

THE STATE OF TEXAS

COUNTY OF SABINE

On this the 25th day of April, 1983, the Honorable Commissioner's Court met in Regular Session with the following members present, to-wit:

Royce C. Smith	County Judge
R. E. Smith	Commissioner, Precinct No. 1
Billy Joe McGee	Commissioner, Precinct No. 2
Chester D. Cox, Sr.	Commissioner, Precinct No. 4
Minnie Gooch	Clerk ;of the Court

In 1964 and 1965 the County acquired the right of way for State Highway 21 from 2.5 miles W. of Milam to 3.0 miles East of Milam with the exception of Parcels 15, 16 & 19. These parcels could not be insured due to a Federal Tax Lien against Mr. Jack McGowan. The cost to clear the title was prohibitive to the county. Motion by Commissioner Chester D. Cox, Sr., seconded by Commissioner Billy Joe McGee to approve the following Resolution, marked "Exhibit A" and Attached to minutes of this date. Motion carried.

Motion by Commissioner Billy Joe McGee, seconded by Commissioner R. E. Smith to adopt the Resolution between TEXAS DEPARTMENT OF HUMAN RESOURCES AND NEWTON, SAN AUGUSTINE AND SABINE COUNTIES. Motion carried. Marked "Exhibit B" and attached to minutes of this date.

Bills were read to the court the amount and to whom payable. by Gracie Smith. Motion by Commissioner Chester D. Cox, Sr., seconded by Commissioner Billy Joe McGee to approve payment of these bills except the Rambler. The bill to Rambler needed more information. Motion carried.

Mr. Ercil Langham, representative of American Security Life Insurance Company appeared before the court. He gave reports on various claims of which there had been question concerning payment of there claims.

Mr. E. E. Rogers, Superintendent of Brookeland School appeared before the court concerning roads in that area. Also Mr. John E. Lutteman spoke concerning this matter. Mr. McGee assured them the roads would be graded soon.

Bids were called for which had been advertised to purchase a backhoe. One bid was received and was read by Commissioner McGee from Allen Machine Company of Lufkin, Texas. Motion by Commissioner Billy Joe McGee, seconded by Commissioner Chester D. Cox, Sr. to take this bid under advisement or review. Motion carried.

Bids to sell the 1969 Chevrolet 2 ton truck were opened and read by Commissioner McGee. Mr. John E. Lutteman bid \$1969.00 and Mr. E. C. Bird bid \$1305.00. Motion by Commissioner Billy Joe McGee, seconded by Commissioner Chester D. Cox, Sr. to accept the bid of John E. Lutteman. Motion carried.

The Report from the Grand Jury of Sabine County District Court was read to the Court by Judge Smith. Motion by Commissioner Chester D. Cox, Sr. seconded by Commissioner Billy Joe McGee to enter this report in the minutes of the court. Motion carried. Marked "Exhibit C" and attached to minutes of this date.

The County Judge read Eight Recommendations to the court, then the court voted on each one separately as follows:

1. The Court Select and engage an Audit Firm, as soon as possible, to meet the auditing requirements for the calendar year 1982 with a complete audit of the County's financial records for 1983. The Court designates Gracie Smith to help implement a bookkeeping process as accountable with the Auditing Firm. Invoices or purchases will be accumulated in the County Judge's Office and submitted to the Commissioners Court for approval of payment.

Motion by Commissioner Chester D. Cox, Sr., seconded by Commissioner Billy Joe McGee to approve this recommendation and to hire Alexander & Rogers Accounting Firm from Lufkin & Nacogdoches to do the audit. Motion carried.



2. The Court seek, as soon as possible, the correct type of electronic cash register to be used in the Tax Collector's Office. This equipment should be the type and specifications the Auditing Firm would suggest.

Motion by Commissioner Billy Joe McGee, seconded by Commissioner R. E. Smith to approve this recommendation. Motion carried.

3. On Monday of each week, the County Tax Collector shall pay over to the County Treasurer 90% of all revenues collected for the County during the preceding week and this shall be complied with immediately. All reports shall be given in writing to the Commissioners Court at the regular meeting of the Court on the 2nd Monday of each month. The written record or report shall reflect the fund balances in each account.

Motion by Commissioner Chester D. Cox, Sr., seconded by Commissioner Billy Joe McGee to approve this recommendation. Motion carried.

4. Tax Collector furnish commissioners court with name and amount of total delinquent taxes no later than August 1st, 1983 together with the total assessed value.

Motion by Commissioner Chester D. Cox, Sr., seconded by Commissioner R. E. Smith to approve this recommendation and to ask Mr. Edwin York, the attorney hired previously to collect delinquent taxes to begin work June 1, 1983 and not to mail out any letters or statements about delinquent taxes until after July 1, 1983.

