

DRAINAGE DISTRICT NO. 3  
Jefferson County, Texas

MINUTES OF MEETING

**MAY 19, 2021**

**7:30 A.M.**

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A meeting was held May 19, 2021, at 7:30 A.M. in the District's office located at 24460 Hwy 124, Hamshire, Texas. All Commissioners present.

1. Meeting was called to order at 7:30 A.M. by Chairman McCall. He announced that this meeting was being recorded for the purpose of transcribing the minutes.

2. Minutes of previous meeting were read and approved.

3. Office Update -

A. Commissioners reviewed the Districts checks written April 30, 2021 to May 15, 2021.

B. Commissioners reviewed the monthly financial report presented by Shanna Verret which showed a balance of \$1,596,664.46 down \$36,296.44 this month.

C. Commissioners reviewed the insurance summary through March 2021 which showed a profit of \$27,581.25 on active employees and a profit of \$3,969.15 on retirees.

D. Motion was made by Commissioner Rose and seconded by Commissioner Boykin to extend existing depository contract with Wells Fargo from May 11, 2021 to June 25, 2021, to allow time to receive new depository contract bids.

E. There was no executive session.

4. Project/Equipment Update –

A. Equipment Update

1. Superintendent Folsom reported that the AC on one of the Kubota tractors needs repairs.

B. Project Update –

1. Superintendent Folsom reported that the 240 trackhoe is on Clubb's property and the mini excavator is working on Copeland property. The 200 trackhoe is back on the DD3 yard.

2. Also major flooding has been reported in the area due to extensive rainfall.

5. New Business –

A. No Meeting Update

B. Board Comments – Shanna Verret reported that the preliminary appraised taxable value for DD3 is \$216,228,410.00.

C. Next regular meeting date was set for Wednesday, June 16, 2021 at 7:30 a.m.

With no further business, meeting adjourned at 8:10 a.m.

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LeRoy McCall, Jr. Chairman

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Frank R. Rose, Secretary

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Reginald C. Boykin, Sr., Commissioner

**DRAINAGE DISTRICT NO. 3**

Jefferson County, Texas

Maintained Operations Fund

Expenditures

**MARCH 30, 2021 TO APRIL 15, 2021**

DATE	CHECK No.	PAYEE	AMOUNT	DESCRIPTION
4/30/2021	11894	PAYROLL ACCOUNT	\$ 11,746.50	SALARIES & AUTO ALLOWANCE
4/30/2021	EFT	IRS - FICA TAXES	\$ 1,454.54	FICA TAXES
4/30/2021	eft	TEXAS COUNTY & DISTRICT RETIREMENT	\$ 1,177.39	EMPLOYER CONTRIBUTION
4/30/2021	11895	UNITED STATES TREASURY	\$ 70.41	FICA TAXES
4/30/2021	11896	UNITED HEALTH	\$ 1,103.32	RETIREE MEDICAL CONTRIBUTION
4/30/2021	11897	UNITED HEALTH	\$ 1,104.72	RETIREE RX CONTRIBUTION
4/30/2021	11898	LeROY McCALL, Jr.	\$ 750.00	REIMBURSEMENT FOR MEDICAL DEDUCTIBLE
4/30/2021	11899	C & I OIL	\$ 1,928.77	DIESEL
4/30/2021	11900	WAUKESHA PEARCE IND	\$ 514.20	FILTERS
4/30/2021	11901	VERIZON	\$ 134.30	TELEPHONE
4/30/2021	11902	WINDSTREAM	\$ 343.99	TELEPHONE
4/30/2021	11903	ENTERGY	\$ 273.88	ELECTRICITY
		<b>TOTAL</b>	<b>\$ 20,602.02</b>	
5/15/2021	11904	PAYROLL ACCOUNT	\$ 9,296.50	SALARIES
5/15/2021	11905	SOUTHEAST TX GOVT EMPLOYEE BENEFIT POOL	\$ 15,745.14	INSURANCE
5/15/2021	11906	COUNTY TREASURER, LIFE INSURANCE	\$ 29.71	LIFE INSURANCE
5/15/2021	11907	STRATTON'S	\$ 15.48	HARDWARE
5/15/2021	11908	WAUKESHA PEARCE INDUSTIRES	\$ 96.04	FILTERS
5/15/2021	11909	LOWE'S	\$ 83.05	FILTERS
5/15/2021	11910	FRED FOLSOM	\$ 277.55	REIMBURSEMENT FOR SEPTIC PUMP - AMAZON
5/15/2021	11911	SAM'S CLUB	\$ 172.14	MISCELLANEOUS
5/15/2021	11912	ALL TERRAIN EQUIPMENT	\$ 119.99	MOWER PART
5/15/2021	11913	POSTMASTER	\$ 110.00	STAMPS
5/15/2021	11914	CENTERPOINT ENERGY	\$ 94.86	NATURAL GAS
5/15/2021	11915	WEST JEFFERSON CO MVD	\$ 27.67	WATER
5/15/2021	11916	HAMSHIRE WASTE	\$ 68.00	WASTE DISPOSAL
5/15/2021	11917	JUX TECHNOLOGIES	\$ 68.00	WEB HOSTING
5/15/2021	11918	WINNIE WELDING	\$ 360.00	EQUIPMENT RENTAL
		<b>TOTAL</b>	<b>\$ 26,564.13</b>	

