January 26, 2006

Members of the Legislative Audit Committee:

On December 19, 2005, the 63rd/83rd Judicial District Attorney obtained indictments from a Kinney County grand jury on David G. Luna, the former city secretary of Brackettville, Texas.

In June 2003, the 63rd/83rd Judicial District Attorney and the Department of Public Safety Special Crimes Service (now called the Criminal Intelligence Service) requested assistance from the State Auditor’s Office Special Investigations Unit in an investigation of the former city secretary of Brackettville, Texas. The investigation involved allegations of misappropriation of state monies, which included funds from the Texas Comptroller of Public Accounts.

Between September 1, 1997, and August 31, 2003, the City of Brackettville received $446,417.30 from seven state agencies. The investigation revealed that from July 1, 1998, through May 13, 2003, Mr. Luna allegedly misappropriated and misapplied City of Brackettville funds, which included state monies, totaling more than $65,000.

The indictments charged Mr. Luna with the following:

- Theft of $1,500 or more, but less than $20,000, by a public servant (a third degree felony)
- Theft of $20,000 or more, but less than $100,000, by a public servant (a second degree felony)
- Theft of $20,000 or more, but less than $100,000, by a public servant (a second degree felony)

If you have any questions, please contact Krista Steele, Senior Investigator, or Pamela Munn, Manager, Special Investigations Unit, at (512) 936-9795 or me at (512) 936-9500.

Sincerely,

John Keel, CPA
State Auditor

cc: The Honorable Rick Perry, Governor of Texas
Mr. Fred Hernandez, 63rd/83rd Judicial District Attorney
Colonel Thomas A. Davis, Jr., Director, Department of Public Safety
Lieutenant Arnaldo Ramos, Department of Public Safety, Criminal Intelligence Service
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