Motion carried.

5. The Commissioners Court shall review the staffing of each Office and Precinct of the County. This shall be done in connection with the forthcoming yearly audit. Also, the Commissioners Court shall study other Texas Counties that are similar in population and appraised Property Tax Base. From this study, the Court shall administer adequate personnel for each office.

Motion by Commissioner Chester D. Cox, Sr., seconded by Commissioner Billy Joe McGee to approve this recommendation. Motion carried.

6. The Court to take steps to eliminate the interest expense paid on the vouchers being held by the County Depository.

Motion by Commissioner Billy Joe McGee, seconded by Commissioner Chester D. Cox, Sr. to approve this recommendation and to allow the vouchers for all commissioner precincts to clear the bank so no interest would be paid. Voting for the motion: Billy Joe McGee and Chester D. Cox, Sr. and Voting Against the motion: R. E. Smith.

7. The Court shall adopt the fiscal year of reporting (Budget) with the term being October 1st, 1983 through September 30th, 1984.

Motion by Commissioner Chester D. Cox, Sr., seconded by Commissioner Billy Joe McGee to approve this recommendation. Motion carried.

8. Select a Data Processing Company to print Tax Statements and monthly reports for October, November, December and January.

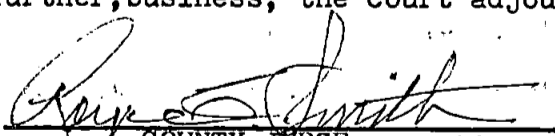
Motion by Commissioner Chester D. Cox, Sr., seconded by Commissioner R. E. Smith to approve this recommendation. Motion carried.

Mr. Joe Test appeared before the court. He represents Western Data Services, Inc., 116 North Rogers, Waxahachie, Texas. He spoke to the court concerning printing Tax Statements and reports. No decision was made at this time as to what company would print the statements.

Motion by Commissioner R. E. Smith, seconded by Commissioner Billy Joe McGee to divide the R. & B. Special in the amount of \$4,083.72 percentage wise between the four commissioner precincts. Motion carried.

Motion by Commissioner Billy Joe McGee, seconded by Commissioner Chester D. Cox, Sr. to authorize the County Treasurer to issue checks on the Officers Salary Fund that is already overdrawn, since Tax Assessor & Collector has money ready to add to the fund. Motion carried.

There being no further business, the court adjourned.

  
COUNTY JUDGE



R. E. Smith  
COMMISSIONER, PRECINCT NO. 1

E. Ellison  
COMMISSIONER, PRECINCT NO. 3

Billy McHale  
COMMISSIONER, PRECINCT NO. 2

Chester D. Coy Sr.  
COMMISSIONER, PRECINCT NO. 4

Miriam Grack  
CLERK OF THE COURT

See Exhibits

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COMMISSION

ROBERT H. DEDMAN, CHAIRMAN  
A. SAM WALDROP  
JOHN R. BUTLER, JR.

STATE DEPARTMENT OF HIGHWAYS  
AND PUBLIC TRANSPORTATION

P.O. Box 280  
Lufkin, Texas 75901  
December 20, 1982

ENGINEER-DIRECTOR  
MARK G. GOODE

IN REPLY REFER TO  
FILE NO.

8011-1-3  
State Highway 21: From 2.5 miles W. of Milan  
To 3.0 miles East of Milan

Sabine County

Honorable Royce Smith  
County Judge, Sabine County  
Hemphill, Texas 75948

Dear Judge Smith:

In 1964 and 1965 the County acquired the right of way for the above project with the exception of Parcels 15, 16 & 19. These parcels could not be insured due to a Federal Tax Lien against Mr. Jack McGowan. The cost to clear the title was prohibitive to the County.

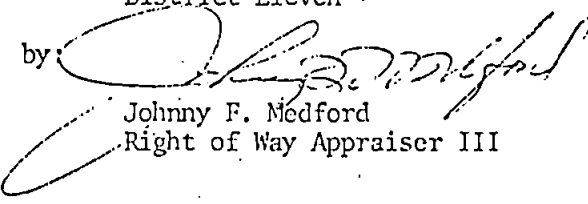
Therefore in order for the State to close its files on this project we are requesting the County to pass the attached Resolution. Please return two executed copies to this office.

Your cooperation in presenting this to the Commissioners Court will be appreciated.

Sincerely,

J.L. Beaird  
District Engineer  
District Eleven

by:

  
Johnny F. Medford  
Right of Way Appraiser III

"Exhibit A"

SDH&PT 8011-1-3

STATE OF TEXAS I  
COUNTY OF SABINE I

On this the 25th day of April 1983, the Commissioner's Court of Sabine County, Texas convened in regular session in Homphill, Texas.