**DRAINAGE DISTRICT No. 3**  
**Profit & Loss Budget Performance**  
**April 2021**

	Apr 21	Budget	Oct '20 - Apr 21	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
<b>REVENUES</b>					
101 - Current Taxes	19,179.27	50,491.33	580,995.10	353,439.35	605,896.00
102 - Delinquent Taxes	3,195.57	666.66	27,540.03	4,666.70	8,000.00
103 - Interest	128.35	416.66	630.26	2,916.70	5,000.00
104 - Rendition Penalty	0.00		0.00	0.00	0.00
106 - Miscellaneous	0.00	0.00	0.00	0.00	0.00
<b>Total REVENUES</b>	<u>22,503.19</u>	<u>51,574.65</u>	<u>609,165.39</u>	<u>361,022.75</u>	<u>618,896.00</u>
<b>Total Income</b>	<u>22,503.19</u>	<u>51,574.65</u>	<u>609,165.39</u>	<u>361,022.75</u>	<u>618,896.00</u>
<b>Gross Profit</b>	22,503.19	51,574.65	609,165.39	361,022.75	618,896.00
<b>Expense</b>					
<b>1 - SALARIES</b>					
1002 - Clerical	3,888.00	3,888.58	28,129.47	27,220.10	46,663.00
1009 - Dept Head / Foreman	6,035.98	5,921.33	41,755.75	41,449.35	71,056.00
1010 - Commissioners	900.00	900.00	6,300.00	6,300.00	10,800.00
1015 - Extra Help	0.00	3,166.66	0.00	22,166.70	38,000.00
1048 - Equipment Operators/Asst	8,669.02	13,465.08	55,760.78	94,255.60	161,581.00
1050 - Over Time	0.00		0.00	0.00	0.00
<b>Total 1 - SALARIES</b>	<u>19,493.00</u>	<u>27,341.65</u>	<u>131,946.00</u>	<u>191,391.75</u>	<u>328,100.00</u>
<b>2 - FRINGE BENEFITS</b>					
2001 - FICA Expenses	1,524.95	2,401.50	10,034.64	16,810.50	28,818.00
2002 - Retirement	1,177.39	1,611.16	9,577.20	11,278.20	19,334.00
2003 - Insurance	17,631.81	21,592.16	119,784.11	151,145.20	259,106.00
2004 - Worker's Compensation	0.00	916.66	0.00	6,416.70	11,000.00
2006 - Auto Allowance	1,550.00	1,550.00	10,850.00	10,850.00	18,600.00
2007 - Retirement Wage Contg	0.00	2,500.00	163.37	17,500.00	30,000.00
2008 - Health Ins. Savings Acct	750.00	1,187.50	3,781.05	8,312.50	14,250.00
<b>Total 2 - FRINGE BENEFITS</b>	<u>22,634.15</u>	<u>31,758.98</u>	<u>154,190.37</u>	<u>222,313.10</u>	<u>381,108.00</u>
<b>3 - MATERIALS &amp; SUPPLIES</b>					
3006 Batteries	0.00	208.33	1,069.93	1,458.35	2,500.00
3008 Bolts Nuts Nails & Screws	0.00	83.33	0.00	583.35	1,000.00
3009 Antifreeze & Coolant	0.00	150.00	0.00	1,050.00	1,800.00
3010 Books & Printed Matter	0.00	416.66	0.00	2,916.70	5,000.00
3012 Prints, Maps & Etc	0.00	83.33	0.00	583.35	1,000.00
3014 Chains & Hooks	0.00	41.66	0.00	291.70	500.00
3016 Chemicals Weed Control	0.00	1,083.33	0.00	7,583.35	13,000.00
3018 Cleaners & Solvents	0.00	125.00	0.00	875.00	1,500.00
3020 Metal Culvert Pipe	0.00	1,250.00	889.20	8,750.00	15,000.00
3022 Copying Supplies	680.12	166.66	680.12	1,166.70	2,000.00

