

**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 10th of February 2020 at 9:00 A.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. Hospital reports/approve hospital bills.
4. Citizen's Comments.
5. Discuss and take action on contract for professional services between Allison Bass and Magee, LLP in regard to tax abatement agreement.
6. Elected officials report.
7. Approve and pay bills.
8. Adjourn.

Commissioners Court of Throckmorton County, Texas

Kayley Briles
Agenda Clerk

VOL 26 **PG** 557

FILED FOR RECORD
at 9:00 o'clock A.m

FEB. 07 2020
Dawn Moore
**CLERK COURT
THROCKMORTON, TX**

COMMISSIONER'S COURT

Regular Meeting

Throckmorton County Commissioners' Court met in Regular Session on Monday the 10TH day of February, 2020, at 9:00 A.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, Klay Mitchell, Commissioner Pct#4, Dianna Moore, County Clerk, Brenda Rankin, County Treasurer, Bobby Thompson, Justice of the Peace, Kirby Gober, Bryan Key, Jack Fautleroy, Doc Wigington, Dede Smith, Steven Campbell, and JerriAnn Shelly

1. Trey Carrington called meeting to order at 9:04 A.M. and welcomed guest. Commissioner Sullivan was absent.
2. Dianna Moore read minutes from the previous meeting. Kasey Hibbitts made the motion with Casey Wells seconding to approve the minutes. Motion carried 4-0.
3. Kirby Gober presented the Hospital bills and report and stated that the bills were in the amount of \$72,069.53. He also stated that things were going good. Trey Carrington made the motion with Klay Mitchell seconding to approve the report and pay the bills. Motion carried 4-0.
4. Citizen's Hearing was held. No citizen's present.
5. No action on line item #5.
6. Elected Official's report: Doc Wigington reported that they have been doing some transports and have one more of the books. Have 7 felony arrest for January, but not all of them are county. Clint Harper has been doing some transports and is being paid out of the extra deputy fund. They can now take inmates to Jacksboro instead of Plainview. They are having sickness in their office. IT is here today and will be moving to new office.
7. Brenda Rankin presented the court with the county bills. Kasey Hibbitts made the motion with Klay Mitchell seconding to approve and pay the bills. Motion carried 4-0.
8. Casey Wells made the motion and seconded by Trey Carrington to adjourn at 9:45 am. Motion carried 4-0.

Witnessed my hand AND approved this the 24th day of February 2020.

Dianna Moore

ATTEST: County Clerk

Ken Compton
County Judge

**THROCKMORTON COUNTY MEMORIAL
HOSPITAL**

Expenses Approved by
TCMH Board of Directors
February 6, 2020

Presented to:
Throckmorton County Commissioner's Court
for approval
February 10, 2020

