principles; for the preparation and fair presentation of the Financial Statements, schedule of expenditures of state financial assistance, and all accompanying information in conformity with the Selected Basis, and for compliance with applicable laws and regulations (including state statutes), rules, and the provisions of contracts and grant agreements (including award agreements)
 - identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information
 - making drafts of the schedule of expenditures of state financial assistance, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers)
 - providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the schedule of expenditures of state financial assistance, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Florida Single Audit Act
 - require certain written representations from you about the schedule of expenditures of state financial assistance; state projects; compliance with laws, regulations, contracts, and grant agreements; and related matters

- evaluating and monitoring noncompliance with state statutes, regulations, and the terms and conditions of state projects; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan
 - identifying all state financial assistance received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of state financial assistance (including notes and noncash assistance received, such as lost revenues, if applicable) in conformity with the Florida Single Audit Act
 - agreeing to include our report on the schedule of expenditures of state financial assistance in any document that contains, and indicates that we have reported on, the schedule of expenditures of state financial assistance
 - agreeing to include the audited financial statements with any presentation of the schedule of expenditures of state financial assistance that includes our report thereon
 - acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of state financial assistance in accordance with the Florida Single Audit Act; (2) you believe the schedule of expenditures of state financial assistance, including its form and content, is stated fairly in accordance with the Florida Single Audit Act; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of state financial assistance.
- We will issue written reports upon completion of our Single Audit. Our reports will be addressed to Those Charged with Governance of Entity. 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 a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance.
 - The Florida Single Audit Act report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Florida Single Audit Act. The report will state that the report is not suitable for any other purpose.



CARR, RIGGS & INGRAM, L.L.C.

To Management
of the City of Lake Worth Beach

This Engagement Letter and its attachments, if any, are governed by the Master Services Agreement 2.0 ("MSA") between Carr, Riggs & Ingram, L.L.C. ("CPA Firm", "we", "us", or "our") and the Client; the terms of which are hereby incorporated into this Engagement Letter by reference. By executing this Engagement Letter, the parties agree to and intend to be bound by the terms of the MSA.

"Carr, Riggs & Ingram" and "CRI" are the brand names under which CPA Firm and CRI Advisors, LLC ("CRI Advisors" or "Advisors") provide professional services. Carr, Riggs & Ingram, L.L.C., Carr, Riggs & Ingram Capital, LLC and their respective subsidiaries operate as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. CPA Firm is a licensed independent CPA firm that provides attest services, as well as additional ancillary services, to its clients. CRI Advisors provides tax and business consulting services to its clients. CRI Advisors and its subsidiaries are not licensed CPA firms and will not provide any attest services. The entities falling under the Carr, Riggs & Ingram or CRI brand are independently owned and are not responsible or liable for the services and/or products provided, or engaged to be provided, by any other entity under the Carr, Riggs & Ingram or CRI brand. Our use of the term "CRI," and terms of similar import, denote the alternative practice structure conducted by CPA Firm, CRI Advisors, their subsidiaries and affiliates, as appropriate.

This Engagement Letter confirms and specifies the terms of our engagement and clarifies the nature and extent of the services we will provide for City of Lake Worth Beach ("Client", "Entity", "you", or "your") for the years ended September 30, 2025, 2026, 2027, 2028, and 2029. The years ending September 30, 2028 and 2029 are optional. (the "Selected Periods"). Except as otherwise expressly set forth herein, this Engagement Letter only governs attest services, provided to you by CPA Firm. Except as otherwise expressly set forth herein, any non-attest services, including any non-attest services provided by CRI Advisors or any other entities within the Carr, Riggs & Ingram alternative practice structure, will be governed by (a) separate Engagement Letter(s) between such entity and the Client.

In connection with the alternative practice structure, CRI Advisors maintains custody of client files for CPA Firm and CRI Advisors. By executing this engagement letter, you hereby consent to the transfer to CRI Advisors of all your client files, work papers and work product. Unless you indicate otherwise, your acceptance of the terms of this engagement shall be understood by us as your consent to transfer such files and records.