**DRAINAGE DISTRICT No. 3**  
**Profit & Loss Budget Performance**  
**April 2021**

	Apr 21	Budget	Oct '20 - Apr 21	YTD Budget	Annual Budget
3027 Electrical Supplies	0.00	250.00	0.00	1,750.00	3,000.00
3030 Fencing Material	0.00	416.66	0.00	2,916.70	5,000.00
3032 Concrete, Sand, Aggregat	0.00	583.33	0.00	4,083.35	7,000.00
3034 Diesel Fuel	1,928.77	2,500.00	4,641.23	17,500.00	30,000.00
3036 Diesel Fuel ON ROAD	0.00	1,250.00	1,640.47	8,750.00	15,000.00
3037 Gasoline	0.00	583.33	0.00	4,083.35	7,000.00
3040 Hardware - Misc	133.22	250.00	324.57	1,750.00	3,000.00
3041 Hose & Fittings & Filters	514.20	666.66	1,656.05	4,666.70	8,000.00
3048 Lumber, Timbers, Rope	0.00	208.33	0.00	1,458.35	2,500.00
3050 Medical & Safety	0.00	250.00	834.09	1,750.00	3,000.00
3051 Motor Oil & Grease	0.00	833.33	193.38	5,833.35	10,000.00
3056 Paint & Brushes	0.00	83.33	0.00	583.35	1,000.00
3072 Rope Wire Manila & Burlap	0.00	66.66	0.00	466.70	800.00
3073 Spare Parts, Heavy Equip	0.00	33.33	0.00	233.35	400.00
3077 Computer Supplies	34.99	125.00	34.99	875.00	1,500.00
3078 Office Supplies	0.00	208.33	516.81	1,458.35	2,500.00
3080 Steel Angle Iron Rods, Etc	0.00	208.33	0.00	1,458.35	2,500.00
3083 Tires & Tubes	0.00	666.66	1,588.30	4,666.70	8,000.00
3084 Minor Equipment	0.00	833.33	3,235.00	5,833.35	10,000.00
3095 Welding Supplies	0.00	166.66	0.00	1,166.70	2,000.00
3099 Sundry	90.64	166.67	329.64	1,166.76	2,000.11
<b>Total 3 - MATERIALS &amp; SUPPLIES</b>	<b>3,381.94</b>	<b>13,958.24</b>	<b>17,633.78</b>	<b>97,708.91</b>	<b>167,500.11</b>
<b>4 - MAINTENANCE &amp; UTILITES</b>					
4001 Cooling and Heating	0.00	83.33	0.00	583.35	1,000.00
4009 Building & Structure	0.00	83.33	0.00	583.35	1,000.00
4010 Tractors & Mowers	0.00	833.33	289.60	5,833.35	10,000.00
4011 Equipment Repairs	0.00	2,500.00	326.76	17,500.00	30,000.00
4013 Marine Craft	0.00	166.66	47.91	1,166.70	2,000.00
4014 - Auto - Truck	0.00	166.66	15.75	1,166.70	2,000.00
4015 Communication Equip	0.00	100.00	0.00	700.00	1,200.00
4020 Miscellaneous	0.00	41.66	0.00	291.70	500.00
4030 Tools	0.00	250.00	14.99	1,750.00	3,000.00
4051 Freight	0.00	25.00	0.00	175.00	300.00
4052 Postage	0.00	41.66	142.05	291.70	500.00
4053 Natural Gas/Butane	121.02	291.66	1,116.01	2,041.70	3,500.00
4054 Telephone	478.29	500.00	3,231.36	3,500.00	6,000.00
4056 Electricity	273.88	500.00	2,006.99	3,500.00	6,000.00
4057 Water & Sewer	27.67	166.66	194.97	1,166.70	2,000.00
4058 Garbage Waste Disposal	68.00	100.00	476.00	700.00	1,200.00
<b>Total 4 - MAINTENANCE &amp; UTILITES</b>	<b>968.86</b>	<b>5,849.95</b>	<b>7,862.39</b>	<b>40,950.25</b>	<b>70,200.00</b>

