

# UPSHUR COUNTY EMERGENCY SERVICES DISTRICT NO. 1

NOVEMBER 13, 2023

7:00 P.M.

## MINUTES

The regular meeting of the Upshur County Emergency Services District No. 1 Board of Commissioners was held on November 13, 2023, in the Upshur County Courtroom, Upshur County Courthouse, 150 E. Jefferson Street, Gilmer, Texas.

### The District considered and acted upon the following matters:

- 1) **Open meeting.** The meeting was opened at 7:00 p.m. by Michael Kuza.
- 2) **Call meeting to order, Roll Call of Board and establish quorum.** Michael Kuza called the meeting to order. Michael Kuza determined a quorum with Michael Kuza, Kenny Southwell, Scott Mischnick, and Cloddie Henson being present. Bobby Jenkins arrived at 7:27 p.m.
- 3) **Public comment.** Terry Conyers spoke in regards to the Glenwood Fire Department. He presented the Board with statistics of calls and responses from the substation. He further stated that he wants to get the Glenwood Fire Department back up and running for the community.
- 4) **Consider and take action on approval of:**
  - A. The minutes of the previous meetings;
  - B. Accounts payable.

Kenny Southwell made a motion with a second by Cloddie Henson to approve the minutes of the meeting held October 9, 2023. Motion carried 4-0. Unanimous vote in favor.

Scott Mischnick made a motion with a second by Kenny Southwell to pay the following bills:

ETEX Telephone	\$ 104.95
Terri Ross (October Bookkeeping/Clerical)	\$ 750.00
City of Gilmer (October Dispatching)	\$ 3,000.00
Lone Star Fire Specialties	\$ 6,870.00

- 5) **Discuss and take action to pay bills for Bettie VFD as submitted and approved.** Motion by Kenny Southwell and second by Scott Mischnick to pay Bettie VFD bills in the amount of \$7,425.84. Motion carried 3-0 with Michael Kuza abstaining.
- 6) **Discuss and take action to pay bills for East Mountain VFD (station #1 and station #2) as submitted and approved.** Motion by Kenny Southwell with a second by Cloddie Henson to

pay East Mountain VFD (station #1 and station #2) in the amount of \$2,475.59. Motion carried 4-0. Unanimous vote in favor.

- 7) **Discuss and take action to pay bills for Ewell VFD as submitted and approved.** Motion by Scott Mischnick with a second by Kenny Southwell to pay Ewell VFD bills in the amount of \$1,737.59. Motion carried 4-0. Unanimous vote in favor.
- 8) **Discuss and take action to pay bills for Harmony VFD as submitted and approved.** Motion by Kenny Southwell with a second by Cloddie Henson to pay Harmony VFD bills in the amount of \$469.42. Motion carried 4-0. Unanimous vote in favor.
- 9) **Discuss and take action to pay bills for Pleasant Grove VFD as submitted and approved.** Motion by Kenny Southwell with second by Cloddie Henson to pay Pleasant Grove VFD bills in the amount of \$1,384.88. Motion carried 3-0 with Scott Mischnick abstaining.
- 10) **Discuss and take action to pay bills for Pritchett VFD as submitted and approved.** Motion by Kenny Southwell with second by Cloddie Henson to pay Pritchett VFD bills in the amount of \$836.30. Motion carried 4-0. Unanimous vote in favor.
- 11) **Discuss and take action to pay bills for Simpsonville VFD as submitted and approved.** No bills submitted.
- 12) **Discuss and take action to pay bills for West Mountain VFD as submitted and approved.** Motion by Cloddie Henson with a second by Scott Mischnick to pay West Mountain VFD bills in the amount of \$885.99. Motion carried 4-0. Unanimous vote in favor.
- 13) **Discuss and take action regarding procuring an auditor.** Motion by Kenny Southwell with a second by Cloddie Henson to procure the services of Margaret Nixon to perform the audit for the fiscal year 2022-2023. Motion carried 4-0. Unanimous vote in favor. (SEE AUDIT ENGAGEMENT LETTER ATTACHED)
- 14) **Discuss and take action to pay the invoice to Casco for soap for extractor.** Motion by Kenny Southwell with a second by Scott Mischnick to pay the invoice to Casco in the amount of \$167.00 for soap for extractor. Motion carried 4-0. Unanimous vote in favor.
- 15) **Discuss and take action on invoice submitted by Brevard Architecture for Harmony station.** Motion by Kenny Southwell with a second by Scott Mischnick to pay the invoice submitted by Brevard Architecture in the amount of \$5,192.00 for Harmony station. Motion carried 4-0. Unanimous vote in favor.
- 16) **Discuss and take action on putting the Harmony fire station plans out for construction bids.** Motion by Kenny Southwell with a second by Scott Mischnick to put the Harmony fire station plans out for construction bids. Cloddie Henson commented that he wants to pay off the notes on the two trucks before going out for bids. Kenny Southwell commented that he wanted to go out for bids to see if it is within our budget. He further commented that

