PATTILLO, BROWN & HILL, L.L.P.
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October 13, 2026

Honorable Judge and County
Commissioners of Navarro County, Texas
300 W. 3rd Avenue
Corsicana, Texas 75110

To the Honorable Judge and County Commissioners:

Pattillo, Brown & Hill, LLP (PBH) is pleased that Navarro County, Texas (the County) has expressed its confidence in our firm and our state and local government expertise. We look forward to a continued long and successful relationship as an integral financial management resource to Navarro County, Texas' management and governing body.

We are prepared to provide a full range of accounting and consulting services to the County contingent upon approval of your management and/or governing body. The purpose of this engagement letter is to confirm the terms, objectives, and limitations of our engagement services.

Scope of Services

The scope of professional services that are available and can be provided to the County are outlined below. A range of services are available from PBH, the specific services requested General Accounting and Advisory Assistance Preparation of Annual Financial Statements and Schedule of Expenditures of Federal Awards for the fiscal year ended September 30, 2025. Any additional services available from PBH beyond these initially requested services can be provided upon subsequent specific request and agreement.

Services Related to the Preparation of Annual Financial Statements

You have requested that we prepare the annual financial statements and schedule of expenditures of federal awards of the financial reporting entity of the County as of and for the year ended September 30, 2025. Such financial statements and schedule of expenditures of federal awards will include:

a. Basic Financial Statements, including notes to the financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP) for governments
b. Required Supplementary Information
c. Supplementary Information (to the extent management elects to include)
d. GAAP conversion schedules from fund statements to government-wide statements
e. Supporting schedules that will support schedules in the ACFR
f. Other Information (to the extent management elects to include)
g. Schedule of expenditures of federal awards (SEFA) in accordance with Uniform Guidance

PBH's Responsibilities for Services Included

The objective of our engagement is to perform the Scope of Services included in this Engagement, as noted above, in accordance with the preparation standards set forth in Statements on Standards for Accounting and Review Services (SSARS), AR-C section 70, Preparation of Financial Statements, and the applicable ethical requirements of the AICPA Code of Professional Conduct. We will not audit, review, or compile the financial statements or the SEFA and, accordingly, will not express an opinion, a conclusion, or provide any assurance on them. No accountant's report will accompany the financial statements or the SEFA.

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. Accordingly, we will not express an opinion or a conclusion or provide any assurance on the financial statements and SEFA.

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

Management Responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to perform the Scope of Services Included in this Engagement, as noted above, in accordance with accounting principles generally accepted in the United States of America. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to perform the Scope of Services Included in this Engagement in accordance with SSARSs:

a. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the Scope of Services Included in this Engagement

b. The prevention and detection of fraud

c. Designing, implementing, and maintaining internal control over financial reporting and over federal awards sufficient to ensure the accuracy and completeness of the SEFA

d. Identifying all federal awards received and expended; maintaining accounting records that capture the information needed to prepare the SEFA; and preparing the SEFA, including the related notes, in accordance with Uniform Guidance requirements

e. Ensuring compliance with applicable laws, regulations, contracts, and grant agreements, and for taking corrective action on any audit findings, including the preparation of a summary schedule of prior audit findings and a corrective action plan, when required

f. Providing us with accurate and complete financial information and federal award data, including access to all records, documentation, and personnel we deem necessary for the preparation services

g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement for the Scope of Services Included in this Engagement

Management and the governing body will be responsible for establishing the scope of our other professional services to be provided and for providing the necessary resources allocated to the work; such responsibility includes determining the nature, scope, and extent of the services to be performed, providing sufficient appropriation for the estimated cost of these services, providing overall direction and oversight for each service, and reviewing and accepting the results of the work.

You agree that you will not represent to third parties that we have audited, reviewed, or compiled the financial statements or SEFA, or that we provide any form of assurance on them.

Access to Working Papers and Reports

Any working papers prepared by PBH in connection with performing the Scope of Services Included in this Engagement and other professional services are the property of PBH Upon request, copies of any or all working papers and reports that we consider to be nonproprietary will be provided to management. Management may make such copies available to its external auditors and to certain regulators in the exercise of statutory oversight responsibilities. Such copies may not be made available to any other third party without the prior written consent from PBH

Other Matters

You authorize us to disclose any and all information you furnish to us in connection with the services provided under this engagement to third-party service providers who assist us in fulfilling our professional responsibilities. If any, these service providers will be located within the United States. Such disclosures may include, but are not limited to, confidential financial or investment information necessary to complete assessments or verify valuations.

We have obtained confidentiality agreements with all our service providers to maintain the confidentiality of your information, and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

Fees and Costs

Fees and out-of-pocket expenses for this engagement will be billed as the work progresses and payable upon receipt of our invoices. We estimate the fee for aforementioned services will be between $52,000 and $59,000. Out-of-pocket expenses include such costs incurred by PBH in providing the services including travel, lodging, printing, document reproduction, and the like. Our fees for these services will be billed at our standard hourly rates for the individual performing such services based on the actual number of hours of work, including travel time, performed by that individual.

The agreements and undertakings contained in this engagement letter shall survive the completion or termination of this engagement.

Acceptance

Please indicate your acceptance of this agreement by signing in the space provided below and returning this engagement letter to us. A duplicate copy of this engagement letter is provided for your records. We look forward to continuing our professional relationship with Navarro County, Texas.

Respectfully submitted and agreed to by,

Paula Lowe

Paula Lowe, CPA
Pattillo, Brown & Hill LLP

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Navarro County, Texas by:

Name: Colby W. Karhan

Title: Colby W. Karhan, County Judge

Date: 10/26/26