

**NOTICE OF REGULAR MEETING OF THE
COMMISSIONERS COURT OF THROCKMORTON COUNTY, TEXAS**

Notice is hereby given that a regular meeting of the above named Commissioners Court will be held on Monday, the 23rd day of August 2021 at 1:00 P.M., at 101 N. Minter, Throckmorton, Texas, at which time the following subjects will be discussed, to-wit:

1. Call meeting to order.
2. Read and approve minutes of previous meeting.
3. Discuss and take any necessary action to approve the ICS Deposit Placement Agreement with Throckmorton County and Interbank.
4. Hospital reports/approve hospital bills.
5. Citizen's Comments.
6. Order of General Election for November 2021.
7. Discuss and take any necessary action on implementing a burn ban.
8. Discuss and take any necessary action on renewing the service agreement with TAC technology services.
9. Discuss and take any necessary action on engagement letter for 2020 audit with Edgin, Parkman, Fleming, & Fleming, PC.
10. Budget workshop
11. Elected officials report.
12. Approve and pay bills.
13. Adjourn.

Commissioners Court of Throckmorton County, Texas

Kayley Biles
Agenda Clerk

FILED FOR RECORD
at 08 o'clock 04 m

AUG 20 2021
Dianne Murr
CLERK COURT
THROCKMORTON, TX

COMMISSIONER'S COURT

Regular Meeting

Throckmorton County Commissioners' Court met in Regular Session on Monday the 23rd day of August, 2021, at 1:00 P.M., at 105 North Minter, Throckmorton, Texas, with the following members present:

Present: Trey Carrington, County Judge, Casey Wells, Commissioner Pct#1, Kasey Hibbitts, Commissioner Pct #2, Greg Brockman, Commissioner Pct#3, Klay Mitchell, Commissioner Pct#4, Dianna Moore, County Clerk, Brenda Rankin, County Treasurer, Bobby Thompson, Bryan Key, and Kirby Gober

1. Trey Carrington called meeting to order at 1:05 P.M. and welcomed guest.
2. Dianna Moore read minutes from the previous meeting. Klay Mitchell made the motion with Greg Brockman seconding to approve the minutes. Motion carried 5-0.
3. Kasey Hibbitts made the motion with Trey Carrington seconding to approve the ICS Deposit Placement Agreement with Throckmorton County and Interbank and to give Brenda Rankin the authority to sign the agreement on behalf of the County. Motion carried 5-0.
4. No action on #3
5. Citizen's hearing was held. No comments made.
6. Casey Wells made the motion with Kasey Hibbitts seconding to order the November 2021 General Election. Motion carried 5-0.
7. Casey Wells made the motion with Greg Brockman to place the county in a County Wide Burn Ban. The Ban will expire on November 21, 2021. Motion carried 5-0.
8. Klay Mitchell made the motion with Kasey Hibbitts seconding to renew the service agreement with TAC Technology Services. Motion carried 5-0.
9. Casey Wells made the motion with Klay Mitchell to sign an Engagement Letter with Edgin, Parkman, Fleming, & Fleming, PC. For the 2020 Audit. Motion carried 5-0.
10. Budget workshop was held.
11. Elected Official's Report: no reports
12. Brenda Rankin presented the court with the county bills. Trey Carrington made the motion with Klay Mitchell seconding to approve and pay the bills. Motion carried 5-0.
13. Casey Wells made the motion and seconded by Kasey Hibbitts to adjourn at 1:46 p.m. Motion carried 5-0.

Witnessed my hand AND approved this the 13th day of September, 2021.

A handwritten signature in blue ink that reads "Diamma Moore". The signature is written in a cursive style and is positioned above a horizontal line.

ATTEST: County Clerk

A handwritten signature in black ink that reads "Tracy C. [unclear]". The signature is written in a cursive style and is positioned above a horizontal line.

