

NOTICE OF REGULAR MEETING OF
THE CITY COUNCIL OF
THE CITY OF ODEM, TEXAS
JUNE 4, 2024

Notice is hereby given that the City Council of the City of Odem will meet at the Odem Public Library, 516 Voss Avenue, Odem, Texas at 7:00 p.m. in a **REGULAR MEETING** on June 4, 2024, and the following matter will be the subject of the **REGULAR MEETING**:

I. CALL MEETING TO ORDER:

- A. Declare a quorum.
- B. Pledge the Allegiance to the Flag of the United States and the Texas Flag.
- C. ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST:
Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to refrain from discussion on such items. Conflicts discovered later in the meeting shall be disclosed at that time.
- D. Public Comments - Citizens to be heard.
PLEASE LIMIT COMMENTS TO THREE (3) MINUTES. A PERSON SHALL NOT BE ALLOWED TO ASSIGN THE THREE (3) MINUTES TO ANYONE ELSE.

II. DISCUSSION AND ACTION ITEMS TO BE CONSIDERED:

- A. Discuss, consider and take action to approve the minutes of the Regular Meeting held on May 4, 2024.
- B. Discuss, consider and approve an audit engagement letter hiring Adrian Webb, Certified Public Accountant, to provide auditing services for \$22,500.
- C. Discuss, consider and take action to remove Hilda Gonzalez and Michelle Ynfante from the authorized list of personnel that can pick up bank bags from the First State Bank of Odem and adding Gabriela Arzola and Patricia G. Montelongo to that authorized list.
- D. Discuss, consider and take action to elect the Mayor Pro Tem.

IV. NON-ACTION ITEMS:

- A. Receive a presentation from Frontier Communications regarding their plans to build a new fiber-optic broadband network in Odem later this year.

- B. Discuss potential options for hiring or contracting a Code Enforcement Officer.

- C. Discuss a potential date, time, program, expenses and other related details for a future State of the City event.

- D. Discuss a potential date, time, program, expenses and other related details for a retreat for councilmembers.

- E. Discuss a potential date and time for a workshop to discuss organizational charts, standard operating procedures as well as the roles, expectations and authority of employees, the City Administrator, the Mayor and Councilmembers for the edification of all including the public.

V. MAYOR, COUNCIL AND STAFF REPORTS:

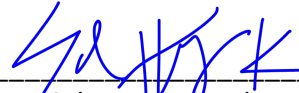
- A. Mayor report regarding:
 - 1) Update on the current services provided by Davidson, Troilo, Ream & Garza Law Firm.

- B. City Administrator Reports regarding:
 - 1) TML Budget and Tax Rate Workshop.
 - 2) eGrants User Training.
 - 3) Update on Water Plant pumps.
 - 4) Monthly Financial Summary Report

VI. ADJOURNMENT:

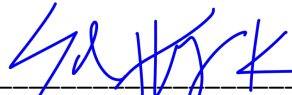
A. Adjourn

NOTE: The City of Odem reserves the right to retire into executive session concerning any of the items on this agenda whenever it is considered necessary and legally justified under the Open Meeting Act, Chapter 551 of the Texas Government Code.



Salome Hernandez III
CITY ADMINISTRATOR

I, Salome Hernandez III, City Administrator, certify that the above notice of the Regular Meeting was posted on the Bulletin Board at City Hall of the City of Odem, Texas on May 31, 2024, at 3:00 p.m.



Salome Hernandez III
CITY ADMINISTRATOR

**MINUTES OF MEETING OF THE CITY COUNCIL
CITY OF ODEM, TEXAS
May 07, 2024**

On this day, Tuesday May 07, 2024, the City Council of the City of Odem met at the Odem Public Library, 516 Voss Avenue, Odem, Texas at 7:00PM. The meeting was called to order by Mayor David Bargas Maldonado with the following members present to wit:

David Bargas Maldonado	Mayor
Billy Huerta	Alderman Place 1
Yolanda Robles-Alvaro	Alderman Place 2
Isaac Dominguez	Alderman Place 3
Jesse Falcon	Alderman Place 4
Elizabeth Candela	Alderman Place 5
Epimeno Ysassi	City Attorney
Salome Hernandez III	City Administrator

CALL MEETING TO ORDER:

- A. Declare a Quorum
All members of the Council were present.
- B. Pledge the Allegiance to the Flag of the United States and the Texas Flag
- C. Announcement on Disclosure of Conflicts of Interest
- D. Resolution/Proclamation to recognize the accomplishments of Odem-Edroy ISD athletes in the 2023-24 school year
This item was tabled for later date.
- E. Public Comments – Citizens to be heard – **NONE**

II. DISCUSSION AND ACTION ITEMS TO BE CONSIDERED:

- A. Discuss, consider and take action to approve the minutes of the Regular Meeting held on April 02, 2024 and the Workshop meeting held on April 06, 2024
Councilmember Candela made a motion to approve the minutes. Seconded by Councilmember Dominguez. A vote was taken, the motion passed.
- B. Discuss, consider and accept the resignation of Municipal Judge Yolanda Guerrero
Councilmember Dominguez made a motion to accept the resignation. Seconded by Councilmember Falcon. Mayor Maldonado reported on the discussion held with the Judge and the City Administrator offering office space for the Municipal Judge at the City Hall. A vote was taken, and the motion passed.

