

THE STATE OF TEXAS

COUNTY OF SABINE

On this the 12th day of June, 1978, the Honorable Commissioners' Court met in Regular Session with the following present, to-wit:

W. T. Love	County Judge
R. E. Smith	Commissioner, Precinct No. 1
G. W. Russell, Jr.	Commissioner, Precinct No. 2
Eldridge Ellison	Commissioner, Precinct No. 3
Jimmy Vickers	Commissioner, Precinct No. 4
Minnie Gooch	Clerk of the Court

O. M. (Mike) Carmichael who was elected May 6th in the Democratic Primary as Justice of the Peace, Precinct No. 5 appeared before the Court and requested to be appointed for the balance of this year since there is no Justice of the Peace in that precinct at this time. Motion by Commissioner G. W. Russell, Jr. seconded by Commissioner R. E. Smith and with all voting "Aye" the court approved the appointment. Mr. Carmichael was then sworn in by Judge Love.

Motion by Commissioner R. E. Smith seconded Commissioner G. W. Russell, Jr. and by unanimous consent the court authorized the County Judge to advertise for bids the buildings to be moved from the property bought to construct the new jail and the money received to be paid on the land debt.

Mr. Lynn Montes representative of Azley and Rode, Certified Public Accountant appeared as requested by the court to give an estimate as to costs for an audit of county funds. Motion by Commissioner G. W. Russell, Jr. seconded by Commissioner Jimmy Vickers and by unanimous consent the court hired the firm as set out in the following letter of agreement:

Honorable County Judge
and Commissioners Court
County of Sabine
Hemphill, Texas

Members of the Court:

This letter will confirm the understanding between yourselves and Mr. Lynn Montes, a partner in this firm, concerning the examination of the financial statements of the following offices of the County of Sabine Texas for the year ending December 31, 1977:

County Treasurer (Including Revenue Sharing)
County Clerk
District Clerk
Justice of the Peace, Precincts No. 1 and No. 4
County Tax Assessor-Collector

Our examinations will be conducted in accordance with the American Institute of Certified Public Accountants' Industry Audit Guide of Audits of State and Local Governmental Units and will include such tests of the accounting records and such other audit procedures as we consider necessary to enable us to render an opinion on the fairness of the financial statements. An examination directed to the expression of an opinion on the financial statements is not primarily or specifically designed, and cannot be relied upon, to disclose defalcations or other similar irregularities should any exist, although their discovery may result. We will however, inform you promptly of any findings that appear unusual or abnormal.

At the conclusion of the audit, we will submit a report which will include our opinion as to the fairness of the financial statements. Additionally, we will submit to you any suggestions for feasible improvement to internal control along with comments as to other accounting matters which we feel should be brought to your attention. Unless approved otherwise by the County Judge, our report and comments relating thereto will be presented to you not later than your first regularly scheduled meeting in the month of October.

As you know, our fees are based upon the actual time of staff members assigned to the engagement applied to their standard billing rates plus out-of-pocket expenses. Any fee estimate is necessarily tentative and the time expended is in a large part affected by the state of the records, the complexity of the accounts and the degree of assistance and cooperation received from County Officials and personnel. Prior to beginning the audit our representatives will meet with each County official to determine the degree of assistance to be provided to our staff in the preparation of schedules and other data so that our time will be minimized as much as possible. We estimate that our fee for this engagement will be in the \$9,500.00-\$12,500.00 range. If at any time during the engagement any extraordinary matters come to our attention and an extension of our services appears to be required, we reserve the right to increase our fee, but only after consultation with you or your representatives.

If these arrangements meet with your approval, please have your representative sign the duplicate copy of this letter in the space provided and return it to us.

Very truly yours,

Axley & Rode

Branch L. Axley /s/
Branch L. Axley, C.P.A.

Accepted by

W. T. Love /s/
County Judge, Sabine County

6/12/78

Date

Motion by Commissioner Jimmy Vickers seconded by Commissioner G. W. Russell, Jr. and with all voting "Aye" the court voted to split the Road & Bridge Special money in the amount of \$39,207.13 as follows:

22% to Precinct No. 1 20% to Precinct No. 3

27% to Precinct No. 2 31% to Precinct No. 4

Accounts were allowed and made payable.

There being no further business the court adjourned.

W. P. Lane
COUNTY JUDGE

R. E. Smith
COMMISSIONER, PRECINCT NO. 1

E. Ellison
COMMISSIONER, PRECINCT NO. 3

G. W. Russell
COMMISSIONER, PRECINCT NO. 2

J. Vickers
COMMISSIONER, PRECINCT NO. 4

Minnie Gosch
CLERK OF THE COURT