the only cost to go out for bids is the cost of the ad and the legal fee to draw up the paperwork. Michael Kuza made the comment that he will not agree in going forward after we get the bids back unless there is another discussion regarding everyone's budget. Vote carried 3 for with 1 against.

- 17) **Discuss who will be attending the SAFE-D training conference in February.** Cloddie Henson, Scott Mischnick and Kenny Southwell are planning on attending. Michael Kuza will get with Bobby Jenkins to see if he plans on attending.
- 18) **Discuss and take action on engaging the services of an attorney for ESD #1 business.** Motion by Kenny Southwell with a second by Scott Mischnick to engage the services of Carlton Law Firm as attorney of record for all ESD #1 business and also authorize Michael Kuza, as the current President, to sign the engagement letter. Motion carried 4-0. Unanimous vote in favor. (SEE ENGAGEMENT LETTER ATTACHED)
- 19) **Discuss the list of approved FROs and Rescue departments in the county.** Discussion only. No action.
- 20) **Discuss and take action on paying bills for vehicles other than fire apparatus kept in stations.** Motion by Bobby Jenkins to not fund anything less than 1/2 ton truck with at least 175,000 gallon skid unit on it. Bobby Jenkins amended his motion that the ESD not fund anything less than ¾ ton truck with a minimum of 175,000 gallon skid unit on that vehicle. Motion failed for lack of second.
- 21) **Discuss and take a formal vote of action that Glenwood VFD no longer exists as it is a part of East Mountain VFD.** Cloddie Henson commented that he wants to see Glenwood go back as a fire department. He also wants to see a substation in the future to cover Barton Springs area. Kenny Southwell is in favor of Glenwood Fire Department being back as a fire station but expressed that there would be budget oversights. Scott Mischnick commented that the ESD Board does not have authority to determine if Glenwood VFD exists or not. He further commented that the ESD Board only has the authority to contract with Glenwood VFD or not. Kenny Southwell would like to have the ESD Board give Terry Conyers some direction. Cloddie Henson would like to see Terry Conyers reach out to those interested in being on the Glenwood VFD and report that back to the Board. No action.
- 22) **Discuss and take action on the future budget of East Mountain VFD.** No action.
- 23) **Discuss and take action on any insurance claim pay outs to rural departments.** None
- 24) **Discuss and take action on any grant reimbursement requests submitted.** No action.
- 25) **Discuss and take action on any budget amendments.** No action.
- 26) **Items to be considered for next month's agenda.** Item #20

27) **Adjournment.** Meeting adjourned at 7:55 p.m.

Michael Ky  
Presiding Officer Signature  
Title: President

Date: 12-11-23

# The Carlton Law Firm, P.L.L.C.

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Austin, Texas 78746

Phone: (512) 614-0901  
Facsimile: (512) 900-2855

John J. Carlton  
[john@carltonlawaustin.com](mailto:john@carltonlawaustin.com)

November 10, 2023

**Via Email to: [ksouthwell@upshuresd.com](mailto:ksouthwell@upshuresd.com)**

Kenny Southwell  
Board of Commissioners  
Upshur County ESD No. 1  
P.O. Box 1432  
Gilmer, Texas 75644

Re: General Counsel Engagement

Dear Commissioners:

Upon approval and execution by the Upshur County Emergency Services District No. 1 ("District") Board of Commissioners ("Board"), this letter will confirm our agreement that The Carlton Law Firm, P.L.L.C. ("Firm") will serve as general counsel to the District.

