

Minutes
REGULAR MEETING OF THE CANEY CITY COUNCIL
January 9, 2025 at 6:00 PM

The Caney City Council, the governing body of the City of Caney City Texas, met at 6:00 PM for a Regular Meeting on January 9, 2024. The meeting took place at the Caney City Fire Station, 15241 Barron Rd Malakoff, 75148 and the Council considered the following agenda:

1. The meeting was called to order at 6:00 P.M.
2. Roll Call/Establish a Quorum:
 - a. Present: Mayor Steve Pine, Mayor Pro Tem Frank Borden, Council Members Gloria Lee, Pat Mayfield, Dan Wright
 - b. Absent: Council Member Heather Dunton
 - c. A Quorum was established
3. The Mayor led the Invocation and Pledges of Allegiance
4. Consent Agenda
 - a. Approve minutes from December 12, 2024 Regular Council Meeting
 - b. Approve Athens Daily Review as the official paper of record for 2025

CM Lee made a motion to approve the consent agenda items a-b. CM Wright seconded the motion. The vote was unanimous, motion carried.

5. Staff/Agency Reports
 - a. Police monthly report: Monthly report was given by Chief Sam Commino. The Chief answered additional questions presented by the council.
 - b. VFD monthly report: Monthly report was given by Firefighter David Ramsey. Mr. Ramsey answered additional questions presented by the council.
 - c. EDC monthly report: Monthly report was given by EDC President Frank Borden.
 - d. The Court Report is explained by the Mayor.
 - e. The Financial Report is presented. The City has an over \$75,000 increase in money in the general fund compared to the previous year. A sweep account has been created to keep the balance of the general fund under the FDIC insured limit of \$250,000.00. The CDs that the city has have reached maturity and will be rolled over to new CDs.
6. Reports and Comments from Council & Mayor
 - a. CM Dan Wright
 - i. Waiting on TXDOT to respond with information to continue work on acquiring street signs.
 - b. CM Frank Borden
 - i. No additional reports or comments
 - c. CM Pat Mayfield
 - i. No additional reports or comments
 - d. CM Heather Dunton
 - i. No additional reports or comments
 - e. CM Gloria Lee
 - i. Business permits are due for renewal and reminders are being sent out.
 - f. Mayor
 - i. The City received a thank you letter from One Man's Treasure for volunteering and helping to gather donations for the organization on

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behalf of recently released inmates. The Mayor thanks CM Lee and the Secretary for volunteer work.

- ii. The next Mayor's Meeting is on the 23rd and will be hosted in Caney City. The City will co-host with Malakoff, Star Harbor, Log Cabin, and Enchanted Oaks. Costs will be split between hosts. The meeting will take place at The Dock.
- iii. Dan and Wendy Wright have donated new chairs for the Council.
- iv. Workshop on the 21st or 22nd to discuss building permit update.

7. Comments from the public

- a. No additional comments.

8. Announcements

- a. A May election is coming up for the positions of Mayor and two Council seats.

9. Adjournment: CM Lee made a motion to adjourn. CM Mayfield seconded the motion. The vote was unanimous, motion carried. The meeting was adjourned at 6:15 P.M.

Blake Box, City Secretary

Minutes
WORKSHOP OF THE CANEY CITY COUNCIL
January 9, 2025 at 6:00 PM

The Caney City Council, the governing body of the City of Caney City Texas, met at 6:00 PM for a Workshop on October 28, 2024. The meeting took place at the Caney City Fire Station, 15241 Barron Rd Malakoff, 75148 and the Council considered the following agenda:

The meeting was called to order at 6:15 P.M.

1. Roll Call/Establish a Quorum:
 - a. Present: Mayor Steve Pine, Mayor Pro Tem Frank Borden, Council members Gloria Lee, Pat Mayfield, Dan Wright
 - b. Absent: Council member Heather Dunton
 - c. A Quorum was established
 - d. Long Cove Fire Chief Mark Spahlinger was also present.
2. Discuss: Path Forward for Fire and Emergency Services for the City
 - a. After the resignation of the Fire Chief of Caney City, the City is looking for options to handle fire services.
 - b. Firefighter David Ramsey is willing to be acting as Fire Chief while the situation is being handled.
 - c. The Mayor reviews ESD as an option for the City.
 - d. Malakoff and Long Cove are discussed as options for contracting for fire services.
 - e. The chief of Long Cove Volunteer Fire Department, Mark Spahlinger, discussed a draft contract to consider and refine if Long Cove is used for fire services.
 - f. CM Borden asks about Solomon Safety, the company that Long Cove VFD works with. Chief Spahlinger states that the company runs security and fire departments, and its parent company is called Brindlee Mountain Fire Apparatus.
 - g. CM Borden asks if the contract is able to be changed to avoid giving the equipment that the City has paid for to Long Cove. Chief Spahlinger states that it is possible to suggest changes to the contract but it is not likely that Long Cove will accept the contract without this provision.
 - h. Chief Spahlinger asks what the City has purchased with grant funds which can't be sold or given away without permission. The reason Long Cove has the provision to obtain the equipment is the starting operating cost needs to be covered.
 - i. The Mayor asks if the fire vehicles have been bought with grant funds. CM Lee states that the fire engine was. Chief Spahlinger states that there is an ownership clause in grant purchased items where the item purchase must be owned for a set time before transfer or sale can occur.
 - j. Chief Spahlinger suggests another workshop be set up to discuss the feasibility of continuing fire service from Caney City. The Mayor states that the city currently can't afford to hire a fire chief.
 - k. The Mayor states that the City should look into finding a contract for fire service and will see if Malakoff has put the fire service in the upcoming council meeting.
 - l. CM Borden states that signing a contract is irreversible because the city will be left without equipment. In the event that the contracted fire service would back out of the contract, there is no way for the City to restore the City VFD. Chief

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Spahlinger states that Long Cove VFD is open to discussing options and wants what is best for Caney City.