- C. Discuss, consider, and take action to approve a proposed interlocal agreement between the City of Odem, San Patricio County, Commissioner Lilly Wilkinson – Precinct 3 and the Odem Little League regarding improvements at the Odem Little League Park
Councilmember Alvaro made a motion to approve the agreement. Seconded for discussion by Councilmember Dominguez. Commissioner Wilkinson reported that she was approached by Little League Board members to aid in the installation of safety barricades to provide a secure walkway around the area. This is at no cost to the city. San Patricio County would be providing the equipment and TxDot would be providing the barriers. The project is pending approval by the San Patricio County Commissioners. A vote was taken and the motion passed.
- D. Discuss, consider and take action to approve a proposed interlocal agreement between the City of Odem, San Patricio County, Commissioner Lilly Wilkinson – Precinct 3 regarding assistance with light road repairs, motor vehicle and heavy equipment repairs
Councilmember Falcon made a motion to approve the agreement. Seconded By Councilmember Alvaro. A vote was taken and motion passed.
- E. Discuss, consider, and take action to approve a proposed agreement between The City of Odem and Workforce Solutions of Coastal Bend regarding Workforce Solutions providing subsidized workers for clerical and maintenance work
Councilmember Falcon made a motion to approve the agreement. Seconded by Councilmember Candela. A vote was taken, and the motion passed.
- F. Discuss, consider and take action to approve an interlocal agreement between The City of Odem and OmniBase Services of Texas FTA
Councilmember Falcon made a motion to approve the agreement. Seconded by Councilmember Candela. A vote was taken, and the motion passed.
- G. Discuss, consider and take action to approve an agreement with Baen Consulting, LLC for providing services related to continuity of operations, providing analysis and guidance of the FY 2023-2024 Budget. Assist in the development of the FY 2024-2025 Budget, property tax issues, bond indenture and the issuance of such
Council adjourned to Executive Session at 7:28PM and reconvened to 8:05PM. Councilmember Falcon made a motion to accept the agreement. Seconded by Councilmember Candela. A vote was taken, and the motion passed unanimously with amendments.

- H. Discuss, consider and take action to approve and allow Ms. Amanda Lindgren to keep and maintain 4-H livestock on her property located at 605 Main Street.
Councilmember Falcon made a motion to approve. Seconded by Councilmember Huerta to issue a special permit to allow the livestock on the property. A vote was taken, and the motion passed.
- I. Discuss, consider and take action to approve and allow Ms. Maria Garza to rezone her property located at 202 Cook Street, from residential to commercial so she can convert the home to a full-time daycare
Councilmember Dominguez made a motion to approve. Seconded by Councilmember Huerta. After discussion the motion was amended to issue Ms. Maria Garza a special permit to allow her to convert her home at 202 Cook Street to a full-time daycare. Councilmember Falcon made a motion. Seconded by Councilmember Dominquez. A vote was taken and passed.
- J. Discuss, consider and take action to surplus the Odem Police Department vehicles (2019 Dodge Durango, Black-VIN#1C4SDJFT4KC631923 and 2020 Dodge 1500, Black VIN#1C6SRFFTXLN331069) for future campus police department
Councilmember Huerta made a motion to surplus the two (2) vehicles. Seconded by Councilmember Falcon. A vote was taken and passed.
- K. Discuss, consider and take action to authorize the City Administrator to accept an offer from Calallen Independent School District to purchase two (2) Odem Police Department vehicles (2019 Dodge Durango, Black -VIN#1C4SDJFT4KC631923 And Dodge 1500, Black – VIN#1C6SRFFTXLN331069) for their future campus police Department
Councilmember Huerta made a motion to deny the action. Seconded for discussion by Councilmember Dominguez. Following the discussion session Councilmember Huerta rescinded his motion to deny. Councilmember Falcon made a motion to accept the action. Seconded by Councilmember Dominguez. A vote was taken and passed.