TCMH Expenditure List

02/06/2020

Vendor #:	Vendor Name:	Invoice Date:	Amount:	Comments:
10002	ABC PRINTING	12/20/2020	\$647.62	
10138	ALSCO LINEN AND UNIFORM	1/31/2020	\$217.80	
10138	ALSCO LINEN AND UNIFORM	1/31/2020	\$231.87	
10138	ALSCO LINEN AND UNIFORM	1/24/2020	\$240.06	
10138	ALSCO LINEN AND UNIFORM	1/24/2020	\$282.18	
10152	ATMOS ENERGY C	2/2/2020	\$87.46	
10013	ATMOS ENERGY H	2/3/2020	\$186.48	
10120	BLUECROSS BLUE SHIELD OF TEXAS	1/17/2020	\$23,139.04	\$19,055.68 - HOSPITAL PORTION
10021	C D HARTNETT COMPANY	1/30/2020	-\$93.98	
10021	C D HARTNETT COMPANY	1/30/2020	\$275.40	
10021	C D HARTNETT COMPANY	1/30/2020	\$326.31	
10021	C D HARTNETT COMPANY	1/30/2020	\$334.17	
10021	C D HARTNETT COMPANY	1/30/2020	\$361.37	
10022	CARDINAL HEALTH MEDICAL PROD	1/26/2020	\$1.85	
10022	CARDINAL HEALTH MEDICAL PROD	1/27/2020	\$41.44	
10022	CARDINAL HEALTH MEDICAL PROD	1/27/2020	\$86.07	
10022	CARDINAL HEALTH MEDICAL PROD	1/26/2020	\$433.17	
10022	CARDINAL HEALTH MEDICAL PROD	1/19/2020	\$651.78	
10026	CITY OF THROCKMORTON	1/24/2020	\$104.38	
10026	CITY OF THROCKMORTON	1/24/2020	\$233.14	
10027	COALSON'S GROCERY	1/30/2020	\$1,492.00	
10029	COMPUTER SOLUTIONS!	1/25/2020	\$165.00	
10363	CPR SOLUTIONS4U	1/30/2020	\$795.00	ACLS INSTRUCTOR COURSE X 3
10313	ESCALON, SANDY	1/23/2020	\$128.86	LAB COURIER SERVICES
10302	FENWAL INC.	1/30/2020	\$42.88	
10302	FENWAL INC.	1/30/2020	\$195.00	
10052	HANDYMAN SUPPLY & HARDWARE	1/31/2020	\$315.76	
10055	HARRIS EXTERMINATING SERVICE	1/24/2020	\$112.50	
00028	HENDRICK MEDICAL CENTER	1/27/2020	\$2,758.21	
10381	LIFE-ASSIST, INC.	1/23/2020	\$224.30	
00164	MCKESSON MEDICAL-SURGICAL INC	1/17/2020	\$0.87	
00164	MCKESSON MEDICAL-SURGICAL INC	1/20/2020	\$0.87	
00164	MCKESSON MEDICAL-SURGICAL INC	1/22/2020	\$0.87	
00164	MCKESSON MEDICAL-SURGICAL INC	1/23/2020	\$0.87	
00164	MCKESSON MEDICAL-SURGICAL INC	1/24/2020	\$0.87	
00164	MCKESSON MEDICAL-SURGICAL INC	1/28/2020	\$0.87	
00164	MCKESSON MEDICAL-SURGICAL INC	1/22/2020	\$21.78	
00164	MCKESSON MEDICAL-SURGICAL INC	1/28/2020	\$45.81	
00164	MCKESSON MEDICAL-SURGICAL INC	1/20/2020	\$57.40	
00164	MCKESSON MEDICAL-SURGICAL INC	1/19/2020	\$60.00	
00164	MCKESSON MEDICAL-SURGICAL INC	1/29/2020	\$75.86	
00164	MCKESSON MEDICAL-SURGICAL INC	1/28/2020	\$82.70	
00164	MCKESSON MEDICAL-SURGICAL INC	1/24/2020	\$83.07	