3. Action items
 - a. CM Lee asks for the council to meet weekly in workshops to discuss fire service options for the city to find a solution.
 - b. The Mayor has talked with Malakoff to request that fire service be on the Malakoff agenda. If fire service is on the agenda, the Mayor will discuss it in the meeting. If this is not on the agenda, Malakoff will be signaling disinterest in contacts with Caney City.
 - c. Dwayne Frost, 16302 St Paul Dr, says the city should contract and remove the liability of covering the equipment used in fire service. The expectation is that new homes are being built and will want fire coverage which is reliable.
 - a. The council agreed to set another workshop for the 16th. This workshop will cover both the fire service discussion and pick up the postponed ARPA Road and Street Sign Project discussion.
4. Adjournment: The meeting was adjourned at 7:26 P.M.

Blake Box, City Secretary

Minutes
SPECIAL MEETING OF THE CANEY CITY COUNCIL
January 16, 2025 at 6:00 PM

The Caney City Council, the governing body of the City of Caney City Texas, met at 6:00 PM for a Special Meeting on January 16, 2025. The meeting took place at the Caney City Fire Station, 15241 Barron Rd Malakoff, 75148 and the Council considered the following agenda:

The meeting was called to order at 6:00 P.M.

1. Call to Order
2. Roll Call/Establish a Quorum:
 - a. Present: Mayor Steve Pine, Mayor Pro Tem Frank Borden, Council members Gloria Lee, Dan Wright
 - b. Absent: Council member Heather Dunton
 - c. A Quorum was established.
 - d. Wendy Wright, Firefighter David Ramsey, and LT Raleigh Dow were in attendance.
3. Take Action: Order a general election on May 3, 2025 for mayor and two city council seats.
 - a. The positions of Mayor and two Council Members are up for election this year. Applications are available until February 14th at 5:00 PM.

CM Lee made a motion to order a general election on May 3, 2025 for mayor and two city council seats. CM Borden seconded the motion. The vote was unanimous, motion carried.

4. Approve: Inter-local agreement with Henderson County to run the May 3, 2025 general election.
 - a. Henderson County Elections Office will run the general election including judges, counting, ballots, and certifications. Breakdown of costs are provided with an estimated total of \$2,893.53.
 - b. Early voting is provided at the Athens election center off of the city square.
 - c. The voting on election day will be located at the Caney City Fire Station.

CM Mayfield made a motion to approve the inter-local agreement with Henderson County to run the May 3, 2025 general election. CM Wright seconded the motion. The vote was unanimous, motion carried.

5. Discuss: Fire and Emergency Services support and contract options.
 - a. Malakoff did not discuss fire services at the previous council meeting. This signals that Malakoff is not likely to sign a contract with Caney City for fire services.
 - b. The County does not currently have a contract with any fire department in the area stating that contractual obligations have not been fulfilled. The county is currently determining who will get a contract going forward.

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- c. The Mayor contacted the Fire Marshall to inform dispatch that Caney City emergency calls will be picked up by another fire department and Caney City will no longer be the primary response and will be mutual aid where available.
- d. CM Lee goes over all options available for the City, regardless of likelihood, as follows:
 - i. Caney City will not provide any fire service to the citizens of Caney City.
 - ii. Caney City will rebuild the Caney City Fire Department.
 - iii. Contract with Long Cove who prepared a draft contract.
 - iv. Contract with another fire department such as Payne Springs, Log Cabin, or interlocal agreement with the City of Majakoff.
 - v. Blend rebuilding and contracting.
 - vi. Talk to captain of Log Cabin for possible recruit for Caney City VFD who will take training and be reimbursed upon completion.
 - vii. Hire a new fire chief on a salary that will recruit new volunteers.
 - viii. Gather signatures to be annexed by the ESD.
- e. The Council discusses the positives and negatives of the options.
- f. The Mayor states that hiring a fire chief will need qualifications to fill the needs of the City. Officer Dow states the necessary training needed would need 5 years of service and required training hours. He estimates that the position would need to offer \$20.00 an hour with 40 hours a week minimum to attract an applicant.
- g. The Council agrees that option 1 is off the table.
- h. The Council discusses the challenges of option 2. CM Borden states the equipment being given away is a major downside to trying a different option.
- i. The Mayor states that the contracting fire departments want to use the fire station in Caney City until the point that a replacement structure is made available. Firefighter Ramsey confirms the plans of surrounding cities will include using the Caney City fire station until a better solution is available in the future.
- j. The Council decides that the best option is to either contract with Long Cove VFD or contract with another city depending on coverage, willingness, and terms of the contract.