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SCOPE AND OBJECTIVES

For the purposes of this Engagement Letter, the subject matter consists of the following: compliance with Florida Statutes Section 218.415 Local Government Investment Policies (collectively referred to as the "Subject Matter").

The Subject Matter is presented in accordance with Florida Statutes Section 218.415 Local Government Investment Policies (the "Selected Criteria").

We will examine the Subject Matter of the Entity as of the Selected Period.

The objectives of our examination are to (1) obtain reasonable assurance about whether the Subject Matter is free from material misstatement based on the Selected Criteria; and (2) to express an opinion as to whether the Subject Matter is presented, in all material respects, in accordance with the Selected Criteria.

OUR RESPONSIBILITIES

Our examination will be conducted in accordance with attestation standards established by the AICPA. Accordingly, it will include examining, on a test basis, your records and other procedures to obtain evidence necessary to enable us to express our opinion.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards.

We will plan and perform the examination to obtain reasonable assurance about whether the Subject Matter is free from material misstatement, based on the Selected Criteria. Our engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, or known and suspected fraud or noncompliance with laws or regulations, or internal control deficiencies, that may exist. However, we will inform you of any known and suspected fraud and noncompliance with laws or regulations, internal control deficiencies identified during the engagement, and uncorrected misstatements that come to our attention unless clearly trivial.

Our examination does not relieve you of your responsibilities.

OTHER SERVICES

For any non-attest services provided by CRI, you agree to assume all management responsibilities for these non-attest services and any other non-attest services we provide; oversee the services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

The non-attest services, if any, are limited to those previously defined in this letter, or as identified in a separate Engagement Letter. 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.

CLIENT RESPONSIBILITIES

In addition to your responsibilities identified in the MSA, our engagement will be conducted on the basis that you acknowledge and understand your responsibility for:

- the presentation of the Subject Matter in accordance with the Selected Criteria
- selecting the Selected Criteria
- determining the Selected Criteria are suitable, will be available to intended users, and are appropriate for the purpose of the engagement
- a written assertion about whether the Subject Matter is presented in accordance with the Selected Criteria; failure to provide such assertion may result in withdrawal from our engagement
- providing us with (1) access to all information of which you are aware that is relevant to the measurement, evaluation, or disclosure of the Subject Matter; (2) additional information that we may request for the purpose of the examination; and (3) unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence
- required written representations from you in the form of a representation letter, at the conclusion of the engagement
- informing, in writing, the engagement partner before entering into any substantive employment discussions with any CPA Firm or CRI Advisors personnel, to ensure our independence is not impaired under the AICPA Code of Professional Conduct
- informing us on a timely basis of the name of any single investor in you that owns 20% or more of your equity at any point in time
- informing us on a timely basis of any investments held by you which constitutes 20% or more of the equity/capital of the investee entity at any point in time
- the accuracy and completeness of that information required for our examination

ENGAGEMENT ADMINISTRATION

Christine Noll-Rhan is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We understand that you will provide us with the information required for our examination. A request list of information we expect to need for our examination will be provided to you. Your prompt attention to and timely return of the requested items will significantly contribute to the efficiency of our examination process.

We will provide copies of our reports to the Entity; 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.

In accordance with certain regulations, we, as your examiners, are required to make the following commitments:

- The documentation for this engagement is the property of CRI and constitutes confidential information. However, we may be requested to make certain documentation available to regulators, federal or state agencies, governmental agencies, etc. ("regulators" or "agencies") pursuant to authority given to it by law or regulation. If requested, access to such documentation will be provided under the supervision of CPA Firm personnel. Furthermore, upon request, we may provide copies of selected documentation to these regulators or agencies. These regulators or agencies may intend, or decide, to distribute the copies or information contained therein to others.
- We will file a copy of our most recent peer review report with any applicable regulators or agencies.
- As appropriate, we may meet with those charged with governance before the examination report is filed with any required regulators or agencies.