Subject to the conditions of representation below, the Firm's work will occur only as specifically requested by the District's Board, and will be limited to the following work, billed on an hourly basis:

- A. Provide legal advice to the Board on matters affecting the District, including advice necessary for compliance with statutory requirements applicable to the District, such as the Texas Open Meetings Act, the Texas Public Information Act, the Texas Health & Safety Code, and the Truth-In-Taxation requirements;
- B. Provide legal advice and assistance with election issues;
- C. Draft necessary resolutions, orders, and other legal instruments for approval by the Board;
- D. Negotiate and prepare contracts with third parties for approval by the Board;
- E. Assist in preparation of agendas for Board meetings as required by the Texas Open Meetings Act and requested by the District's Board;
- F. Communicate with the Board members and others via written instrument, telephone, email, video conference and/or in person; and

- G. Provide other legal services as specifically requested by the District, provided we do not have a conflict of interest.

Additionally, and as conditions of the Firm's representation of the District, we require the following:

- A. Each month, the District shall provide us with a draft of all meeting agendas at least two business days prior to the agenda posting deadline so that we may make comments or corrections to the agenda if needed;
- B. Each month, the District shall provide us with a draft of all meeting minutes for review at least two business days prior to the meeting at which the minutes are to be adopted; and
- C. The District shall have an attorney from the Firm in attendance for a minimum of two of the District's Board meetings per calendar year, but preferably one Board meeting per quarter. Such required meeting attendance by the Firm can be either in person at the District's meeting place or through a video conference call or teleconference call with our office. An attorney from the Firm will attend additional Board meetings as requested by the Board and will provide legal advice, as needed, to the Board at such meetings.

At the present time, the Firm has a fee structure ranging up to \$495 per chargeable hour for attorneys' services, depending on the individual involved and their level of experience and expertise. The attorneys in the Firm work collaboratively on client files. Any of us may perform some aspect of the Firm's general representation of the District.

My time and Kelli Carlton's time on District general counsel work will be billed at our current rate of \$375 per hour. Additionally, we utilize associate and Of Counsel attorneys on client matters, and we also use paralegals and other support personnel to perform those tasks not requiring the time of an attorney. Paralegal and other support personnel perform their work under attorney supervision. Of Counsel attorney time is currently billed at an amount not to exceed \$375 per hour. Associate attorney time is currently billed at an amount not to exceed \$285 per hour. Paralegal time is currently billed at an amount not to exceed \$200 per hour. Legal Assistant time is currently billed at an amount not to exceed \$150 per hour. Due to the time-consuming nature of litigation, our litigation and administrative hearing rates for our attorneys and staff are higher. Litigation and administrative hearing rates for these individuals are currently: Partners and Of Counsel – not to exceed \$495 per hour; Associate attorneys – not to exceed \$385 per hour; Paralegals – not to exceed \$250 per hour; and Legal Assistants – not to exceed \$175 per hour. We may also contract with outside counsel to assist on certain matters, and those costs will be passed through with no mark up. We review our fee structure on an annual basis and will notify you if there is a change to our rates or fee structure.

We will submit all out-of-pocket expenses incurred for reimbursement. The Firm does not advance fee payments of any sort, including publication of required notices, if the amount of such fees or notices exceeds \$500.00. We ask the client to directly pay all filing fees, charges for consultants, etc., due to the typical amount of those fees. We endeavor to provide a statement of services rendered and expenses incurred to the District by the 15th of each month. Full payment is due upon receipt of the statement.

The Firm maintains its client files in digital format, and we utilize the internet to send and receive electronic communications and documents to clients. The Firm securely stores its client-based electronic data using software applications through the internet and clouds. We use reasonable efforts to maintain the security of client data in accordance with our legal and ethical responsibilities. By signing this engagement letter, the District hereby recognizes and accepts that the Firm has no control over an unauthorized data breach, unauthorized access to data, or the interception of electronic data once it has been sent, and further consents to the Firm's use of the internet and clouds to both communicate with the District and store documents related to the District and this engagement. If the District desires to obtain paper copies of the Firm's client files related to the District, the Firm will charge for retrieval and copying of those files.

