

**RESOLUTION NO. 2002-09-01**

**A RESOLUTION OF THE CITY OF WESTON, TEXAS, COLLIN COUNTY, TEXAS, APPOINTING WILLIAM C. SPORE AS THE CITY AUDITOR AND APPROVING A FEE SCHEDULE FOR AUDIT SERVICES.**

**WHEREAS**, the City Council finds that appointment of William C. Spore is in the best interest of the City.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTON, TEXAS:**

1. William C. Spore, whose office address is 3950 Highway 360, Suite 102, Grapevine, Texas 76051 is appointed as the auditor for the City of Weston.
2. The compensation paid to the auditor shall be in accordance with the schedule of fees attached hereto as Exhibit "A".

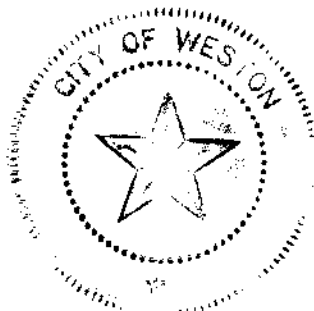
**ADOPTED** by the City Council of the City of Weston, Texas on this the 10<sup>th</sup> day of September, 2002.

APPROVED BY:

Patti Harrington  
Patti Harrington, Mayor

ATTEST;

Michele Smith  
Michele Smith, City Secretary





# William C. Spore, P.C.

Certified Public Accountants

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Honorable Mayor and City Council,  
City of Weston, Texas

We are pleased to confirm our understanding of the services we are to provide for City of Weston for the year ending September 30, 2002. We will audit the general purpose financial statements of the City of Weston as of and for the year ended September 30, 2002.

## **Audit Objectives**

The objective of our audit is the expression of an opinion as to whether your general purpose financial statements are fairly presented, in all material respects, in accordance with generally accepted accounting principles. Our audit will be made in accordance with generally accepted auditing standards and will include such tests of the accounting records and other procedures we consider necessary to enable us to express an opinion. If our opinion on the general purpose financial statements is other than unqualified, we will fully 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 an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

## **Management Responsibilities**

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. This responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting, the selection of accounting principles, and the safeguarding of assets. Management is responsible for adjusting the general purpose financial statements to correct material misstatements and for confirming to us in the 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 general purpose financial statements taken as a whole.

## **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. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatement may exist and not be detected by us. In addition, an audit is not designed to detect errors, fraud, or other illegal acts that are immaterial to the general purpose financial statements. However, we will inform you of any material errors and any fraud that comes to our attention. We will also inform you of any other illegal acts 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 matters that might arise during any later periods for which we are not engaged as auditors.

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

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Identifying and ensuring that the City complies with laws, regulations, contracts and agreements is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we will perform tests of the City's compliance with applicable laws and regulations and the provisions of 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.

**Audit Procedures - Internal Control**

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinion on the City's general purpose financial statements.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

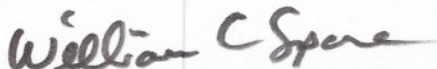
**Audit Administration, Fees and Other**

We understand that your staff will assist us with the preparation of confirmations and will locate any invoices selected by us for testing.

Our fees for these services will not exceed \$2,500. This estimate is based upon anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is required we will discuss it with you before incurring the additional time. Invoices will be submitted monthly for the work performed during the billing period. All invoices are due within 30 days and a finance charge of 18% per annum will be added to all invoices over 30 days old. In accordance with our firm policies, work may be suspended if your account becomes thirty days or more past due and may not be resumed until your account is paid in full.

We appreciate the opportunity to be of service to the City of Weston and we believe this letter summarizes the significant terms of our engagement. If you have any questions, please let me know. If you are in agreement with the terms of our engagement as described in this letter, please sign below and return this letter directly to us.

Thank you,



WILLIAM C. SPORE  
Certified Public Accountant

August 8, 2002

This letter correctly sets forth the understanding of City of Weston:

Signature *Fatti Harrington*  
Title *Mayor*

Date *9/10/02*

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