The information that we obtain in this examination is confidential, as required by the AICPA Code of Professional Conduct. Therefore, your acceptance of this Engagement Letter will serve as your advance consent to our compliance with above commitments.

REPORTING

As part of our engagement, we will issue a written report upon completion of our examination. Our report will be addressed to management, those charged with governance, or both, as appropriate, of the Entity. 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. If our opinion is other than unmodified, we will discuss the reasons with you in advance.

TERMINATION

If for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We reserve the right and sole discretion to withdraw for any reason from this engagement immediately upon written notice to you. Our withdrawal will release us from any obligation to complete the services covered by this Engagement Letter and will constitute completion of this engagement.

Our engagement with you will terminate upon the earlier of our delivery of your report or withdrawal. In either case, you agree to compensate us for our services, fees, and costs to the date of withdrawal.

CORPORATE TRANSPARENCY ACT/BENEFICIAL OWNERSHIP INFORMATION REPORTING

Assisting you with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting, is not within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

OUR FEES

The fee is included in the audit fee.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances (such as, but not limited to, difficulty or delays in obtaining requisite responses to necessary or required procedures, significant changes to promulgated standards, time incurred for financial statement adjustment(s) and the related procedures required, or significant changes to your organization or its internal control structure) will not be encountered during the engagement. 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 and are payable on presentation.



CARR, RIGGS & INGRAM, L.L.C.

To Management and Those Charged with Governance
of City of Lake Worth Beach Redevelopment Agency

This Engagement Letter and its attachments, if any, are governed by the Master Services Agreement 2.0 ("MSA") between Carr, Riggs & Ingram, L.L.C. ("CPA Firm", "we", "us", or "our") and the Client; the terms of which are hereby incorporated into this Engagement Letter by reference. By executing this Engagement Letter, the parties agree to and intend to be bound by the terms of the MSA.

"Carr, Riggs & Ingram" and "CRI" are the brand names under which CPA Firm and CRI Advisors, LLC ("CRI Advisors" or "Advisors") provide professional services. Carr, Riggs & Ingram, L.L.C., Carr, Riggs & Ingram Capital, LLC and their respective subsidiaries operate as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. CPA Firm is a licensed independent CPA firm that provides attest services, as well as additional ancillary services, to its clients. CRI Advisors provides tax and business consulting services to its clients. CRI Advisors and its subsidiaries are not licensed CPA firms and will not provide any attest services. The entities falling under the Carr, Riggs & Ingram or CRI brand are independently owned and are not responsible or liable for the services and/or products provided, or engaged to be provided, by any other entity under the Carr, Riggs & Ingram or CRI brand. Our use of the term "CRI," and terms of similar import, denote the alternative practice structure conducted by CPA Firm, CRI Advisors, their subsidiaries and affiliates, as appropriate.

This Engagement Letter confirms and specifies the terms of our engagement and clarifies the nature and extent of the services we will provide for City of Lake Worth Beach Redevelopment Agency (a component unit of the City of Lake Worth Beach, Florida) ("Client", "Entity", "you", or "your") as of and for the years ended September 30, 2025, 2026, 2027, 2028, and 2029. Years ending September 30, 2028 and 2029 are optional. (the "Selected Period(s)"). Except as otherwise expressly set forth herein, this Engagement Letter only governs attest services, provided to you by CPA Firm. Except as otherwise expressly set forth herein, any non-attest services, including any non-attest services provided by CRI Advisors or any other entities within the Carr, Riggs & Ingram alternative practice structure, will be governed by (a) separate Engagement Letter(s) between such entity and the Client.

In connection with the alternative practice structure, CRI Advisors maintains custody of client files for CPA Firm and CRI Advisors. By executing this engagement letter, you hereby consent to the transfer to CRI Advisors of all your client files, work papers and work product. Unless you indicate otherwise, your

acceptance of the terms of this engagement shall be understood by us as your consent to transfer such files and records.

