

TYLER COUNTY COMMISSIONERS COURT
SPECIAL MEETING

December 15, 2006 ---- 8:30 a.m.

THE STATE OF TEXAS ON THIS THE 15th day of December, 2006 the
Commissioners' Court in and for Tyler County, Texas convened in a Special Meeting at
the Commissioners' Courtroom in Woodville, Texas, the following members of the Court
present, to wit:

JEROME OWENS	COUNTY JUDGE
MARTIN NASH	COMMISSIONER, PCT. #1
RUSTY HUGHES	COMMISSIONER, PCT. #2
JOE MARSHALL	COMMISSIONER, PCT. #3
JACK WALSTON	COMMISSIONER, PCT. #4
JACKIE SKINNER	DEPUTY COUNTY CLERK, EX OFFICIO

The following were absent: none thereby constituting a quorum. In addition to the above
were:

JOYCE MOORE	COUNTY AUDITOR
SHARON FULLER	COUNTY TREASURER

A motion was made by Commissioner Nash and seconded by Commissioner Marshall to
approve the minutes of December 11, 2006. All voted yes and none no.

A motion was made by **Commissioner Hughes** and seconded by **Commissioner
Marshall** to approve paying the **bills** as submitted by the **County Auditor**, including the
Extension Office bills turned in late: Office Depot for \$ 79.89 and Quill for \$ 122.40 all
for office supplies that they wanted paid out of this budget. A bill for cleaning personal
clothes of chief deputy was questioned. The Sheriff requires the Chief Deputy to wear
personal clothes and not uniform. All voted and none no. SEE ATTACHED

A motion was made by **Commissioner Nash** and seconded by **Commissioner Marshall**
to table approval of **official bonds** until the bonds were presented. All voted yes and
none no.

Commissioner Martin Nash presented a contract for a **gravel pit** between Tyler County
and **Frank Boykin**. He stated that it was cheaper if he dug the gravel and that he needed
it. A motion was made by **Commissioner Nash** and seconded by **Commissioner
Marshall** to approve the contract between Tyler County and Frank Boykin.

County Auditor Joyce Moore presented line item transfers from the departments that
needed to transfer funds within their own budget. A motion was made by **Commissioner
Hughes** and seconded by **Commissioner Nash** to approve the **line item transfers** as
presented. All voted yes and none no. The County Auditor presented separately a **line
item transfer** for the **Sheriff Department** in the amount of \$ 3,794.77 and requested that
it be paid out of the Contingency Fund. Judge Jerome Owens asked Sheriff Wolf if he
had any comment or anything that he would like to say. Sheriff Wolf addressed the court
and said that he would appreciate any help they could give and that the overage of his
budget was due to the number of people they had in jail. He also said he knew that they
didn't want to hear it but that sooner or later they would have to have a larger jail. He
also said that one of his deputies had been shot last week and that since the shooting he
had made it mandatory for the deputies to wear their bullet proof vest. He addressed the
issue of the deputies working alone and said that bad things use to happen from cities far
from here but that now the bad things had come to Tyler County and he would appreciate
anything they could do to help. A Motion was made by **Commissioner Marshall** and
seconded by **Commissioner Nash** to approve the transfer of the money from the
contingency fund to pay the sheriff department bills. All voted yes and none no. SEE
ATTACHED

Commissioners' Court
December 15, 2006

Commissioner Martin Nash addressed the court and said that he had received only one bid to replace **fire extinguishers and smoke alarms in the Nutrition Center** for \$ 8,000.00; and, he didn't feel comfortable with that price and that he would like to negotiate with the company to see if he could get it cheaper. A motion was made by **Commissioner Nash** to reject the bid received and was seconded by **Commissioner Marshall**. All voted yes and none no.

County Auditor Joyce Moore presented the bids regarding the firms for the county's 2006 **annual audit**. She had a bid from Patillo, Brown & Hill and another from Sanderson, Knox and Belt. She stated that the Sanderson, Knox and Belt firm was cheaper but that we would be having a big audit from FEMA and that since Patillo, Brown and Hill were familiar with our county she asked that we use Patillo, Brown and Hill for the 1st year and then use Sanderson, Knox and Belt for the next 2 years. Patillo, Brown and Hill's bid was the high bid. County Auditor, Joyce Moore said that they had to increase their fees due to new guidelines and also because they were located so far from our area. She spoke with both entities and they agreed to those terms. A motion was made by **Commissioner Hughes** and seconded by **Commissioner Walston** to award the bids as recommended by the County Auditor upon the terms as presented. All voted yes and none no.

Judge Jerome Owens requested the purchase of a **laptop computer for District Judge's office**. He explained the state no longer provided a bench book but sent a DVD with the information on it. County Auditor, Joyce Moore said that it could be paid from next year's budget out of the New Equipment line item under Capital Outlay. A motion was made by **Commissioner Hughes** and seconded by **Commissioner Marshall** to approve the purchase. All voted yes and none no.

Judge Jerome Owens explained that under law Billy Rose was unable to serve any longer due to term limits. No other name had been submitted for review. A motion was made by **Commissioner Nash** and seconded by **Commissioner Marshall** to **table** appointment of a representative for the **Tyler County Appraisal District Appraisal Review Board** for a three year term until they could find a replacement. All voted yes and none no.

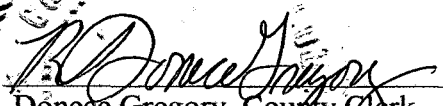
A motion was made by **Commissioner Nash** and seconded by **Commissioner Marshall** to appoint Mary Ann Rosier, Tommy Hamilton and John Paul Feely to serve a two year term to the **Board of Emergency Services District #1** beginning January 1, 2007. All voted yes and none no.

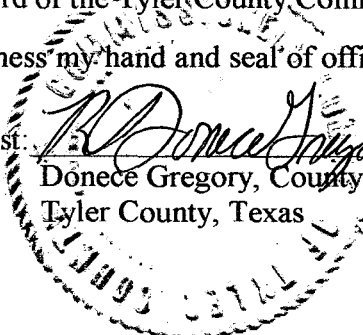
A motion was made by **Commissioner Nash** and seconded **Commissioner Hughes** to appoint B.A. Smith to serve the remaining term of B.J. Smith, **Emergency Services District #1**, term to expire January 1, 2008. All voted yes and none no.

There being no further business to come before the court a motion was made by **Commissioner Nash** and seconded by **Commissioner Marshall** to adjourn the meeting. All voted yes and none no.

I, Donece Gregory, County Clerk and ex officio member of the Tyler County Commissioners Court, do hereby certify to the fact that the above is a true and correct record of the Tyler County Commissioners Court session held on December 15, 2006.

Witness my hand and seal of office on this the 11th day of January, 2007.

Attest: 
Donece Gregory, County Clerk
Tyler County, Texas





JOYCE MOORE

TYLER COUNTY AUDITOR
100 WEST BLUFF ROOM 106
WOODVILLE, TEXAS 75979



(409) 283-3652

County of the Dogwood Festival

December 15, 2006

TO THE HONORABLE COMMISSIONERS' COURT:

Due to a deficit of funds in the Tyler County Sheriff's Department budget, the following payables cannot be paid:

Modica Brothers	Oil, tires, ad repairs	\$ 964.26
Emergency Vehicle Equipment	Lamp kit, speakers	139.51
Emergency Vehicle Equipment	Grill guard	197.86
Emergency Vehicle Equipment	Mtr & Gear 9V	
	PCBA, Vector, PH3	92.46
American Express	Transport expense	757.16
Jarrott's Pharmacy	Prisoner Medical	735.35
Larry Trest Auto Brokers	Vehicle repairs	293.34
Walling Signs & Graphics	Envelopes	118.00
Verison Wireless	Cell phones	496.43

These invoices total \$3,794.77. Please consider payment of these bills.

Thank you,

Joyce Moore
County Auditor

ALL RECORDS FROM 12/15/2006 TO 12/15/2006 DATE-TO-BE-PAID

VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
AMERICAN ASSOCIATION OF	2006 010-419-007	OFFICE SUPPLIES	NOTARY PKG/W.MEREDI	12152006	12/13/2006	12/15/2006		84.94
AVAYA, INC.	2006 010-407-009	TELEPHONE	ACC #0101995823	2724628471	12/06/2006	12/15/2006		45.83
AVAYA, INC.	2006 010-420-009	TELEPHONE	ACCT #0101946445	2724587904	12/07/2006	12/15/2006		72.86
AVAYA, INC.	2006 010-419-009	TELEPHONE	ACCT #0102065107	2724715999	12/11/2006	12/15/2006		107.04
BARRINGTON, DALLAS	2006 010-415-055	COURT APPOINTED A	#10,301/10,328; J.	12082006	12/13/2006	12/15/2006		700.00
BARRINGTON, DALLAS	2006 010-415-055	COURT APPOINTED A	10,458/STEVEN RAY M	12082006A	12/13/2006	12/15/2006		350.00
BJ TRANSPORT SERVICE	2006 010-401-043	AUTOPSIES	KENNETH POWELL	1396	12/05/2006	12/15/2006		165.00
BJ TRANSPORT SERVICE	2006 010-401-043	AUTOPSIES	CHRISTOPHER LEE SUM	1402	12/05/2006	12/15/2006		165.00
BONITA LAUNDRY AND CLEA	2006 010-427-041	UNIFORMS	UNIFORM CLEANING	290115	12/14/2006	12/15/2006		148.90
BROOKSHIRE BROS.	2006 010-427-036	PRISONER MEALS	ACCT. # 18005/50	1407857/1407	12/13/2006	12/15/2006		43.79
CANON U.S.A., INC.	2006 010-440-018	EQUIPMENT LEASE	ACCT #1072842	R2614717	12/05/2006	12/15/2006		41.95
CERTIFIED LABORATORIES	2006 010-427-010	JAIL SUPPLIES	CUST # S0113262	204980	12/14/2006	12/15/2006		1,205.22
CHILD ABUSE & FORENSIC	2006 010-419-016	DNA LAB FEES	CASE # S1106011/S.	06-158	12/13/2006	12/15/2006		700.00
CHILD ABUSE & FORENSIC	2006 010-419-016	DNA LAB FEES	CASE# 1106012/R. HD	06-157	12/13/2006	12/15/2006		407.00
CITICORP VENDOR FINANCE	2006 010-440-018	EQUIPMENT LEASE	ACCT #3741060	374106006122	12/05/2006	12/15/2006		180.11
CITICORP VENDOR FINANCE	2006 010-440-018	EQUIPMENT LEASE	ACCT #3741080	374108006122	12/05/2006	12/15/2006		180.11
CMA CABLEVISION	2006 010-442-013	REPAIRS AT JUSTIC	ACCT. # 163 030408/	12102006	12/13/2006	12/15/2006		92.76
COLOR GRAPHICS CO.	2006 010-420-007	OFFICE SUPPLIES	ENVELOPES	103191	12/07/2006	12/15/2006		254.38
COLOR GRAPHICS CO.	2006 010-401-099	CONTINGENCY FOR M	81/2X11 20# WHITE L	103188	12/07/2006	12/15/2006		680.88
CONFERENCE SERVICES AT	2006 010-402-012	TRAINING & EDUCAT	TEXAS A&M REGISTRAT	12221	12/14/2006	12/15/2006		120.00
CRUSE, LYNNETTE	2006 010-392-055	SHERIFF SALES	B-2111	15496A	12/11/2006	12/15/2006		13,275.81
CRUSE, LYNNETTE	2006 010-392-055	SHERIFF SALES	B-2286	15496B	12/11/2006	12/15/2006		1,326.50
CRUSE, LYNNETTE	2006 010-392-055	SHERIFF SALES	B-2297	15496C	12/11/2006	12/15/2006		2,088.27
D AND D PLUMBING	2006 010-442-011	REPAIRS TO NUTRIT	REPAIR ICE MACHINE/	16205	12/08/2006	12/15/2006		88.00
DANIELS, MELISSA	2006 010-426-024	TRAVEL & EDUCATIO	TRAINING/M. DANIELS	1113&142006	12/13/2006	12/15/2006		78.32
DAVIS, JIMMY	2006 010-413-007	OFFICE SUPPLIES	PRINTER & CABLE	6005	12/11/2006	12/15/2006		164.52
DE LAGE LANDEN	2006 010-419-007	OFFICE SUPPLIES	CUST. # 553974/CDA	06121840111	12/13/2006	12/15/2006		90.35
DEPARTMENT OF STATE HEA	2006 010-402-009	TELEPHONE	CUST. ID C7000008/	4112	12/13/2006	12/15/2006		118.95
DEPARTMENT OF STATE HEA	2006 010-402-009	TELEPHONE	CUST #C7000008	4279	12/14/2006	12/15/2006		76.86
DIAMOND SHAMROCK	2006 010-427-010	JAIL SUPPLIES	ACCT #770 015 68	V416219	12/14/2006	12/15/2006		27.46
DIAMOND SHAMROCK	2006 010-427-010	JAIL SUPPLIES	ACCT #770 015 68	V776255	12/14/2006	12/15/2006		18.63
DISCOUNT PEST CONTROL	2006 010-442-013	REPAIRS AT JUSTIC	BI-ANNUAL CONTRACT/	11172006	12/13/2006	12/15/2006		250.00
DOOLEY TACKABERRY, INC.	2006 010-442-010	REPAIRS TO COURTH	ORDER #912867-1	913342	12/07/2006	12/15/2006		30.15
ENTERGY	2006 010-442-038	UTILITIES-JUSTICE	ACCT #1727262	12272006	12/14/2006	12/15/2006		38.85
EVANS, MELISSIE DISTRIC	2006 010-392-055	SHERIFF SALES	EXCESS PROCEEDS	15497	12/11/2006	12/15/2006		1,185.37
EVANS, MELISSIE DISTRIC	2006 010-392-055	SHERIFF SALES	B-2111	15492A	12/11/2006	12/15/2006		307.00
EVANS, MELISSIE DISTRIC	2006 010-392-055	SHERIFF SALES	B-2286	15492B	12/11/2006	12/15/2006		266.00
EVANS, MELISSIE DISTRIC	2006 010-392-055	SHERIFF SALES	B-2297	15492C	12/11/2006	12/15/2006		318.00
EXCEL CAR WASH, INC.	2006 010-427-010	JAIL SUPPLIES	OIL CHANGE	14015588	12/14/2006	12/15/2006		65.35
EXCEL CAR WASH, INC.	2006 010-427-010	JAIL SUPPLIES	OIL CHANGE	14015680	12/14/2006	12/15/2006		31.07
FEDERAL EXPRESS CORP	2006 010-427-010	JAIL SUPPLIES	ACCT #1706-0613-2	8-527-71498	12/14/2006	12/15/2006		13.75
GALL'S INC	2006 010-425-042	EMERGENCY EQUIPME	ACCT #43269380	585957280001	12/05/2006	12/15/2006		70.98
GALL'S INC	2006 010-427-010	JAIL SUPPLIES	ACCT #0003956513	586188080001	12/14/2006	12/15/2006		85.49
GREAT NORTH AMERICAN CO	2006 010-420-007	OFFICE SUPPLIES	ORDER #17958	69480	12/07/2006	12/15/2006		155.39
HEALTH EDCO	2006 010-439-007	OFFICE SUPPLIES	CUST. #100456/ACCT#	736685	12/05/2006	12/15/2006		235.85
HOWELL FURNITURE	2006 010-442-010	REPAIRS TO COURTH	H E STOVER	WHSEHI4695	12/07/2006	12/15/2006		979.90
INNOVATIVE OFFICE SYSTE	2006 010-440-018	EQUIPMENT LEASE	ACCT #001-0034127-0	6745960460	12/07/2006	12/15/2006		144.86
J. D. TAYLOR GENERAL CO	2006 010-442-010	REPAIRS TO COURTH	METAL ROOF AROUND L	1961	12/05/2006	12/15/2006		2,493.00
J. D. TAYLOR GENERAL CO	2006 010-442-010	REPAIRS TO COURTH	METAL ROOF OVER TOP	1960	12/05/2006	12/15/2006		2,916.00
JARROTT'S PHARMACY	2006 010-436-049	AID TO INDIGENTS	EDDIE TELFORD	11252006	12/08/2006	12/15/2006		181.65
JEFFERSON COUNTY CLERK	2006 010-415-044	COMMITMENTS	CAUSE #93632	112206	12/08/2006	12/15/2006		298.00
KEY EQUIPMENT FINANCE	2006 010-440-018	EQUIPMENT LEASE	ACCT #591112286 1	1612	12/07/2006	12/15/2006		152.68
LAKEMAY TIRE & SERVICE	2006 010-427-010	JAIL SUPPLIES	ACCT #1063	002667	12/14/2006	12/15/2006		33.50

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GENERAL FUND

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ALL RECORDS FROM 12/15/2006 TO 12/15/2006 DATE-TO-BE-PAID

VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
LINEBARGER GOGGAN BLAIR	2006 010-392-055	SHERIFF SALES	B-2111	15494A	12/11/2006	12/15/2006		240.00
LINEBARGER GOGGAN BLAIR	2006 010-392-055	SHERIFF SALES	B-2286	15494B	12/11/2006	12/15/2006		265.00
LINEBARGER GOGGAN BLAIR	2006 010-392-055	SHERIFF SALES	B-2297	15494C	12/11/2006	12/15/2006		290.00
MANN, ROBERT H ATTY	2006 010-415-055	COURT APPOINTED A	EXTRADITION/DAVID R	12082006	12/13/2006	12/15/2006		350.00
MANNING'S	2006 010-442-010	REPAIRS TO COURTH	ACCT #9934	708319-0	12/08/2006	12/15/2006		699.00
MUSIC MOUNTAIN WATER CO	2006 010-422-007	OFFICE SUPPLIES	ACCT #79996800	1107021160	12/11/2006	12/15/2006		20.30
NET DATA CORP.	2006 010-440-020	SUPPORT SERVICES	ACCT #TYL 900057	10393A	12/11/2006	12/15/2006		225.00
O'REILLY AUTO PARTS	2006 010-427-010	JAIL SUPPLIES	CUST #596507	1451148447	12/14/2006	12/15/2006		30.27
OFFICE DEPOT	2006 010-439-007	OFFICE SUPPLIES	61036555/EXTENSION	358838588-00	12/05/2006	12/15/2006		18.21
OFFICE DEPOT	2006 010-440-007	SUPPLIES	61036555/EXTENSION	360882888-00	12/05/2006	12/15/2006		302.98
OFFICE DEPOT	2006 010-439-007	OFFICE SUPPLIES	61036555/EXTENSION	360882888-00	12/05/2006	12/15/2006		4.18
OFFICE DEPOT	2006 010-402-007	OFFICE SUPPLIES	ACCT #62203117	361518908-00	12/14/2006	12/15/2006		75.07
OTIS ELEVATOR COMPANY	2006 010-442-012	ELEVATOR REPAIRS	CUST #410283	TB060322C06	12/08/2006	12/15/2006		144.90
OWENS, JEROME COUNTY JU	2006 010-421-009	TELEPHONE	INTERNET SERVICE/MA	1204	12/11/2006	12/15/2006		43.08
OWENS, JEROME COUNTY JU	2006 010-421-012	EDUCATION, GOVERN	TRAVEL TO JASPER/	12122006	12/14/2006	12/15/2006		27.59
P C MAILING SERVICES	2006 010-401-008	POSTAGE FOR POSTA	ACCT # TYLERC	161812	12/07/2006	12/15/2006		692.29
PATTILLO BROWN & HILL L	2006 010-401-023	INDEPENDENT AUDIT	CLIENT #12752	38872	12/05/2006	12/15/2006		1,900.00
PITNEY BOWES	2006 010-440-018	EQUIPMENT LEASE	ACCT #8447477	SP06	12/05/2006	12/15/2006		285.00
PITNEY BOWES INC.	2006 010-440-018	EQUIPMENT LEASE	ACCT #1517-9506-86-	633689	12/05/2006	12/15/2006		207.00
PITNEY BOWES INC.	2006 010-440-015	SERVICE CONTRACTS	ACCT #1517-9506-86-	721839	12/05/2006	12/15/2006		188.00
PITNEY BOWES INC.	2006 010-440-015	SERVICE CONTRACTS	ACCT #1517-9506-86-	721840	12/05/2006	12/15/2006		342.00
PITNEY BOWES PURCHASE P	2006 010-401-008	POSTAGE FOR POSTA	CUST #15047266877	10957	12/05/2006	12/15/2006		35.06
QUALITY TREE SERVICE	2006 010-442-010	REPAIRS TO COURTH	TRIMED 2 LIVE OAK T	112506	12/08/2006	12/15/2006		450.00
QUILL COPORATION	2006 010-440-007	SUPPLIES	03338775/EXTENSION	2657800	12/05/2006	12/15/2006		63.88
QUILL COPORATION	2006 010-439-007	OFFICE SUPPLIES	03338775/EXTENSION	2657800A	12/05/2006	12/15/2006		13.19
QUILL COPORATION	2006 010-439-007	OFFICE SUPPLIES	03338775/EXTENSION	2538395	12/05/2006	12/15/2006		76.63
QUILL COPORATION	2006 010-439-007	OFFICE SUPPLIES	03338775/EXTENSION	2538616	12/05/2006	12/15/2006		189.77
QUILL COPORATION	2006 010-439-007	OFFICE SUPPLIES	03338775/EXTENSION	2617238	12/05/2006	12/15/2006		144.45
QUILL COPORATION	2006 010-439-007	OFFICE SUPPLIES	03338775/EXTENSION	2579011	12/05/2006	12/15/2006		14.04
QUILL COPORATION	2006 010-440-007	SUPPLIES	05421407/DPS	2657524	12/08/2006	12/15/2006		49.97
QUILL COPORATION	2006 010-402-007	OFFICE SUPPLIES	ACCT # 03420103/CC	1792559	12/13/2006	12/15/2006		70.57
QUILL COPORATION	2006 010-402-007	OFFICE SUPPLIES	ACCT #03420103	2708950	12/14/2006	12/15/2006		157.49
QUILL COPORATION	2006 010-402-007	OFFICE SUPPLIES	ACCT #03420103	2079355	12/14/2006	12/15/2006		64.80
QUILL COPORATION	2006 010-402-007	OFFICE SUPPLIES	ACCT #03420103	2689139	12/14/2006	12/15/2006		4.48
RISINGER, MICHAEL	2006 010-392-055	SHERIFF SALES	B-2111	15493A	12/11/2006	12/15/2006		350.00
RISINGER, MICHAEL	2006 010-392-055	SHERIFF SALES	B-2286	15493B	12/11/2006	12/15/2006		350.00
SECURITY INS. SERVICES,	2006 010-420-014	BONDS	POLICY #68998951	2691	12/07/2006	12/15/2006		335.00
SHEPHERD'S UNIFORM & LI	2006 010-442-008	UNIFORMS	ACCT #69120720	946389	12/08/2006	12/15/2006		17.63
SHEPHERD'S UNIFORM & LI	2006 010-442-008	UNIFORMS	ACCT #69120720	947795	12/08/2006	12/15/2006		17.63
SOUTHEAST TEXAS FORENSI	2006 010-401-043	AUTOPSIES	CASE #06-1164	06-1164	12/05/2006	12/15/2006		1,400.00
SPARKLETTS & SIERRA SPR	2006 010-420-007	OFFICE SUPPLIES	ACCT #2154939	110621549393	12/07/2006	12/15/2006		6.56
STORY-WRIGHT	2006 010-440-007	SUPPLIES	CUST #104307	100685	12/05/2006	12/15/2006		299.50
STORY-WRIGHT	2006 010-440-007	SUPPLIES	CUST #104307	100940	12/05/2006	12/15/2006		13.58
STORY-WRIGHT	2006 010-422-007	OFFICE SUPPLIES	ACCT #104307	101628	12/05/2006	12/15/2006		16.89
STORY-WRIGHT	2006 010-440-007	SUPPLIES	ACCT #104307	101248	12/05/2006	12/15/2006		37.98
STORY-WRIGHT	2006 010-440-007	SUPPLIES	ACCT #104307	101629	12/05/2006	12/15/2006		129.99
STORY-WRIGHT	2006 010-442-007	JANITORS SUPPLIES	CUST #104942	100780	12/08/2006	12/15/2006		148.08
STORY-WRIGHT	2006 010-405-007	OFFICE SUPPLIES	CUST. #104307/VETER	103268	12/14/2006	12/15/2006		62.98
STORY-WRIGHT	2006 010-405-007	OFFICE SUPPLIES	CUST. #104307/VETER	103277	12/14/2006	12/15/2006		93.59
STORY-WRIGHT	2006 010-420-007	OFFICE SUPPLIES	CUST. # 105136/TO	100293	12/14/2006	12/15/2006		78.51
STORY-WRIGHT	2006 010-407-007	OFFICE SUPPLIES	CUST. # 104307/DIST	103762	12/14/2006	12/15/2006		291.59
STORY-WRIGHT	2006 010-407-007	OFFICE SUPPLIES	CUST. # 104307/DIST	103762A	12/14/2006	12/15/2006		187.82
STORY-WRIGHT	2006 010-407-007	OFFICE SUPPLIES	CUST. # 104307/DIST	103762B	12/14/2006	12/15/2006		137.99