The said Court considered the matter of obtaining deeds for the right of way to the State of Texas for the reconstruction and improvement of State Highway 21 from 2.5 miles West of Milam to 3.0 miles East of Milam and covering the following parcels of land, identified as Parcel No. 15 owned by E.P. & L.T. Halbert, Parcel No. 16 owned by Jack McGowan, Parcel No. 19 owned by E.P. & L.T. Halbert.

After due consideration, IT IS ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS' COURT OF SABINE COUNTY, TEXAS, that Sabine County, Texas, shall defend the State of Texas in any law suit that may arise because of the failure to obtain deeds of right of way from any person or persons owning an interest in any of the above mentioned parcel of land, and that Sabine County, Texas shall be further responsible for any damages resulting by reason of such failure to obtain any such deeds of right of way.

PASSED AND APPROVED this the 25th day of April, 1983

*Royce E. Smith*  
County Judge

*R.E. Smith*  
Commissioner Pct. No. 1

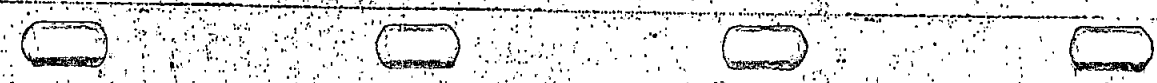
*Billy Mc Gee*  
Commissioner Pct. No. 2

*E. Ellison*  
Commissioner Pct. No. 3

*Chester R. Cox Jr*  
Commissioner Pct. No. 4

ATTEST:

*Minnie Groch*  
County Clerk, Sabine County, Texas



TEXAS DEPARTMENT OF HUMAN RESOURCES  
AGREEMENT WITH  
NEWTON, SAN AUGUSTINE, AND SABINE COUNTIES

The Texas Department of Human Resources, hereinafter referred to as the Department, Newton, San Augustine, and Sabine Counties, Texas, hereinafter referred to as the Counties, and Bill A. Martin hereinafter referred to as the Prosecuting Authority, hereby enter into this agreement for the mutual consideration set forth below.

I

THE TEXAS DEPARTMENT OF HUMAN RESOURCES AGREES:

- A. To conduct investigations into allegations of Food Stamp fraud/theft and other Food Stamp violations.
- B. To submit written documented case reports in the format required for making prosecutorial decisions to the Prosecuting Authority.
- C. To provide the necessary Texas Department of Human Resources records and appropriate staff as witnesses in court when referred cases are being prosecuted.
- D. To notify the Prosecuting Authority of any case in which court ordered restitution payments are 60 days delinquent or have not been made.
- E. To pay the Counties in the following amounts for prosecutorial activities involving Food Stamp fraud/theft cases referred by the Department to the Prosecuting Authority:
  1. Two hundred and fifty dollars ( \$250.00 ) for each case in which a defendant who is prosecuted under this contract is sentenced following an uncontested or nolo contendere plea before a court of appropriate jurisdiction; and
  2. Six hundred dollars ( \$600.00 ) for each case in which a defendant is prosecuted under this contract pursuant to a contested trial before a court of appropriate jurisdiction.

II

THE PROSECUTING AUTHORITY AGREES:

- A. To review and evaluate cases referred by the Department for appropriate judicial action.
- B. To prepare complaints, informations and/or indictments and present for trial cases which are in his judgement suitable for prosecution.
- C. To recommend to the court if probation is to be granted, that the following actions be taken in addition to other recommendations considered appropriate by the Prosecuting Authority:

"Exhibit B"



- 1. The individual be disqualified from participation in the Food Stamp Program as provided in Section 6 (b) of the Food Stamp Act.
- 2. The individual be ordered to make restitution to the Texas Department of Human Resources, Office of the Investigator General for the amount of Food Stamp benefits unlawfully obtained.
- 3. To take appropriate action against individuals who fail to comply with court ordered restitution upon notification from the Department.
- 4. To request payment for services on the form provided by the Department and to identify each charge by use of the case name and case number provided by the Department. The date the disposition was obtained will be identified for each defendant.

D. To make available at reasonable times and for reasonable periods, books, records, and supporting documents kept current by the Prosecuting Authority, pertaining to this agreement for purposes of inspecting, monitoring, auditing, or evaluating by the Department personnel, its representatives or the United States Department of Agriculture.

E. To be responsible for any audit exception or other payment deficiency for which the Prosecuting Authority is legally responsible under this agreement which is found to exist after monitoring or auditing by the Department, or the United States Department of Agriculture, and to be responsible for the collection and proper reimbursement of any amount paid in excess of the proper billing amount.

F. To comply with the Civil Rights Act of 1964, as amended, in giving equal opportunity without regard to race, color, creed, sex, or national origin. The Prosecuting Authority further agrees not to discriminate against any qualified handicapped person seeking employment or services.