SCOPE AND OBJECTIVES

We will audit the financial statements and the disclosures, which collectively comprise the basic financial statement(s) of the Entity for the Selected Period(s) ended for the following: governmental activities, each major fund, aggregate remaining fund information and the related disclosures to the financial statements, otherwise known as the notes to the financial statements (collectively, the "Financial Statements").

The Financial Statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") (the "Selected Basis").

We will perform an audit engagement with respect to the Financial Statements of the Entity. As and if applicable and indicated in the following paragraphs, we will also perform the appropriate procedures related to either supplementary information ("Supplementary Information") and/or required supplementary information ("RSI").

The objectives of our audit 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 issue an auditor's report that includes our opinion about whether your Financial Statements are fairly presented, in all material respects, in conformity with the Selected Basis and report on the fairness of the Supplementary Information referred to below when considered in relation to the Financial Statements as a whole. 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 the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States ("GAGAS") will always detect a material misstatement when it exists. Misstatements 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 of a reasonable user made based on the Financial Statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the Financial Statements in accordance with GAGAS.

The Selected Basis provides for certain RSI, such as management's discussion and analysis ("MD&A"), to supplement Entity's 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 the 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 the Entity's RSI in accordance with GAAS. These limited procedures will consist of inquires of management regarding 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 appropriate evidence to express an opinion or provide any assurance. This RSI is required by the Selected Basis and will be subjected to certain limited procedures, but will not be audited: Budgetary Comparison Schedules and Budgetary Notes to Required Supplementary Information.

We have also been engaged to report on Supplementary Information other than RSI that accompanies the Entity's Financial Statements. We will subject the following Supplementary Information to the auditing procedures applied in our audit of the 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, and we will provide an opinion on it in relation to the Financial Statements as a whole in a separate written report accompanying our auditor's report on the Financial Statements or in a report combined with our auditor's report on the Financial Statements: Budgetary Comparison Schedules and Non major fund schedules.

OUR RESPONSIBILITIES

We will conduct our audit in accordance with GAAS and GAGAS. We will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS and GAGAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the Financial Statements and determine whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation. 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 Entity or to acts by management or employees acting on behalf of the Entity. Because the determination of waste and abuse is subjective, GAGAS do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or 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 an unavoidable risk that some material misstatements or may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and GAGAS. 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 come 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. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Entity and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the Financial Statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and

obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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 GAGAS. 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, misrepresentation, or the override of internal control.

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

We have identified the following significant risks of material misstatement as part of our audit planning: management override of controls and improper revenue recognition due to fraud.

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 Entity's ability to continue as a going concern for a reasonable period of time.

AUDIT PROCEDURES - COMPLIANCE

As part of obtaining reasonable assurance about whether the Financial Statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, and agreements. 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 GAGAS.

Our audit does not relieve you of your responsibilities.

OTHER SERVICES

We will only perform the following non-attest services for the Entity, based upon information provided by you and in accordance with professional standards:

- Assist management in preparing the Financial Statements
- Assist management in preparing the RSI
- Assist management in preparing the Supplementary Information

These non-audit services do not constitute an audit under GAGAS and such services will not be conducted in accordance with GAGAS.

For any non-attest services provided by CRI, you agree to assume all management responsibilities for these non-attest services and any other non-attest services we provide; oversee the services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

The non-attest services, if any, are limited to those previously defined in this letter, or as identified in a separate Engagement Letter. 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.