6. Adjournment: The meeting was adjourned at 7:32 P.M by the Mayor.

Blake Box, City Secretary

Minutes
SPECIAL MEETING OF THE CANEY CITY COUNCIL
January 21, 2025 at 6:00 PM

The Caney City Council, the governing body of the City of Caney City Texas, met at 6:00 PM for a Special Meeting on January 21, 2025. The meeting took place at the Caney City Fire Station, 15241 Barron Rd Malakoff, 75148 and the Council considered the following agenda:

The meeting was called to order at 6:00 P.M.

1. Call to Order
2. Roll Call/Establish a Quorum:
 - a. Present: Mayor Steve Pine, Mayor Pro Tem Frank Borden, Council members Gloria Lee, Dan Wright
 - b. Absent: Council member Heather Dunton
 - c. A Quorum was established.
3. Approve: Building Permit for Jose Rodriguez at 15825 Wingham Rd
 - a. Mr. Rodriguez is building a carport next to the front right corner of his house. The materials used will be new treated wood with a metal roof.

CM Mayfield made a motion to approve the building permit for Jose Rodriguez at 15825 Wingham Rd. CM Wright seconded the motion. The vote was unanimous, motion carried.
4. Discuss: SLFRF/ARPA Street Sign & Roads Project
 - a. The Mayor presents the options that CM Wright has found to the Council.
 - b. CM Wright explains the size of the signs that the City will look to purchase.
 - c. The Mayor says the City will order signs with both upper and lower case instead of the current all uppercase.
 - d. The Council agrees that the color of the signs will be Traffic Blue.
 - e. The Mayor suggests that a contractor be hired to install the new poles and signs when ordered.
 - f. CM Lee asks about the poles that are being installed and if there is reflective tape on them. CM Wright states that the tape will be added.
 - g. The Mayor discusses if the contractor will allow the City to keep the recycled materials or will haul away the materials when hired.
 - h. Deer crossing signs are mentioned to being looked into.
5. Discuss: Fire and Emergency Services support and contract options.
 - a. Long Cove Fire Chief, Mark Spahlinger, has requested that a legal team look over the draft contract. There is no update on this yet.
 - b. The Mayor will call Chief Adam Robinson from ESD 2 in Payne Springs if there is a possible contract for fire service.
 - c. The Mayor has spoken to Malakoff about a contract but has not seen willingness to move forward.
 - d. There will not be another meeting until there is an update on the contracts that can be presented to the Council.

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- e. Mark Spahlinger is a paid fire chief with Head of Department status through the TX Commission of Fire Protection. This certification is currently held by Athens, Gun Barrel, and Long Cove Chiefs. It appears that Long Cove VFD will provide higher quality of service as the city has access to higher quality training.
- f. CM Lee states that a tour of the Long Cove VFD might be beneficial and will be scheduled in the future.

6. Adjournment: The meeting was adjourned at 6:25 P.M by the Mayor.

Blake Box, City Secretary

DRAFT

CANEY CITY POLICE DEPARTMENT POLICY: PERSONNEL FILES

PURPOSE: To provide guidelines for the compilation and retention of "personnel files" as defined by this model policy.

1. DEFINITIONS AND REFERENCES

1.1 Personnel File: (1) Any letter, memorandum, or document relating to a commendation, congratulation, or honor bestowed on the license holder by a member of the public or by this agency for an action, duty, or activity that relates to the license holder's official duties; (2) Any misconduct (as defined by section 1.3, Misconduct Allegations model policy) by the license holder if the letter, memorandum, or document is from the employing agency and resulted in disciplinary action; and (3) The periodic evaluation of the license holder by a supervisor. For reference, see Texas Local Government Code§ 143.089(a); Texas Occupations Code§ 1701.4535(a)(l).

1.2 Department File: Any information not included in the definition of Personnel File, section 1.1, and referenced in sections 3.1-3.2. For reference, see Texas Local Government Code§ 143.089(g); Texas Occupations Code§§ 1701.4522 and .4535(c).

2. PERSONNEL FILE CONTENTS

2.1 This agency shall maintain a personnel file on each license holder employed by the agency.

2.2 If a negative letter, memorandum, document, or other notation of negative impact is included in a license holder's personnel file:

- a) The agency head or the head's designee shall, not later than the 30th day after the date of the inclusion, notify the affected license holder by certified mail, or by departmental or personal email, or in person;
- b) Notice is considered to be received electronically by the license holder, provided it is sent to the department or personal email address listed in the license holder's personnel file and the license holder confirms receipt;
- c) If confirmation of receipt is not provided by the license holder within seven calendar days of being sent electronically, the agency head or the head's designee must send the notification by certified mail; and

d) The license holder may, on or before the 30th day after the date of receipt of the notification, file a written response to the negative letter, memorandum, document, or other notation.

2.3 A license holder is entitled, on request, to a copy of any letter, memorandum, or document placed in the license holder's personnel file. This agency may charge the license holder a reasonable fee not to exceed the actual cost of any copies.