**DRAINAGE DISTRICT No. 3**  
**Profit & Loss Budget Performance**  
**April 2021**

	Apr 21	Budget	Oct '20 - Apr 21	YTD Budget	Annual Budget
<b>5 - MISCELLANEOUS SERVICES</b>					
5009 Professional Services	167.56	666.66	8,745.64	4,666.70	8,000.00
5021 Dues & Subscriptions	68.00	208.33	1,005.00	1,458.35	2,500.00
5027 Engineering Fees	0.00	833.33	0.00	5,833.35	10,000.00
5028 Assessor/Collector Fees	0.00	166.66	1,465.80	1,166.70	2,000.00
5029 Attorney Fees	0.00	833.33	0.00	5,833.35	10,000.00
5031 Filing, Records & Photos	0.00	8.33	0.00	58.35	100.00
5032 Accounting Services	0.00	41.66	0.00	291.70	500.00
5036 Treasurer Commision	0.00	83.33	0.00	583.35	1,000.00
5038 Supplemenal Tax Refunds	0.00	166.66	0.00	1,166.70	2,000.00
5040 Insurance Autos & Trucks	0.00	500.00	0.00	3,500.00	6,000.00
5041 Insurance Property	0.00	291.66	0.00	2,041.70	3,500.00
5043 Insurance General Liab	0.00	166.66	0.00	1,166.70	2,000.00
5044 Insurance Official Liab	0.00	166.66	0.00	1,166.70	2,000.00
5045 Bonds Surety & Notary	0.00	83.33	242.50	583.35	1,000.00
5053 Equipment Rental	0.00	1,041.66	1,990.00	7,291.70	12,500.00
5054 Contract Aerial Spraying	0.00	833.33	0.00	5,833.35	10,000.00
5055 Contract Spraying	0.00	833.33	0.00	5,833.35	10,000.00
5062 Travel & Meeting Expense	0.00	66.66	0.00	466.70	800.00
5064 Training & Education	0.00	125.00	0.00	875.00	1,500.00
5074 Independent Auditor Fees	0.00	1,458.33	16,547.66	10,208.35	17,500.00
5095 Bank Service Charges	0.00	250.00	149.66	1,750.00	3,000.00
5098 Appraisal District Fees	0.00	750.00	3,136.62	5,250.00	9,000.00
5099 Sundry	0.00	83.33	0.00	583.35	1,000.00
<b>Total 5 - MISCELLANEOUS SERVICES</b>	<b>235.56</b>	<b>9,658.24</b>	<b>33,282.88</b>	<b>67,608.80</b>	<b>115,900.00</b>
<b>6 - CAPITAL OUTLAY</b>					
6001 Office Machines	0.00	333.33	0.00	2,333.35	4,000.00
6002 Excavation Equipment	0.00	2,500.00	0.00	17,500.00	30,000.00
6011 Machinery & Equipment	0.00	12,500.00	1,027.36	87,500.00	150,000.00
6014 Building & Structures	0.00	3,416.66	0.00	23,916.70	41,000.00
6022 Furniture & Fixtures	0.00	416.66	0.00	2,916.70	5,000.00
6042 Auto Truck & Trailer	0.00	416.66	0.00	2,916.70	5,000.00
6045 Land/ROW Acquisitions	0.00	416.66	0.00	2,916.70	5,000.00
<b>Total 6 - CAPITAL OUTLAY</b>	<b>0.00</b>	<b>19,999.97</b>	<b>1,027.36</b>	<b>140,000.15</b>	<b>240,000.00</b>
<b>Reconciliation Discrepancies</b>	<b>0.10</b>		<b>-0.90</b>		
<b>Total Expense</b>	<b>46,713.61</b>	<b>108,567.03</b>	<b>345,941.88</b>	<b>759,972.96</b>	<b>1,302,808.11</b>
<b>Net Ordinary Income</b>	<b>-24,210.42</b>	<b>-56,992.38</b>	<b>263,223.51</b>	<b>-398,950.21</b>	<b>-683,912.11</b>

