Engagement Letter—Consulting for Budget and Property Tax determination

May 19, 2020

To the Nueces County
Judge and Commissioners

We are pleased to confirm our acceptance and understanding of the services we are to provide for the Nueces County for the fiscal year ending September 30 and continuing future fiscal years if requested.

You have requested that we perform the following services:

1) We will assist in analyzing the budget with staff including analyzing the capital projects project and long term issues with your staff. Our consulting services will cover the year ended September 30 and future fiscal years.

2) We will assist with establishing various future capital project areas with your staff and other commissioners and the applicable debt requirements.

We will conduct our compilation engagement in accordance with the Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with applicable professional standards, including the AICPA’s Code of Professional Conduct, and its ethical principles of integrity, objectivity, professional competence, and due care, when performing the consulting services in analyzing these budget projections.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements prepared by others, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

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 since performing those procedures or taking such action would impair our independence.
We will assist in ensuring the following:

a. To ensure that the County complies with the laws and regulations applicable to its activities.

b. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.

c. To provide us with—
   - access to all information of which you are aware is relevant to the preparation and fair presentation of the budgeted financial statements, such as records, documentation, and other matters.
   - unrestricted access to persons within the County of whom we determine it necessary to make inquiries.

As part of our consulting engagement, we will provide our professional services at an hourly rate of $100 ($125 less 25 percent discount) on an as-needed basis. We anticipate working with the various offices in analyzing the budget and determine future needs and the applicable property tax implications.

Other Relevant Information

You are responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our consulting services. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Ernest R. Garza, CPA, is the engagement partner and is responsible for supervising the engagement and signing the compilation report or authorizing another individual to sign it.

We estimate that our fees for the consulting services will be $100 per hour on an as-needed basis. Budgeted hours will be 100 hours. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. Any changes will naturally be discussed and approved by the Commissioners Court.

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. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

To the extent permitted by law, you agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney’s fees, resulting from management’s knowing misrepresentations to us.
The County reserves the right to terminate this agreement with 30 day notice without cause.

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

Sincerely,

[Signature]
Ernest R. Garza, CPA

Acknowledged:

Nueces County

______________________________
County Judge

______________________________
Date