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GENERAL FUND

V/P CLAIMS LIST

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ALL RECORDS FROM 12/15/2006 TO 12/15/2006 DATE-TO-BE-PAID

VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
SYSCO FOOD SERVICES	2006 010-427-036	PRISONER MEALS	CUST. # 819219/JAIL	611070165	12/13/2006	12/15/2006		1,062.96
SYSCO FOOD SERVICES	2006 010-427-036	PRISONER MEALS	CUST. # 819219/JAIL	611140172	12/13/2006	12/15/2006		884.57
SYSCO FOOD SERVICES	2006 010-427-036	PRISONER MEALS	CUST. # 819219/JAIL	611210106	12/13/2006	12/15/2006		848.88
SYSCO FOOD SERVICES	2006 010-427-036	PRISONER MEALS	CUST. # 819219/JAIL	611280104	12/13/2006	12/15/2006		987.90
T-SHIRT SAFARI	2006 010-426-041	UNIFORMS	3 POLOS	1001A	12/14/2006	12/15/2006		66.00
TARTER, SCOTT	2006 010-415-024	COURT REPORTER	12/14/2006/SCOTT TA	12142006	12/14/2006	12/15/2006		294.50
TCH FAMILY MEDICAL CLIN	2006 010-401-098	MISCELLANEOUS EXP	ROY I. MOTT/ ACCT #	120406	12/06/2006	12/15/2006		69.00
TDCAA NOW TRUST FUND	2006 010-419-007	OFFICE SUPPLIES	FOLDERS/CDA OFFICE	19944	12/13/2006	12/15/2006		173.00
TEXAS ASSOCIATION OF CO	2006 010-442-040	BUILDING INSURANC	NET CONTRIBUTION DU	2290A	12/05/2006	12/15/2006		427.00
TEXAS ASSOCIATION OF CO	2006 010-401-099	CONTINGENCY FOR M	NET CONTRIBUTION DU	2290B	12/05/2006	12/15/2006		167.00
TEXAS ASSOCIATION OF CO	2006 010-409-064	JUDICIAL DISTRICT	ACCT #5978	18904	12/07/2006	12/15/2006		200.00
TEXAS BUILDING & PROCUR	2006 010-401-099	CONTINGENCY FOR M	ACCT #C0051	122805	12/05/2006	12/15/2006		100.00
TEXAS IMAGING SYSTEMS	2006 010-440-018	EQUIPMENT LEASE	ACCT #LK1670	238039	12/05/2006	12/15/2006		950.00
TOLARS FEED AND OUTDOOR	2006 010-427-010	JAIL SUPPLIES	STATEMENT #7035	198766	12/14/2006	12/15/2006		5.50
TOLARS FEED AND OUTDOOR	2006 010-427-010	JAIL SUPPLIES	STATEMENT #7035	199610	12/14/2006	12/15/2006		17.25
TOLARS FEED AND OUTDOOR	2006 010-427-010	JAIL SUPPLIES	STATEMENT #7035	200476	12/14/2006	12/15/2006		19.80
TYLER COUNTY APPRAISAL	2006 010-401-024	TYLER COUNTY APPR	1ST QUARTER	121106	12/11/2006	12/15/2006		43,425.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	CAPRI SOLOMON	10048A	12/08/2006	12/15/2006		50.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	WILLIAM GREER	10048B	12/08/2006	12/15/2006		50.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	WILLIAM GREER INT.	10048C	12/08/2006	12/15/2006		75.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	AARON GUINN	10047A	12/08/2006	12/15/2006		150.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	BRIDGETT GUINN	10047B	12/08/2006	12/15/2006		150.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	COLTON TIPPETT	10047C	12/08/2006	12/15/2006		150.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	SAMANTHA HOWARD	10047D	12/08/2006	12/15/2006		150.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	THADDES WOODS	10047E	12/08/2006	12/15/2006		50.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	DEXTER JOHNSON	10047F	12/08/2006	12/15/2006		75.00
TYLER COUNTY CHILD WELF	2006 010-435-072	CLOTHING	BENJAMIN BRONSTOD	10047E	12/08/2006	12/15/2006		75.00
TYLER COUNTY HOSPITAL	2006 010-401-098	MISCELLANEOUS EXP	ANDREA POPE	121506A	12/05/2006	12/15/2006		35.00
TYLER COUNTY HOSPITAL	2006 010-401-098	MISCELLANEOUS EXP	ROBERT L JAMES	121506B	12/05/2006	12/15/2006		35.00
TYLER COUNTY HOSPITAL	2006 010-401-098	MISCELLANEOUS EXP	MARY D WALTERS	121506C	12/05/2006	12/15/2006		35.00
U PUMP IT	2006 010-426-029	GAS, OIL, GREASE	ACCT.# 0002831570/I	0026415	12/13/2006	12/15/2006		162.81
U PUMP IT	2006 010-426-029	GAS, OIL, GREASE	ACCT #0002831562	0026414	12/14/2006	12/15/2006		5,793.85
U. S. MARSHALL PRISONER	2006 010-496-015	TRANSFERS TO US #	TRANS FROM GEN LEDG	112006A	12/11/2006	12/15/2006		2,729.73
UNITED BUILDING CENTERS	2006 010-442-013	REPAIRS AT JUSTIC	ACCT. # 0484-009800	9243/9605	12/13/2006	12/15/2006		49.86
UNITED PARCEL SERVICE	2006 010-421-007	OFFICE SUPPLIES	SHIPPER #4Y32F5	00004Y32F548	12/08/2006	12/15/2006		12.15
WAL-MART COMMUNITY	2006 010-439-007	OFFICE SUPPLIES	6032202010154442/EO	006163	12/05/2006	12/15/2006		22.88
WAL-MART COMMUNITY	2006 010-442-007	JANITORS SUPPLIES	ACCT #6032202000769	1805	12/08/2006	12/15/2006		194.60
WAL-MART COMMUNITY	2006 010-440-007	SUPPLIES	6032202000776899/CD	004746	12/13/2006	12/15/2006		84.60
WAL-MART COMMUNITY	2006 010-402-007	OFFICE SUPPLIES	6032202000776899/CD	001553	12/13/2006	12/15/2006		11.96
WAL-MART COMMUNITY	2006 010-427-010	JAIL SUPPLIES	6032202000587809/SD	7556,952,754	12/13/2006	12/15/2006		124.91
WALLING SIGNS & GRAPHIC	2006 010-426-028	REPAIRS TO VEHICL	CUST # TYCOSH	38005	12/14/2006	12/15/2006		300.00
WALLING SIGNS & GRAPHIC	2006 010-401-050	ELECTION EXPENSE	CUST # TYCCL	38855	12/14/2006	12/15/2006		12.50
WEB STORM COMPUTERS	2006 010-440-012	EQUIPMENT REPAIRS	COMPUTER REPAIR/CDA	11152006	12/13/2006	12/15/2006		75.00
WEB STORM COMPUTERS	2006 010-453-044	OFFICE EQUIPMENT	17" MONITOR	12506	12/14/2006	12/15/2006		361.05
WEST GROUP	2006 010-413-007	OFFICE SUPPLIES	1000640613/JP 3	0811991153	12/08/2006	12/15/2006		92.00
WEST MAGNOLIA DRIVE-IN	2006 010-436-049	AID TO INDIGENTS	ANGELA EVANS	110806A	12/08/2006	12/15/2006		30.01
WEST MAGNOLIA DRIVE-IN	2006 010-436-049	AID TO INDIGENTS	BETTY HENRY	110806B	12/08/2006	12/15/2006		30.00
WEST MAGNOLIA DRIVE-IN	2006 010-436-049	AID TO INDIGENTS	TINA JOHNSON	110806C	12/08/2006	12/15/2006		21.52
WEST MAGNOLIA DRIVE-IN	2006 010-436-049	AID TO INDIGENTS	WILLIE MCNEAL	110806D	12/08/2006	12/15/2006		20.00
WILSON CLEMMONS INSURAN	2006 010-413-007	OFFICE SUPPLIES	BOND/H. POWERS/JP 3	12072006	12/07/2006	12/15/2006		177.50
WILSON CLEMMONS INSURAN	2006 010-411-007	OFFICE SUPPLIES	BOND/J.P PCT. 1	12072006A	12/07/2006	12/15/2006		220.00
WILSON CLEMMONS INSURAN	2006 010-411-007	OFFICE SUPPLIES	BOND/J.P # 1/T. TUR	12072006B	12/07/2006	12/15/2006		71.00
WILSON CLEMMONS INSURAN	2006 010-402-014	BONDS, INSURANCE	BOND/COUNTY CLERK	12072006C	12/07/2006	12/15/2006		497.00

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VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
WILSON CLEMMONS INSURAN	2006 010-407-014	BONDS, INSURANCE	06115454634/M. EVAN	12072006E	12/08/2006	12/15/2006		177.50
WILSON CLEMMONS INSURAN	2006 010-419-014	BONDS	060114331070/J.SMIT	12072006F	12/08/2006	12/15/2006		177.50
WILSON CLEMMONS INSURAN	2006 010-414-014	BONDS	JIM MOORE/J P #4	12072006G	12/08/2006	12/15/2006		177.50
WOLF, JESSIE	2006 010-442-013	REPAIRS AT JUSTIC	CHRISTMAS DECORATIO	15052	12/11/2006	12/15/2006		122.81
WOLF, JESSIE SHERIFF	2006 010-392-055	SHERIFF SALES	B-2111	15495A	12/11/2006	12/15/2006		141.82
WOLF, JESSIE SHERIFF	2006 010-392-055	SHERIFF SALES	B-2286	15495B	12/11/2006	12/15/2006		42.50
WOLF, JESSIE SHERIFF	2006 010-392-055	SHERIFF SALES	B-2297	15495C	12/11/2006	12/15/2006		47.16
WOOD, ROBERT	2006 010-435-040	MISCELLANEOUS	SEPT 1,2006-DEC 31,	120506	12/11/2006	12/15/2006		400.00
WOODVILLE GLASS	2006 010-442-010	REPAIRS TO COURTH	27X135/8 TEMP.	191513	12/08/2006	12/15/2006		275.00
WORTH HYDROCHEM	2006 010-442-013	REPAIRS AT JUSTIC	QUARTERLY SERVICE/S	10983	12/13/2006	12/15/2006		75.00
XEROX CORPORATION	2006 010-440-015	SERVICE CONTRACTS	CUST #972964456	021589990	12/05/2006	12/15/2006		141.00
XEROX CORPORATION	2006 010-440-015	SERVICE CONTRACTS	CUST #668113889	021589987	12/06/2006	12/15/2006		140.00
ZELESKEY AND ASSOCIATES	2006 010-401-093	CONTINGENCY FOR L	LEGAL FEES & EXPENS	170498	12/05/2006	12/15/2006		7,922.69
ZELESKEY AND ASSOCIATES	2006 010-401-093	CONTINGENCY FOR L	CHANCE R. COOPER ET	170908	12/08/2006	12/15/2006		8,539.14
								130,433.46

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VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INV DICE #	VP DATE	DATE TBP	PO NO	AMOUNT
TYLER COUNTY PCT I	2006 020-496-021	TRANS/R&B I===.2	TRANS FROM RD & BRD	112006C	12/11/2006	12/15/2006		7,375.00
TYLER COUNTY PCT II	2006 020-496-022	TRANS/R&B II===.2	TRANS FROM RD & BRD	112006D	12/11/2006	12/15/2006		6,789.00
TYLER COUNTY PCT III	2006 020-496-023	TRANS/R&B III==.2	TRANS FROM RD & BRD	112006E	12/11/2006	12/15/2006		9,907.00
TYLER COUNTY PCT IV	2006 020-496-024	TRANS/R&B IV===.2	TRANS FROM RD & BRD	112006F	12/11/2006	12/15/2006		9,132.00

								33,203.00

ALL RECORDS FROM 12/15/2006 TO 12/15/2006 DATE-TO-BE-PAID

VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
A-1 JOHNNY PORTABLE TOI	2006 021-451-040	MISCELLANEOUS SUP	JOB SITE 1605	79429	12/08/2006	12/15/2006		35.00
A-1 WRECKER & STORAGE	2006 021-451-028	MACHINERY MAINTEN	A-1 WRECKER & STORA	13204	12/08/2006	12/15/2006		150.00
BILLY WILLIAMS TRUCKING	2006 021-451-032	ROAD MATERIAL	ROAD BASE	633694/63271	12/08/2006	12/15/2006		5,274.27
CONFERENCE SERVICES AT	2006 021-451-043	TRAVEL, TRAINING	49 TH COMM CONFEREN	15310	12/11/2006	12/15/2006		160.00
CONFERENCE SERVICES AT	2006 021-451-043	TRAVEL, TRAINING	49 TH COMM CONFEREN	16151	12/11/2006	12/15/2006		160.00
GARDNER OIL, INC.	2006 021-451-029	GAS, OIL, GREASE	CUST #TYCO PCT1	79574&75/700	12/08/2006	12/15/2006		2,845.58
GENPLER'S	2006 021-451-028	MACHINERY MAINTEN	ACCT #6246690	1008802689	12/08/2006	12/15/2006		217.40
HILLISTER TRACTOR SALES	2006 021-451-028	MACHINERY MAINTEN	CUST #00025	20509H/20539	12/08/2006	12/15/2006		72.85
KAT EXCAVATION & CONSTR	2006 021-451-032	ROAD MATERIAL	53.03 TONS 6S60	180173	12/08/2006	12/15/2006		1,484.84
LOVE'S BUSINESS ACCOUNT	2006 021-451-028	MACHINERY MAINTEN	ACCT #8213144032581	43981	12/08/2006	12/15/2006		69.71
MOTT WHOLESALE, INC.	2006 021-451-028	MACHINERY MAINTEN	GARBAGE BAGS	245	12/08/2006	12/15/2006		43.45
MUSTANG CAT	2006 021-451-028	MACHINERY MAINTEN	CUST #0792900	PARTS2029076	12/08/2006	12/15/2006		185.62
MUSTANG CAT	2006 021-451-028	MACHINERY MAINTEN	CUST #0792900	PART2030094	12/08/2006	12/15/2006		67.90
NASH, MARTIN	2006 021-451-043	TRAVEL, TRAINING	TAC MILEAGE	120306	12/14/2006	12/15/2006		46.28
O'REILLY AUTO PARTS	2006 021-451-028	MACHINERY MAINTEN	CUST #591681	1451148216	12/08/2006	12/15/2006		6.98
OMNI HOTEL - AUSTIN	2006 021-451-043	TRAVEL, TRAINING	DETC06 MTG/COM. PCT	15308	12/08/2006	12/15/2006		97.75
R&D HARDWARE & FEED	2006 021-451-028	MACHINERY MAINTEN	FLAGGING TAPE	86	12/08/2006	12/15/2006		7.74
STORY-WRIGHT	2006 021-451-028	MACHINERY MAINTEN	ACCT #104307	095112	12/08/2006	12/15/2006		26.65
TYLER COUNTY AUTO PARTS	2006 021-451-028	MACHINERY MAINTEN	ACCT #7050	381331	12/08/2006	12/15/2006		25.52
TYLER COUNTY AUTO PARTS	2006 021-451-028	MACHINERY MAINTEN	ACCT #7050	382063	12/08/2006	12/15/2006		20.14
TYLER COUNTY PCT II	2006 021-395-022	TRANSFER FROM R&B	TRANS FROM RD & BRD	1120066	12/11/2006	12/15/2006		4,691.77
UNITED BUILDING CENTERS	2006 021-451-028	MACHINERY MAINTEN	ACCT #0484-00930000	8709/8880	12/08/2006	12/15/2006		58.01
WAL-MART COMMUNITY	2006 021-451-028	MACHINERY MAINTEN	ACCT #6032202000195	2940/2697	12/11/2006	12/15/2006		29.45
WALLING SIGNS & GRAPHIC	2006 021-451-028	MACHINERY MAINTEN	CUST# TYCOAU	38085	12/08/2006	12/15/2006		10.00
YARBROUGH'S MATERIAL &	2006 021-451-032	ROAD MATERIAL	LIME STONE	24398	12/08/2006	12/15/2006		1,801.70

 17,588.61

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VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
BILLY WILLIAMS TRUCKING	2006 022-451-032	ROAD MATERIAL	ROAD BASE/PCT. 2	11302006	12/12/2006	12/15/2006		2,709.54
COMMUNITY COFFEE COMPAN	2006 022-451-028	MACHINERY MAINTEN	CUST #17207904	07904633823	12/08/2006	12/15/2006		25.00
DIESEL DIAGNOSTICS, LLC	2006 022-451-028	MACHINERY MAINTEN	GASKET KIT	16970	12/08/2006	12/15/2006		138.85
GARDNER OIL, INC.	2006 022-451-029	GAS, OIL, GREASE	TYCO PCT2	79525	12/12/2006	12/15/2006		1,003.35
GARDNER OIL, INC.	2006 022-451-029	GAS, OIL, GREASE	TYCO PCT2	79524	12/12/2006	12/15/2006		1,630.52
GARDNER OIL, INC.	2006 022-451-029	GAS, OIL, GREASE	TYCO PCT2	79524	12/12/2006	12/15/2006		1,255.98
GARDNER OIL, INC.	2006 022-451-029	GAS, OIL, GREASE	TYCO PCT2	79524	12/12/2006	12/15/2006		728.89
GULF WELDING	2006 022-451-028	MACHINERY MAINTEN	CUST. # 030133/PCT.	54024	12/12/2006	12/15/2006		36.75
HARBOR FREIGHT TOOLS	2006 022-451-028	MACHINERY MAINTEN	CUST #TYLR759C	02 -184565	12/11/2006	12/15/2006		73.98
HAVIS FEED AND HARDWARE	2006 022-451-028	MACHINERY MAINTEN	HYDRO OIL/PCT. 2	321215	12/12/2006	12/15/2006		21.95
JAMES, ROBERT	2006 022-451-032	ROAD MATERIAL	23 LOADS GRAVEL/PCT	16152	12/14/2006	12/15/2006		460.00
JERRYS SAW SHOP	2006 022-451-030	TIRES, TUBES	ROPE/OIL/PCT. 2	012068	12/12/2006	12/15/2006		25.45
LAKWAY TIRE & SERVICE	2006 022-451-030	TIRES, TUBES	ACCT 916/PCT. 2	2393	12/12/2006	12/15/2006		10.00
LAKWAY TIRE & SERVICE	2006 022-451-030	TIRES, TUBES	ACCT 916/PCT. 2	2397	12/12/2006	12/15/2006		15.00
LAKWAY TIRE & SERVICE	2006 022-451-030	TIRES, TUBES	ACCT 916/PCT. 2	2409	12/12/2006	12/15/2006		113.95
LAKWAY TIRE & SERVICE	2006 022-451-030	TIRES, TUBES	ACCT 916/PCT. 2	2425	12/12/2006	12/15/2006		27.00
LAKWAY TIRE & SERVICE	2006 022-451-030	TIRES, TUBES	ACCT 916/PCT. 2	2783	12/12/2006	12/15/2006		395.90
LARRY TREST AUTO BROKER	2006 022-451-028	MACHINERY MAINTEN	TEMP ACUATOR/PCT. 2	1022006	12/12/2006	12/15/2006		164.00
MODICA BROTHERS	2006 022-451-030	TIRES, TUBES	VOLVO/PCT. 2/FLAT R	215470	12/12/2006	12/15/2006		20.00
MODICA BROTHERS	2006 022-451-030	TIRES, TUBES	GMC PU/TIRES/PCT. 2	215081	12/12/2006	12/15/2006		449.58
MOTT WHOLESALE, INC.	2006 022-451-028	MACHINERY MAINTEN	TRASH BAGS/PCT. 2	246	12/12/2006	12/15/2006		104.28
OMNI HOTEL - AUSTIN	2006 022-451-043	TRAVEL, TRAINING	DETCOG MTG/COM. PCT	14800	12/08/2006	12/15/2006		97.75
SMARTS TRUCK & TRAILER	2006 022-451-028	MACHINERY MAINTEN	AXLE SHIFT/PCT. 2	420288P	12/12/2006	12/15/2006		288.80
STORY-WRIGHT	2006 022-451-040	MISCELLANEOUS SUP	ACCT. 104307/PCT. 2	95112	12/12/2006	12/15/2006		26.66
SULLIVANS HARDWARE	2006 022-451-028	MACHINERY MAINTEN	PCT. 2/TRASH BAGS	76910	12/12/2006	12/15/2006		17.26
TIMBERMANS SUPPLY	2006 022-451-028	MACHINERY MAINTEN	ACCT. # 12024/PCT 2	196623	12/12/2006	12/15/2006		102.74
TIMBERMANS SUPPLY	2006 022-451-028	MACHINERY MAINTEN	ACCT. # 12024/PCT 2	196657	12/12/2006	12/15/2006		2.66
TIMBERMANS SUPPLY	2006 022-451-028	MACHINERY MAINTEN	ACCT. # 12024/PCT 2	196947	12/12/2006	12/15/2006		7.39
TIMBERMANS SUPPLY	2006 022-451-028	MACHINERY MAINTEN	ACCT. # 12024/PCT 2	197135	12/12/2006	12/15/2006		64.13
TRUCK & EQUIPMENT REPAI	2006 022-451-028	MACHINERY MAINTEN	INJECTION PUMP/PCT.	7297	12/12/2006	12/15/2006		110.00
TRUCK & EQUIPMENT REPAI	2006 022-451-028	MACHINERY MAINTEN	OVERHAUL ENGINE	7298	12/12/2006	12/15/2006		3,000.00
TYLER COUNTY AUTO PARTS	2006 022-451-028	MACHINERY MAINTEN	ACCT. # 7051 PCT. 2	382592	12/12/2006	12/15/2006		53.94
U PUMP IT	2006 022-451-029	GAS, OIL, GREASE	ACCT. 0002831505/PC	0026413	12/12/2006	12/15/2006		428.13
UNITED BUILDING CENTERS	2006 022-451-028	MACHINERY MAINTEN	ACCT 0484-00935000/	9674/9675	12/12/2006	12/15/2006		55.68
WAL-MART COMMUNITY	2006 022-451-028	MACHINERY MAINTEN	6032202000625559/PC	12112006	12/08/2006	12/15/2006		45.31
WALLING SIGNS & GRAPHIC	2006 022-451-040	MISCELLANEOUS SUP	PLAQUE-J. OWENS/PCT	38085A	12/12/2006	12/15/2006		10.00