County judge



EDGIN, PARKMAN, FLEMING & FLEMING, PC

CERTIFIED PUBLIC ACCOUNTANTS

4110 KELL BLVD., SECOND FLOOR • P.O. Box 750
WICHITA FALLS, TEXAS 76307-0750
PH. (940) 766-5550 • FAX (940) 766-5778

MICHAEL D. EDGIN, CPA
DAVID L. PARKMAN, CPA
A. PAUL FLEMING, CPA

July 15, 2021

Honorable Judge, County Commissioners
and County Treasurer
Throckmorton County, Texas
P.O. Box 564
Throckmorton, Texas 76483

We are pleased to confirm our understanding of the services we are to provide Throckmorton County, Texas (County) for the year ended December 31, 2020. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Throckmorton County, Texas as of and for the year ended December 31, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the County's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the County's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budgetary Schedules
3. Schedule of Changes in Net Pension Liability (Asset) and Related Ratios - Texas County and District Retirement System
4. Schedule of Employer Contributions - Texas County and District Retirement System

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the County's financial statements. Our report will be addressed to the Judge and County Commissioners of Throckmorton County, Texas. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

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and County Treasurer
Throckmorton County, Texas
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Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. 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 of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you 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.

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

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. 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.

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 County'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.

Other Services

We will also update the County's depreciation schedule from the information provided by you, prepare necessary entries to convert the County's cash basis accounting to the modified accrual basis of accounting, prepare the conversion of the County's fund-level financial statements to the government-wide basis from the information obtained during the audit and provided by you, and prepare the County's financial statements and related notes in conformity with U.S. generally accepted accounting principles based on information provided by

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you. We will perform the services in accordance with applicable professional standards. 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.

Management Responsibilities

Management is responsible for designing, implementing, 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 monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

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

Your responsibilities include adjusting the financial statements to correct material misstatements and 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.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. 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. You also agree to present the supplementary information with the audited financial statements or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter 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.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

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

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and County Treasurer
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We expect to begin our audit in March or April 2022 and to issue our report by June 30, 2022. The exact dates for the fieldwork will be coordinated with you at a later time. Mr. Paul Fleming is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Bills for services are due when rendered, and interim billings may be submitted as work progresses and expenses are incurred. Our estimated total fee for this engagement will be \$17,500. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee before we incur the additional costs.

If any dispute, controversy, or claim arises, either party may, upon written notice to the other party, request that the matter be mediated. Such mediation will be conducted by a mediator appointed by and pursuant to the Rules of the American Arbitration Association or such other neutral facilitator acceptable to both parties. Both parties will exert their best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute or controversy.

Each party may disclose any facts to the other party or to the mediator which it, in good faith, considers necessary to resolve the matter. All such discussions, however, will be for the purpose of assisting in settlement efforts and will not be admissible in any subsequent litigation against the disclosing party. Except as agreed by both parties, the mediator will keep confidential all information disclosed during negotiations. The mediator may not act as a witness for either party in any subsequent arbitration between the parties.

The mediation proceedings will conclude within sixty days from receipt of the written notice unless extended or terminated sooner by mutual consent. Each party will be responsible for its own expenses. The fees and expenses of the mediator, if any, will be borne equally by the parties.

If any dispute, controversy, or claim cannot be resolved by mediation, then the dispute, controversy, or claim will be settled by arbitration in accordance with the Rules of the American Arbitration Association (AAA) for the Resolution of Accounting Firm Disputes. No pre-hearing discovery will be permitted unless specifically authorized by the arbitration panel. The arbitration hearings will take place in the city closest to the place where this agreement was performed in which the AAA maintains an office, unless the parties agree to a different locale.

The award issued by the arbitration panel may be confirmed in a judgment by any federal or state court of competent jurisdiction. All reasonable costs of both parties, as determined by the arbitrators, including (1) the fees and expenses of the AAA and the arbitrators and (2) the costs, including reasonable attorneys' fees, necessary to confirm the award in court, will be borne entirely by the non-prevailing party (to be designated by the arbitration panel in the award) and may not be allocated between the parties by the arbitration panel.

Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that in the event of a dispute over fees charged by the accountant, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

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

Respectfully submitted,

Edgin, Parkman, Fleming & Fleming, PC
EDGIN, PARKMAN, FLEMING & FLEMING, PC
Certified Public Accountants

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and County Treasurer
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RESPONSE:

This letter correctly sets forth the understanding of Throckmorton County, Texas.

By: Jay Cozart

Title: County Judge

Date: 8/23/2021

By: Brenda Rankin

Title: County Treasurer

Date: 8/23/2021