2.4 This agency may not release any information contained in a license holder's personnel file to any other agency or person requesting information relating to the license holder without the license holder's written permission, unless the release is required by law. The agency shall refer the person or agency requesting the information to the agency head or the head's designee.

2.5 As provided by Texas Occupations Code§ 1701.451, a law enforcement agency hiring a license holder is entitled to view the contents of the license holder's personnel file.

2.6 This agency shall provide a license holder's personnel file to TCOLE not later than the 30th day after the date the license holder separates from the agency or on request by TCOLE as part of an ongoing investigation relating to the license holder.

3. DEPARTMENT FILE CONTENTS

3.1 Any letter, memorandum, or document relating to alleged misconduct by the license holder may not be placed in the license holder's personnel file if the agency determines that there is insufficient evidence to sustain the charge of misconduct.

3.2 Law enforcement agencies shall also maintain a file on a license holder employed by the agency for the agency's use including all information not referenced in section 1.1, Definitions and References of this policy. This file should be marked "Designated as Confidential for Statewide Employment Database under Texas Occupations Code § 1701.168."

3.3 This agency may not release any information referenced in sections 3.1 and 3.2 to any other agency or person requesting information relating to the license holder without the license holder's written permission, unless the release is required by Texas Occupations Code§ 1701.451. The agency shall refer the person or agency requesting the information to the agency head or the head's designee.

3.4 As provided by Texas Occupations Code§ 1701.451, a law enforcement agency hiring a license holder is entitled to view the contents of the license holder's department file.

All law enforcement agencies shall adopt this model policy, or a substantively similar policy, no later than June 1, 2025, and submit the adopted policy to the Texas Commission on Law Enforcement.

Approved by the City of Caney City, Texas this _____ day of _____, 2025.

Steve Pine, Mayor

Blake Box, City Secretary

CANEY CITY POLICE DEPARTMENT POLICY: HIRING PROCEDURES

PURPOSE: To establish guidelines for hiring and background investigations for applicants for peace officer, telecommunicator, and county jailer appointments.

1. PERSONAL HISTORY STATEMENT AND WRITTEN CONSENT

1.1 Applicants for employment must submit a completed Personal History Statement (PHS). This agency shall obtain written consent from each applicant before reviewing information required in the background investigation.

2. BACKGROUND INVESTIGATION RECORDS

2.1 Before being hired, this agency shall conduct a thorough background investigation on each applicant which includes, at a minimum, the information referenced in this policy.

2.2 Personnel files, as described by Texas Occupations Code § 1701.4535, and other employee records from each previous law enforcement agency employer, including the employment application submitted to the previous employer.

2.3 Employment termination reports and misconduct investigation reports maintained by TCOLE.

2.4 Service records maintained by TCOLE.

2.5 Proof that the person meets the minimum qualifications for enrollment in a training program under Texas Occupations Code§ 1701.251(a).

2.6 A military veteran's United States Department of Defense Form DD-214 or other military discharge record.

2.7 Criminal history record information.

2.8 Information on pending warrants as available through the Texas Crime Information Center and National Crime Information Center.

2.9 Evidence of financial responsibility as required by Texas Transportation Code § 601.051.

2.10 A driving record from the Department of Public Safety.

2.11 Proof of United States citizenship or, if the person is an honorably discharged veteran of the armed forces of the United States with at least two years of service before discharge, proof of legal permanent residence and proof that the person has applied for United States citizenship.

2.12 Information on the person's background from at least three personal references and at least two professional references.

2.13 Information on the person's law enforcement background as available through the National Decertification Index (NDI) maintained by the International Association of Directors of Law Enforcement Standards and Training (IADLEST); and obtaining and reviewing records with entry agencies if a matching record exists.

2.14 If applicable, a file or record obtained by the commission under Texas Occupations Code§ 1701.3035.

3. BACKGROUND INVESTIGATION

3.1 Files and records must be reviewed electronically (such as through the secure electronic file sharing system provided by TCOLE, which is strongly encouraged due to confidentiality purposes) or in person (if the previous law enforcement agency agrees). File review may not be done by phone.

3.2 The investigator will provide the other agency with a copy of the applicant's signed Release of Information before obtaining and reviewing all files and records.

3.3 Agencies in other states and federal agencies do not normally have access to the TCOLE file sharing system. If files from those agencies cannot be reviewed in person, other reasonable efforts should be made to review the files electronically. If the files cannot be reviewed, the investigator should document the reason why and the efforts that were made in the background investigation report.

3.4 If a Release of Information was provided and an agency does not respond to a file sharing request for records within ten business days and the investigator has made direct contact with the person from whom they are requesting files (such as phone or email), the investigator should contact their TCOLE Field Service Agent for assistance.

3.5 An investigator must contact each agency to determine if records still exist regardless of records retention schedules. Some agencies retain records long past those schedules and all available records must be reviewed.

3.6 If an agency no longer has records, most will upload a form letter to the file sharing system documenting the lack of records and the reason why. That letter should be added to the background investigation report.

3.7 If a previous agency no longer exists or is currently unmanned, the investigator should confirm and document the same in the background investigation report. The investigator should contact the governing body over a former or unstaffed agency to determine what records remain and how they can be accessed.