**DRAINAGE DISTRICT No. 3**  
**Profit & Loss Budget Performance**  
**April 2021**

	Apr 21	Budget	Oct '20 - Apr 21	YTD Budget	Annual Budget
Other Income/Expense					
Other Expense					
Transfer Account	0.00	0.00	0.00	0.00	0.00
Total Other Expense	0.00	0.00	0.00	0.00	0.00
Net Other Income	0.00	0.00	0.00	0.00	0.00
Net Income	<b>-24,210.42</b>	<b>-56,992.38</b>	<b>263,223.51</b>	<b>-398,950.21</b>	<b>-683,912.11</b>

**DRAINAGE DISTRICT No. 3**  
**Statement of Cash Flows**  
 October 1, 2020 through May 17, 2021

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	<u>Oct 1, '20 - May 17, 21</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	248,102.96
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	704.53
EMPLOYEE PAID EXPENSES:202-0101 - Employee FICA Tax	1,072.30
EMPLOYEE PAID EXPENSES:202-0102 Employee Medicare Tax	250.78
EMPLOYEE PAID EXPENSES:202-0300 Emplée Withholding Tax	637.00
EMPLOYEE PAID EXPENSES:202-0400 Employee Insurance	3,692.97
EMPLOYEE PAID EXPENSES:202-0600 Employee Retirement	2,150.01
	256,610.55
Net cash provided by Operating Activities	256,610.55
Net cash increase for period	256,610.55
Cash at beginning of period	1,340,053.91
Cash at end of period	<b>1,596,664.46</b>

GROUP: DD3 Active  
 PERIOD: 1/1/2021-12/31/2021

**SUMMARY REPORT**

MONTH	PAID MEDICAL CLAIMS	% OF TOTAL CLAIMS PAID	PAID VISION CLAIMS	% OF TOTAL CLAIMS PAID	PAID DENTAL CLAIMS	% OF TOTAL CLAIMS PAID	PAID PRESCRIPTION CLAIMS	% OF TOTAL CLAIMS PAID	TOTAL CLAIMS PAID	ADMIN	TOTAL EXPENSES	BILLED PREMIUM	NET PROFIT/(LOSS)
January	\$ 1,040.74	14.50%	\$ -	0.00%	\$ 450.00	0.00%	\$ 5,687.83	79.23%	\$ 7,178.57	\$ 1,187.58	\$ 8,366.15	\$ 13,195.35	\$ 4,829.20
February	\$ 392.51	33.72%	\$ -	0.00%	\$ 95.00	0.00%	\$ 676.54	58.12%	\$ 1,164.05	\$ 1,452.46	\$ 2,616.51	\$ 16,138.48	\$ 13,521.97
March	\$ 1,121.41	20.55%	\$ -	0.00%	\$ 1,717.50	0.00%	\$ 2,617.02	47.97%	\$ 5,455.93	\$ 1,452.46	\$ 6,908.39	\$ 16,138.48	\$ 9,230.09
April													
May													
June													
July													
August													
September													
October													
November													
December													
<b>TOTALS</b>	<b>\$ 2,554.66</b>	<b>18.51%</b>		<b>0.00%</b>	<b>\$ 2,262.50</b>	<b>0.00%</b>	<b>\$ 8,981.39</b>	<b>65.09%</b>	<b>\$ 13,798.55</b>	<b>\$ 4,092.51</b>	<b>\$ 17,891.06</b>	<b>\$ 45,472.31</b>	<b>\$ 27,581.25</b>
MONTHLY AVERAGE	\$ 851.55		\$ -		\$ 754.17		\$ 2,993.80		\$ 4,599.52	\$ 1,364.17	\$ 5,963.69	\$ 15,157.44	\$ 9,193.75
ANNUAL PROJECTIONS	\$ 10,218.64		\$ -		\$ 9,050.00		\$ 35,925.56		\$ 55,194.20	\$ 16,370.03	\$ 71,564.23	\$ 181,889.24	\$ 110,325.01
PROJECTED MONTHLY AVERAGE PER ENROLLEE	\$ 141.93		\$ -		\$ 150.83		\$ 498.97		\$ 791.73				
PROJECTED MONTHLY AVERAGE PER MEMBER	\$ 85.16		\$ -		\$ 94.27		\$ 299.38		\$ 478.81				