III

The Counties agrees to make available to the Prosecuting Authority resources sufficient to enable the Prosecuting Authority to carry out the terms of this agreement.

IV

The parties mutually agree to the following general terms and conditions;

- A. No payment is due the Prosecuting Authority under this agreement when a defendant receives a deferred adjudication of guilt.
- B. The rates listed in Article I, Paragraph E, subparagraphs 1 and 2 are statewide rates set by the Board of Human Resources and shall be in effect until amended by the Board of Human Resources, in which event the Department shall notify the Counties and the Prosecuting Authority of such statewide rates and the Counties and the Prosecuting Authority shall have thirty days in which to agree to the new rates or terminate this agreement.
- C. This agreement is subject to the availability of State and/or Federal funds and if such funds become unavailable, or if the total amount of funds allocated for this agreement should become depleted during any budget period and the Department is unable to obtain additional funds for such purposes, then by written notice the agreement will be terminated, or payment will be suspended, or funding will be reduced, as specified in the written notice.



D. If the Federal or State laws or other requirements are amended or judicially interpreted so as to render continued fulfillment of this agreement, on the part of either party, substantially unreasonable or impossible, or if the parties are unable to agree upon any amendment which would therefore be needed to enable the substantial continuation of the services contemplated herein, the parties shall be discharged from any further obligations created under the terms of this agreement except for the equitable settlement of the respective accrued interests or obligations incurred up to the date of termination.

E. This agreement may be cancelled by mutual consent; however, if such mutual consent cannot be attained, either party to this agreement may consider it to be cancelled by the giving of thirty (30) days notice in writing to the other party and this agreement shall thereupon be cancelled upon the expiration of such thirty (30) day period.

This agreement is effective on October 1, 1982 and shall continue indefinitely subject to termination as outlined above.

TEXAS DEPARTMENT OF HUMAN  
RESOURCES

BY \_\_\_\_\_  
Marlin W. Johnston  
Commissioner

BY \_\_\_\_\_  
Bill A. Martin

BY Lee Roy Fillyaw  
LeeRoy Fillyaw

BY \_\_\_\_\_  
Jack Nichols

BY Royce C. Smith  
Royce C. Smith

APPROVED:

BY \_\_\_\_\_

31-3

GRAND JURY REPORT

THE STATE OF TEXAS

COUNTY OF SABINE

DATE \_\_\_\_\_

TO THE HONORABLE J. L. SMITH, DISTRICT JUDGE:

We, the members of the Grand Jury, impannelled for the Spring Term, 1983, of the 273rd Judicial District Court of Sabine County Texas, and recalled on the 11th day of March 1983, respectfully submit to your Honor, the following report:

We have investigated to the best of our ability all of the law violations which have been presented to us and which have come to the attention of the Members of the Grand Jury. We have investigated 3 criminal complaints, have had before us 14 witnesses, and have returned into court 1 true bills of indictment.

We the Grand Jury would further report that we have completed our examination of the reported \$110,000 shortage of Funds from the Sabine County Tax Assessor Collector's office. From the information made available to the Jury by the State Attorney General's office and various other individuals, we are unable to determine whether or not funds were actually stolen due primarily to one reason, that being that the adequacy of record keeping in the Tax Assessor's Office was far below par. We as a unit wish to express our utmost concern that the atmosphere of poor record keeping that existed in the past to date has not improved. We feel that the internal control improvements that have been recommended by past external audits be implemented as soon as possible. In part, these recommendations include the following:

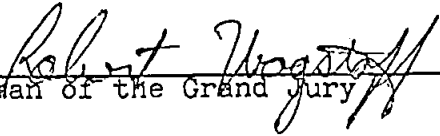
1. The county should purchase an electronic cash register for use in the tax office which would improve daily cash control.
  2. Responsibilities for handling cash should be separated and clearly defined.
  3. A monthly summary of cash receipts summarizing daily activity should be maintained in the Tax Office.
  4. County Records should be audited annually.
  5. If possible, the County should change its fiscal year to end June 30th of each year.
  6. An adequate record keeping system should be developed and implemented.
- "Exhibit C"

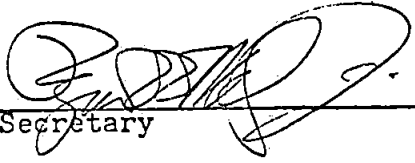
We also feel that steps should be taken by the County Judge and Commissioner's Court to insure that all legal reporting requirements from the Tax Assessor Collector's office are met.

We wish to thank the County and State officials for their assistance in our investigation.

Having completed our work, we desire to adjourn subject to the further orders of the court.

Dated this 19<sup>th</sup> day of April, 1983.

  
\_\_\_\_\_  
Foreman of the Grand Jury

  
\_\_\_\_\_  
Secretary