3.8 The background investigator shall document all findings pertinent to the background investigation in a background investigation report. A copy of the background investigation report shall be maintained in the employee's personnel file.

4. TCOLE FORMS

4.1 L-1: TCOLE Appointment Application form.

4.2 L-2: TCOLE Licensee Medical Condition Declaration form.

4.3 L-3: TCOLE Licensee Psychological and Emotional Health Declaration form.

4.4 LI-T: TCOLE Telecommunicator Appointment form.

4.5 During the appointment of any licensee, this agency will complete the appropriate background and appointment forms required by TCOLE. Such forms will document that all background investigation steps required by Texas Occupations Code§ 1701.451 were completed prior to appointment and how those steps were completed. The information certified on the forms shall be consistent with the process required in Section 3 of this policy.

5. MEDICAL EXAMINATION AND DRUG SCREENING

5.1 Before being hired, each applicant must undergo a drug screening by a physician licensed by the Texas Medical Board designated by this agency.

5.2 Applicants for peace officer or county jailer must also undergo a medical examination by a physician licensed by the Texas Medical Board designated by this agency. The physician must be familiar with the duties appropriate to the type of appointment to be made.

5.3 If the applicant successfully passes the medical examination and drug screening, the provider administering the exam shall sign the L-2. The L-2 shall be included in the employee's personnel file.

5.4 If the applicant fails the medical examination or drug screening, this agency will report the failure to TCOLE on a form prescribed by TCOLE.

6. PSYCHOLOGICAL EXAMINATION

6.1 Before being hired, each applicant must undergo a psychological examination conducted by a psychologist licensed by the Texas Board of Examiners of Psychologists or a psychiatrist licensed by the Texas Medical Board and certified by the American Board of Psychiatry and Neurology, as designated by this agency.

6.2 The psychologist or psychiatrist must be familiar with the job duties of the position the applicant applied for.

6.3 The psychologist or psychiatrist must be given a copy of the applicant's PHS and background investigation report to review before the examination.

6.4 The psychological examination must be conducted according to professional standards and include: use of at least two instruments, one measuring personality traits, and one measuring psychopathology; and conducting an interview after the two instruments above are scored and a review of the PHS and background investigation report.

6.5 If the applicant successfully passes the psychological examination, the psychologist or psychiatrist shall sign the L-3. The L-3 shall be included in the employee's personnel file.

6.6 If the applicant fails the psychological examination, this agency will report the failure to TCOLE on a form prescribed by TCOLE.

7. FINGERPRINT CHECK RETURN

7.1 Before being appointed, each applicant must successfully complete a fingerprint search of local, state, and United States records and fingerprint files to disclose any criminal record. A copy of the fingerprint check return shall be maintained in the personnel file.

8. FIREARMS QUALIFICATION

8.1 If the applicant is a current Texas Peace Officer, the applicant must submit an official record of annual firearms qualification within the past 12 months or complete a firearms qualification prior to employment.

9. APPOINTMENT OF LICENSEE

9.1 Upon hiring, a complete and accurate L-1 or L1-T will be submitted to TCOLE.

9.2 A copy of the L-1 or L1-T will be notarized and maintained in the employee's personnel file.

10. PROVISIONAL HIRING PERIOD

10.1 Applicants hired while the subject of a misconduct investigation with a previous employing agency may initially be hired on a provisional basis of 90 days.

10.2 During that provisional period, this agency will obtain and review the completed misconduct investigation report from the previous employing agency or TCOLE and may choose to terminate the provisional employment based on those findings.

10.3 This provisional period is unrelated to any other probationary hiring periods used by this agency.

ALL law enforcement agencies shall adopt this model policy, or a substantively similar policy, no later than June 1, 2025, and submit the adopted policy to the Texas Commission on Law Enforcement.

Approved by the City of Caney City, Texas this _____ day of _____, 2025.

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| Steve Pine, Mayor | Blake Box, City Secretary |
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CANEY CITY POLICE DEPARTMENT POLICY:

MISCONDUCT ALLEGATIONS

PURPOSE: To establish guidelines for investigating allegations of misconduct.

1. DEFINITIONS AND REFERENCES

1.1 License Holder: A Texas County Jailer, Peace Officer, or Telecommunicator.

1.2 Allegation of Misconduct: A written complaint of misconduct, as defined in paragraph 1.3, and signed by the person making the complaint.

1.3 Misconduct: Violations of federal or state laws or local ordinances and alleged conduct including: use of excessive force, untruthfulness, unlawful search, unlawful arrest, civil rights violations, racially motivated police actions, discrimination, sexual harassment, or any conduct that seriously degrades the integrity or good order of the organization.

For purposes of this policy, allegations of untruthfulness shall include false, untrue, or misleading statements, either by overt means or by omission. Misconduct does not include minor rule violations of a less serious nature.

1.4 Summary Report: A report providing a description of each allegation of misconduct, the investigative findings of each allegation, including whether sustained or not sustained, and the final disposition of each allegation.

1.5 TCOLE: Texas Commission on Law Enforcement.

2. INVESTIGATION PROCEDURES

2.1 This agency shall investigate allegations of misconduct that may result in suspension, demotion, or termination at the time the agency becomes aware of the alleged misconduct.