III. NON-ACTION ITEMS

- A. Discuss Hurricane Preparedness and other potential emergency plans
City Administrator reported on San Patricio County Emergency Preparedness Meeting he has attended. The importance of encouraging our citizens to register with STEAR (State of Texas Emergency Assistance Registry). Make our citizens aware of 2-1-1 Helpline.
- B. Discuss options to fill the Municipal Judge vacancy
Councilmembers discussed advertising for a part time Judge until position is filled.

IV: MAYOR, COUNCIL AND STAFF REPORTS

- A. Mayor reports regarding:
1. Update on Operation Loan Star and final review from Governor's Office
Mayor Maldonado reported that the documentation requested by the state was submitted. The city will not have to repay the \$144,000.00 from the Lone Star Grant. The Governor's office accepted the City of Odems response with recommendations for financial policies and procedures, grant policies and procedures and procedures for ledger records. The law firm hired to assist in the preparation of records will provide a report to the city.
- B. Councilmember Candela, Place 5 Reports regarding:
Councilmember Candela reported on the current city improvements provided by the ODEM EDC. Sharps Park Cleanup, New Electronic Library Marquee, Driveway at Agave Restaurant, Lighting at Railroad Seafood Restaurant, Renovation of Extreme Detailing.
- C. Councilmember Dominguez, Place 3 regarding:
Councilmember Dominguez questioned the upgrade in communication technology. City Administrator detailed the current upgrade was to provide a more secure email system.

V. ADJOURNMENT:

A. Adjourn

Councilmember Falcon made a motion to adjourn. Seconded by Councilmember Alvaro. A vote was taken and the motion passed to adjourn at 9:11PM.

MAYOR

Attest: Salome Hernandez III

CITY ADMINISTRATOR

ADRIAN WEBB
Certified Public Accountant
Edinburg, Texas

May 1, 2024

To the Honorable Mayor and Members of the City Commission of the City of Odem
City of Odem, Texas

We are pleased to confirm our understanding of the services we are to provide City of Odem for the year ended September 30, 2021.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of City of Odem as of and for the year ended September 30, 2021. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement City of Odem'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 City of Odem's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – General Fund

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and 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. 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, 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 *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS 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 your accounting records of City of Odem and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, 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, including the disclosures, 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 government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* 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 may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS 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. 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 also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risks of material misstatement as part of our audit planning: According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks. We have also considered segregation of grant funds as a significant risk.

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.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government 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 *Government Auditing Standards*. 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. 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 City of Odem'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 City of Odem in conformity with accounting principles generally accepted in the United States of America 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.

You agree to assume all management responsibilities relating to the financial statements and related notes, schedule of depreciation, schedule of long term debt, GASB schedules 68 & 75 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.

Responsibilities of Management for the Financial Statements

Our audit 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; 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 accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for 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). 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, 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 government from whom we determine it necessary to obtain audit evidence. 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 GAAS and *Government Auditing Standards*.

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 of each opinion unit 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, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). 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 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 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 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. 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.

Engagement Administration, Fees, and Other

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 City of Odem; 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 Adrian Webb, CPA, 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, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the 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 Adrian Webb, CPA's 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. 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.

Adrian Webb, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit after signing of engagement letter and to issue our reports no later than 90 days of receipt of financials.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, confirmation service provider fees, etc.) except that we agree that our gross fee, including expenses, will not exceed \$22,500. 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 5 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services 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.

Reporting

We will issue a written report upon completion of our audit of City of Odem's financial statements. Our report will be addressed to management and those charged with governance of City of Odem. 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. 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 we 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 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 *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that City of Odem 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.

We appreciate the opportunity to be of service to City of Odem 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 attached copy and return it to us.

Very truly yours,

Adrian Webb, CPA

ADRIAN WEBB, CPA

RESPONSE:

This letter correctly sets forth the understanding of City of Odem.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



The wait is over, Odem. Frontier Fiber Internet is coming to your neighborhood! Access to high-speed internet is critical to everyone. Frontier is expanding the reach of its fiber network so homes and businesses can benefit from Frontier's mission to Build Gigabit America.

Frontier now offers internet service as fast as 5 gigabits per second, allowing consumers to upload videos and files more than 50 times faster than the broadband service offered by cable companies in Texas. That means more people in the same household can enjoy great speeds at the same time, while working from home, home schooling, streaming, or just surfing the web.

You'll notice a lot of activity in your surrounding areas. Before Frontier brings fiber to your neighborhoods, they will:

- Secure any required permits;
- Locate other utilities to avoid impacting existing facilities;
- Create a path for their network and set up connection points to bring fiber to customers; and
- Conduct technical and engineering work in their central office facilities and on the network itself.

If you are interested in knowing if your address qualifies for Frontier® FiberOptic service, contact 1.877.313.2036 (residential), 1.844.931.2538 (business), or visit <https://www.getfrontierfiber.com/> for more information.