CLIENT RESPONSIBILITIES

In addition to your responsibilities identified in the MSA, our engagement will be conducted on the basis that you acknowledge and understand your responsibility 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, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met
- following laws and regulations
- ensuring that management and financial information is reliable and properly reported
- implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements
- the selection and application of accounting principles; for the preparation and fair presentation of the Financial Statements and all accompanying information in conformity with the Selected Basis, and for compliance with applicable laws and regulations rules, and the provisions of contracts and grant agreements
- the preparation and fair presentation of the Financial Statements in conformity with the Selected Basis
- making drafts of Financial Statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers)
- evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern within one year after the date that the financial statements are available to be issued
- 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, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Entity from whom we determine it necessary to obtain audit evidence (4) if applicable, you will provide us with the final version of all documents comprising the annual report which includes other information, prior to the date of our auditor's report. If the final version of these documents are not available prior to the date of our auditor's report, they will be provided as soon as practical and the Entity will not issue the annual report prior to providing them to the auditor

- required written representations from you about the Financial Statements and related matters, at the conclusion of our audit
- required written representations that (1) you are responsible for presentation of the Supplementary Information in accordance with GAAP; (2) you believe the Supplementary Information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the Supplementary Information.
- required written representations from you about compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and GAGAS, at the conclusion of our audit
- 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 latest period presented are immaterial, both individually and in the aggregate, to the Financial Statements taken as a whole
- 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 Entity 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
- 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
- identifying and ensuring that the government complies with applicable contracts, agreements, and grants
- taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report
- preparation of the Supplementary Information, as applicable, in conformity with the Selected Basis. You agree to include our report on the Supplementary Information in any document that contains, and indicates that we have reported on, the Supplementary Information and to include the audited Financial Statements with any presentation of the Supplementary Information that includes our report thereon
- if publishing Financial Statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document

- disclosing the date through which subsequent events have been evaluated and whether that date is the date the Financial Statements were issued or were available to be issued
- informing, in writing, the engagement partner before entering into any substantive employment discussions with any CPA Firm or CRI Advisors personnel, to ensure our independence is not impaired under the AICPA Code of Professional Conduct
- informing us on a timely basis of the name of any single investor in you that owns 20% or more of your equity at any point in time
- informing us on a timely basis of any investments held by you which constitutes 20% or more of the equity/capital of the investee entity at any point in time
- establishing and maintaining a process for tracking the status of audit findings and recommendations
- identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Scope and 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
- 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

ENGAGEMENT ADMINISTRATION

Christine Noll-Rhan is the engagement partner and is responsible for supervising the engagement and signing the report(s) or authorizing another individual to sign it (them).

We understand that your employees will prepare all confirmations and schedules we request and will locate any documents selected by us for testing. A request list of information we expect to need for our audit will be provided to you. Your prompt attention to and timely return of the requested items will significantly contribute to the efficiency of our audit process.

We will provide copies of our reports to the Entity; 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 will be retained for a minimum of five years after the report release date. If we are aware that a federal 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.

In accordance with certain regulations, we, as your auditors, are required to make the following commitments:

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- The documentation for this engagement is the property of CRI and constitutes confidential information. However, we may be requested to make certain documentation available to regulators, federal or state agencies, governmental agencies, etc. ("regulators" or "agencies") pursuant to authority given to it by law or regulation. If requested, access to such documentation will be provided under the supervision of CPA Firm personnel. Furthermore, upon request, we may provide copies of selected documentation to these regulators or agencies. These regulators or agencies may intend, or decide, to distribute the copies or information contained therein to others.
- We will file a copy of our most recent peer review report with any applicable regulators or agencies.
- As appropriate, we may meet with those charged with governance before the audit report(s) are filed with any required regulators or agencies.

The information that we obtain in auditing is confidential, as required by the AICPA Code of Professional Conduct. Therefore, your acceptance of this Engagement Letter will serve as your advance consent to our compliance with above commitments.

REPORTING

As part of our engagement, we will issue a written report upon completion of our audit of the Entity's Financial Statements. Our report will be addressed to management, those charged with governance, or both, as appropriate, of the Entity. 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 a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance.

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 GAGAS. The report on internal control and on compliance and other matters will state: (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 GAGAS in considering the entity's internal control and compliance. The report(s) will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with GAAS and the standards for financial audits contained in GAGAS may not satisfy the relevant legal, regulatory, or contractual requirements.