2.2 Initiate an appropriate administrative or criminal investigation into alleged misconduct of a license holder employed by this agency at the time the agency becomes aware of the alleged misconduct.

2.3 Complete the investigation within 180 days, absent other applicable laws, provisions of collective bargaining, meet and confer, other agreements, or policies.

2.4 Report to TCOLE an investigation into alleged criminal misconduct for which criminal charges are filed against the license holder within 30 days after the investigation is completed.

2.5 Complete an administrative investigation of alleged misconduct. On a template provided by TCOLE, prepare and submit to TCOLE a summary report of the investigation in a timely manner, but not later than the 30th day after the date of the license holder's separation from the agency, if applicable.

2.6 Include documentation of the completed investigation in the license holder's personnel file maintained by the agency as described by Texas Occupations Code § 1701.4535, or§ 1701.4522, as applicable.

2.7 Notify TCOLE if the matter is under appeal. The agency shall notify TCOLE of the disposition of an appeal within 30 days of receipt of the decision.

2.8 If a license holder separates from this agency during the pendency of an investigation of misconduct, the agency shall complete the investigation, and submit a summary report to TCOLE regardless of the findings.

All law enforcement agencies shall adopt this model policy, or a substantively similar policy, no later than June 1, 2025, and submit the adopted policy to the Texas Commission on Law Enforcement.

Approved by the City of Caney City, Texas this _____ day of _____, 2025.

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| Steve Pine, Mayor | | Blake Box, City Secretary |
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Racial Profiling Report | Full

Agency Name: CANEY CITY Police Department
Reporting Date: 01/06/2025
TCOLE Agency Number: 213203

Chief Administrator: SAM COMMINO

Agency Contact Information:
Phone: (903) 489-1844
Email: cityofcaneycity@yahoo.com

Mailing Address:
15241 BARRON RD
MALAKOFF, TX 75148-4337

This Agency filed a full report

CANEY CITY Police Department has adopted a detailed written policy on racial profiling. Our policy:

- 1) clearly defines acts constituting racial profiling;
- 2) strictly prohibits peace officers employed by the CANEY CITY Police Department from engaging in racial profiling;
- 3) implements a process by which an individual may file a complaint with the CANEY CITY Police Department if the individual believes that a peace officer employed by the CANEY CITY Police Department has engaged in racial profiling with respect to the individual;
- 4) provides public education relating to the agency's complaint process;
- 5) requires appropriate corrective action to be taken against a peace officer employed by the CANEY CITY Police Department who, after an investigation, is shown to have engaged in racial profiling in violation of the CANEY CITY Police Department policy;
- 6) requires collection of information relating to motor vehicle stops in which a warning or citation is issued and to arrests made as a result of those stops, including information relating to:
 - a. the race or ethnicity of the individual detained;
 - b. whether a search was conducted and, if so, whether the individual detained consented to the search;
 - c. whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual;
 - d. whether the peace officer used physical force that resulted in bodily injury during the stop;
 - e. the location of the stop;
 - f. the reason for the stop.
- 7) requires the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:
 - a. the Commission on Law Enforcement; and
 - b. the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

The CANEY CITY Police Department has satisfied the statutory data audit requirements as prescribed in Article

2.133(c), Code of Criminal Procedure during the reporting period.

Executed by: SAM COMMINO
Chief of Police

Date: 01/06/2025

Total stops: 68

Street address or approximate location of the stop

| | |
|---------------------------|----|
| City street | 3 |
| US highway | 0 |
| County road | 1 |
| State highway | 64 |
| Private property or other | 0 |

Was race or ethnicity known prior to stop?

| | |
|-----|----|
| Yes | 3 |
| No | 65 |

Race / Ethnicity

| | |
|---------------------------------|----|
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 3 |
| White | 54 |
| Hispanic / Latino | 11 |

Gender

| | |
|---------------------------------|----|
| Female | 24 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 2 |
| White | 21 |
| Hispanic / Latino | 1 |
| Male | 44 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 1 |
| White | 33 |
| Hispanic / Latino | 10 |

Reason for stop?

| | |
|---------------------------------|---|
| Violation of law | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |

| | |
|----------------------------------|-----------|
| Hispanic / Latino | 0 |
| Preexisting knowledge | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Moving traffic violation | 65 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 3 |
| White | 51 |
| Hispanic / Latino | 11 |
| Vehicle traffic violation | 3 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 3 |
| Hispanic / Latino | 0 |

Was a search conducted?

| | |
|---------------------------------|-----------|
| Yes | 3 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 2 |
| Hispanic / Latino | 1 |
| No | 65 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 3 |
| White | 52 |
| Hispanic / Latino | 10 |

Reason for Search?

| | |
|---------------------------------|----------|
| Consent | 1 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 1 |

| | |
|---------------------------------|---|
| Hispanic / Latino | 0 |
| Contraband | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Probable | 1 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 1 |
| Inventory | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Incident to arrest | 1 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 1 |
| Hispanic / Latino | 0 |

Was Contraband discovered?