00164	MCKESSON MEDICAL-SURGICAL INC	1/23/2020	\$242.24	
00164	MCKESSON MEDICAL-SURGICAL INC	1/23/2020	\$293.10	
00164	MCKESSON MEDICAL-SURGICAL INC	1/22/2020	\$311.84	
00164	MCKESSON MEDICAL-SURGICAL INC	1/29/2020	\$316.33	
00164	MCKESSON MEDICAL-SURGICAL INC	1/17/2020	\$1,220.98	
00164	MCKESSON MEDICAL-SURGICAL INC	1/17/2020	\$3,348.46	
00164	MCKESSON MEDICAL-SURGICAL INC	1/19/2020	\$3,592.26	
10065	NEWLIGHT HEALTHCARE LLC	1/31/2020	\$11,719.72	
10069	OFFICE DEPOT	1/30/2020	-\$1.40	
10069	OFFICE DEPOT	1/30/2020	\$41.94	
10069	OFFICE DEPOT	1/30/2020	\$169.34	
00078	OLIVER, HALIE	2/1/2020	\$1,750.00	10 PT VISITS
10383	PARRISH, SCOTT	1/16/2020	\$99.76	RAC MILEAGE REIMB.
10071	PENMAN SERVICES LTD	1/31/2020	\$540.82	
10218	PLIC - SBD GRAND ISLAND	1/18/2020	\$1,999.55	\$1,186.78 - HOSPITAL PORTION
10344	PROFESSIONAL AMBULANCE SALES	1/23/2020	\$38.47	LOCK BOX PART FOR AMBULANCE
00071	QUEST DIAGNOSTICS	1/28/2020	\$20.00	
10384	REAGLE AIR LLC	1/21/2020	\$95.00	ISSUE WITH CLINIC REFRIGERATOR
10384	REAGLE AIR LLC	1/17/2020	\$346.39	REPAIR TO KITCHEN FREEZER
00176	RXPREFERRED BENEFITS	1/31/2020	\$250.00	340B PROCESSING
10082	SCARLETT BUTANE	1/30/2020	\$456.00	
10361	SONO ART LLC	1/31/2020	\$1,530.00	9 ULTRASOUNDS
00015	SPBS INC	1/29/2020	\$2,790.00	YEARLY EQUIPMENT INSPECTION
10084	SPRINGHOUSE WATER	1/27/2020	\$105.99	
10016	SUPERIOR VISION OF TEXAS	1/15/2020	\$266.50	\$176.70 - HOSPITAL PORTION
10343	T AND C CONSOLIDATED, PLLC	1/31/2020	\$3,680.00	46 PT VISITS
10090	THE DRUG STORE	1/28/2020	\$38.67	
10116	VOSS, KINSI	1/16/2020	\$99.76	RAC MILEAGE REIMB.
10097	WILLIS SUPPLY COMPANY	1/23/2020	\$109.95	
10097	WILLIS SUPPLY COMPANY	12/27/2019	\$163.90	
10098	WINDSTREAM	1/30/2020	\$25.87	
10098	WINDSTREAM	1/30/2020	\$110.37	
10098	WINDSTREAM	1/30/2020	\$2,479.38	
10099	XEROX CAPITAL SERVICES LLC	1/16/2020	\$17.00	

GRAND TOTAL:

\$72,069.53

VOL 24 PG 562

TCMH Payroll	
EMPLOYEE	PAYROLL #2002
Armida Alexander	\$549.87
Jordan Anthony	
JaJuanna Atkinson	\$523.47
Connie Barrington	\$194.86
Craig Beasley	\$4,719.25
Karla Benson	\$1,899.91
Billy Boyd	\$1,709.39
Katrina Briles	\$636.83
Mildred Brown	\$228.38
Melissa Cramer-McLain	\$1,593.20
Geneva Dean	\$1,040.55
Tonya DeSautel	
Carla Dormier	\$1,646.02
Shelby Elliott	\$1,051.37
Kristina Escalon	\$1,783.49
Sandy Escalon	\$1,025.42
Lauren Everett	\$311.12
Kirby Gober	\$995.96
ina Hantz	\$2,042.19
alvin Hargrove	
Mary Hernandez	\$1,605.96
Sarah Ibarra	\$780.43
Brandon Jackson	
Rhonda Jackson	\$758.42
Spencer Jackson	
Sarah Jones	\$1,623.94
Randy King	\$3,167.43
Sondria Lake	\$1,084.47
Mindy Land	\$238.30
Crystal Latham	
Linda Latham	\$2,468.82
Susan Leal	\$1,220.02
Dobbi Makovy	\$589.57
Dennis Marrow	\$885.10
Shelby Marrow	\$140.74
Lauren McEwen	\$2,037.25
Shanda Morcom	\$846.34
Amber Myer	\$1,451.38
Hannah Navarro	
Shelly Navarro	\$792.07
Charlotte Norman	\$854.63
Marilyn Nutt	\$517.16

Scott Parrish		\$1,330.31
Shawnacee Parrish		
Lisa Pattillo		\$554.58
Dakota Pullin		
Dalayna Riddle		
Georgia Rodriguez		\$2,017.22
Julie Scott		\$532.73
Shannon Shahan		\$1,075.48
Zach Shaver		\$166.23
Amanda Shepherd		\$668.03
Wanda Skiles		\$157.32
Ruby Speck		
Mikaela Stroud		
Amber Thomas		
Kathy Thorp		\$160.69
Kinsi Voss		\$3,235.09
Lynda Wadsworth		\$523.54
Whitney Waller		\$1,030.48
Cynthia Wigington		\$801.23
Armenta K Wright		\$1,197.27
Total:		\$56,463.51