 13,720.42

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VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
BILLY WILLIAMS TRUCKING	2006 023-451-032	ROAD MATERIAL	ROAD BASE & 2X4/PCT	11/02/06	12/11/2006	12/15/2006		5,954.64
CINTAS CORPORATION #084	2006 023-451-044	UNIFORMS	ACCT. # 084-02021/P	11302006	12/14/2006	12/15/2006		520.90
GARDNER OIL, INC.	2006 023-451-029	GAS, OIL, GREASE	TYCO PCT3	79561	12/11/2006	12/15/2006		540.38
GARDNER OIL, INC.	2006 023-451-029	GAS, OIL, GREASE	TYCO PCT3	79558	12/11/2006	12/15/2006		994.50
GARDNER OIL, INC.	2006 023-451-029	GAS, OIL, GREASE	TYCO PCT3	80121	12/11/2006	12/15/2006		1,573.92
GARDNER OIL, INC.	2006 023-451-029	GAS, OIL, GREASE	TYCO PCT3	80122	12/11/2006	12/15/2006		761.63
JACK ALEXANDER ROAD CON	2006 023-451-032	ROAD MATERIAL	ACCT. #TYLCO3	15739	12/11/2006	12/15/2006		464.04
JACK ALEXANDER ROAD CON	2006 023-451-032	ROAD MATERIAL	ACCT. #TYLCO3	15777	12/11/2006	12/15/2006		490.33
LAKEMAY TIRE & SERVICE	2006 023-451-030	TIRES, TUBES	ACCT. 917/PCT. 3	2458/2552	12/11/2006	12/15/2006		443.85
MARTIN HARDWARE	2006 023-451-028	MACHINERY MAINTEN	STOP LEAK, GLUE, CL	10942	12/11/2006	12/15/2006		11.87
MARTIN, ANDY	2006 023-451-032	ROAD MATERIAL	57 LOADS@14 YDS/PCT	11312006	12/11/2006	12/15/2006		798.00
MODICA BROTHERS	2006 023-451-030	TIRES, TUBES	MAINTAINER/PCT. 3	215235/21502	12/11/2006	12/15/2006		160.00
MUSTANG CAT	2006 023-451-028	MACHINERY MAINTEN	ACCT. 0792920/PCT.	2020019	12/11/2006	12/15/2006		28.62
MUSTANG CAT	2006 023-451-028	MACHINERY MAINTEN	ACCT. 0792920/PCT.	2027232	12/11/2006	12/15/2006		67.56
MUSTANG CAT	2006 023-451-028	MACHINERY MAINTEN	ACCT. 0792920/PCT.	2028100	12/11/2006	12/15/2006		79.67
POWERPLAN	2006 023-451-028	MACHINERY MAINTEN	00002833762/PCT. 3	J14803	12/11/2006	12/15/2006		94.62
SEXTON, MATTIE M	2006 023-451-040	MISCELLANEOUS SUP	11/03/06CLEAN PCT.3	11032006	12/11/2006	12/15/2006		35.00
SEXTON, MATTIE M	2006 023-451-040	MISCELLANEOUS SUP	11/24/06CLEAN PCT.3	11242006	12/11/2006	12/15/2006		35.00
TIMBERMANS SUPPLY	2006 023-451-028	MACHINERY MAINTEN	ACCT. #12025/PCT. 3	2298	12/11/2006	12/15/2006		63.83
TYLER COUNTY AUTO PARTS	2006 023-451-028	MACHINERY MAINTEN	ACCT. 7052	382226/669/2	12/11/2006	12/15/2006		138.32
TYLER COUNTY PCT IV	2006 023-395-024	TRANSFER FROM R&B	TRANS FROM RD & BRD	112006H	12/11/2006	12/15/2006		4,739.35
U PUMP IT	2006 023-451-029	GAS, OIL, GREASE	ACCT. 2831363/PCT.	0026411	12/11/2006	12/15/2006		97.01
WAL-MART COMMUNITY	2006 023-451-040	MISCELLANEOUS SUP	6032202000201559/PC	7522/2813/71	12/11/2006	12/15/2006		48.70
WALLING SIGNS & GRAPHIC	2006 023-451-040	MISCELLANEOUS SUP	T;YCOAU/PCT. 3	38085B	12/11/2006	12/15/2006		10.00

 18,151.74

ALL RECORDS FROM 12/15/2006 TO 12/15/2006 DATE-TO-BE-PAID

VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
ALLISON CHEVROLET, INC.	2006 024-451-028	MACHINERY MAINTEN	CUST. 6176 RETAIL/P	26965	12/13/2006	12/15/2006		20.94
APAC INC.	2006 024-451-032	ROAD MATERIAL	CUST. # 50019340/PC	9704725	12/13/2006	12/15/2006		1,528.03
BENCO VENTURES	2006 024-451-032	ROAD MATERIAL	TYLER CO. PCT. 4	158	12/13/2006	12/15/2006		2,000.00
BILLY WILLIAMS TRUCKING	2006 024-451-032	ROAD MATERIAL	ROAD BASE AND 2X4/P	11092006	12/13/2006	12/15/2006		8,645.49
CINTAS CORPORATION #084	2006 024-451-040	MISCELLANEOUS SUP	ACCT. 084-01423/PCT	084405003	12/13/2006	12/15/2006		38.20
CINTAS CORPORATION #084	2006 024-451-040	MISCELLANEOUS SUP	ACCT. 084-01423/PCT	084406428	12/13/2006	12/15/2006		38.20
CINTAS CORPORATION #084	2006 024-451-040	MISCELLANEOUS SUP	ACCT. 084-01423/PCT	084407845	12/13/2006	12/15/2006		38.20
CINTAS CORPORATION #084	2006 024-451-040	MISCELLANEOUS SUP	ACCT. 084-01423/PCT	08440926	12/13/2006	12/15/2006		38.20
CONFERENCE SERVICES AT	2006 024-451-040	MISCELLANEOUS SUP	REG FEE 49TH ANNUAL	17253	12/14/2006	12/15/2006		160.00
ETOX INC.	2006 024-451-028	MACHINERY MAINTEN	TYLCO3/PCT. 4	L-155816	12/13/2006	12/15/2006		110.00
GARDNER OIL, INC.	2006 024-451-029	GAS, OIL, GREASE	CUST.ID/TYCO PCT.4	795681	12/13/2006	12/15/2006		1,414.79
GARDNER OIL, INC.	2006 024-451-029	GAS, OIL, GREASE	CUST.ID/TYCO PCT.4	79571	12/13/2006	12/15/2006		1,614.89
HILLISTER TRACTOR SALES	2006 024-451-028	MACHINERY MAINTEN	CUST. # 00041/PCT.	20493H	12/13/2006	12/15/2006		465.00
JASPER ASPHALT LIMITED	2006 024-451-032	ROAD MATERIAL	COUNTYTYLER/PCT.4	1773	12/13/2006	12/15/2006		1,308.30
MODICA BROTHERS	2006 024-451-030	TIRES, TUBES	'98 GMC 2500/PCT. 4	214948/21462	12/13/2006	12/15/2006		586.72
MOTT WHOLESale, INC.	2006 024-451-028	MACHINERY MAINTEN	PCT. 4	12012006	12/13/2006	12/15/2006		710.74
OMNI HOTEL - AUSTIN	2006 024-451-043	TRAVEL, TRAINING	DETCOG MTG/COM. PCT	17251	12/08/2006	12/15/2006		97.75
RICHARD'S ELECTRIC	2006 024-451-028	MACHINERY MAINTEN	LUCAS STARTER/PCT.	12062006	12/13/2006	12/15/2006		203.00
ROARK, A. W., JR.	2006 024-451-032	ROAD MATERIAL	46 LOADS X 12 YDS/P	15	12/13/2006	12/15/2006		414.00
ROARK, DAVID	2006 024-451-032	ROAD MATERIAL	46 LOADS X 12 YDS/P	15A	12/13/2006	12/15/2006		414.00
TENNIE T. LITTLE TRUST	2006 024-451-032	ROAD MATERIAL	27 LOADS@12 YDS/PCT	5	12/13/2006	12/15/2006		486.00
TIMBERMANS SUPPLY	2006 024-451-028	MACHINERY MAINTEN	ACCT. # 12026/PCT.	196813	12/13/2006	12/15/2006		30.54
TIMBERMANS SUPPLY	2006 024-451-028	MACHINERY MAINTEN	ACCT. # 12026/PCT.	197051	12/13/2006	12/15/2006		3.96
TIMBERMANS SUPPLY	2006 024-451-028	MACHINERY MAINTEN	ACCT. # 12026/PCT.	197142	12/13/2006	12/15/2006		42.94
WAL-MART COMMUNITY	2006 024-451-040	MISCELLANEOUS SUP	6032202000201591/PC	7521/4755/36	12/13/2006	12/15/2006		47.79
WALLING SIGNS & GRAPHIC	2006 024-451-040	MISCELLANEOUS SUP	PLAQUE/J. OWENS/PCT	38085C	12/13/2006	12/15/2006		10.00
WALSTON, J A "JACK"	2006 024-451-043	TRAVEL, TRAINING	BOTH LEGISLATIVE MI	121306	12/14/2006	12/15/2006		65.86
WAUKESHA-PEARCE INDUSTR	2006 024-451-028	MACHINERY MAINTEN	ACCT. # 20300	05454134181	12/13/2006	12/15/2006		267.30

 20,800.84

ALL RECORDS FROM 12/15/2006 TO 12/15/2006 DATE-TO-BE-PAID

VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
AMERICAN EXPRESS	2007 053-451-009	UTILITIES	ACCT #3783-431528-2	112706	12/06/2006	12/15/2006		47.11
AMERICAN EXPRESS	2007 053-437-007	CCP SUPPLIES & DP	ACCT #3783-431528-2	112706A	12/06/2006	12/15/2006		21.50
CORRECTIONS SOFTWARE CO	2007 053-437-012	CCP-PROFESSIONAL	SERVICE FOR JANUARY	20069	12/06/2006	12/15/2006		995.00
DIGITAL TECHNOLOGIES 20	2007 053-451-012	CONTRACT SERVICES	CUST # TYLER	75262	12/14/2006	12/15/2006		112.50
MEDTOX	2007 053-437-007	CCP SUPPLIES & DP	ORDER#107800	114462	12/06/2006	12/15/2006		195.87
STORY-WRIGHT	2007 053-437-007	CCP SUPPLIES & DP	ACCT #101851	100964	12/06/2006	12/15/2006		59.97
TYLER COUNTY GENERAL FU	2007 053-437-014	CCP CONTRACT SERV	COMM SERVICE FOR DE	15101	12/06/2006	12/15/2006		1,000.00
WAL-MART COMMUNITY	2007 053-437-007	CCP SUPPLIES & DP	ACCT #6032202000358	2077	12/06/2006	12/15/2006		75.43

								2,507.38

12/14/2006 15:25:42

TFS COMMUNICATIONS GRANT

V/P CLAIMS LIST

VCH101 PAGE 19

ALL RECORDS FROM 12/15/2006 TO 12/15/2006 DATE-TO-BE-PAID

VENDOR NAME	ACCOUNT #	ACCOUNT NAME	ITEM/REASON	INVOICE #	VP DATE	DATE TBP	PO NO	AMOUNT
STORY-WRIGHT	2006 074-451-040	MISCELLANEOUS SUP CUST #104307		100837	12/05/2006	12/15/2006		17.23
STORY-WRIGHT	2006 074-451-040	MISCELLANEOUS SUP CUST #104307		100826	12/05/2006	12/15/2006		33.50
STORY-WRIGHT	2006 074-451-040	MISCELLANEOUS SUP CUST #104307		101637	12/05/2006	12/15/2006		49.83

100.56

TOTAL VOUCHERS

262,785.25

ROCK/GRAVEL PIT AGREEMENT

By This Agreement, made and executed in duplicate, this ____ day of _____, 2006, by and between Frank Boykin and Tyler County, Texas, the said Parties agree and contract as follows:

1. Frank Boykin in consideration of terms set forth below does hereby grant Tyler County permission to remove road materials from property located in the T.C.Holt survey, Abstract A0349 of Tyler County. The said land property shall be first removed of all timber by the land owner and all operations restricted to that area that is cleared and marked as to boundaries.
2. Said materials will be purchased for \$1.50 per yard for clay and gravel and \$5.00 a ton for racked gravel with payments due monthly. Tyler County R & B, shall be required to submit the amount of loads with their payment.
3. This Agreement will be read into the recorded minutes of the Tyler County Commissioner's Court Meeting.
4. Both parties and Tyler County Precinct I reserves the right to terminate this Agreement upon any violation of the conditions stated herein and or legal proceedings by and including third parties.
5. At all times during the term of this Agreement, said County will indemnify Frank Boykin and hold Frank Boykin harmless against any loss, liability or expense incurred by reason of claims or demands of agents, officers, or employees of Said County or of third parties on account of any bodily injury, personal injury liability or property damage sustained or alleged to have been sustained in the performance of any part of the work described by this Agreement.
6. This Agreement will automatically terminate upon completion of pit usage; County will notify Frank Boykin when completed, but shall notify Frank Boykin five (5) days prior to completion for approval before removing equipment.

If the Tyler County Commissioners Court is in Agreement to the above condition and terms set forth in this Agreement, acknowledge by signature executed in duplicate, this ____ day of _____, 2006.

Frank Boykin
Agent and/or Representative

By: Jerome Owens
Jerome Owens
Tyler County Judge

By: Martin Dash
County Commissioner, Pct. I

By: Rusty Dugher
County Commissioner, Pct. II

By: Joe Marshall
County Commissioner, Pct. III

By: J.A. Walton
County Commissioner, Pct. IV

- - Sales Summary Screen - -

Property ID : R21524 34900001759001
Legal Description: A0349 T. C. HOLT, ACRES 583.92

Sales History

ID.	Sale Type	Date of Purchase	Sale Price	Owner Name.....	...Deed Information...		
					Date	Book	Page
1.	HEIR			BOYKIN, FRANK	12/19/05	830	772

(D) - Alt. Display	(T) - Trans. Ownership	(O) - Owner Change
(SP) - Sale In Progress	(INS) - Insert a Sale	(.) More

Enter Option From Above or "RETURN" to Exit: ___

- - Property Data Selection Menu - -

Prop ID: R21524 (Real Property) Owner: BOYKIN, FRANK
 XRef ID: 34900001759001 (11491) RT 5 BOX 1312
 Legal : A0349 T. C. HOLT, ACRES 583.92 WOODVILLE, TX 75979

Situs : Owner Phone: 338-1831
 Prop Links :
 Entities : G229, GSP, HOS, SA Nbhd. Code : A0349
 CAD (Yes) Mort Lender:
 Exemptions : (Coded Reset) Freeze Year:
 Agent Info Total Land HS/NHS : 0
 ARB Docs : Total Prod. Mkt. : 408,740
 Chief Appr : Total Imp. HS/NHS : 0
 Entity Docs: Total Mkt. Value : 408,740
 *

Alt. (D)isp. (G)en. Appr.	(P)rimary (O)wnership	(S)econdary (H)istory	(L)and/Impr. (.) More
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Enter Option from Above, or "RETURN" to Exit: ___

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: County Clerk/General


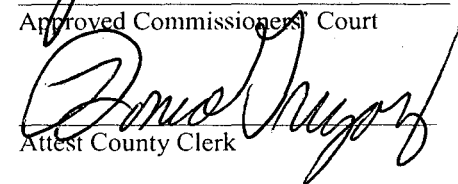
Date: December 15, 2006

Honorable Commissioners' Court of Tyler County:

I submit to you for consideration the following:

<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Bonds, Insurance	\$ 3,400.00	\$ 6,700.00	\$ 3,300.00	
Purchase of Equipment	3,700.00	400.00	(3,300.00)	
Book Binding	2,450.00	1,450.00	(1,000.00)	
Office Supplies	5,000.00	6,000.00	1,000.00	

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.


Approved Commissioners' Court

Attest County Clerk


Donece Gregory, County Clerk

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Jury Account/General


Date: December 15, 2006


Honorable Commissioners' Court of Tyler County:

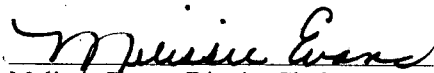
I submit to you for consideration the following:

<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Court Appointed Attys	\$ 65,000.00	\$ 73,100.00	\$ 8,100.00	
Petit Jurors	<u>28,800.00</u>	<u>20,700.00</u>	<u>(8,100.00)</u>	

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.


Approved Commissioners' Court


Attest County Clerk


Melissie Evans, District Clerk

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: 1-A Judicial District/General

Date: December 15, 2006


Honorable Commissioners' Court of Tyler County:

I submit to you for consideration the following:


<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Office Supplies	\$ 200.00	\$ 624.00	\$ 424.00	
Computer Service	700.00	326.00	(374.00)	
Travel & Education	<u>300.00</u>	<u>250.00</u>	<u>(50.00)</u>	

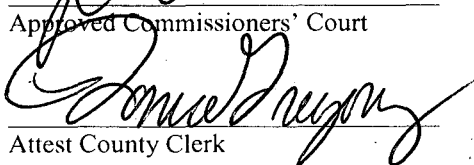
-0-

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.



Monte Lawlis, 1-A Judicial District Judge



Approved Commissioners' Court


Attest County Clerk

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Justice of Peace, Pct. 1/General

Date: December 15, 2006

Honorable Commissioners' Court of Tyler County:

I submit to you for consideration the following:

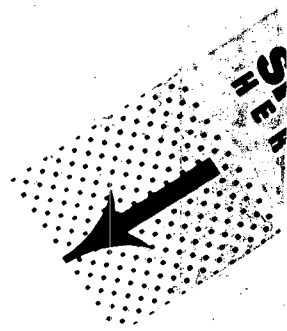
<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Office Supplies	\$ 4,000.00	\$ 2,207.00	\$(1,793.00)	
Telephone	1,948.00	3,690.00	1,742.00	
Training & Education	<u>1,030.00</u>	<u>1,081.00</u>	<u>51.00</u>	

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.

Bryan Weatherford, Justice of Peace, Pct. 1

Approved Commissioners' Court

Attest County Clerk



LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Justice of Peace, Pct. 2/General

Date: December 15, 2006

Honorable Commissioners' Court of Tyler County:


I submit to you for consideration the following:


<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Telephone	\$ 800.00	\$ 900.00	\$ 100.00	
Travel & Education	<u>500.00</u>	<u>400.00</u>	<u>(100.00)</u>	

-0-

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.


Stevan Sturrock, Justice of Peace, Pct. 2


Approved Commissioners' Court


Attest County Clerk

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Justice of Peace, Pct. 3/General

Date: December 15, 2006

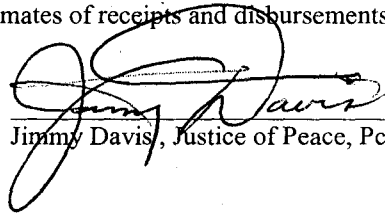
Honorable Commissioners' Court of Tyler County:

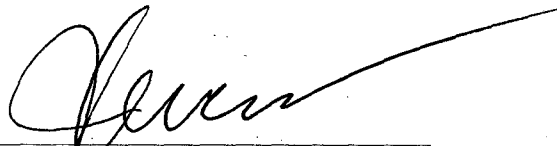
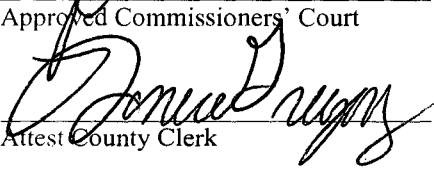
I submit to you for consideration the following:

<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Telephone	\$ 900.00	\$ 1,200.00	\$ 300.00	
Office Supplies	750.00	350.00	(400.00)	
Travel & Education	<u>700.00</u>	<u>800.00</u>	<u>100.00</u>	

-0-

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.


Jimmy Davis, Justice of Peace, Pct. 3


Approved Commissioners' Court

Attest County Clerk

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Criminal District Attorney/General

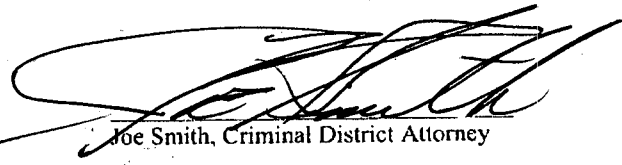
Date: December 15, 2006

Honorable Commissioners' Court of Tyler County:

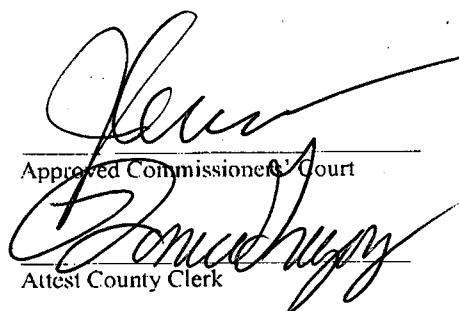
I submit to you for consideration the following:

<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Office Supplies	\$ 3,500.00	\$ 5,000.00	\$ 1,500.00	
Bonds	250.00	330.00	80.00	
Telephone	<u>6,300.00</u>	<u>4,800.00</u>	<u>(1,500.00)</u>	

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.



