

MUNICIPAL EMPLOYEES' BENEFIT TRUST

Required Communications From the Auditor

For the Year Ended December 31, 2023

**To the MEBT Trust Committee
Municipal Employees' Benefit Trust
Bellevue, Washington**

We have audited the financial statements of the Municipal Employees' Benefit Trust (the Trust) as of and for the year ended December 31, 2023 and have issued our report thereon dated June 24, 2024. Professional standards require that we advise you of the following information related to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in the terms of the Professional Service Contract dated June 2, 2021, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Trust solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance With All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm and our network firms have complied with all relevant ethical requirements regarding independence.



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Qualitative Aspects of Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Trust is included in Note 2 to the financial statements. These policies are appropriate, comply with GAAP, and industry practice, and are adequately described within the notes to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. We noted no transactions entered into by the Trust during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

There are no financial statement estimates that are significant to the Trust. Significant accounting estimates are not commonly inherent in a defined contribution plan with investments that are readily available on public markets.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent and clear.

Significant Unusual Transactions

Professional standards require us to communicate significant unusual transactions to those charged with governance. We did not identify any significant unusual transactions.

Identified or Suspected Fraud

No such matters came to our attention.

Significant Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

Each year, we record several reoccurring journal entries for purposes of converting amounts reflected on trust and recordkeeping reports to GAAP-basis financial statements. We record these entries as an administrative convenience for management. The nature of these entries are known by management each year before the audit begins.

There were no uncorrected misstatements identified during our audit.

Disagreements With Management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Trust's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested From Management

We have requested that management provide certain representations relevant to balances and disclosures presented in the financial statements that are included in the management representation letter dated June 24, 2024.

Management Consultations With Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Significant Related Party Transactions

We have evaluated whether the identified related party relationships and transactions (if any) have been appropriately identified, accounted for, and disclosed and whether the effects of the related party relationships and transactions, based on the audit evidence obtained, prevent the financial statements from achieving fair presentation.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the Trust, we generally discuss a variety of matters with management including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, business conditions affecting the Trust, and business plans and strategies that may affect risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Trust's auditor.

Modification of the Auditor's Report

We have made the following modification to our auditor's report:

We have included an other-matter paragraph to explain that the financial statements of the Trust do not purport to present the net position available for benefits or changes in net position available for benefits of the participating plans in accordance with GAAP.

We have included an other-matter paragraph to explain that management's discussion and analysis is supplementary information required by the Governmental Accounting Standards Board (GASB) and that we do not express an opinion or provide any assurance on the information included in management's discussion and analysis because the limited procedures we performed do not provide us with sufficient evidence to express an opinion or provide any assurance.

Noncompliance With Laws and Regulations

If matters involving noncompliance with laws and regulations came to our attention during the course of the audit, they are included in an appendix to this letter.

Other Matters

The GASB-required supplementary information was subjected to certain limited procedures in accordance with Generally Accepted Auditing Standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

This communication is intended solely for the information and use of management, the MEBT Trust Committee, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Clark Nuber P.S.

Certified Public Accountants
June 24, 2024