This agreement may be terminated by the District at any time by written notice to us. This agreement may be terminated by the Firm on 15 days' written notice that we are no longer able to continue representing the District in a particular matter for whatever reason, including nonpayment of fees and expenses within 30 days of receipt of an invoice.

In the interest of client confidentiality and to avoid a potential violation of the Open Meetings Act, it is the Firm's policy not to text the District or the District's representatives or to respond to text messages from the District or the District's representatives on legal matters.

On November 7, 1989, the Texas Supreme Court adopted the Texas Lawyer's Creed - a Mandate for Professionalism. Paragraph II, subparagraph 1 of the Creed requires us to advise you of its contents when we undertake representation. A copy of the Creed can be found at:

[https://www.texasbar.com/AM/Template.cfm?Section=Texas\\_Bar\\_Journal&Template=/CM/ContentDisplay.cfm&ContentID=22241](https://www.texasbar.com/AM/Template.cfm?Section=Texas_Bar_Journal&Template=/CM/ContentDisplay.cfm&ContentID=22241).

We intend to abide by the Creed.

The Carlton Law Firm, P.L.L.C.  
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If this agreement is acceptable to you and has been approved by the Board of the District at an appropriately posted open meeting, please sign below, and return it to us for our records. We look forward to working with you.

Sincerely,

**THE CARLTON LAW FIRM, P.L.L.C.**



John J. Carlton

**UPSHUR COUNTY ESD NO. 1**

The matters set forth in this letter are understood and agreed to by the undersigned on behalf of Upshur County ESD No. 1 on this 13 day of November, 2023.

By: Michael Keys  
Printed Name: Michael Keys  
Title: President



# Audit Engagement Letter

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Prepared For:

Upshur County Emergency Services District No. 1

November 6, 2023



Prepared by:

MARGARET NIXON, CPA, CIA, CCSA  
OWNER  
mnixon@mnixoncpa.com

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# MARGARET NIXON, CPA

CERTIFIED PUBLIC ACCOUNTANT

November 6, 2023

Upshur County Emergency Services District No. 1  
Gilmer, TX 76571  
Via Email: smischnick@upshuresd.com

Honorable Commissioners,

We are pleased to confirm our understanding of the services we are to provide Upshur County Emergency Services District No. 1 for the year ended September 30, 2023.

## Audit Scope and Objectives

We will audit the financial statements of the governmental activities and 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 Upshur County Emergency Services District No. 1 as of and for the year ended September 30, 2023. 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 Upshur County Emergency Services District No. 1'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 Upshur County Emergency Services District No. 1'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:

- ◇ Management's Discussion and Analysis.
- ◇ Budgetary Comparison Schedule - General Fund

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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 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.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, 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 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. 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 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 the 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. 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 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.

We have identified the following significant risk(s) 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. Describe other significant risk(s) identified, including specific revenue streams identified as significant risks.

#### **Audit Procedures – Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Upshur County Emergency Services District No. 1'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 prepare or assist in preparing the financial statements of Upshur County Emergency Services District No. 1 in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

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 for the 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.

### 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, and maintaining 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 accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

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 the financial statements and related matters.

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 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 and regulations.



You are responsible for the preparation of the supplementary information 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 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.

### **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.

The audit documentation for this engagement is the property of Margaret Nixon, 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 to regulator or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Margaret Nixon, CPA personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulator or its designee. The regulator or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Margaret Nixon is the engagement manager and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit immediately and to issue the report no later than May 31, 2023.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, local travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$9,700. 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 90 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.



**Reporting**

We will issue a written report upon completion of our audit of Upshur County Emergency Services District No. 1's financial statements. Our report will be addressed to management and those charged with governance of Upshur County Emergency Services District No. 1. 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 withdraw from this engagement.

We appreciate the opportunity to be of service to Upshur County Emergency Services District No. 1 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,

Margaret Nixon, CPA, CIA, CCSA

**RESPONSE:**

This letter correctly sets forth the understanding of Upshur County Emergency Services District No. 1.

Governance signature: Michael Keys  
Title: President  
Date: 11-13-23