Joe Smith, Criminal District Attorney



Approved Commissioners' Court
Attest County Clerk

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Tax Assessor-Collector/General


Date: December 15, 2006

Honorable Commissioners' Court of Tyler County:

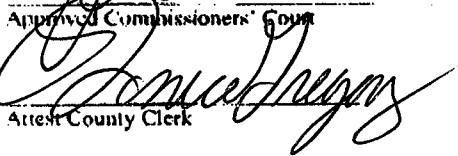
I submit to you for consideration the following:

<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Salaries	\$125,856.00	\$123,666.00	\$(2,190.00)	
Social Security	9,628.00	9,353.00	(275.00)	
Retirement	9,943.00	9,718.00	(225.00)	
Office Supplies	3,500.00	5,690.00	2,690.00	

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.



 Approved Commissioners' Court



 Attest County Clerk


 Lynnette Cruise, Tax Assessor/Collector

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Jail/General

Date: December 15, 2006

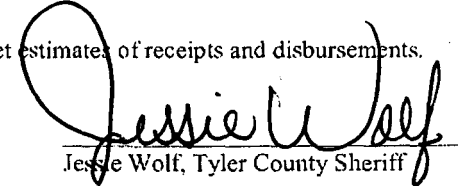
Honorable Commissioners' Court of Tyler County:

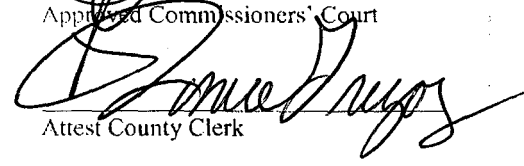
I submit to you for consideration the following:

<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Salaries	\$222,708.00	\$226,743.00	\$ 4,035.00	
Social Security	17,038.00	17,338.00	300.00	
Hospitalization	60,158.00	50,158.00	(10,000.00)	
Workers Compensation	7,791.00	6,791.00	(1,000.00)	
Unemployment	980.00	1,087.00	107.00	
Vacation, Sick Pay	3,300.00	0.00	(3,300.00)	
Overtime	1,200.00	0.00	(1,200.00)	
Prisoner Meals	40,000.00	51,058.00	11,058.00	
Jail Supplies	20,000.00	20,105.00	105.00	
Bonds	200.00	213.00	13.00	
Travel & Education	900.00	1,884.00	984.00	
Camera & Film	1,500.00	70.00	(1,430.00)	
Uniforms	1,500.00	1,508.00	8.00	
Prisoner Medical	<u>10,000.00</u>	<u>10,320.00</u>	<u>320.00</u>	

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.


Approved Commissioners' Court


Jesse Wolf, Tyler County Sheriff


Attest County Clerk

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Sheriff Department/General

Date: December 15, 2006

Honorable Commissioners' Court of Tyler County:

I submit to you for consideration the following:

Line Item	Budget	Amended	Increase (Decrease)	Additional Revenue
Salaries	\$606,672.00	\$626,194.00	\$ 19,522.00	
Social Security	46,423.00	48,523.00	2,100.00	
Hospitalization	127,702.00	126,202.00	(1,500.00)	
Workers Compensation	19,860.00	18,563.00	(1,297.00)	
Unemployment	2,417.00	2,797.00	380.00	
Vacation, Sick Pay	6,405.00	0.00	(6,405.00)	
Overtime	2,800.00	0.00	(2,800.00)	
Park Security Services	10,000.00	0.00	(10,000.00)	
Animal Control	1,500.00	119.00	(1,381.00)	
Office Supplies	5,000.00	5,175.00	175.00	
Deputies Supplies	4,500.00	4,961.00	461.00	
Telephone	12,000.00	14,592.00	2,592.00	
Bonds, Law Enf. Liability	500.00	285.00	(215.00)	
Repairs to Vehicles	15,000.00	14,255.00	(745.00)	
Gas, Oil, & Grease	60,000.00	74,837.00	14,837.00	
Tires & Tubes	5,000.00	5,614.00	614.00	
Radio Maintenance	3,000.00	675.00	(2,325.00)	
Lease Equipment	1,500.00	0.00	(1,500.00)	
Camera & Film	1,000.00	825.00	(175.00)	
Liability Insurance	11,000.00	12,816.00	1,816.00	
Uniforms	4,500.00	3,561.00	(939.00)	
Employees Physicals	350.00	135.00	(215.00)	
U. S. Marshall Transport	20,000.00	7,000.00	(13,000.00)	

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements

[Signature]

Jessie Wolf
Jessie Wolf, Tyler County Sheriff

Approved Commissioners' Court

[Signature]
Attest County Clerk

LINE ITEM TRANSFER-BUDGET AMENDMENT

Department & Fund: Law Library Fund

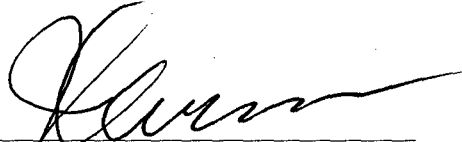
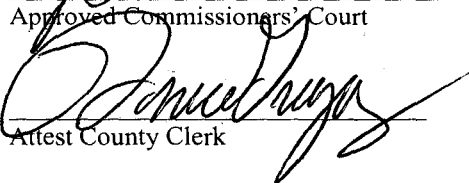
Date: December 15, 2006

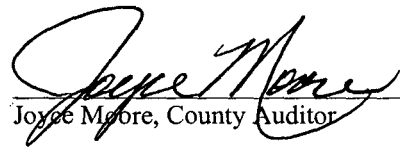
Honorable Commissioners' Court of Tyler County:

I submit to you for consideration the following:

<u>Line Item</u>	<u>Budget</u>	<u>Amended</u>	<u>Increase (Decrease)</u>	<u>Additional Revenue</u>
Library, Books, & Sup.	\$ 5,600.00	\$ 10,900.00	\$ 5,300.00	
Purchase of Equipment	<u>10,000.00</u>	<u>4,700.00</u>	(<u>5,300.00</u>)	

Reason: Invalid assumptions underlying budget estimates of receipts and disbursements.


Approved Commissioners' Court

Attest County Clerk


Joyce Moore, County Auditor



1530 Highway 327 West
Silsbee, Texas 77656
(409) 385-3971
Fax: (409) 385-5550
<http://www.southwestbldgsystems.com>
contact@southwestbldgsystems.com

Southwest Building Systems

Fire Alarm – Intercom – Nurse Call – Pro Sound – Access Control - CCTV

December 7, 2006

Re: Tyler County Nutrition Center Building

Southwest Building Systems (SBS) is pleased to provide this informational correspondence quotation for the above referenced project.

Scope of Work and specification section number if applicable:

Installation of an EST conventional Fire Alarm system for the
Nutrition Center Building _____ \$8,311.00

Terms are: 1% net 10, standard is Net 20 date of invoice. Interest as allowed by law will be accessed for all late payments. GE Lease Financing is available with approved credit, also, Master Card and Visa accepted.

As an attachment to this quotation please find enclosed the SBS include/exclude form as an integral part of this bid.

Special Instructions: This quote is valid for 90 days from the above date. After this date please contact our office for a revised quotation.

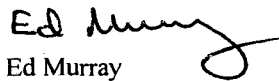
NOTE: SBS also provides sales, installation and service for the following:

Fire Alarm Systems, Communications Systems (Integrated Nurse-Call, Intercommunications, Call-Ins and Paging, Master and Secondary Clock Systems, Audio Visual), Professional and Portable Sound systems, Microphones, Amplifiers, Equalizers, Speakers and Accessories, Battery Back-up and Surge protection devices, Projector screens, and other electronic equipment.

Services include monitoring of Fire Alarm and Security systems, and Inspections for Fire Alarm, Code Blue, Intercommunication, Nurse Call and Sensitivity Testing for Fire Alarms.

Southwest Building Systems specializes in Life Safety and Communication Systems for Government, Education, Healthcare and Commercial Business. We are NICET certified in the fields of Fire Alarm and Audio Systems as well as installation of Intercom, Nurse Call and Pro Sound. For more information please visit our web site at <http://www.southwestbldgsystems.com>.

Sincerely,


Ed Murray

Sales – Service – Installation
20 Plus Years Building Electronic Systems



County of the Dogwood Festival

JOYCE MOORE

TYLER COUNTY AUDITOR
100 WEST BLUFF ROOM 106
WOODVILLE, TEXAS 75979



(409) 283-3652

December 15, 2006

TO THE HONORABLE COMMISSIONERS' COURT:

Tyler County received two proposals for the FY 2006, 2007, and 2008 independent audits of the county.

Pattillo, Brown, & Hill, LLP	&	Sanderson, Knox & Belt, LLP
Waco, Texas		Houston, Texas
Compensation		
2006	\$ 16,000.00	2006 \$ 12,000.00
2007	16,000.00	2007 10,850.00
2008	16,000.00	2008 11,250.00

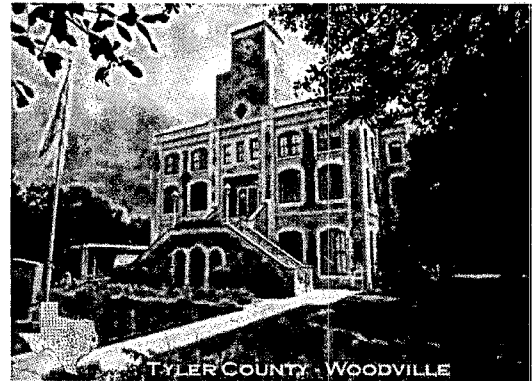
It has been suggested that we continue with our current auditor, Pattillo, Brown, & Hill, LLP FY 2006, and engage Sanderson, Knox, & Belt, LLP for FY 2007 and 2008. Both firms are very competent and experienced in government auditing with our current auditing firm having considerably more experience in county audits. Since we have the FEMA single audit in 2006, it may move more smoothly with someone we are already accustomed to.

I am agreeable to this arrangement.

Sincerely,

Joyce Moore
County Auditor

TYLER COUNTY, TEXAS



**PROPOSAL FOR
PROFESSIONAL AUDIT SERVICES**

DECEMBER 6, 2006

**PATILLO, BROWN & HILL, L.L.P.
401 WEST HIGHWAY 6
WACO, TEXAS 76710**

TELEPHONE NUMBER: 254/772-4901

**CONTACT: JOHN K. MANNING, CPA
CHRIS PRUITT, CPA**

COPY

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PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

December 6, 2006

Ms. Joyce Moore, County Auditor
Tyler County Courthouse
100 Courthouse, Room 303
Woodville, Texas 75979

We are pleased to have the opportunity to submit the accompanying proposal to serve Tyler County, Texas, as independent auditors for the fiscal year ending December 31, 2006.

We believe that our firm possesses certain unique characteristics and qualifications that are well matched to Tyler County, Texas' needs. We are a sophisticated 100-person regional accounting firm with a broad client base, with a particular concentration in government audits. We have extensive experience in audits of counties as indicated in our list of references. We believe that these attributes are critical elements to the maintenance of a beneficial relationship between the County and its independent auditors.

We have been a member of the AICPA for over 40 years and are a member of the AICPA Peer Review Quality Control Section. As such, we are required to undergo peer reviews every three (3) years. We completed our most recent review in 2004 and received an unqualified report. In addition, we also received no "letter of comments," and therefore achieved the highest possible rating, obtained by only approximately 5% of accounting firms across the nation. Because of our high quality standards, we have been approved by the AICPA to perform numerous peer reviews of other CPA firms across the nation.

We have identified for Tyler County, Texas an experienced and proven service team. As you can see from the résumés included in this proposal, your audit team will have significant experience serving government clients, including counties, and are actively involved in professional organizations that allow us to keep abreast of issues facing government organizations.

Our work will be scheduled to facilitate the needs and convenience of the County. We will adhere to all deadlines of the County and cognizant agencies, as well as requirements of the GFOA. Schedules will be coordinated with the Finance Committee in order to fit their schedules and demands.

We estimate the total all-inclusive maximum price for our services to be approximately \$16,000. In no event would our fees be greater unless you request additional work and we have prior approval from you. We commit to Tyler County to provide the flexibility and manpower to meet your needs for staffing on a timely basis.

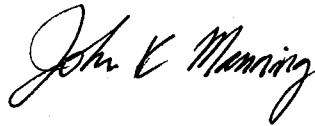
The following persons are authorized to conduct contract negotiations for Pattillo, Brown & Hill, L.L.P. They may be reached by telephone at (254) 772-4901. The address is 401 West Highway 6, Waco, Texas 76710.

John Manning, Audit Partner
Chris Pruitt, Audit Partner

We appreciate your consideration of our firm as your auditors in the coming years and look forward to discussing our merits further with you. This proposal is a firm and irrevocable offer.

Yours truly,

PATTILLO, BROWN & HILL, L.L.P.



John K. Manning, CPA

JKM/dw

If this proposal is acceptable, please indicate your acceptance below. **ACCEPTED BY:**

Signature

Title

Date

TECHNICAL PROPOSAL

GENERAL REQUIREMENTS

- **INDEPENDENCE**

We are independent in regard to Tyler County, Texas (and all of the component units of Tyler County, Texas), as defined by auditing standards generally accepted in the United States of America, as well as the U. S. General Accounting Officer's Government Auditing Standards (1994).

- **LICENSED TO PRACTICE IN TEXAS**

The firm and all key professional staff assigned to your audit will be CPAs licensed to practice in Texas.

- **PROFESSIONAL RELATIONSHIPS WITH TYLER COUNTY**

We have had no professional relationships or prior engagements with Tyler County within the last five years, except as your independent auditors.



SPECIFIC AUDIT APPROACH

SPECIFIC AUDIT APPROACH

John Manning, CPA, will be the partner in charge of the audit. Chris Pruitt, CPA, will be the concurring partner. All of the aforementioned personnel are familiar with the activities and accounting procedures associated with a county's operations. (See Résumés in this proposal)

GENERAL PLANNING PROCEDURES

We would prefer to perform preliminary audit procedures prior to the County's fiscal year-end. These procedures will be designed to gather information necessary to obtain an understanding of the entity's operations, organization and internal controls. We will make an initial assessment of the risk of material misstatement of the financial statements and of material noncompliance with laws, regulations, and provisions of federal and state contracts and grant agreements. We will determine if a single audit is required under OMB Circular A-133 and the State of Texas Single Audit Circular. A determination of the County's major federal and state programs will be made, and which tests of controls and compliance tests are to be performed. Audit work programs will be prepared for each significant area covered by the audit and a complete time budget by audit area will be completed at this time. Staffing assignments will be determined and the audit plan will be discussed with appropriate officials. We will provide you with a list of items to assemble prior to the start of fieldwork in order to facilitate the timing of the audit.

SUBSTANTIVE TESTING AND TESTS OF CONTROLS

We will perform procedures in order to determine that the financial statements are presented in accordance with accounting principles generally accepted in the United States of America applied on a consistent basis and that all material disclosures have been made. The financial statements will be cross-referenced to supporting statements and schedules within the report, to footnotes and to the related audit working papers.

All working papers will be systematically organized and referenced. They will be in sufficient detail to facilitate review by the County and/or cognizant state agency or federal oversight agency. Any weaknesses in internal accounting control or suggested improvements in accounting procedures will be summarized in the working papers and presented in the form of a management letter at the close of the engagement. Our working papers will be subject to continuous review beginning at the senior level and progressing through the manager to final review by a partner at the end of fieldwork.

We will make an organization-wide financial audit in regard to the basic financial statements and combining statements and perform work necessary to provide an "in-relation-to" report on other schedules.



Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants as included in "Statements on Auditing Standards" and AICPA Industry Audit Guide "Audits of State and Local Government Units", the standards for financial and compliance audits contained in the United States General Accounting Office's "Government Auditing Standards" (1994 revision), the Single Audit Act Amendments of 1996, Vernon's Texas Codes Annotated, Local Government Code, and the Office of Management and Budget's Circular A-133. We will apply such tests of your accounting records and account balances as are necessary for us to express an opinion regarding the conformance of your financial statements with accounting principles generally accepted in the United States of America, and compliance with applicable regulatory standards and law, as stated in this paragraph. Accordingly, our audit will be an integrated audit and shall encompass the entirety of your financial operations.

The financial statement audit will be to determine whether (1) the financial statements present fairly the financial position, results of operations, and cash flows or changes in financial positions in accordance with accounting principles generally accepted in the United States of America, and (2) whether Tyler County, Texas, has complied with the laws and regulations for those transactions and events that may have a material effect on the financial statements. The financial related audit also includes determining (1) whether financial reports and related items are fairly presented, (2) whether financial information is presented in accordance with established or stated criteria including Statement 1 of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA) publication "Governmental Accounting, Auditing, and Financial Reporting" and (3) whether the County has adhered to specific financial compliance requirements.

We will select statistical samples of disbursements of the County on an organizational wide basis. The samples will be selected randomly from the population of all checks of all County bank accounts. Sample sizes are normally limited to 60 payroll transactions and 60 other transactions as higher sample sizes statistically do not provide significantly higher levels of reliance on the sample chosen. Additional samples of transactions of federal and state programs may be required in varying degrees by OMB Circular A-133 and the State of Texas Single Audit Circular, based on levels of funding. Such sample sizes typically are smaller due to the limited scope of the population.

Determination of laws and regulations applicable to transactions selected by transaction tests and those which will require additional audit test work will be determined in accordance with the American Institute of Certified Public Accountant's "Statement on Auditing Standards" and the GAO's "Government Auditing Standards" (1994 revision).

Analytical procedures will be performed on significantly all areas of the County's financial statements. The complexity of such procedures will be to the extent we consider necessary in the circumstances of the various areas. The complexity should not effect estimated time for the engagement as we plan for substantial amount of the information required in the analytical review to be compiled from schedules described in your request for proposals. We will use our personal computers to compile information and perform calculations necessary for this review whenever possible.



As a part of the audit of the basic financial statements, the annual audit will also include obtaining an understanding of the County's internal control structure and reporting any reportable conditions relating to the internal control structure that comes to our attention. Any material weakness noted during our study and evaluation of internal accounting and administrative controls will be reported.

As part of the audit of the basic financial statements, transactions and records pertaining to federal and state programs will also be tested for material compliance with federal and state laws, rules and regulations, and all instances of noncompliance will be reported to Tyler County, Texas.



**FIRM QUALIFICATIONS
AND EXPERIENCE**

FIRM QUALIFICATIONS AND EXPERIENCE

We sincerely appreciate the opportunity to present our proposal to Tyler County to provide professional auditing services. We believe that our firm possesses certain unique characteristics and qualifications that are well matched to Tyler County's needs. We are an 100-person regional accounting firm with a broad client base, with a particular concentration in governmental auditing. We have prepared the following description of our firm qualifications and experience for Tyler County, which discusses our expertise and our ability to serve you.

As mentioned previously, we believe that Pattillo, Brown & Hill, L.L.P. is well suited to serve your needs. The reasons are as follows:

- **EXPERIENCE**

We have in-depth experience, presently serving over 100 governmental clients. Members of our firm are members of the Association of Government Accountants, Government Officers Finance Association of Texas, the Texas Society of CPAs Government Accounting Standards Committee, and the Special Review Committee of the GFOA. Many of our clients have elected to pursue the Certificate of Achievement for Excellence in Financial Reporting on a regular basis. In all instances where we have been associated with this pursuit, the GFOA has awarded our client the certificate. Government audits continue to be the fastest growing segment of our client base. We are committed to serving this segment, and continue to expand our department and the scope of services offered to governmental organizations. Because of this commitment, we are able to assign experienced government auditors to serve Tyler County on a continuing basis, and still rotate staff for audit team members during a multi-year contract if desired.

- **A REPUTATION FOR QUALITY**

Pattillo, Brown & Hill, L.L.P. is one of the oldest and most well respected accounting firms in Texas. As an indication of our commitment to quality, we are a member of the AICPA SECPS as well as the PCPS Peer Review quality control sections. As such, we are required to undergo peer reviews every three (3) years. These sections have the highest evaluating criteria of all AICPA member groups and include reviews of governmental entities. We completed our most recent review in 2004 and received an unqualified report. In addition, we also received no "letter of comments," and therefore achieved the highest possible rating, obtained by only approximately 5% of accounting firms across the nation. Because of our high quality standards, we have been approved by the AICPA to perform numerous peer reviews of other CPA firms across the nation. Our review was performed by a member of the AICPA Auditing Standards Board.



- **APPROPRIATE SIZE**

Pattillo, Brown & Hill, L.L.P. was founded in Waco in 1923 and has been in continuous existence since that time. We are a regional certified public accounting firm with offices in Waco, Temple, Brownsville, and Hillsboro, Texas, and Albuquerque, New Mexico. It is our goal to provide personalized services of the highest quality to our clients. We have earned a reputation for professional excellence through our demonstration of quality work and sound financial advice. Our personnel have devoted many years developing knowledge in auditing, accounting and consulting services.

Our Waco office, from which this engagement would be performed, consists of 8 partners, 10 managers, and 35 other professionals. Our government audit department in the Waco office consists of 4 partners, and 20 other professionals. All of these professionals work almost exclusively on government engagements.

Our unyielding commitment to client service has resulted in the growth of our client base, positioning Pattillo, Brown & Hill, L.L.P. between the very large national accounting firms and smaller, locally-oriented firms. We are large enough to have the resources and personnel to resolve even the most complex accounting or compliance issue, but small enough to give you the personalized service that our clients deserve.

- **COMPETENT, EXPERIENCED PERSONNEL**

We consider well-trained and experienced professionals to be the single most important element necessary to providing the highest level of service to a client. We believe that we offer our clients a unique blend of technical expertise and responsiveness that is sometimes unavailable from larger firms who may be focused on more sizable engagements. We have identified for Tyler County an experienced and proven service team. As you can see from the resumes included in this proposal, your audit team will have significant experience serving governmental clients including counties, and are actively involved in professional organizations that allow us to keep abreast of issues facing governmental organizations.

Our commitment to professional qualifications is evidenced by the following:

- One former member served on the Texas State Board of Public Accountancy.
- One former member is past president of the Texas Society of CPAs.
- Several members are past chairmen and several are current chairmen or members of Committees of the Texas Society of CPAs including the Society's Government Accounting Standards Committee.
- Members are heavily involved in continuing professional education programs sharpening technical skills.



- Our Firm includes members of the Association of Government Accountants and the Government Finance Officers Association of Texas.
- Four members of our firm are members of the GFOA Special Review Committee.