TERMINATION

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 withdraw from this engagement.

We reserve the right and sole discretion to withdraw for any reason from this engagement immediately upon written notice to you. Our withdrawal will release us from any obligation to complete the services covered by this Engagement Letter and will constitute completion of this engagement.

Our engagement with you will terminate upon the earlier of our delivery of your report or withdrawal. In either case, you agree to compensate us for our services, fees, and costs to the date of withdrawal.

CORPORATE TRANSPARENCY ACT/BENEFICIAL OWNERSHIP INFORMATION REPORTING

Assisting you with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting, is not within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

OUR FEES

The fees for the CRA audit will be \$4,000, \$4,100, \$4,200, \$4,300 and \$4,400 for the years ending September 30, 2025, 2026, 2027, 2028, and 2029, respectively.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances (such as, but not limited to, difficulty or delays in obtaining requisite responses to necessary or required procedures, significant changes to promulgated standards, time incurred for financial statement adjustment(s) and the related procedures required, or significant changes to your organization or its internal control structure) will not be encountered during the engagement. 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 and are payable on presentation.



CARR, RIGGS & INGRAM, L.L.C.

To Management

of the City of Lake Worth Beach

This Engagement Letter and its attachments, if any, are governed by the Master Services Agreement 2.0 ("MSA") between Carr, Riggs & Ingram, L.L.C. ("CPA Firm", "we", "us", or "our") and the Client; the terms of which are hereby incorporated into this Engagement Letter by reference. By executing this Engagement Letter, the parties agree to and intend to be bound by the terms of the MSA.

"Carr, Riggs & Ingram" and "CRI" are the brand names under which CPA Firm and CRI Advisors, LLC ("CRI Advisors" or "Advisors") provide professional services. Carr, Riggs & Ingram, L.L.C., Carr, Riggs & Ingram Capital, LLC and their respective subsidiaries operate as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. CPA Firm is a licensed independent CPA firm that provides attest services, as well as additional ancillary services, to its clients. CRI Advisors provides tax and business consulting services to its clients. CRI Advisors and its subsidiaries are not licensed CPA firms and will not provide any attest services. The entities falling under the Carr, Riggs & Ingram or CRI brand are independently owned and are not responsible or liable for the services and/or products provided, or engaged to be provided, by any other entity under the Carr, Riggs & Ingram or CRI brand. Our use of the term "CRI," and terms of similar import, denote the alternative practice structure conducted by CPA Firm, CRI Advisors, their subsidiaries and affiliates, as appropriate.

This Engagement Letter confirms and specifies the terms of our engagement and clarifies the nature and extent of the services we will provide for the City of Lake Worth Beach Redevelopment Agency (a component unit of the City of Lake Worth Beach) ("Client", "Entity", "you", or "your") for the years ending September 30, 2025, 2026, 2027, 2028, and 2029. The years ending September 30, 2028 and 2029 are optional. (the "Selected Period"). Except as otherwise expressly set forth herein, this Engagement Letter only governs attest services, provided to you by CPA Firm. Except as otherwise expressly set forth herein, any non-attest services, including any non-attest services provided by CRI Advisors or any other entities within the Carr, Riggs & Ingram alternative practice structure, will be governed by (a) separate Engagement Letter(s) between such entity and the Client.

In connection with the alternative practice structure, CRI Advisors maintains custody of client files for CPA Firm and CRI Advisors. By executing this engagement letter, you hereby consent to the transfer to CRI Advisors of all your client files, work papers and work product. Unless you indicate otherwise, your

acceptance of the terms of this engagement shall be understood by us as your consent to transfer such files and records.

SCOPE AND OBJECTIVES

For the purposes of this Engagement Letter, the subject matter consists of the following: compliance with Florida Statutes Section 218.415 Local Government Investment Policies and Florida Statutes Section 163.387 Redevelopment Trust Fund (collectively referred to as the "Subject Matter").