GROUP: DD3 Retirees  
 PERIOD: 1/1/2021-12/31/2021

**SUMMARY REPORT**

MONTH	PAID MEDICAL CLAIMS	% OF TOTAL CLAIMS PAID	PAID VISION CLAIMS	% OF TOTAL CLAIMS PAID	PAID DENTAL CLAIMS	% OF TOTAL CLAIMS PAID	PAID PRESCRIPTION CLAIMS	% OF TOTAL CLAIMS PAID	TOTAL CLAIMS PAID	ADMIN	TOTAL EXPENSES	BILLED PREMIUM	NET PROFIT/(LOSS)
January	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 294.50	100.00%	\$ 294.50	145.47	\$ 439.97	\$ 1,616.29	\$ 1,176.32
February	\$ -	0.00%	\$ -	0.00%	\$ 116.00	81.06%	\$ 27.11	18.94%	\$ 143.11	145.47	\$ 288.58	\$ 1,616.29	\$ 1,327.71
March	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 5.71	100.00%	\$ 5.71	145.47	\$ 151.18	\$ 1,616.29	\$ 1,465.11
April													
May													
June													
July													
August													
September													
October													
November													
December													
TOTALS	\$ -	0.00%	\$ -	0.00%	\$ 116.00	26.17%	\$ 327.32	73.83%	\$ 443.32	436.40	\$ 879.72	\$ 4,848.87	\$ 3,969.15
MONTHLY AVERAGE	\$ -		\$ -		\$ 38.67		\$ 109.11		\$ 147.77	\$ 145.47	\$ 293.24	\$ 1,616.29	\$ 1,323.05
ANNUAL PROJECTIONS	\$ -		\$ -		\$ 464.00		\$ 1,309.28		\$ 1,773.28	\$ 1,745.59	\$ 3,518.87	\$ 19,395.48	\$ 15,876.61
PROJECTED MONTHLY AVERAGE PER ENROLLEE	\$ -		\$ -		\$ 12.89		\$ 109.11		\$ 122.00				
PROJECTED MONTHLY AVERAGE PER MEMBER	\$ -		\$ -		\$ 7.73		\$ 109.11		\$ 116.84				



May 4, 2021

Jefferson County Drainage District No. 3  
Charlie Hallmark, County Treasurer  
1149 Pearl Street  
Beaumont, Texas 77701

Mr. Hallmark,

Wells Fargo is honored to serve as the depository bank for the Jefferson County DD3 and is offering to extend the terms of the existing contract for the period from May 11, 2021 through June 25, 2021.

All expressed and implied services granted under the current depository contract would be honored for this extended contractual period.

We appreciate your business and look forward to building upon our successful relationship. Please do not hesitate to contact me if any questions arise.

Thank you for your time and consideration.

A handwritten signature in blue ink, appearing to read "Orlando A. Saenz".

Orlando A. Saenz, CTP

Vice President, Relationship Manager  
Wells Fargo Government and Institutional Banking

12650 N. Featherwood Dr. Ste 210 | Houston, TX 77034  
MAC T0170-021 | Phone: 281-971-2160 | Cell: 346-262-6035

[Orlando.A.Saenz@wellsfargo.com](mailto:Orlando.A.Saenz@wellsfargo.com)