- ***TIMELINESS AND RESPONSIVENESS***

We regard timeliness and responsiveness to be critical elements to providing quality service to our clients. We are committed to delivering reports in advance of established deadlines. With over 60 professional personnel available, we are able to complete our work according to **your** timetable. Additionally, we are solidly committed to promptly responding to questions as they arise. We encourage our clients to contact us during the year to discuss accounting or regulatory issues.

- ***VALUE AND EFFICIENCY***

We recognize that clients expect the services rendered by their professional accounting firm to go beyond the financial statements. We understand the expectations of our clients and welcome the opportunity to serve not only as auditors, but also as advisors. Our approach places substantial emphasis on the need to thoroughly understand your operations. This audit approach allows us to contribute constructive suggestions regarding your internal controls, operating and accounting procedures, and other matters worthy of management's attention. In addition, our clients want professionals who perform their work in an efficient manner with a minimum disruption to the County's staff. Our professionals possess these capabilities.



***PARTNER, SUPERVISORY AND STAFF
QUALIFICATIONS AND EXPERIENCE***

DETAIL OF SPECIFIC ASSIGNMENTS WITHIN THE AUDIT TEAM

The following descriptions detail the specific responsibilities of each member of your audit team.

Partner

Engagement Partner: John Manning, CPA
Concurring Partner: Chris Pruitt, CPA

The partner assigned to your audit team is responsible for the overall administration of the audit and final review and approval of all reports and workpapers. In addition, the partner oversees the manager who is directly responsible for your engagement.

Senior Auditor

The senior audit supervisor is directly responsible for planning and directing the fieldwork during the engagement. In addition, the senior auditor is responsible for supervising all staff auditors assigned to your engagement.

Staff Auditors

Staff auditors work under close supervision of the senior-in-charge. All staff auditors will have significant experience working on audits of counties.



JOHN K. MANNING, CPA
Audit Partner

John will serve as the Audit Partner of your engagement, and will be directly responsible for planning and controlling the audit. John has conducted numerous training seminars within our firm and for government organizations, most recently on developing and implementing policies and processes to generate financial statements in compliance with the new GASB requirements including system capabilities, personnel issues, accounting and reporting issues and implementation timelines.

Experience

Hill County
Cameron County
College Station Independent School District
Montgomery County
Nacogdoches Independent School District
Jasper County

Midway Independent School District
Ellis County
Brownsville Independent School District
Leon County
City of Pearland
Denton County

Educational Background

BBA in Accounting

University of Mary Hardin-Baylor

Continuing Professional Education

2005 County Auditors Institute
2005 GFOA 99th Annual Conference
2005 SAS 99: A Practical Approach for Local Governments
2005 GASB Update
2005 Financial Reporting for Local Governments
2005 Texas Society of CPAs: Texas School District Accounting and Auditing Conference
2004 Firm Summer Audit Training
2004 Texas Society of CPAs: Texas School District Accounting and Auditing Conference
2004 County Auditors Institute
2004 Government Finance Officers Association Annual Conference
2003 Single Audits
2003 County Auditors Institute

Professional Organizations

American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants
Texas Association of School Business Officials
Special Review Committee of GFOA



CHRIS PRUITT, CPA
Concurring Partner

Chris will serve as the concurring partner of your engagement, and will be directly responsible for planning and controlling the audit. Chris has conducted numerous training seminars within our firm and for government organizations, most recently on developing and implementing policies and processes to generate financial statements in compliance with the new GASB requirements.

Sample of Governmental Experience

City of Forest Hill
City of Fredericksburg
Bowie County
City of Pearland
City of Rosenberg
City of Columbus
City of Corsicana
City of San Marcos
Limestone County

Brazos Valley Council of Governments
City of Balch Springs
Sabine River Authority
City of Waco
City of Forest Hill
Grayson County
City of Kennedale
Henderson County
Nacogdoches County

Educational Background

BBA in Accounting

University of Texas at Austin

Continuing Professional Education

2006 Firm Summer Audit Training
2006 County Auditors Institute
2006 GFOAT Spring Institute
2005 GFOA 99th Annual Conference
2005 SAS 99: A Practical Approach for Local Governments
2005 GASB Update
2005 Financial Reporting for Local Governments
2005 Texas Society of CPAs: Texas School District Accounting and Auditing Conference
2004 Firm Summer Audit Training
2004 Texas Society of CPAs: Texas School District Accounting and Auditing Conference
2004 Government Finance Officers Association Annual Conference

Professional Organizations

American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants
Special Review Committee of GFOA



**AUDIT ENGAGEMENTS WITH
OTHER GOVERNMENT ENTITIES**

PRIOR FIRM EXPERIENCE IN PUBLIC SECTOR AUDITS

Below is a sample of single audits within the last five years with reporting situations similar to Tyler County, Texas. Please feel free to contact any of the below mentioned references as you so desire.

<u>Auditee</u>	<u>Name/Address/Telephone</u>
* McLennan County Partner – John K. Manning Manager – Chris Pruitt Total hours – 571	Steve Moore Waco, Texas 254/757-5156
* Denton County Partner – John K. Manning Manager – Paula Spiegelhauer Total hours – 720	James Wells Denton, Texas 940/565-8575
* Henderson County Partner – John K. Manning Manager – Chris Pruitt Total hours – 477	Winston Duke Athens, Texas 903/675-6145
* Williamson County Partner – Todd Pruitt Manager – Chris Pruitt Total hours – 505	David U. Flores Georgetown, Texas 512/930-4321

* These entities received their Certificate of Excellence in Financial Reporting from the GFOA.

OTHER REFERENCES

Listed below are additional references with similar auditing requirements to Tyler County.

- **OTHER REFERENCES**

County Governments

Bastrop	Freestone	Jasper	Navarro
Bosque	Gillespie	Kaufman	Orange
Cameron	Grayson	Leon	Robertson
Collin	Gregg	Limestone	Sabine
Denton	Grimes	Medina	Tyler
Dimmitt	Henderson	McLennan	Upshur
Ellis	Hill	Montgomery	Walker
Fannin	Hood	Nacogdoches	Williamson
			Wood

City Governments

Athens	DeSoto	Hillsboro	San Benito
Bellmead	Duncanville	Kennedale	San Marcos
Belton	Eagle Pass	Kerrville	Sherman
Beaumont	Fairfield	Lacy-Lakeview	Stephenville
Caldwell	Forest Hill	Live Oak	Thornton
Clifton	Fredericksburg	Mart	Waco
Corinth	Gatesville	Mexia	Wylie
Corsicana	Hearne	New Braunfels	
Del Rio	Hewitt	North Richland Hills	

Councils of Governments

Alamo Area Council of Governments
Brazos Valley Development Council
Concho Valley Council of Governments
East Texas Council of Governments
Heart of Texas Council of Governments
Permian Basin Regional Council of Governments
South East Texas Regional Planning Commission



• **EXPERIENCE WITH GFOA'S CERTIFICATE OF ACHIEVEMENT**

As indicated below, many of our clients have elected to pursue the Certificate of Achievement for Excellence in Financial Reporting. In all instances where we have been associated with this pursuit, the GFOA has awarded the entity the certificate. Moreover, our governmental audit staff includes three members of the Special Review Committee of the GFOA. The following is a sample of our clients that have received this award in the past.

Abilene Regional MHMR Center	Grayson County
Brazos Valley Council of Governments	Henderson County
City of Cedar Park	Hood County
City of Colleyville	City of Kennedale
Collin County	McLennan County
City of Deer Park	City of North Richland Hills
Denton County	City of Rosenberg
City of Duncanville	City of San Marcos
City of Eagle Pass	South Plains Association of Governments
East Texas Council of Governments	City of Stephenville
Ellis County	City of Waco
Town of Flower Mound	City of West University Place
City of Friendswood	Williamson County



COMPENSATION

COMPENSATION

Concern over the level of fees for professional services pervades business today. We are sensitive to this concern, and are committed to ensuring that all appropriate actions are taken to maintain fees at reasonable levels through effective planning and coordination of our work with you. The following table outlines the professional fees to perform the services you have requested.

Services	Total All-Inclusive Fee
<ul style="list-style-type: none"> • Audit of financial statements • Issuance of a management letter containing comments on internal control structure and other matters for the consideration of management • Telephone conversations throughout the year • Issuance of Single Audit reports • Costs associated with Single Audit compliance 	\$16,000

Other consultation and assistance would be billed on an hourly basis. We would apprise you of the estimated fees before beginning any specific project approved by you.

Our stated fee includes all out-of-pocket expenses and will not be exceeded unless significant new audit, accounting, or regulatory requirements are implemented.

RATES FOR ADDITIONAL PROFESSIONAL SERVICES

If it should become necessary for the County to request the Auditor to render any additional services to either supplement the services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued during this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the County and the Firm shall be performed at the same rates set forth below:

Partner	\$100
Manager	80
Senior	65
Staff	55

SUBSEQUENT YEARS' FEES

	County
2007	\$ 16,000
2008	16,000



CONCLUDING REMARKS

As outlined in this proposal, we believe that our firm is well matched to Tyler County's needs. To summarize:

- We have significant experience auditing governmental organizations, including counties.
- We can provide you with timely services at a reasonable cost.
- We have extensive experience with the Certificate of Achievement Program of the Government Finance Officers' Association (GFOA). In fact, four members of our firm are active members of the Special Review Committee of the GFOA.
- We are committed to meeting your deadlines.

Pattillo, Brown & Hill, L.L.P. prides itself on being responsive to the needs of our clients. We believe this proposal underscores the points that set us apart from other accounting firms. We look forward to the opportunity to develop a mutually beneficial relationship with Tyler County, Texas.



PEER REVIEW REPORT



EUBANK & BETTS

A Professional Limited Liability Company

CERTIFIED PUBLIC ACCOUNTANTS

3820 Interstate 55 North / Post Office Box 16090 / Jackson, Mississippi 39236-6090 / Phone (601) 987-4300 / Fax (601) 987-4314

October 27, 2004

To the Partners
Pattillo, Brown & Hill, L.L.P.
and the Center for Public Company Audit Firms
Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, L.L.P. (the firm), applicable to non-SEC issuers in effect for the year ended May 31, 2004. The firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issue by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice applicable to the non-SEC issuers of Pattillo, Brown & Hill, L.L.P. in effect for the year ended May 31, 2004, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the firm with reasonable assurance of complying with applicable professional standards.

EUBANK & BETTS, PLLC

PROPOSAL FOR AUDITING SERVICES

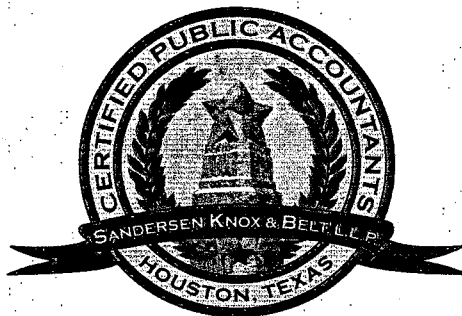
**TYLER COUNTY,
TEXAS**

**Fiscal Year Ended
December 31, 2006
2007 and 2008**

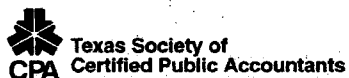
**Submitted
December 11, 2006**

By:

Robert Belt, CPA
Managing Partner, Houston Office



730 North Post Oak Road, Suite 202
Houston, Texas 77024
(713) 263-1123 (713) 263-1550 fax
rbelt@texasauditors.com



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ENGAGEMENT LETTER, PEER REVIEW OPINION LETTER

LETTERS OF RECOMMENDATION



LETTER OF TRANSMITTAL

December 11, 2006

*County Judge and Members
Of Commissioners Court:*

We greatly appreciate the opportunity to submit a proposal to perform Tyler County's (the "County") financial audit. It is our goal to demonstrate in our executive summary and through out the remainder of this document the benefits of our firm and our ability to deliver superior services so you will be confident in entrusting these vital services to us. It is particularly an honor to present this proposal to you since I was born in Tyler County and have family and firm auditors who live in the County.

While an audit may be viewed in many different ways, we provide public confidence and the resources needed to improve your County: public confidence that your financial statements are correct and that the County has complied with relevant policies, laws, and regulations. After all, what good are numbers if no one believes them and rules if no one follows them? In addition, our audits are designed to facilitate change in order to better the County's operations through advice, comments on results, and fraud prevention, while ensuring the best practices are utilized. Understandably, we are providing more than just an opinion letter in a bound set of financial statements.

The task of selecting an auditor can be difficult. While certain attributes, such as fees or size can be quantified, other more relevant factors can not. Who is going to do the best job, produce the most value, be the easiest to work with and deliver what they promised when they promised it? Fortunately for our firm we have a long list of local satisfied governmental clients. Furthermore, as more fully described in our executive summary section to follow, your vote of approval in our firm can be cast for the following reasons:

Quality firm, audits, and reports
Client satisfaction and client retention
Government focus and success
County experience
Government commitment
Unmatched service, unmatched value

In short, we are confident our firm surpasses our competitors in our ability to provide public confidence and serve as a resource to improve your County. As always, we welcome your questions and the opportunity to serve you, so please feel free to contact me or any member of our staff.

Sincerely,

Robert Belt, CPA
Managing Partner, Houston Office

EXECUTIVE SUMMARY

Sandersen Knox & Belt, L.L.P. offers an unmatched combination of experience, quality, and value in the service of our clients and we believe our firm is hands down the best choice for Tyler County's auditing needs. We would be honored to work for you. Here's why:

QUALITY FIRM, AUDITS, AND REPORTS

Because of our firm's unyielding commitment to quality, we have, since the inception of our firm, consistently obtained the highest possible rating on our quality controls, in accordance with the American Institute of Certified Public Accountants' (AICPA) *Statements on Quality Control Standard*. This can be attested to by our independent peer reviewer under the standards established by the Peer Review Board of the AICPA, which equates to public confidence in our practice and your financial statements. In addition, we are among a select group of firms that are members of the AICPA's Government Audit Quality Center and have a long track record of favorable desk reviews by government oversight agencies. Since the inception of our firm, all of the Comprehensive Annual Financial Reports (CAFR) we prepared or reviewed have received the GFOA's Certificate of Achievement for Excellence in Financial Reporting. Accordingly, the County can rest assured of our commitment to quality.

CLIENT SATISFACTION AND RETENTION

It is difficult to measure the quality of audit service, but client retention may be the best indicator. Satisfied clients in any industry rarely seek to change service providers. Our Houston-based audit team prides itself on its track record of ensuring prompt and professional service to our growing family of clients. These high standards yield our Houston office an annual retention rate of 98% over the last seven years (one of the best client retention records in the nation). We remain committed to providing prompt, responsive, courteous service for our clients and have fair billing practices. We have gained a reputation by being great at auditing governmental entities.

GOVERNMENT FOCUS AND SUCCESS

Our Houston Office's main focus is auditing governmental entities in Houston's greater metropolitan region. This focus is born on the concept of "do one thing, and do it well." Accounting and auditing governmental entities is complex and requires strict dedication to this area to ensure a good job. As a firm we audit over 80 governments annually, and that list grows each year. Last year our Houston Office alone audited governmental assets of more than \$1.2 billion and revenues more than \$450 million. Our focus has been rewarded by an increased market share.

COUNTY EXPERIENCE

We currently audit the Counties of Polk, San Jacinto and Liberty. We have audited Polk County for the past six years and San Jacinto County for the past fifteen years. We will be auditing Liberty County for the first time this year. Our firm has audited Fort Bend County in the past, and members of our staff have been involved in the audit of Galveston County.

EXECUTIVE SUMMARY (CONTINUED)

EXPERIENCE EQUALS EXCELLENCE

Experience, when galvanized by dedication and integrity, yields excellence. Excellence, in turn, creates confidence and trust. With two offices and personnel with well over a century's worth of combined professional experience, Sandersen Knox & Belt, L.L.P. has earned the trust and respect (and therefore the business) of some of the area's largest governments. We count among our valued clients, the City of Baytown, the Alabama-Coushatta Tribe of Texas, and the Harris County Appraisal District. Our clients take comfort in the knowledge that the governing bodies of the largest governmental entities within their given classifications have entrusted their audit business to our firm.

COMMITMENT

We are committed to serving the needs of the organizations that provide for our communities' basic infrastructure, social services, and development, through the delivery of audit services geared specifically to aid in accomplishing their mission. We recognize the accounting, reporting, and operating needs and challenges of governments are vastly different than a business. As a result, we have assembled a group, led by our Houston Office's managing partner with seventeen years experience, especially devoted to the organizations serving to better our community. The Houston area is our home, and both our offices and residences are located here. We believe our regional presence and perspective is a great asset to our clients. Because of this we also insist our internal peer review audit is conducted by a local (as opposed to an out-of-state) firm. Our Houston office is entirely dedicated to the needs of governmental entities, and our whole office is structured around this commitment to best service organizations such as the City. Houston-based, our commitment is to the entities of this marketplace, this region, and this community, and our local presence and unmatched service have been rewarded by a dramatically increasing market share.

UNMATCHED SERVICE, UNMATCHED VALUE

Our firm remains unmatched in its capabilities, local interests, quality of service, and resulting public confidence. Organizations can almost certainly find less expensive auditors, particularly from firms outside the region, but they'll be hard pressed to find a better value. In addition, much larger firms, with matching attitudes and where fees abound, are often so big they lose sight of their clients. In Houston we are all too familiar that being a giant in the public accounting industry is no assurance of a job well done. We firmly believe that we have achieved the correct formula and composition within our firm to ensure delivery of the best value to the City.

CONCLUSION

We are working to build a legacy for our firm and our life's work by ensuring our work meets the highest professional standards, without exception, and achieving the highest client satisfaction with our services. With our stellar past history of proven experience, client retention and satisfaction, integrity, and commitment to the local market, we look forward to providing you with exceptional audit services, and we would be delighted to be engaged by Tyler County.

FIRM PROFILE



Local governments are complex entities with equally challenging financial and operating requirements, and it has been my goal to build an audit based firm to address these complexities. Today we help over 80 governments with their annual audit requirements. In addition, each year we are regularly engaged to help governments with specific challenges.

By obtaining the top talent in the industry, retaining them through our core values, and providing the highest standards in customer service, we ensure the growth of our firm and continuation of client relationships. Our Houston office has sustained a measured growth rate of 15% and 97% client retention rate the past seven years. It would be my pleasure to help you.

*~Robert Belt, CPA
Managing Partner,
Houston Office*

OVERVIEW

In comparison to most public accounting firms, our firm is unique in a number of ways. Our core service is auditing governments in the Greater Houston region. While the CPA professional has no "specialist" designation, this is the only service provided by our Houston office. Consequently, we audit fairly large governments relative to our total staff size. This sole focus allows us to structure our firm to be more responsive and bring considerably more value to our governmental audit clients.

In 2005 our Houston Office was entrusted to audit \$1.2 billion in assets and over \$450 million in total revenues. The operating budgets of many of these governments are larger than average and some of our clients are the largest of their type in Texas, such as the Harris County Appraisal District and the Alabama-Coushatta Tribe of Texas.

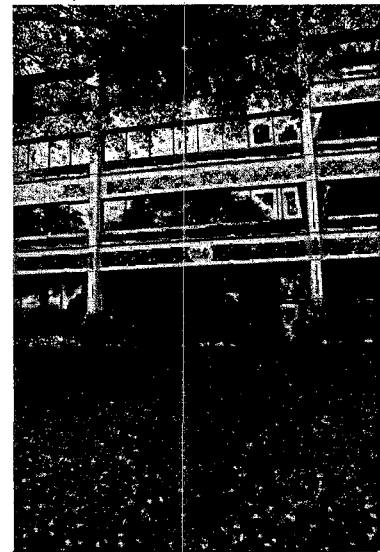
By building a reputation of excellence, we have maintained a 15% growth rate in new clients, while maintaining one of the highest client retention rates in the industry, 97%, seven years running. We have accomplished this unique position by focusing not only on a single market segment (government audits) but also on quality clients and employees rather than on quantity. A partial listing of our clientele for our Houston office and contact information is included in the experience section of this proposal.

PROFESSIONAL STAFF

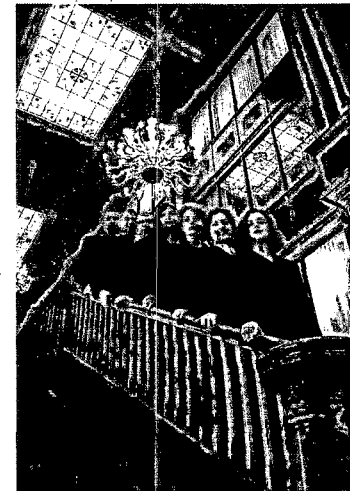
We are dedicated to serving governmental entities, and that level of commitment is reflected in the caliber of our personnel. In addition, the government audit experience level of our Houston audit team is unsurpassed, as they are strictly dedicated to this task.

Normally this concentration of talent and experience could only be found in a firm of 300+ personnel, but we have found that we can provide the best service, at the lowest possible rate for governments, by simply eliminating unrelated services. With four partners, two managers, three senior auditors, six in-charge auditors, and a support staff of four, for a total of approximately twenty personnel, we surpass the government audit capabilities of considerably larger firms. Our staff's knowledge, understanding, and ability to audit a government are unmatched, regardless of overall firm size. Pictured to the right is the audit team for your engagement.

The lack of a "tax season" helps ensure our staff are fresh and focused on auditing. We attract and retain staff by promoting family values and frowning on excess overtime.