Trey Carrington, County Judge

Throckmorton County, Texas

Subject: TCMH Payables

The attached payables for Throckmorton County Memorial Hospital were reviewed and approved by the Board of Directors at the Regular Monthly Business Meeting February 6, 2020

The total amount approved by the board is

0.2 \$ 72,069.53 (K-2)

County funds requested:

0

Kathy Thompson 12-6-2020

President TCMH Board of Directors

Texas A&M AgriLife Extension Service

The Texas A&M University System

Extension Activity and Travel Report to County Commissioner Court

Name: JerriAnn Shelly
County: Throckmorton

Title: CEA
Month: January 2020

DATE	Monthly Activities/Travel	MILES	MEALS	LODGING
1/2	Program Development Committee Meeting in Archer City	100		
1/4	Clipped County Stock Show pigs			
1/5	County Stock Show Setup			
1/6-9	Clipped county sheep, goats and pigs			
1/10	Stock Show weigh in			
1/11	Throckmorton County Stock Show, 52 participants, \$70,000 raised for youth development, 75 photography entries, 20 Ag Mech entries			
1/12	Stock Show Clean up			
1/13	Interpretation for Commissioners Court			
1/15	LGEG with 3rd grade class in Throckmorton			
1/16	worked in the office			
1/17	worked in the office			
1/21	Ag Committee meeting, 8 attended			
1/23	Heifers to Ft Worth, Checked projects			
1/24	Ag. Increment Report turned in, County Expenditures turned in			
1/25	To Ft Worth Stock Show for Heifer show. 3 Throckmorton County kids showed.	294		
1/27	Commissioners Court, worked in the office	210		
1/29	Program at THS with JR & Sr classes			
1/31	Volunteer report turned in, Program at THS with JR & Sr Class, assisted with a horse project			
GRAND TOTAL OF MILEAGE, MEALS & LODGING		360	0	0

Other expenses (list) Parking \$15 @ Ft. Worth

360

	February 10, 2020	
	BILLS	
	PRECINCT 1	
PENMAN		\$180.25
LEONARD AUTO		\$32.64
ATMOS		\$46.52
AT&T		\$131.80
ZACK BURKETT		\$5,522.65
BUB AND SAM CREEL TRUCKING		\$8,936.73
COW COUNTRY FUEL		\$294.41
PUMP SERVICE		\$63.75
	TOTAL	\$15,208.75

	February 10, 2020	
	BILLS	
	PRECINCT 2	
PENMAN		\$1,651.78
LEONARD AUTO		\$199.35
ATMOS		\$70.73
PUMP SERVICE		\$74.95
HANDYMAN		\$3.38
INGRAM		\$576.54
	TOTAL	\$2,576.73

	February 10, 2020	
	BILLS	
	PRECINCT 3	
STEPHENS REGIONAL SUD		\$55.95
BILL BLAND		\$11,790.00
SCARLETT BUTANE		\$200.00
LEONARD AUTO		\$370.00
	TOTAL	\$12,415.95

	February 10, 2020	
	BILLS	
	PRECINCT 4	
AT&T		\$75.71
LEONARD AUTO		\$10.44
ZACK BURKETT		\$2,965.87
BUB AND SAM CREEL TRUCKING		\$5,348.97
ATMOS		\$60.70
ELBERT FARM STORE		\$1,434.85
	TOTAL	\$9,896.54