| | | | |
|--------------------------------------|---|-----------------------------------|---|
| Yes | 1 | Did the finding result in arrest? | |
| (total should equal previous column) | | | |
| Alaska Native / American Indian | 0 | Yes | 0 |
| Asian / Pacific Islander | 0 | Yes | 0 |
| Black | 0 | Yes | 0 |
| White | 1 | Yes | 0 |
| Hispanic / Latino | 0 | Yes | 0 |
| No | 2 | No | 0 |
| Alaska Native / American Indian | 0 | No | 0 |
| Asian / Pacific Islander | 0 | No | 0 |
| Black | 0 | No | 0 |
| White | 1 | No | 1 |
| Hispanic / Latino | 1 | No | 0 |

Description of contraband

| | |
|---------------------------------|----------|
| Drugs | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Weapons | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Currency | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Alcohol | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Stolen property | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Other | 1 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 1 |
| Hispanic / Latino | 0 |
| Result of the stop | |
| Verbal warning | 0 |

| | |
|-----------------------------------|-----------|
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Written warning | 8 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 8 |
| Hispanic / Latino | 0 |
| Citation | 59 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 3 |
| White | 46 |
| Hispanic / Latino | 10 |
| Written warning and arrest | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Citation and arrest | 1 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 1 |
| Arrest | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |

Arrest based on

| | |
|---------------------------------|----------|
| Violation of Penal Code | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |

| | |
|------------------------------------|----------|
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Violation of Traffic Law | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Violation of City Ordinance | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Outstanding Warrant | 1 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 1 |

Was physical force resulting in bodily injury used during stop?

| | |
|---------------------------------------|-----------|
| Yes | 0 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |
| Resulting in Bodily Injury To: | |
| Suspect | 0 |
| Officer | 0 |
| Both | 0 |
| No | 68 |
| Alaska Native / American Indian | 0 |
| Asian / Pacific Islander | 0 |
| Black | 0 |
| White | 0 |
| Hispanic / Latino | 0 |

Number of complaints of racial profiling

| | |
|---------------------------------------|---|
| Total | 0 |
| Resulted in disciplinary action | 0 |
| Did not result in disciplinary action | 0 |

Comparative Analysis

Use TCOLE's auto generated analysis

Use Department's submitted analysis

Optional Narrative

N/A

Submitted electronically to the



The Texas Commission on Law Enforcement

CITY OF CANEY CITY

MONTHLY REPORT

January 2025

Listed is a summary of offenses reported to or reported by the Caney City Police Department, the citations issued by the department, and the number of calls requiring action by the department from the period

January 1, 2025 through January 31, 2025

Total Violator Contacts: **1**

| | | |
|-----------|-------------|----------|
| citations | violations: | 1 |
| issued | warnings: | 0 |
| | Verbal(s): | 0 |

| | |
|--------------------|---|
| Total Arrest made: | 0 |
| on-view: | 0 |
| warrants: | 0 |
| drug related: | 0 |

Total Vehicle Impound(s):

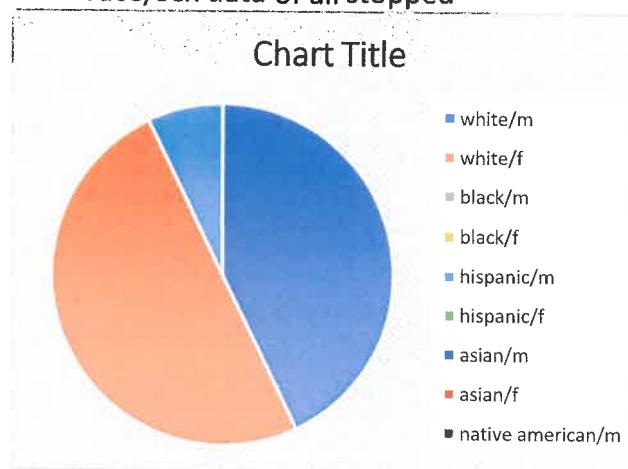
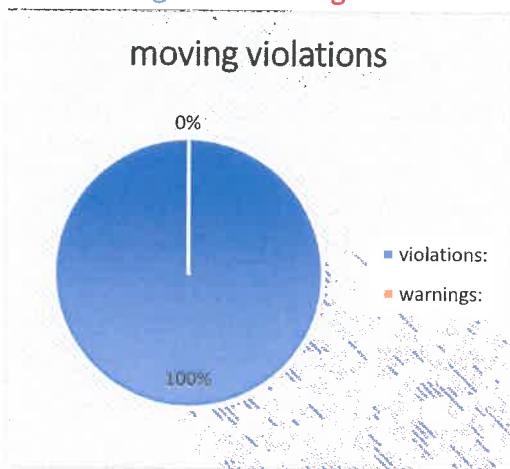
Total Calls For Service: 75

| | |
|--------------------------------|---------|
| Suspicious Person(s): | 1 |
| Suspicious Vehicle(s): | 0 |
| Welfare Concern(s): | 0 |
| <u>Assist Other-Agency(s):</u> | 1 |
| Disturbance(s): | 0 |
| Criminal Trespass Warning(s): | 0 |
| Motorist Assist(s): | 0 |
| Follow-up Investigations(s): | 2 |
| special assignment(s): | 3 |
| Accident(s) | 0 |
| Noise complaint(s): | 0 |
| Alarm(s): | 1 *AtoZ |
| Information(s): | 2 |