Our Houston Office -
730 N. Post Oak Rd.
(Intersection of 610 W and I-10 W -
Directly across from the Forum)



Our Houston Office -
Government Audit Team

GOVERNMENT EXPERIENCE



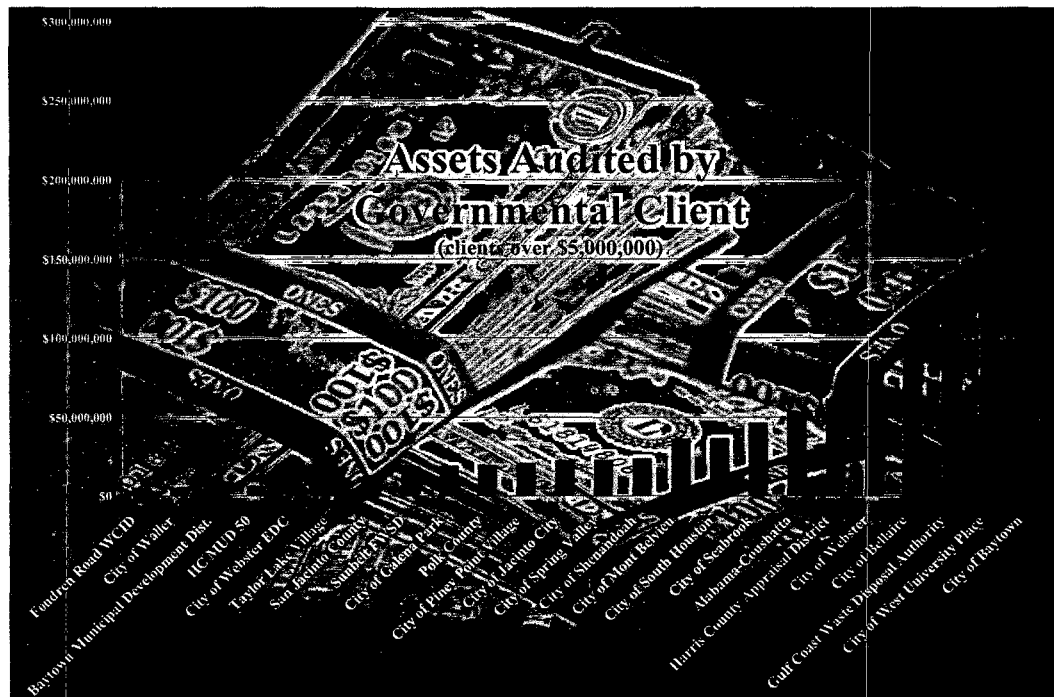
SUMMARY OF GOVERNMENT CLIENTELE

Our government clientele by segment are as follows:

<u>Type</u>	<u>Number</u>
Cities	27
Other Special Districts and Authorities	29
Utility Districts	17
Counties	3
River Authorities	2
Appraisal Districts	3
Indian Tribes	1
	82

OFFICE IN WHICH ENGAGEMENT WILL BE CONDUCTED

Our Houston office, managed by Robert Belt, CPA, with seventeen years experience auditing and managing governmental audit engagements, provides attestation services exclusively to local governments and will be responsible for ensuring delivery of services for this engagement. The graph below presents total assets of the Houston office's government clients with assets over \$5,000,000, and indicates how the County would fit with our other clients within this range.



GOVERNMENT EXPERIENCE



"It has been my pleasure to work with Robert Belt, CPA for many years in his capacity as auditor of the City of Galena Park and for the Harris County Mayors' and Councils' Association of which I am a past president. I am proud of the services that Robert Belt, CPA has performed on my watch, and I feel comfortable in recommending him for similar services."

*~R.P. Barrett, Mayor
City of Galena Park*

CLIENTS RETAINED AND CLIENTS LOST

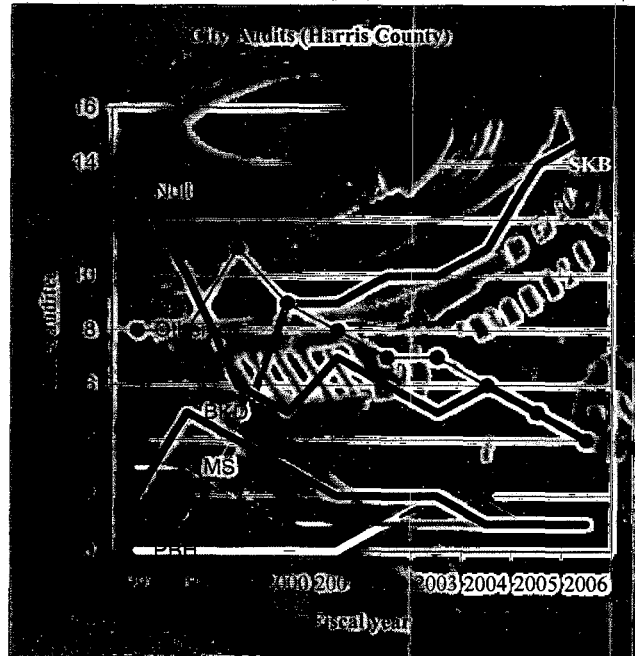
We are proud of our ability to service our clients thereby retaining our clients and earning their referrals. Our Houston Office has an exceptional track record related to retaining clients and earning new business. New government clients obtained within the past year are presented in the table to the right.

Even more impressive is our long-term track record of retaining clients. We have an unprecedented track record of retaining clients, 97% over the last seven years.

<i>Houston Office new government clients (last 12 months)</i>	
Entity:	Former Auditor:
Liberty County	D. Start, CPA
Chambers Central Appraisal District	Swaim Hanagrif
City of Hunters Creek Village	Null Lairson
City of Palestine	Gregg & Co.
City of Dayton	Null Lairson
City of Piney Point	Null Lairson
City of West University Place	Patiollo Brown & Hill
City of Pasadena*	n/a
City of Nassua Bay	Fifield & Co.
Sunbelt Water Supply Corporation	McCall Gibson & Co
Angelina Neches River Authority	Jansen & Gregorczyk
Harris County MUD 50	JF King Inc. PC
Lone Star Ground Water Conservation District	David Merritt PC
IAH Public Facility Corporation	(first audit)
*special engagement	

AUDITOR SELECTION TREND

While it may be difficult to quantify what makes one audit firm better than another, it is easy to pick a winner. No where is our success more evident than the highly competitive City audit segment within the largest county in the state. As indicated in the graph to the right, of the 27 cities predominately located in Harris County, our firm audits 15 (more than all other audit firms combined). We are the only firm that has consistently grown our practice in this segment, while the remaining firms' percentage of the market has significantly eroded.



"Other" represents firms performing two or fewer city audits in Harris County. "Null" represents Null Lairson. "BKD" represents Baird Kurtz and Dobson. "MS" represents Mosher Seifert. "PBH" represents Patillo, Brown & Hill.

GOVERNMENT EXPERIENCE



"We're proud of our performance and believe that each of our clients will give a fair assessment of our capabilities. Many of our clients were formerly audited by other firms. This list of clientele will be able to compare and contrast our services, so we encourage you to contact them."

*~Robert Belt, CPA
Managing Partner,
Houston Office*

PARTIAL LISTING OF CURRENT CLIENT CONTACT (HOUSTON OFFICE)

Client	Scope of work	Partner in Charge	Hours	Client Contact	Telephone Number
City audit engagements:					
City of Baytown	FS Audit, Single Audit, CAFR	R. Belt	500	Rhonda Young, Finance Director	(281) 422-8281
City of Webster	FS Audit, CAFR	R. Belt	300	Terry Knudsen, Finance Director	(281) 316-4102
City of Bellaire	FS Audit, CAFR	R. Belt	280	Louise Richmond, Finance Director	(713) 662-8222
City of Seabrook	FS Audit, CAFR	R. Belt	250	Robert (Bo) McDaniel, City Manager	(281) 291 5688
City of Galena Park	FS & Single Audit	R. Belt	200	John Cooper, City Manager	(713) 672-2556
City of Jacinto City	FS & Single Audit	R. Belt	200	Jack Maner, City Manager	(713) 674-8424
City of Mont Belvieu	FS Audit	R. Belt	200	John Iles, Finance Director	(281) 385-2266
City of Waller	FS Audit	R. Belt	200	Deborah Pattison, City Secretary	(936) 372-3880
City of Spring Valley	FS Audit	R. Belt	100	Richard Rockenbaugh, City Administrator	(713) 865-8308
City of Shenandoah	FS Audit	R. Belt	140	Alison Doyle, Finance Officer	(281) 298-5522
City of El Lago	FS Audit	R. Belt	50	Jill McCammon, City Secretary	(281) 326-1951
City of Taylor Lake	FS Audit	R. Belt	80	Natalie O'Neil, Mayor	(281) 326-2843
City of Hilshire Village	FS Audit	R. Belt	40	Robin Border, Mayor	(713) 973-1779
City of Onalaska	FS Audit	R. Belt	60	Sherry Newport, City Secretary	(936) 646-5376
City of Dayton	FS Audit	R. Belt	200	Chris Contreras, Finance Director	(936) 258-2642
City of Piney Point Village	FS Audit	R. Belt	120	Lorena Briel, City Administrator	(713) 782-0271
Other, government audits:					
Lakeview Police Dept.	FS Audit	R. Belt	50	Thomas Savage, Chief	(281) 326-1098
Alabama-Coushatta Tribe of Texas	FS & Single Audit, Fraud	R. Belt	800	Donna Dickens, Finance Officer	(936) 563-1151
Harris County Appraisal District	FS Audit, CAFR	R. Belt	300	Billy Garton, Director of Administration	(713) 957-4790
Polk County	FS Audit, CAFR, Single Audit	R. Belt	400	John Thompson, County Judge	(936) 327-6813
San Jacinto County	FS Audit, Single Audit	R. Belt	350	Ray Stelly, County Auditor	(936) 653-4331

FS - Financial Statement

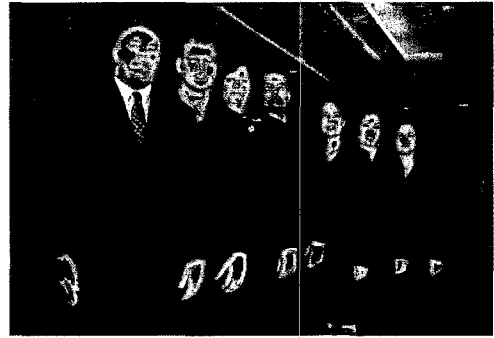
CAFR - received GFOA's Certificate for Excellence in Financial Reporting

GOVERNMENT EXPERIENCE



YOUR AUDIT TEAM

We pride ourselves on having the most courteous auditors who will respect your staff and work environment while being the very best at what they do – auditing governmental entities. This dual task can be accomplished simply by providing the professional courtesy of treating others just as we would like to be treated. We have an awesome audit team to serve you, and we pledge that if changes to our line up become necessary, their replacements will be equally qualified and experienced.



PARTNER IN CHARGE

Robert Belt, CPA

- 17 years Public Accounting Audit Experience
- 680 governmental audits
- 85 Special Projects related to fraud, allegation inquiry, revenue enhancement, operational review
- 119 yellow book/single audits
- 102 GFOA award winning reports prepared/reviewed
- Recipient of AICPA's Certificate of Educational Achievement in audits of governments
- Reviewer in GFOA's Certificate of Achievement in Excellence in Financial Reporting program (special review committee)
- Named Partner at age 29 (with only 8 years experience)



SENIOR AUDITORS

Nathan Krupke

- 7 years Government Audit Experience
- More than 15 governmental audits that received the GFOA Certificate of Reporting Excellence
- More than 15 yellow book/single audits
- More than 250 governmental audits
- Approximately 50 non-profit audits



Stephanie E. Harris

- 3 years Government Audit Experience
- Past Finance director for a city
- Performed numerous special projects – including sales tax engagements
- Participated in municipal court fraud investigation
- More than 40 governmental audits
- Numerous debt service & landfill covenant analysis
- Candidate for CPA exam with exam section credits



GOVERNMENT EXPERIENCE



Judy Moist

- Participated in numerous government audits
- 6 years public Accounting Experience
- Graduate of the University of Maryland
- 15 years management experience



AUDITORS

Michael Brooks

- Participated in numerous government audits
- 2 years Public Accounting Experience
- Graduate of Sam Houston State University



Darla Dear

- 3 years Government Audit Experience
- Former examiner for State of Texas
- Graduate of Stephen F. Austin State University



ALTERNATE PARTNER / INTERNAL INSPECTION PARTNER

John Knox, CPA

- 20 years Public Accounting and Audit Experience
- Over 200 governmental audits performed
- Numerous yellow book/single audits
- Numerous GFOA award winning reports prepared/reviewed



Detailed resumes are presented as exhibits to the proposal.

GFOA AWARD WINNING REPORTS

Our personnel have significant experience both preparing and reviewing award winning reports in conformity with the GFOA Certificate for Excellence in Financial Reporting program. The partner assigned to your engagement has seventeen years experience reviewing CAFRs for the award program and serves on the GFOA's special review committee. Robert Belt has helped prepare numerous first-time award winning submissions and has reviewed up to twelve CAFRs annually.

FEDERAL AND STATE GRANT AUDIT CAPABILITIES

We annually perform a number of single audits of federal grant funds for our clients. Among these are complex entities, such as the Alabama-Coushatta Tribe of Texas with over thirty federal programs and five major programs. Our personnel have a variety of experience with different federal programs, and all our auditors receive the required Yellow Book CPE to work on single audit engagements.

GOVERNMENT EXPERIENCE



ABILITY TO PERFORM ADDITIONAL SERVICES

We have the experience and the resources to provide additional services and in-depth technical assistance in a wide range of areas. Our government based practice allows us to focus on the specific needs of these entities. For example, we have performed numerous forensic audits and program audits on municipal court operations, allegation reviews, assisted clients in receiving additional sales tax, and recovery of funds from TXDOT, establishment of public facility corporations, to name a few of the detailed projects.

PROFESSIONAL MEMBERSHIPS

All professional staff members of the Houston office are members of the Gulf Coast Chapter of the Government Finance Officers Association (GFOA). Our firm is a member of the American Institute of Certified Public Accountants (AICPA), Texas Society of Public Accountants, an associate member of the Texas Municipal League (the only auditing firm in the State to participate in their associate program), and the Texas Association of Water Board Directors.



In addition, our firm is among a select group of firms that are members of the AICPA Governmental Audit Quality Center, enabling us to receive real time notices of significant events, exclusive training available only to members, participating in the development of new accounting and auditing standards, and utilizing their designation indicating adherence to their program requirements.



CONTINUING PROFESSIONAL EDUCATION

All of our audit staff members obtain at least forty hours of Continuing Professional Education each year. Additionally, all our auditors undergo the annual education and training required to ensure they are knowledgeable of current governmental auditing requirements (24 hours every two years) and qualified to perform audits conducted in accordance with *Government Auditing Standards*, the Single Audit Act of 1996 and the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement. Additional Texas State Board Requirements for all licensed CPAs of 120 CPE hours every three years is also met. Schedules detailing fulfillment of these requirements for senior level positions to be assigned to the engagement follow.

GOVERNMENT EXPERIENCE



Detailed CPE information for senior staff to be assigned to the engagement is as follows:

Robert Belt, CPA			
Date(s) Attended	Organization Conducting the Program	Course Title	CPE Hours
5/28/2003	Positive Systems Inc.	An Undercover Look at Financial Statement Fraud	4
7/31/2003	Texas Tech University	Governmental Accounting, Reporting and Audit update	8
10/29-10/30/2003	Texas Municipal League	Annual Conference	16
6/13-16/2004	Government Finance Officers Association	GFOA 98th Annual Conference	12
7/21/2004	Texas Society of Certified Public Accountants CPE Foundation, Inc.	Government Accounting and Auditing Update	8
10/31/2004	Texas Municipal League	Annual Conference	16
6/26-6/29/2005	Government Finance Officers Association	GFOA 99th Annual Conference	17
7/18/2005	Practitioners Publishing Company	GSA-Planning The Single Audit	8
7/19/2005	Practitioners Publishing Company	GSA-Single Audit Sampling, Internal Control Considerations, and Compliance Auditing	8
7/20/2005	Practitioners Publishing Company	GSA-Performing Single Audits	8
9/15/2005	Houston TSCPA Foundation	Pension and Benefits Accounting	3
6/28/2006	AICPA	Not For Profit Strategic Briefing	2
7/19/2006	Texas Society of Certified Public Accountants CPE Foundation, Inc.	Government Accounting and Auditing Update	8
7/20/2006	Texas Society of Certified Public Accountants CPE Foundation, Inc.	Other Post Employment Benefits (OPEB)	1
8/7/2006	Practitioners Publishing Company	Single Audit Sampling and Other Considerations	8
8/8/2006	Practitioners Publishing Company	Background Information, Pre-Engagement Activities, and Planning a Governmental Audit Engagement	8
8/9/2006	Practitioners Publishing Company	Audit Programs, Concluding the Audit, and Auditor's Reports	8
Nathan Krupke			
Date(s) Attended	Organization Conducting the Program	Course Title	CPE Hours
7/21/2004	Texas Society of Certified Public Accountants CPE Foundation, Inc.	Government Accounting and Auditing Update	8
5/04 to Current	Non-qualifying CPE	Self Study for CPA Exam	120*
6/26-6/29/2005	Government Finance Officers Association	GFOA 99th Annual Conference	19
7/18/2005	Practitioners Publishing Company	GSA-Planning The Single Audit	8
7/19/2005	Practitioners Publishing Company	GSA-Single Audit Sampling, Internal Control Considerations, and Compliance Auditing	8
7/20/2005	Practitioners Publishing Company	GSA-Performing Single Audits	8
9/15/2005	Houston TSCPA Foundation	Pension and Benefits Accounting	3
7/14/2006	Practitioners Publishing Company	Accounting and Auditing Library	1
7/19/2006	Texas Society of Certified Public Accountants CPE Foundation, Inc.	Government Accounting and Auditing Update	8
7/24/2006	Practitioners Publishing Company	PPC's e-Tools	1
8/7/2006	Practitioners Publishing Company	Single Audit Sampling and Other Considerations	8
8/8/2006	Practitioners Publishing Company	Background Information, Pre-Engagement Activities, and Planning a Governmental Audit Engagement	8
8/9/2006	Practitioners Publishing Company	Audit Programs, Concluding the Audit, and Auditor's Reports	8

*Estimated

GOVERNMENT EXPERIENCE



Stephanie Harris			
Date(s) Attended	Organization conducting the Program	Course Title	GPE Hours
4/06/03-04/08/03	Government Finance Officers Association	Spring Conference	14
1/22/04-01/23/04	Texas Municipal League	Public Funds Investment Law Workshop	16
6/21/2005	Texas Society of Certified Public Accountants CPE Foundation, Inc.	Forensic Accounting: Fraudulent Reporting and Concealed Assets	8
6/26-6/29/2005	Government Finance Officers Association	GFOA 99th Annual Conference	19
7/18/2005	Practitioners Publishing Company	GSA-Planning The Single Audit	8
7/19/2005	Practitioners Publishing Company	GSA-Single Audit Sampling, Internal Control Considerations, and Compliance Auditing	8
7/20/2005	Practitioners Publishing Company	GSA-Performing Single Audits	8
9/15/2005	Houston TSCPA Foundation	Pension and Benefits Accounting	3
6/1/2005 to Current	Non-qualifying CPE	Self Study for CPA Exam	120*
7/14/2006	Practitioners Publishing Company	Accounting and Auditing Library	1
7/19/2006	Texas Society of Certified Public Accountants CPE Foundation, Inc.	Government Accounting and Auditing Update	8
7/24/2006	Practitioners Publishing Company	PPC's e-Tools	1
8/7/2006	Practitioners Publishing Company	Single Audit Sampling and Other Considerations	8
8/8/2006	Practitioners Publishing Company	Background Information, Pre-Engagement Activities, and Planning a Governmental Audit Engagement	8
8/9/2006	Practitioners Publishing Company	Audit Programs, Concluding the Audit, and Auditor's Reports	8

*Estimated

SCOPE AND APPROACH



PROPOSED SCOPE

A more detailed account of our understanding of the proposed scope of services, including the related technical language, may be found in the attached draft engagement letter. The engagement letter is a standard letter used throughout the industry to formalize the understanding of the audit services to be performed.

PROPOSED SCHEDULE

We are committed to completion of the County's audit and presentation of the final report to Commissioners Court by May 31, 2007, assuming requested information is made available by February 28, 2007. We will try to accommodate the County according to staff availability when scheduling field work.

SERVICE DELIVERY PLAN

The successful completion of the County's audit will be accomplished through communication throughout the audit process. There will be no surprises during the audit process. Our Managing Partner, Robert Belt, CPA will be in attendance at all planning and progress meetings. He will also present the final report to Commissioners Court.

AUDIT APPROACH

Our philosophy, with respect to providing audit services, is to perform all substantial work on-site at our client's office in order to enhance the communication process.

Our audit approach for the respective segments and staffing level will be dependent upon our risk assessment obtained at the planning stage of the engagement. The primary factors related to our risk model will be the internal control, complexity of transactions, size and volume of transactions, and problems identified by the County and during our audit procedures.

We will trace all (100%) of the individually significant balance sheet accounts to supporting documents and conduct additional procedures as considered necessary. These procedures will generally include confirmation of all balances where a third party is available. Where confirmation procedures can not be used, we will verify the beginning balances and test current year activity through a variety of testing procedures.

The audit programs (detailed instructions as to the procedures performed) utilized are industry standard (PPC) programs and modified according to firm standards. For example, we have internally developed programs specific to the Public Funds Investment Act (PFIA) and detailed testing worksheets specifically designed for capturing all relevant attributes in expenditure and revenue tests.



SCOPE AND APPROACH



AUDIT SEGMENTATION

Our proposed segmentation of the audit, which corresponds to our audit program and tentative estimated time budget by level of staff, is as follows:

Audit Segment	Tentative time budget by staff level				
	Staff*	In Charge	Senior	Partner	TOTAL
Planning, supervision, and review	-	-	-	1	1
Minutes, contracts, ordinances, and laws	-	2	-	-	2
Cash and investments	-	4	2	-	6
Revenues, receivables, and receipts	-	15	3	-	18
Expenditures for goods and services, and accounts payable	-	8	10	-	18
Payroll and related liabilities	-	4	2	-	6
Inventories	-	-	-	-	-
Property, equipment, and capital expenditures	-	4	4	3	11
Debt service and debt service funds	-	3	2	2	7
Fund equities	-	-	2	-	2
Grants and federal awards	-	4	1	-	5
Insurance and self-insurance	-	-	-	-	-
Reporting and disclosures	-	4	4	6	14
Total Hours	-	48	30	12	90
Percentage of Total	0%	53%	33%	13%	100%

*Entry level staff accountants are not used by our firm.

MULTIYEAR ENGAGEMENT

There are significant start-up costs associated with conducting an audit for the first time. If a multiyear engagement is utilized these costs can be amortized over the contract, substantially reducing the first year cost. In addition, the audit coverage is considerably better when consecutive years are audited as trends can be established and each year's services can be more in-depth.

STAFF ROTATION DURING MULTI-YEAR ENGAGEMENT

Through normal advancement of staff, individual staff members at the In-Charge and Senior level will likely be substituted once during a three to five year engagement.

SCOPE AND APPROACH



SAMPLING

Sampling will be used primarily in connection with testing of revenues and expenditures and where direct confirmations can not be performed. The size of the respective samples will be dependent on a number of factors, principally our risk assessment and the population size. If negative results are encountered, we will expand our sample size. Our procedures related to balance sheet accounts will generally be verification of material account balances.

EDP SOFTWARE AND EDP FUNCTION

During certain testing procedures, data will be extracted from the County's computer system in the form of ASCII, Excel spreadsheet, or similar format and sorted and/or searched for specified criteria. With the exception of sending reports to an electronic format, the use of an EDP specialist or the County's personnel is not anticipated.