	February 10, 2020	
	BILLS	
<u>Vendor Name</u>	<u>Account</u>	<u>Amount</u>
FT BELKNAP ELECTRIC		36.95
COW COUNTRY FUEL	S.O.	78.93
WINDSTREAM		1,906.47
AP G&E		2,365.69
AP G&E	TVFD	165.00
POSTMASTER		55.00
HARRIS EXTERMINATING		145.00
PENMAN	S.O.	901.64
PENMAN	TVFD	124.76
STEPHENS COUNTY		1,960.00
ATMOS		89.51
TAC		180.00
OFFICE DEPOT		119.99
DELL		1,428.83
MICHAEL PETTY		40.00
JUSTICE SOLUTIONS		623.00
PUMP SERVICE	S.O.	17.10
WILLIS SUPPLY		116.25
JERRIANN SHELLEY		883.99
HASH SHOW SUPPLY		263.80
TCMH		85,977.06
INTERBANK		94,131.34
TEXAS CHILD SUPPORT DIV		112.00
TAC		125.00
PAM THOMPSON		6.48
REGGIE WILSON		3,640.00
BOBBY T'S	TVFD	140.00
BOBBY T'S	S.O.	15.00
SCARLETT BUTANE		173.20
BOBBY THOMPSON		2,370.00
HAYLEY BRILES		301.87
LGS		820.00
AEP		106.65
GOLDSMITH		7,256.25
CSG SYSTEMS		189.00
C N A SURETY		50.00
AMERIFLEX		6,031.33
ELEVENTH COURT OF APPEALS		160.00
POSTMASTER		24.00
HANDYMAN		142.64
THROCKMORTON CO/DIST CLERK	Ct. fees for Ct case	1,795.00
IVAN GARCIA		705.00
SPRING HOUSE		47.98

Live Stock
Judging.com
\$200

• Law Enforcement Systems

218 VOL 26 PG 572



Personalized Services You Will Love

January 10, 2020

To the Honorable Judge and
Members of the Commissioners Court
and Brenda Rankin, County Treasurer
Throckmorton County, Texas

We are pleased to confirm our understanding of the services we are to provide Throckmorton County for the year ended December 31, 2018. 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 as of and for the year ended December 31, 2018. 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 Throckmorton 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 Throckmorton 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 Comparison Schedules
- 3) Changes in net pension liability and related ratios
- 4) Pension system schedule of contributions

We have also been engaged to report on supplementary information other than RSI that accompanies Throckmorton County'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 auditing standards generally accepted in the United States of America, 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:

- 1) Combining and individual fund financial statements

Audit Objectives

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 U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Throckmorton County

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 Throckmorton County's financial statements. Our report will be addressed to the Honorable Judge and Members of the Commissioners Court of Throckmorton County. 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 issue reports, or may withdraw from this engagement.

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

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 government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

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

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

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to

render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

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

Audit Procedures—Compliance

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

Other Services

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

Management Responsibilities

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

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

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

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

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, 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 include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written 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.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

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

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

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

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

The audit documentation for this engagement is the property of Jerry Love CPA, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to U.S. Government Accountability Office or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Jerry Love CPA, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the U.S. Government Accountability Office. 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.

We expect to begin our audit on approximately May 2020 and to issue our reports no later than July 31, 2020. Debra Goodheer, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$12,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Claims Resolution

Throckmorton County, Texas and Jerry Love CPA, LLC agree that no claim arising out of services rendered pursuant to this agreement shall be filed more than two years after the date of the audit report issued by Jerry Love CPA, LLC or the date of this management letter if no report has been issued. Throckmorton County, Texas waives any claim for punitive damages. Jerry Love CPA, LLC's liability for all claims, damages, and costs of the organization arising from this engagement is limited to the amount of fees paid by Throckmorton County, Texas to Jerry Love CPA, LLC for the services rendered under this arrangement letter.

You agree that any dispute (other than our efforts to collect an outstanding invoice) that may arise regarding the meaning, performance or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered according to mediation rules, and any ensuing litigation shall be conducted according to Texas law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties. Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within two years from the completion of the engagement, notwithstanding any statutory provision to the contrary.

This letter constitutes the complete and exclusive statement of agreement between Jerry Love CPA, LLC and Throckmorton County, Texas, superseding all proposals, oral or written, and all other communication, with respect to the terms of the engagement between the parties.

We appreciate the opportunity to be of service to Throckmorton County 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.

Very truly yours,

Jerry Love CPA, LLC

Jerry Love CPA, LLC

RESPONSE:

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

Management signature: *Brenda Rankin*
Title: County Treasurer
Date: 1-27-2020

Governance signature: *Fred Carrington*
Title: Co. Judge
Date: 1-27-2020