The Subject Matter is presented in accordance with Florida Statutes Section 218.415 Local Government Investment Policies and Florida Statutes Section 163.387 Redevelopment Trust Fund (the "Selected Criteria").

We will examine the Subject Matter of the Entity as of the Selected Period.

The objectives of our examination are to (1) obtain reasonable assurance about whether the Subject Matter is free from material misstatement based on the Selected Criteria; and (2) to express an opinion as to whether the Subject Matter is presented, in all material respects, in accordance with the Selected Criteria.

OUR RESPONSIBILITIES

Our examination will be conducted in accordance with attestation standards established by the AICPA. Accordingly, it will include examining, on a test basis, your records and other procedures to obtain evidence necessary to enable us to express our opinion.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards.

We will plan and perform the examination to obtain reasonable assurance about whether the Subject Matter is free from material misstatement, based on the Selected Criteria. Our engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, or known and suspected fraud or noncompliance with laws or regulations, or internal control deficiencies, that may exist. However, we will inform you of any known and suspected fraud and noncompliance with laws or regulations, internal control deficiencies identified during the engagement, and uncorrected misstatements that come to our attention unless clearly trivial.

Our examination does not relieve you of your responsibilities.

OTHER SERVICES

For any non-attest services provided by CRI, you agree to assume all management responsibilities for these non-attest services and any other non-attest services we provide; oversee the services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

The non-attest services, if any, are limited to those previously defined in this letter, or as identified in a separate Engagement Letter. 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.

CLIENT RESPONSIBILITIES

In addition to your responsibilities identified in the MSA, our engagement will be conducted on the basis that you acknowledge and understand your responsibility for:

- the presentation of the Subject Matter in accordance with the Selected Criteria
- selecting the Selected Criteria
- determining the Selected Criteria are suitable, will be available to intended users, and are appropriate for the purpose of the engagement
- a written assertion about whether the Subject Matter is presented in accordance with the Selected Criteria; failure to provide such assertion may result in withdrawal from our engagement
- providing us with (1) access to all information of which you are aware that is relevant to the measurement, evaluation, or disclosure of the Subject Matter; (2) additional information that we may request for the purpose of the examination; and (3) unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence
- required written representations from you in the form of a representation letter, at the conclusion of the engagement
- informing, in writing, the engagement partner before entering into any substantive employment discussions with any CPA Firm or CRI Advisors personnel, to ensure our independence is not impaired under the AICPA Code of Professional Conduct
- informing us on a timely basis of the name of any single investor in you that owns 20% or more of your equity at any point in time
- informing us on a timely basis of any investments held by you which constitutes 20% or more of the equity/capital of the investee entity at any point in time
- the accuracy and completeness of that information required for our examination

ENGAGEMENT ADMINISTRATION

Christine Noll-Rhan is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We understand that you will provide us with the information required for our examination. A request list of information we expect to need for our examination will be provided to you. Your prompt attention to and timely return of the requested items will significantly contribute to the efficiency of our examination process.

We will provide copies of our reports to the Entity; 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.

In accordance with certain regulations, we, as your examiners, are required to make the following commitments:

- The documentation for this engagement is the property of CRI and constitutes confidential information. However, we may be requested to make certain documentation available to regulators, federal or state agencies, governmental agencies, etc. ("regulators" or "agencies") pursuant to authority given to it by law or regulation. If requested, access to such documentation will be provided under the supervision of CPA Firm personnel. Furthermore, upon request, we may provide copies of selected documentation to these regulators or agencies. These regulators or agencies may intend, or decide, to distribute the copies or information contained therein to others.
- We will file a copy of our most recent peer review report with any applicable regulators or agencies.
- As appropriate, we may meet with those charged with governance before the examination report is filed with any required regulators or agencies.