ANALYTICAL TOOLS AND TECHNIQUES

We will employ a variety of analytical techniques. The most commonly used technique will involve reviewing general ledger account balances and comparing them to prior year and budget as both a dollar and percentage variance. For select account balances we will also look at month-to-month variations in activity. In addition, we will review related accounts with respect to internal County data and our firm's local industry trends for inconsistent activity.

COMPREHENSION AND EVALUATION OF INTERNAL CONTROL

Our understanding of the County's internal control will be obtained by reviewing available documents such as policy and procedures manuals, organizational charts, and flow charts. In addition, we will review the results of internal audit work performed, if any, such as surprise cash counts. We will also interview staff in selected areas, and we will work with staff in completing a formal internal control questionnaire tailored to a governmental entity.

LAWS AND REGULATIONS

Our years of government audit experience provide our basis for the understanding of applicable laws and regulations and their practical application to the County's environment. We have access to the local government code and regularly research questionable items. In addition, we will consult with the County's attorney if a more detailed understanding is needed. For the purposes of testing compliance, such tests will generally be specific to a grant contract and federal award program. Our understanding of such laws and regulations shall be obtained by reading related contracts, CFDA summaries, compliance supplements, and related federal regulations and industry practice aids written for each federal program.

EQUAL OPPORTUNITY

It is our Firm's policy to ensure our team members are treated in a non-discriminatory manner in compliance with established laws and regulations. We promote a diverse workforce, a work environment that allows our employees equal opportunity to achieve their full potential, and incorporate Equal Employment Opportunity principles into our value system.

SCOPE AND APPROACH



SUBCONTRACTORS

No subcontractors will be used in this engagement.

INDEPENDENCE

Our firm is independent of the County under the rules established by the Texas State Board of Public Accountancy and U.S. General Accounting Office's *Government Auditing Standards* (Yellow Book). Our firm and personnel have no direct or indirect financial interest and/or relationship with the County, Commissioners Court, County Judge or staff.

GOVERNMENT AUDITING STANDARDS

The RFP document requests that a clear distinction be made between generally accepted government auditing standards (GAGAS) and generally accepted auditing standards (GAAS) for nongovernmental engagements. GAAS is established by the AICPA, whereas GAGAS, which is also referred to as the "yellow book" is set by the U.S. General Accounting Office. Yellow books audits are typically performed for governmental and non-profit entities that are required to undergo a single audit under OMB A-133. Our firm and staff members have significant experience performing audits in accordance with both standards.

LICENSE TO PRACTICE IN TEXAS

Our firm has a long history of successful practice in the state of Texas. The firm is licensed to practice in the state of Texas as are all our CPA's.

FAVORABLE QUALITY CONTROL REVIEWS

Sandersen Knox & Belt, L.L.P. is a proud member of the AICPA Peer Review Program, since 1992. Our last peer review, which took place in December 2004, resulted in an unqualified report with no letter of comments. The peer review included specific reviews of a number of governmental engagements. Our reviews are scheduled every three years with internal inspections occurring each year.

Because of the number of clients with extensive federal awards, our single audit reports are subjected to both federal and state desk reviews on an annual basis with satisfactory results. As one would expect of a firm of our caliber, no disciplinary action has ever been taken (nor is any pending) against the firm since inception from any regulatory bodies or professional organizations.

PROFESSIONAL LIABILITY INSURANCE

Currently professional liability insurance of \$1,000,000 with a deductible of \$5,000 is maintained by our firm. This policy has been in place for five years. We have not had any claims, nor are any threatened or pending. We do not anticipate any claims in the future. However we maintain the policy for the comfort of our clients.

SCOPE AND APPROACH



NEW ACCOUNTING AND AUDITING STANDARDS

Our firm is fully committed to serving the attestation needs of governments and providing related services. In addition to performing the traditional auditor role, we also take an active interest in helping our clients fulfill their mission. This includes keeping our clients abreast of accounting and auditing pronouncements and regulations that directly impact them, as well as providing options for implementation. To this end we regularly attend national GFOA conferences, receive annual GASB updates directly from GASB Board Members, participate as reviewers for the GFOA Certificate of Achievement program, and are members of the AICPA's Government Quality Center.

We early implement new accounting standards for several clients each year in advance to smooth out the implementation for the remainder of our clients and ensure that they are fully prepared. All of our clients successfully implemented GASB 34 without any delay in their normal audit timeline and all retroactively reported capital assets. Because of unfavorable trends in GASB pronouncements, such as GASB 34, we are becoming much more active in the standard setting process.

TRAINING AND CONTINUING EDUCATION FOR COUNTY STAFF

The County is welcome to join us, without charge at any of our in-house training and CPA examination review programs at 730 North Post Oak Road. Currently several members of our staff are participating in a summer long program of studying for the CPA exam in our conference room every Friday from noon until 5pm. In-house training programs in the last year have included a comprehensive 24 hour CPE course of conducting single audits and workgroup sessions (non-qualifying CPE) for preparation of CAFRs, fraud in governments, and MD&A development.



AUDITS OF STATE SUPPORTED INSTITUTIONS

Our firm has significant experience auditing subdivisions of the State of Texas including river authorities, counties, appraisal districts, cities, etc. Based on the limited number of state supported institutions requiring an audit in our area, we have not had the opportunity to submit a proposal to perform similar services. However, while there may be a number of significant variances in the environment, nature of operations, and rules and regulations, the audit procedures are the same. In fact all of the governments we audit have more in common than differences. Despite the nature of services or organizational types, our clients and the County all share a common theme: operations are well defined by State Statutes; funding controlled through grant agreements and budget process; and cost of services provided easily out paces resources available. We fully understand the work to be performed and are capable of providing the services requested.

PROFESSIONAL FEES



OUR PHILOSOPHY

Our goal is to bring value through the audit process by increasing efficiencies, improving operations and reducing fraud that would exceed our fee. However, we also recognize that our fees must be competitive with other firms, despite their lack of experience or service level. Consequently, we keep our cost structure low by having partners, as well as staff members fully applied on client engagements, maintaining a modest space, efficient office, and high staff and client retention.

In addition, we ensure the time expended on your engagement will be highly efficient. We use the most modern laptops, software, electronic libraries, imaging aids, and communication tools to ensure you get the most out of every hour expended. A more detailed discussion on the County's responsibilities and our billing practices are included within our engagement letter.



RATES, TIME AND FEE ESTIMATE

Our time estimates, rates, and resulting fee estimate are as follows:

Tentative time budget by staff level				
Staff	In Charge	Senior	Partner	TOTAL

The estimated budget hours and cost for the 2006 audit engagement is as follows:

Total hours	-	48	30	12	90
Standard hourly rates	\$85	\$110	\$135	\$245	
Extended fees at standard	\$0	\$5,280	\$4,050	\$2,940	\$12,270
Estimated expenses (printing 30 AFR and drafts)					350



Engagement Letter

December 11, 2006

County Judge
Tyler County, Texas
100 West Bluff, Room 106
Woodville, TX-75979

We are pleased to confirm our understanding of the services we are to provide Tyler County, Texas (the "County"), for the years ended December 31, 2006, 2007 and 2008. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the entity's basic financial statements, of the County as of and for the years ended December 31, 2006, 2007 and 2008.

Also, the document we submit to you will include the following additional information that will be subjected to the auditing procedures applied in our audit of the financial statements:

1. Management's discussion and analysis
2. Schedule of expenditures of federal awards

In accordance with Government Auditing Standards (revised), you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Objectives

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on:

Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of the audit committee, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. If our opinion on the financial statements or the Single Audit compliance opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for establishing and maintaining internal control and for compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, including the schedule of expenditures of federal awards, but the responsibility for the financial statements remains with you. As part of our engagement, we may propose standard, adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements. That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting and compliance, the selection and application of accounting principles, and the safeguarding of assets. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements 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 (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material

effect on the financial statements. You are also responsible for 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. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review prior to the beginning of our audit fieldwork.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. As required by the Single Audit Act Amendments of 1996 and OMB Circular A-133, our audit will include tests of transactions related to major federal award programs for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. 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 or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

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

Audit Procedures—Internal Controls

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinions on the County's financial statements and on its compliance with requirements applicable to major programs.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. 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. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. 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*.

As required by OMB Circular A-133, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body or audit committee of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. We will also inform you of any nonreportable conditions or other matters involving internal control, if any, as required by *Government Auditing Standards* and OMB Circular A-133.

Audit Procedures—Compliance

Our audit will be conducted in accordance with the standards referred to in the section titled Audit Objectives. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the County's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures 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*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of the applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the County's major programs. The purpose of those procedures will be to express an opinion on the County's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Audit Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any invoices selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the County; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits. At the conclusion of the

engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The audit documentation for this engagement is the property of Robert Belt, CPA and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to Oversight Agency for Audit or its designee, a federal agency providing direct or indirect funding, or the U.S. General Accounting Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Robert Belt, CPA. 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 three years after the date the auditors' report is issued or for any additional period requested by the Oversight Agency. If we are aware that a federal awarding agency, pass-through entity, 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.

Fees for our services are based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, typing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The time estimates used to project our fees are based on anticipated cooperation from your personnel and management fulfilling its responsibility, as discussed previously. Our time budget for this engagement does not include addressing matters related to management's responsibilities, such as modifications to the County's financial information, additional procedures related to alleged noncompliance with laws and regulations and similar improprieties, the County's lack of preparation for the audit, and similar matters. Such time requirements have not been included in the estimate and would be billed in addition to the fees quoted at our standard hourly rates and actual costs incurred, including legal consultations, if necessary. We will notify the appropriate party when such conditions are encountered, such as identifying schedules not prepared, out-of-balance accounts, alleged violations, etc. When possible, we will provide management with options for alleviating the condition. If it appears the item will not be addressed by the County, we may perform procedures to address incidental matters to facilitate timely completion of the audit. To the extent possible, we will obtain approval before performing additional work for matters considered significant to the original proposed fee. Due to the nature of our work, such approval may not always be possible (i.e., we may be legally compelled by subpoena or similar request to expend additional time and incur other expenses to handle matters arising from this engagement).

As customary in the industry the price quoted is an estimate. In accordance with the rules of the State Board of Public Accountancy we cannot be bound to provide the audit for the amount estimated. However, in practice we honor our fee quotes unless adverse conditions such as those described above are encountered. The fee estimates for our services, are as follows:

	<u>Three Year</u>
Year ended December 31, 2006	\$ 10,500
Year ended December 31, 2007*	\$ 10,850
Year ended December 31, 2008*	\$ 11,250

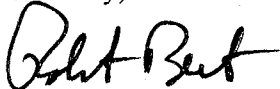
Our invoices for these fees will be rendered each month as work progresses and are payable within 30 days. In accordance with our Firm policies, work will be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed 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. This agreement and the rights and responsibilities of this audit engagement are specifically assigned to Robert Belt, CPA.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2004 peer review accompanies this letter.

Any client certified public accountant involved with assisting us shall not be prohibited from disclosure of information required to be made available by the standards of the public accounting profession in reporting on the examination of financial statements. Management understands and provides permission to staff certificate or registration holders as required under the Rules of Professional Conduct, Texas Administrative Code, Title 22, Part 22, Chapter 501, Subchapter C, Section 501.75.

We appreciate the opportunity to be of service to the County 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.

Sincerely,



Robert Belt, CPA

RESPONSE:

This letter correctly sets forth the understanding of Tyler County, Texas.

County Judge

Date

JOHN A. BRADEN & COMPANY, P.C.

Members of the Texas Society of
Certified Public Accountants

Certified Public Accountants
Members of PCPS & SECPS

Members of the American Institute
of Certified Public Accountants

December 30, 2004

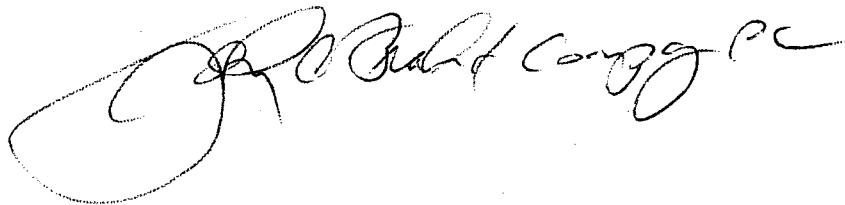
To the Partners
Sandersen Knox & Belt, L.L.P.
Houston and Sugar Land, Texas

We have reviewed the system of quality control for the accounting and auditing practice of Sandersen Knox & Belt, L.L.P. (the firm) in effect for the year ended May 31, 2004. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (AICPA). The design of the system and compliance with it are the responsibility of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with the system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Because our review was based on selective tests, it would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it.

Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Sandersen Knox & Belt, L.L.P. in effect for the year ended May 31, 2004, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.



ROBERT BELT, CPA

MANAGING PARTNER



EXECUTIVE SUMMARY:

- 17 years Public Accounting Audit Experience
- Named Partner at age 29 (with only 7 years experience)
- 680 Financial Statement audits
- 85 Special Projects related to fraud, allegation inquiry, revenue enhancement, and operational review
- 119 Single audits and yellow book audits
- 102 GFOA award winning reports prepared/reviewed
- Recipient of AICPA's Certificate of Educational Achievement in audits of governments
- Reviewer in GFOA's Certificate of Achievement in Excellence in Financial Reporting program (special review committee)

EXPERIENCE:

- **Managing Partner, Houston Office – Sandersen Knox & Belt, L.L.P.**
Certified Public Accountants
July 1999 to Present
- **Senior Manager -White Petrov McHone Certified Public Accountants**
Feb. 1997 to July 1999
- **Partner - Lairson, Stephens & Reimer, L.L.P. (Formerly Earl Lairson & Co)**
Certified Public Accountants
Jan. 1989 to Feb. 1997
Progressed from staff accountant to partner; changed firms after merger with competitor
- **Accountant, Bookkeeper & Teller - Timberland Savings & Loan (Nacogdoches, TX)**
Jan. 1985 to April 1988

ACCOMPLISHMENTS:

- Recipient of the AICPA's Certification of Educational Achievement in Financial Audits
- Serve on Government Finance Officers Association (GFOA) Special Review Committee
- Speaking engagements:
 - Audit and Budget Process - Texas Association of Appraisal Districts
 - Compilation and review procedures – NCCPAP
 - Compilation and review procedures update – NCCPAP
 - Financial statement disclosures - NCCPAP

CLIENTS SERVED:

Governmental audit/consulting engagements in which substantial work was personally performed:

<u>Cities</u>	<u>Years</u>
City of Bellaire	8 *
City of Baytown	2 *#

ROBERT BELT, CPA, *Continued*

City of Spring Valley	10	
City of El Lago	15	
City of Galena Park	6	#
City of Jacinto City	6	#
City of Shenandoah	9	
City of Webster	6	*
City of Seabrook	6	*
City of Hilshire Village	8	
City of Taylor Lake Village	6	
City of Onalaska	6	
City of Goodrich	6	
City of South Houston	4	#
City of Mont Belvieu	3	
Village of Bear Creek	3	
City of Waller	2	
City of Dayton	1	
City of Piney Point Village	1	
City of Pasadena	n/a	
City of Humble	7	
City of Sugar Land	5	*
City of League City	5	*
City of Friendswood	1	*
City of Pearland	2	*
City of Katy	4	*
City of La Porte	1	*
City of Conroe	1	
City of Bunker Hill Village	1	
City of Crocket	n/a	
City of Nassau Bay	1	
City of West University Place	1	*

Other Governmental Units

Harris Co. W.C.I.D. Fondren Road	16	
Harris County Appraisal District	9	*
Angelina and Neches River Authority	1	
Polk County	10	*
San Jacinto County	6	*
Alabama-Coushatta Tribe of Texas	9	#
Alabama-Coushatta Economic Development Authority	2	
Alabama-Coushatta Indian Housing Authority	4	
258th Judicial District Adult Probation	8	
258th Judicial District Juvenile Probation	8	
Gulf Coast Waste Disposal Authority	3	*
Polk Central Appraisal District	3	
Sunbelt FWSD	1	#
Harris County MUD 50	1	#
La Marque Economic Development Corporation	3	
La Porte Economic Development Corporation	1	
Montgomery County MUD No. 2	1	
Northwest Harris Co. MUD No. 19	1	

ROBERT BELT, CPA, *Continued*

Pearland Industrial Development Corporation	1
Shenandoah Economic Development Corporation	9
Sugar Land Economic Development Corporation	2
San Jacinto County Headstart	2
Upper Kirby Management District	1

Other governmental audits managed or in which technical review was performed:

City of Rosenberg*	City of Brookshire
City of Oakridge North	City of Manvel
Town of Beasley	City of Hedwig Village
City of Hillcrest	Brookshire Municipal Utility District
Rosenberg Development Corp.	City of Wallis
Fort Bend County*	County of Galveston

* Received Certificate of Achievement for Excellence in Financial Reporting
Single Audit conducted in accordance with yellow book

Participation in nonprofit engagements includes:

- First Baptist Church of Katy
- Braeswood Assembly of God
- Armand Bayou Nature Center
- Neuhouse Education Center
- Thyroid Society
- Harris County Mayors' and Councils' Association
- Texas Paralyzed Veterans Association
- Onalaska Water Supply Corporation
- Spring Branch ISD Education Foundation
- Star of Hope
- Katy Volunteer Fire Department
- League City EMS
- League City Volunteer Fire Department

SPECIAL PROJECTS PERFORMED:

RACIAL DISPARITY STUDY

Evaluated racial disparity in the issuance of citations to motorists and the resulting arrests. This study was prompted by an unfavorable article that appeared in the Houston Chronicle. The report issued outlined deficiencies in the way in which data for the article was gathered and disproved the assertions made in the article with regard to racial biased arrest.

CITY MANAGER PURCHASES

Investigated unusual purchases made by management under allegations of improprieties. The information gathered resulted in the resignation of the City Manager.

OFFICIAL MISCONDUCT OF PUBLIC OFFICIALS

Testified regarding audit findings resulting in the successful prosecution of the Finance Director and Mayor.

ROBERT BELT, CPA, *Continued*

MISAPPROPRIATIONS BY UTILITY CLERK

Conducted detailed review of utility collections resulting in the resignation of the billing clerk and restitution to the City of misappropriated funds.

INTERNAL CONTROL REVIEW

Performed detailed analysis of the internal control structure for a small City and prepared a complete policy and procedures manual.

INTERNAL AUDIT FUNCTIONS

Conducted a turn-key project to develop and implement an internal auditing function in a rapidly growing City with a current population of over 40,000.

CAPITAL ASSET SYSTEM

Constructed a detailed database of all capital assets (over 15,000 items) owned by a City of over 40,000 utilizing bar coding equipment.

CAPITAL ASSET INVENTORY SERVICE PROCURMENT SERVICE

Assisted numerous entities in procuring services for capital asset inventory, preparing RFPs, reviewing bids, negotiating reduced fees, and verifying work performed.

CASH AND INVESTMENT MANAGEMENT SYSTEM

Designed turn-key cash and management system complete with cash forecasting models and policy and procedures manual for a \$30,000,000 portfolio.

PUBLIC FUNDS INVESTMENT ACT

Wrote and updated numerous investment policies and procedures in compliance with PFIA.

LANDFILL MARKET ANALYSIS

Performed final review and acted as liaison in a special marketing analysis for a County (client) owned landfill.

MUNICIPAL COURT CLERK RETIREMENT

Performed agreed upon procedures for the municipal court operations at the request of the municipal court clerk at her retirement.

INVESTIGATION OF ALLEGED IMPROPRIETIES – POLICE DEPARTMENT

Performed detailed investigation of eight alleged improprieties regarding the police department's operations.

TCEQ / Landfill Reserve Assurance

Fund balance study

Casino operations monthly reviews

Casino cash audit

Review of operator contract reimbursements

Housing Fraud

Municipal Court Fraud

Grantor Assistance

Fraud risk assessment in non-financial operating area

Municipal court review

Sales tax procedures

Hotel/motel tax audits

Citizen survey compilation and analysis

ROBERT BELT, CPA, *Continued*

OTHER INDUSTRIES SERVED:

Governments (see following list)
Non-profits
Hazardous Waste (Storage, Shipping, & Abatement)
Oil Well Service
Banking
Law firm

Casino
Benefit Plans (401k)
Meat Processing
Chemical
Manufacturing

EDUCATION:

Bachelor of Business Administration, Stephen F. Austin State University
December 1988 - Accounting Major

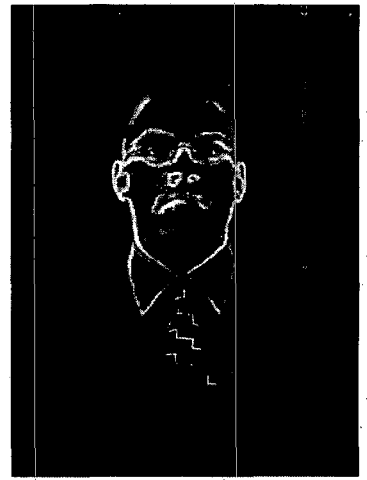
PERSONAL:

- Married to Alex Ogletree Belt
- 3 daughters: Meghan (10), Scout (3), and Jeanette (6 mo.)
- Residence in Hilshire Village, TX (Houston, TX); Hometown – Livingston, TX
- Member of First Baptist Church of Houston
- Recreational time spent with children, RVing/camping, beach and Disney World excursions, dogs, and tropical fish
- Eagle Scout – Scouting highlights include Philmont and National and World Jamborees



NATHAN KRUPKE

SENIOR AUDITOR



EXECUTIVE SUMMARY:

Over the course of his career, Nathan has worked on more than 300 audit engagements. With his wide range of experience, he is able to provide our audit clients with the knowledge and service required to perform any audit. He is currently in the process of obtaining his license as a Certified Public Accountant.