| | | |
|-------------------------|----|------------|
| Animal Complainant(s): | 2 | |
| Burglary(s): | 0 | |
| Burglary of Vehicle(s): | 0 | |
| UUMV(s): | 1 | *uhaul |
| Harassment(s): | 0 | |
| Contact complainant(s): | 1 | |
| Criminal Mischief(s): | 1 | *Gabby Doo |
| Unlawful Carry Weapon | 0 | |
| Juvenile Complaint(s): | 0 | |
| Missing Person(s) | 0 | |
| Assault(s) | 0 | |
| Housewatch(s): | 0 | |
| Storage Check(s): | 12 | |
| Routine Patrol(s): | 48 | |
| Forgery | 0 | |

charges V. warnings

race/sex data of all stopped



S.Commino
Chief of Police

Incident Run Log

Henderson County

Date Range: From 01/01/2025 to 01/31/2025

Agency: Caney City VFD

Company: All Companies

Sorted by: Not selected

| Date | FDID | Incident# | Alarm | ### | Address | Suite | Zip | Type | Lgth |
|------------------|-------------|-----------|-------|-----|------------------|-------|-------|---------------------------------|------|
| 01/01/2025 KK304 | 2025-000001 | 08:07 | | | E MITCHAM STREET | | 75148 | Building fire | 1.4 |
| 01/13/2025 KK304 | 2025-000002 | 01:29 | | | CASA VERDE | | 75148 | Medical assist, assist EMS crew | 0.4 |
| 01/22/2025 KK304 | 2025-000004 | 10:42 | | | SH 198 | | 75148 | Medical assist, assist EMS crew | 0.5 |
| 01/26/2025 KK304 | 2025-000005 | 00:57 | | | SMOTHERS ROAD | | 75148 | Medical assist, assist EMS crew | 0.6 |
| 01/28/2025 KK304 | 2025-000006 | 08:39 | | | BAYSIDE DRIVE | | 75148 | Medical assist, assist EMS crew | 0.3 |
| 01/19/2025 KK304 | 2025-000003 | 05:08 | | | FM 2752 | | 75752 | Dispatched & canceled en route | 0.2 |

Total Number of Incidents: 6

Total Length of Incidents: 3.4 Hours



DAVID K. GODWIN
CERTIFIED PUBLIC ACCOUNTANT, PLLC

February 9, 2025

To the Honorable Mayor and Members of City Council

City of Caney City, Texas
15241 Barron Rd
Malakoff, TX 75148

We are pleased to confirm our understanding of the services we are to provide the City of Caney City, Texas (City) for the year ended December 31, 2024.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the component unit, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of the City as of and for the year ended December 31, 2024. 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 the City'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 the City'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 have obtained during the 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 GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) General Fund - Budget and Actual Comparison
- 3) TMRS Schedule of Changes in Net Pension Liability and Related Ratios
- 4) TMRS Schedule of Contributions
- 5) TMRS SDBF Schedule of Changes in Total OPEB Liability and Related Ratios

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 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.

Audit Scope and Objectives– continued

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 the City 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.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

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.

Auditor's Responsibilities for the Audit of the Financial Statements – continued

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, 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, and they may bill you for responding to this inquiry.

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 and have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management/Employee override of internal controls.
- Revenue recognition
- Improper segregation of duties over cash receipt and disbursement activities.
- Lack of management review processes.

Note that planning has not concluded and modifications to significant risks may occur.

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 internal control relevant to the audit, 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 the City'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 with yearend accrual journal entries, GASB 34 reconciliation, depreciation calculations, preparing the financial statements and related notes of the City 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*.

Other Services – continued

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 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.

Responsibilities of Management for the Financial Statements – continued

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.

With regard to an exempt offering document with which David K. Godwin, CPA, PLLC is not involved, you agree to clearly indicate in the exempt offering document that David K. Godwin, CPA, PLLC is not involved with the contents of such offering document.

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.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

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 will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, and retrieving supporting documents.

We will provide copies of our reports to the City; 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 David K. Godwin, CPA, PLLC 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 a cognizant agency or its designee, 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.

Engagement Administration, Fees, and Other – continued

We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of David K. Godwin, CPA, PLLC 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 a cognizant agency or its designee. 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.

David K. Godwin, CPA, CGMA is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We expect to begin our audit on approximately March 1, 2025 and to issue our reports no later than July 31, 2025; however, availability of the City's financial records and/or supporting records may cause these dates to change. Accordingly, any changes will be discussed with City management and the Mayor.

Our fee for these services will include 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 \$25,000. Our invoices for these fees will be rendered in three installments as work progresses and are payable on presentation. In accordance with 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.

During the course of this engagement, we will provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2024 peer review report has been provided to the City and additional copies are available upon request.

Reporting

We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to those charged with governance of the City. 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 circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevents us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Reporting – continued

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 the City 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 the City of Caney City, Texas 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,



David K. Godwin, CPA, PLLC

RESPONSE:

This letter correctly sets forth the understanding of the City of Caney City, Texas.

Mayor

Printed Name

Date

City Secretary

Printed Name

Date