The information that we obtain in this examination is confidential, as required by the AICPA Code of Professional Conduct. Therefore, your acceptance of this Engagement Letter will serve as your advance consent to our compliance with above commitments.

REPORTING

As part of our engagement, we will issue a written report upon completion of our examination. Our report will be addressed to management, those charged with governance, or both, as appropriate, of the Entity. 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. If our opinion is other than unmodified, we will discuss the reasons with you in advance.

TERMINATION

If for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We reserve the right and sole discretion to withdraw for any reason from this engagement immediately upon written notice to you. Our withdrawal will release us from any obligation to complete the services covered by this Engagement Letter and will constitute completion of this engagement.

Our engagement with you will terminate upon the earlier of our delivery of your report or withdrawal. In either case, you agree to compensate us for our services, fees, and costs to the date of withdrawal.

CORPORATE TRANSPARENCY ACT/BENEFICIAL OWNERSHIP INFORMATION REPORTING

Assisting you with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting, is not within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

OUR FEES

The fee is included in the audit fee.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances (such as, but not limited to, difficulty or delays in obtaining requisite responses to necessary or required procedures, significant changes to promulgated standards, time incurred for financial statement adjustment(s) and the related procedures required, or significant changes to your organization or its internal control structure) will not be encountered during the engagement. 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 and are payable on presentation.

EXHIBIT “C”
Price Schedule (2 pages)

EXHIBIT "H"

RFP# 25-203 Annual Independent Financial Audit Services

Price Schedule

Provided cost shall be listed separately for the City and for the CRA audit for FY 2025, FY 2026, FY 2027, FY 2028 & FY 2029 in below table. The total all-inclusive maximum price proposal is to contain all direct and indirect costs including all out-of-pocket expenses for each fiscal year.

Audit	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
City	\$122,000	\$127,000	\$132,000	\$137,000	\$142,000
CRA	\$4,000	\$4,100	\$4,200	\$4,300	\$4,400
Total City + CRA	\$126,000	\$131,000	\$136,200	\$141,300	\$146,400
TOTAL City + CRA (5 years)				\$681,000	

YOUR SERVICES & FEES



We value creating mutually rewarding, long-term relationships with our clients. Our goal is to provide high quality, responsive service that yields returns far greater than your investment in our professional fees. Please find below our proposal of fees to provide the requested services for the initial term of the engagement.

The fees are based on standard hourly rates for the hours anticipated for the engagement based on our experience with auditing local governments, specifically the City of Daytona Beach. We have taken into account inflationary factors that took place in the previous few years in order to develop the fee quotes.

The fee quotes herein are inclusive of all costs, including travel and report production.

CLASSIFICATION	HOURLY RATE	ANTICIPATED HOURS	TOTAL
Partner	\$450	65	\$29,250
Manager	\$300	153	\$45,900
Supervisor/Senior	\$190	265	\$50,350
Staff	\$140	0	\$0
Administrative Assistants	\$100	5	\$500
	Total	488	\$126,000

We do not bill in excess of the quoted fees unless there are highly unusual issues that cause significant overruns and, in any case, we do not bill additional fees until the issues have been discussed with management and an agreed upon amount is resolved. Additional billings are very unusual, and all fees will be agreed upon prior to billing.

We do not bill for occasional phone calls and questions and periodically provide courtesy meetings to ensure we are up to date with the operations of the City.

Progress payments will be made based on hours of work completed during the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost proposal. Interim billing shall cover a period of not less than a calendar month.

Our professional fees are based on the key assumptions that City of Lake Worth Beach will:

- Ensure that the predecessor's work papers will be made available for timely review, if applicable.
- Make available documents and work papers for review at the City's headquarters location, although we may choose to review at alternate locations.
- Prepare certain schedules and analyses and provide supporting documents as requested.
- Assist us in obtaining an understanding of the accounting systems of the City.
- Not experience a significant change in business operations or financial reporting standards.
- We require an engagement letter signed with language required by our accounting and auditing standards.