- Over 15 governmental audits that received the GFOA Certificate of Reporting Excellence
- Over 15 yellow book/single audits
- More than 250 governmental audits
- Approximately 50 non-profit audits

EXPERIENCE:

- **Senior Auditor – Sandersen Knox & Belt, L.L.P. *Certified Public Accountants***
August 2003 to Present
- **Senior Auditor – McCall, Gibson & Company, PLLC *Certified Public Accountants***
March 1999 to August 2003
- **Finance Manager – The Episcopal Church of the Holy Spirit**
May 1998 to March 1999

CLIENTS SERVED:

Governmental audit/consulting engagements in which substantial work was personally performed:

<u>Utility Districts</u>	<u>Years</u>	
Harris County WCID – Fondren Road	3	
Sunbelt FWSD	5	#
Harris County MUD 50	2	#
Mayde Creek MUD/STP	2	
Fort Bend County MUD 68	2	
Fort Bend LID 7	2	
Harris County MUD 180	2	
Paseo De La Resaca MUD 1	2	
Paseo De La Resaca MUD 2	2	
Paseo De La Resaca MUD 3	2	
Harris County MUD 132	3	
Harris County MUD 368	3	
Harris County MUD 167	4	
Harris County MUD 49	1	
Harris County MUD 69	1	
Harris County WCID 36	2	
Fort Bend County MUD 48	3	
Harris County MUD 261	4	
Harris County MUD 196	2	

Faulkey Gully MUD	2
Harris County MUD 136	4
Far Hills MUD	2
Harris County MUD 186	3
Harris County MUD 24	2
Harris County MUD 55	2
Clear Brook City MUD	2
Bayview MUD	3
Fort Bend County MUD 23	2
Cypresswood UD	3
Montgomery County MUD 8	3
Harris County WCID 91	2

Cities

City of Bellaire	3	*
City of Spring Valley	3	
City of Galena Park	1	#
City of Jacinto City	1	#
City of Hilshire Village	3	
City of Onalaska	3	
City of Goodrich	3	
City of South Houston	3	#
City of Mont Belvieu	1	
City of Taylor Lake Village	1	
City of Clear Lake Shores	1	
City of El Lago	1	
City of Shenandoah	3	
City of Waller	2	

Other Governmental Units

Harris County Appraisal District	1	*
County of Polk	3	
San Jacinto County	3	*
Alabama-Coushatta Tribe of Texas	3	#
Polk Central Appraisal District	2	
Polk County Probation Department	3	
Angelina and Neches River Authority	1	
Gulf Coast Waste Disposal Authority	3	*
Lone Star Groundwater Conservation District	1	
Baytown Area Water Authority	1	
Shenandoah IDC	3	

Non-Profits

Onalaska Water Supply Corporation	3
Lifeline Chaplaincy	3
G&W Water Supply Corporation	2
Texas Paralyzed Veterans of America	1

* Received Certificate of Achievement for Excellence in Financial Reporting

Single Audit conducted in accordance with yellow book

SPECIAL PROJECTS PERFORMED:

EXPANDED INTERNAL CONTROL EVALUATION OF SMOKE SHOPS OF ALABAMA-COUSHATTA TRIBE OF TEXAS

Reviewed internal control within every area affecting the Smoke Shops of the Tribe. A detailed review, observation, and inspection occurred resulting in a report of findings.

PROFESSIONAL ORGANIZATIONS:

- Government Finance Officers Association, member since August 2003

EDUCATION:

Bachelor of Business Administration, Sam Houston State University

August 2002 - Accounting Major

PERSONAL SECTION:

- Treasurer and Chairman of the building committee of Harvest Bible Church
- Deacon and committed member of Harvest Bible Church
- Devoted husband and father of three children
- A sports fan who enjoys watching and participating in all sports



(From left to right, Sara, Nathan, Kristin, Trevor, and the third is due to arrive December 2006)

STEPHANIE E. HARRIS

SENIOR AUDITOR



EXECUTIVE SUMMARY

Since joining the firm in 2004, Stephanie has completed and/or reviewed over fifty governmental audits. Many of these engagements included entities that were publishing a Comprehensive Annual Financial Report for a Certificate of Achievement for Excellence in Financial Reporting. In addition to these audit engagements, she has completed several special projects including a fraud investigation and compliance analysis with the Texas Commission on Environmental Quality. Prior to joining the firm, she worked as the City Accountant for the City of Clear Lake Shores. While with the city, she was able to recover over \$100,000 in misappropriated sales tax and franchise revenues. She is currently in the process of obtaining her license as a Certified Public Accountant.

EXPERIENCE:

- **Senior Auditor – Sandersen Knox & Belt, L.L.P. Certified Public Accountants**
September 2004 to -Present
- **City Accountant – City of Clear Lake Shores, Texas**
December 2002 to August 2004
- **Bookkeeper, Head Cashier, & Cashier – The Home Depot**
August 1998 to November 2002
- **Lead Cashier – Gap Kids**
November 1995 to July 1998

SPECIAL PROJECTS:

INVESTIGATION OF ALLEGED FRAUD – MUNICIPAL COURT

Conducted detailed review of municipal court collections, determined misappropriations had been made, and outlined methods employed.

SALES TAX

Performed detailed review of sales tax records maintained by the Texas Comptrollers Office for multiple cities, which resulted in significant recoveries of misappropriated sales tax dollars.

COMPLIANCE ANALYSIS WITH TCEQ

Performed compliance analysis on calculations made by Polk County to demonstrate compliance with the Texas Commission on Environmental Quality's (TCEQ) local government financial assurance test as outlined in Title 30 of the Texas Administrative Code Section 37.271(5) for its municipal solid waste facility for the last three years.

STEPHANIE E. HARRIS, Continued

CLIENTS SERVED:

Government audit/consulting engagements in which substantial work was personally performed:

<u>Cities</u>	<u>Years</u>	
City of Baytown	2	* #
City of Dayton	1	
City of El Lago	2	
City of Galena Park	2	#
City of Jacinto City	2	#
City of Mont Belvieu	2	
City of Nassau Bay	1	
City of Pasadena	n/a	
City of Piney Point Village	1	
City of Seabrook	2	*
City of Spring Valley	1	
City of Taylor Lake Village	2	
City of Webster	2	*
City of West University Place	1	*
Village of Bear Creek	2	
 <u>Other Governmental Units</u>		
Baytown Area Water Authority	2	
Gulf Coast Waste Disposal Authority	2	*
Harris County Appraisal District	2	*
Harris County Mayors' and Councils' Association	2	
Harris County W.C.I.D. Fondren Road	1	
Lakeview Police Department	2	
Polk Central Appraisal District	2	
San Jacinto County	1	*

- * Received Certificate of Achievement
for Excellence in Financial Reporting
Included Single Audit in accordance with yellow book

PROFESSIONAL ORGANIZATIONS:

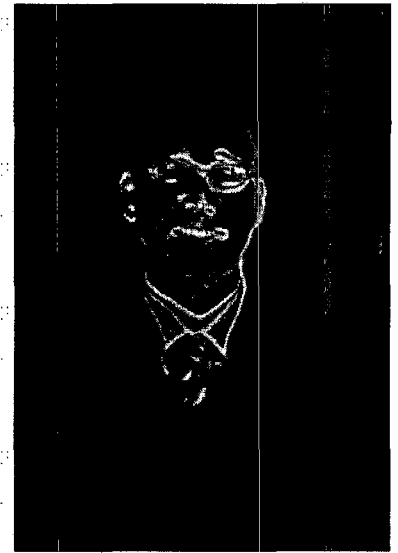
- Government Finance Officers Association, member since September 2004

EDUCATION/HONORS:

- **Bachelor of Science, The University of Houston Clear Lake**
December 2003 – Accounting Major
- **Beta Gamma Sigma**, Honor Society for accredited schools of business
Inducted April 2003

MIKE BROOKS

AUDITOR



EXECUTIVE SUMMARY:

Since becoming a member of the Sandersen, Knox & Belt team Mike has personally completed or assisted in the completion of over twenty audits of governmental and non-profit entities. He is also responsible for the completion of several individual and not-profit tax returns. Over his career he has worked in private industry, general accounting and tax services, and governmental auditing. He is currently in the process of obtaining his license as a Certified Public Accountant.

EXPERIENCE:

- **Auditor – Sandersen Knox & Belt, L.L.P. Certified Public Accountants**
September 2005 to Present
- **Accountant – Moore, Kane and Associates, L.L.P Certified Public Accountants**
December 2004 to August 2005
- **Financial Assistant – Benchmark Mortgage, L.L.C**
May 2003 to November 2004

CLIENTS SERVED:

Governmental audit/consulting engagements in which substantial work was personally performed:

<u>Cities</u>	<u>Years</u>	
City of Jacinto City	1	#
City of Mont Belvieu	1	
City of Dayton	1	
City of West University Place	1	*
City of Piney Point Village	1	
City of Waller	1	
City of Shenandoah	1	
Village of Bear Creek	1	
City of Seabrook	1	*
City of Goodrich	1	
City of South Houston	1	#
City of Hilshire Village	1	
City of Onalaska	1	
City of Nassau Bay	1	
 <u>Non-Profits</u>		
Texas Paralyzed Veterans of America	1	
Harris County Mayors' and Councils' Association	1	
Onalaska Water Supply Corporation	1	
 <u>Other governmental units</u>		
Angelina Neches River Authority	1	
Harris County Appraisal District	1	*

MIKE BROOKS, Continued

Alabama-Coushatta Tribe of Texas	1	#
Lakeview Police Department	1	
Harris County MUD 50	1	#
Harris County WCID – Fondren Road	1	

* Received Certificate of Achievement for Excellence in Financial Reporting

Single Audit conducted in accordance with yellow book

SPECIAL PROJECTS PERFORMED:

TEXAS WATER DEVELOPMENT BOARD – BONDHOLDER COMPLIANCE

Tested compliance of regulations for entity of which the Texas Water Development Board is currently a revenue bond holder

NON-PROFIT 990 TAX RETURN

Performed extensive research to resolve unique tax situation involving sale of taxable rental property in favor of client with no tax burden

EDUCATION/HONORS:

- **Bachelor of Business Administration, Sam Houston State University**
December 2004 - Accounting Major
- **Beta Alpha Psi**
Honor Society for accredited schools of business
Inducted January 2003

PROFESSIONAL ORGANIZATIONS:

- Government Finance Officers Association, member since September 2005

PERSONAL PROFILE:

My family and I moved to Houston in 1990 from Jacksonville, Florida. I attended high school and college in the Houston area. I was recently married and am now thoroughly enjoying married life. I currently live in Kingwood, Texas, and spend my time traveling, exercising, and enjoying the beautiful Houston weather and outdoor activities.



CITY OF GALENA PARK

P.O. BOX 46
GALENA PARK, TEXAS 77547

(713) 672-2556
FAX (713) 672-1840

R.P. "BOBBY" BARRETT
MAYOR

DANNY P. SIMMS
COMMISSIONER POSITION NO. 1
JOSEPH THIBODEAUX JR.
COMMISSIONER POSITION NO. 2
ROBERT C. CLOWERS
COMMISSIONER POSITION NO. 3
MAXIE L. CAMPBELL
COMMISSIONER POSITION NO. 4

JOHN L. COOPER
CITY ADMINISTRATOR
MARGARET STEVENS
CITY SECRETARY
JIM L. DEFOYD
CITY ATTORNEY

October 05, 2005

To Whom It May Concern:

It has been my pleasure to work with Robert Belt, CPA for many years in his capacity as auditor of the City of Galena Park and for the Harris County Mayors' and Councils' Association of which I am a past president.

As auditor for the City, his audits have been timely, accurate, fair, and insightful. In addition, he has helped the City with our federal grant programs, performing special single audits and addressing audit problems that originated prior to his service with our City.

While his audit work has been top notch, he has assisted our City in a number of other areas, such as our investment policy and depository contract. When I needed to increase water and sewer utility revenues, but did not want to increase utility rates paid by our senior citizens, he helped me formulate a utility rate structure that would accomplish this objective and still be fair to all involved.

One of my greatest challenges as Mayor is ensuring the City has the resources to pay for the essential services of our community. Like many cities, the tax burden already on our citizens is significant, so it is essential that any tax process be as fair and accurate as possible. In this area he has been most helpful.

In 2005 Mr. Belt helped the City tremendously when he identified 22 businesses within our City, (7% of the total businesses), whose sales taxes were being paid to another jurisdiction. As of the date of this letter, he is continuing to work with the City to ensure that the State Comptrollers office repays us. Since these corrections go back four years, the lump sum impact to our budget should be significant. Combined with future increased monthly sales tax deposits, his work will make our budget process much smoother.

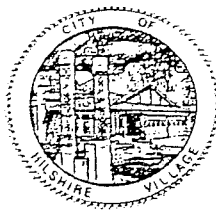
When our non-profit organization that facilitates cooperative efforts between cities in our county, the Harris County Mayors' and Councils' Association, was levied a fine by the IRS equating to 15% of the organization annual budget, he successfully had the penalties abated by the IRS.

In summary, I am proud of the services the Robert Belt, CPA has performed on my watch, and I feel comfortable in recommending him for similar services.

Sincerely,

R.P. (Bobby) Barrett,
Mayor

CITY OF HILSHIRE VILLAGE



8301 Westview
Houston, Texas 77055

Hilviltx@swbell.net

Phone 713-973-1773 fax 713-973-7793

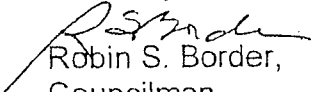
To Whom It may concern:

I would highly recommend that any agency receiving sales tax from the State of Texas engage Robert Belt of Sandersen, Knox & Belt, L.L.P. to review its sales tax allocation.

Their data extraction process assisted me in identifying accounts, that when corrected by the State, will more than double the number of sales tax payers being allocated to the City of Hilshire.

Like most governments, our City needs all the help when can get so this retroactively correctible sales tax receipt will lend a positive benefit to the City's current and future budgets.

Sincerely,


Robin S. Border,

Councilman
City of Hilshire Village, Texas



11607 Eagle Drive • Post Office Box 1048 • Mont Belvieu, Texas 77580 • (281) 576-2213 • (281) 385-2266 • Fax (281) 385-2194

October 12, 2005

Dear Sirs:

With regard to the question of the City of Mont Belvieu's overall all opinion of Sandersen, Knox & Belt, our current audit firm; both the City's senior management and our City Council would unanimously agree that the firm has performed the best audits and given the best consultative services we have experienced. Some general comments that have come forth would include:

- "We find them to be thorough in their audit examination, yet never petty in their review of detail."
- "S.K. & B. is a professional firm that works with its clients and understands that "gottcha" is not the purpose for an audit."
- "They are independent in their management comments yet both fair and considerate of how their comments might be viewed by others."
- "One of the extra benefits of engaging S.K. & B. is their willingness to provide after audit phone support and consultations."

I hope these comments provide insight to interested parties.

Sincerely,

A handwritten signature in cursive script that reads "Nick Dixon".

Nick Dixon

Mayor

City of Mont Belvieu

GOVERNMENTAL ACCOUNTING STANDARDS BOARD

401 Merritt 7, P.O. Box 511E, Norwalk, Connecticut 06856-511E / 203-847-0700 ext. 200
Fax: 203-848-9714



TOM L ALLEN
Chairman

April 10, 2003

Mr. David G. Wallace, Mayor
City of Sugar Land
P.O. Box 110
Sugar Land, TX 77487-0110

Dear Mayor Wallace:

We recently received a copy of the City of Sugar Land comprehensive annual financial report for the fiscal year ended September 30, 2002. Your city's early implementation of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, is commendable and I want to recognize your efforts.

As you know, the Governmental Accounting Standards Board (GASB) seeks to improve financial reporting in a number of ways. The GASB believes that implementation of Statement 34 results in improvements in reporting cost-of-services information and the overall financial position of the government to taxpayers, governing boards, and other financial statement users. Therefore, we encourage early implementation so that this information will be available to those users on a more timely basis.

We are extremely pleased, and impressed, by your city's ability to prepare the new financial statements in such a timely fashion. I was particularly impressed with the city's reporting of all of its infrastructure well in advance of the required date for reporting existing infrastructure.

Your early implementation is a tribute to your controller Dianne F. Stanford; assistant controller William Pena; accounting manager Alka Shah; and your auditors Sandersen Knox & Belt, L.L.P., for their expertise and assistance to the city.

I also want to commend you and the city's governing body for supporting the efforts to provide your citizens and other financial statement users with a more comprehensive reporting of the city's financial operations in advance of the effective date of the standard. It is my hope that these users of your financial statements will recognize your efforts. I am sending a certificate to your finance department to display in recognition of their early-implementation efforts.



Mr. David G. Wallace, Mayor
April 10, 2003
Page Two

I have provided a copy of this letter and other information on Statement 34 to your local newspaper in hopes that their recognition of your efforts will encourage other governments to provide this improved financial reporting to their citizens and other financial statement users as quickly as possible.

Congratulations for a job well done.

Sincerely,

A handwritten signature in cursive script that reads "Tom L. Allen".

Tom L. Allen

cc: Dianne F. Stanford
William Pena
Alka Shah
Sandersen Knox & Belt, L.L.P.
Fort Bend Sun

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HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT —
FONDREN ROAD

c/o Coats, Rose Yale, Ryman & Lee, P. C.
3 Greenway Plaza, Suite 2000
Houston, Texas 77046
(713) 651-0111

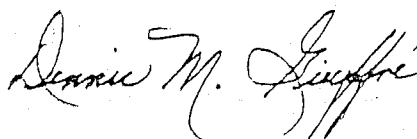
April 28, 2004

To Whom It May Concern:

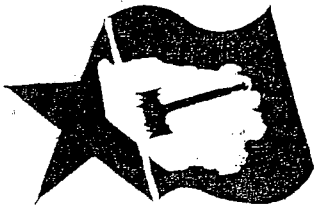
Robert R. Belt, CPA, of the accounting firm of Sandersen, Knox & Belt, LLP, has provided the annual auditing and related accounting services for the Harris County Water Improvement and Control District – Fondren Road, for over ten years.

The Directors of the District have always found the services provided by Mr. Belt to be most professional, efficient, and effective. His work, presentations, and advise are always comprehensive, response to our requirements, timely, and with great clarity. Furthermore, our experience has been that the pricing for professional services by Sandersen, Knox & Belt is competitive.

I would certainly recommend the firm of Sandersen, Knox & Belt, LLP, as a competent and professional provider of auditing and related services to utility and other special districts.



Dennis M. Giuffrè
President
Harris County WCID – Fondren Road



Harris County
MAYORS' & COUNCILS'
ASSOCIATION

Russel E. Hankins, President
Councilman, Hedwig Village
Richard Rothfelder, 1st Vice President
Mayor, Southside Place
Rachel Nunez, 2nd Vice President
Councilwoman, Jacinto City
Pete C. Alfaro, Secretary-Treasurer
Mayor, Baytown
Denton McDugle, Past President
Councilman, Deer Park

January 21, 2004

Robert Belt, CPA
Sandersen Knox & Belt, L.L.P.
7887 Katy Freeway, Suite 190
Houston, Texas 77024

Dear Robert:

Thank you so much for obtaining a favorable resolution from the IRS for the Harris County Mayors' and Councils' Association,

We acknowledged your aid at our Executive Board Meeting held prior to the January meeting so we could discuss the particulars. Each Board Member wishes to express special appreciation for your extra effort to get this done.

We appreciate you and what you give to the Harris County Mayors' and Councils' Association.

Sincerely,

Russel E. Hankins, President
Harris County Mayors' and Councils' Association.



IVANHOE VOL. FIRE DEPARTMENT.

125 QUEEN CIRCLE
WOODVILLE, TEXAS 75979
409-283-5411
JOHNP@SAMLINK.COM



December 8, 2006

Jerome Owens
County Judge
Tyler County Commissioner's Court
Woodville, Texas 75979

Dear Judge Owens;

We would like to request reappointment of the following Commissioners to the Board of Emergency Service Commissioners, Tyler County Emergency Services District # 1, to serve for a term of two years as proscribed in accordance with the requirements of Sec. 776.033 (b) HEALTH AND SAFETY CODE, TITLE 9, SAFETY, SUBTITLE B, EMERGENCIES, Chapter 776, Emergency Services Districts in Counties of 125,000 or less.

Commissioners for two year term.

Mary Ann Rosier	208 Charmaine Dr. S. Woodville, TX 75979
Tommy Hamilton.	128 Sherwood Forest Dr. Woodville, Texas 75979
John Paul Feeley	125 Queen Circle, Woodville, Texas 75979

You will note that these Commissioners are currently serving on the Board of Emergency Service.

Sadly, We must also request that you appoint a Commissioner for one year, to replace Mr. B.J. Smith on the Board. Mr. Smith has served the Hillister Community, for over twenty years, as it's representative on the governing board of both the old Fire District and now the Board of the Emergency Services District. Health issues for Mr. Smith and his wife have caused a need for most of his time and he feels that he must resign at this time.

After consultation with the community, we feel that the best interests of the community would be served by the appointment of the following individual;

Mr. B.A. Smith P.O. Box 38 Hillister, Texas 77624

B.A. is the son of Mr. B.J. Smith and a long time resident of Hillister, active in the community and church, as well as knowledgeable in the details of the Fire Department.

Speaking for the Fire Department, we feel that these individuals have the best interests of the community in mind, and they work together with the department to further those objectives.

Improvements to our Department during the last two years have included trucks and equipment purchased through successful grant applications, the totals of these grants in the last three years now totals a quarter of a million as well as additional annual funding for training for all our firefighters.

In 2006 the Fire Department and the Board of Commissioners met one of the stated goals announced at the start of the E.S.D. in that, we would work towards getting the community rated by the Insurance Services Office and cause a reduction in the citizens fire insurance premiums equal to or greater than the amount of tax they would pay to the E.S.D.

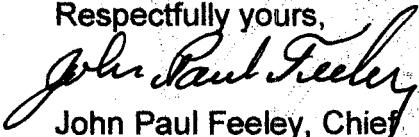
As of September the entire E.S.D., including the Hillister community have been rated by the ISO as an 8b Public Protection Classification. This has resulted in an average reduction of 15-16 % in the premium paid on their insurance.

While meeting these goals, the District has continued to meet it's responsibilities to the community as well as contributing to the wider need of County, State, and Nation by participation in the requirements of Emergency Management and Homeland Security through training and preparation to respond as needed to any man-made or natural disaster that would affect our community.

This combined leadership of our Department and the Commissioners , we believe, are responsible for these results and to change now and lose that knowledge and skills would do a great disservice to the Fire Department, and the community as a whole.

Thank you for your consideration regarding this request, and I remain,

Respectfully yours,



John Paul Feeley, Chief
Ivanhoe Volunteer Fire Department

CC.
Martin Nash Joe Marshall
Rusty Hughes Jack Walston

December 8, 2006

**Martin Nash, Commissioner,
Precinct 1, Tyler County, Texas**

Dear Sir;

With the resignation of Commissioner B.J. Smith, a vacancy has occurred on the Board of Commissioners for Tyler County Emergency Services District # 1.

After discussions with Commissioner Smith and others, including members of the Volunteer Fire Department, I am asking that I be appointed to fill Commissioner Smith's term.

I live and work in Hillister, am active in the Hillister Baptist Church in Hillister, and am the son of the current Commissioner, Mr. B.J. Smith. As such I am familiar with the Fire Department and the Emergency Services District.

I feel that one of the Commissioners of the ESD Board should represent the Hillister Community, as my father diligently filled that position for many years, and so I would like to take up responsibility and serve my community in this important area.

I believe that my qualifications are such as to make me a valuable member of the Board of our District and a benefit to our community, and ask that you recommend my appointment to the remainder of my father's term as a Commissioner on the Board of Commissioners of the Tyler County Emergency Services District # 1

Respectfully yours,



**B. A. Smith
Hillister, Texas**

CC:

**Jerome Owens Rusty Hughes
Joe Marshall Jack Walston**