



BOARD OF COMMISSIONERS

Frank R. Rose, Chairman

Reggie Boykin, Secretary

Jay Levingston, Jr., Commissioner

NOTICE OF MEETING AND AGENDA

BOARD OF COMMISSIONERS FOR DRAINAGE DISTRICT NO. 3 JEFFERSON COUNTY, TEXAS

JULY 24, 2024

7:30 A.M.

Notice is hereby given that the Board of Commissioners of Jefferson County Drainage District No. 3 will meet at 7:30 a.m., on the **24th of JUNE, 2024**, at its regular meeting place in the District's Office, 24460 Hwy 124, Hamshire, Texas.

Said meeting will be a Regular meeting for the purpose of transacting the routine business of the District.

I. **Call to order and take roll.**

II. **Announcement:**

This Commissioner's meeting is being recorded for the purpose of transcribing minutes.

III. **Public Comments**

Donny Shank – Discuss Hamshire Rd ditch to the bayou and Wise Rd Ditch

At this time, the Board will listen to comments from the public and others regarding both agenda action items and items that are not on the agenda. No action may be taken on non-agenda items. Public participation is limited to the designated open forum portion of a regular meeting. No presentation shall exceed a maximum of five minutes. Delegations of more than five persons shall appoint one person to present their views before the Board. COMPLAINTS AGAINST SPECIFIC EMPLOYEES OR INDIVIDUALS ARE NOT ALLOWED. THESE COMPLAINTS ARE COVERED BY A SEPARATE POLICY. Members of the public will not be allowed to offer comments on agenda action items when that item is on the floor for discussion unless requested to do so by the Chairman of the Board. This audience participation period is not the appropriate means for bringing complaints for which resolution is sought.

IV. **Approve Minutes from June 12, 2024 meeting.**

V. **Office Update**

A. Review and Accept Regular District Bills June 30, 2024 to July 15, 2024

B. Review and Accept Monthly Financial Reports

C. Review and Accept Monthly Insurance Summary

D. Consider and Approve Budget Amendment for July 2024

E. Consider and Approve Management Agreement with FMW, PPC for the 2023-24 Audit

F. Review the July 2, 2024 Preliminary Taxable Value

G. Executive Session – *See footnote 1*

H. Consider and take action, if any, on items discussed in Executive Session

VI. **Equipment/Project Update**

A. Equipment Update –

B. Project Update –

New Construction Updates –

1. **Longhorn RV Park** – Waiting on permits and inspection from TECQ.
Review of Memos submitted by Mr. Sprinkle
2. **AGY RV Park** – Final plans and revisions have been submitted for review

Completed Projects

1. S. Verret – Ditch 301 – Shellhammer Rd
2. A. Simon – Ditch 301 – Kiker Rd
3. J. Simon – Ditch 301 – Shellhammer Rd
4. D. Vincent – Ditch 308 – Vincent Rd
5. G. Vincent – Ditch 308 – Vincent Rd
6. C. Reneau – Intersection of Ditch 751 & 312 – Todd Rd

Projects in Progress

1. B. Fischer – Wise Rd
2. H. Clubb – Ditch 117 & 750 – Englin Rd

Upcoming Projects

1. Labelle Properties Hwy 73 – Ditch 750-B
2. J. Broussard – E. Hamshire Rd
3. J. Simon – Ditch 316 – Todd Rd
4. J. Leblanc – Ditch Needs Number – Rollins Rd
5. H. Lindsey – Ditch Needs Number – Rollins Rd
6. R. Cuniff – Ditch Needs Number – Rollins Rd
7. A. Permenter – Ditch 403 – Big Hill Rd
8. J. Phelan – Ditch 309 – Copeland Rd.
9. D. Shank – Ditch Needs Number – Wise Rd
10. K. Ackel – Ditch Needs Number – Vincent Rd
11. Oasis Truck Stop – Ditches 125 & 313 – Hwy 73 & Kiker Rd

VII. **New Business**

- A. Meeting Updates
- B. Board Comments
- C. Set Next Meeting Date

¹ The District reserves the right to adjourn into executive session at any time during the course of this meeting as authorized by the Texas Open meetings Act, Texas Government Code §§ 551.071 (Consultation with Attorney), 551.072 (Deliberation about Real Property), 551.073 (Deliberation about Gifts and Donations), 551.074 (Personnel Matters), and any other provision under Texas law that permits a governmental body to discuss a matter in a closed executive session. Should any final action, decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed or executive meeting or session, then the final action, or final vote shall be either:

- (a) in the open meeting covered by the Notice upon the reconvening of the public meeting; or
- (b) at a subsequent public meeting of the Commissioners upon notice thereof; as the Commissioners shall determine.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Board of Commissioners of Jefferson County Drainage District No. 3 is a true and correct copy of said Notice at a place convenient and readily accessible to the general public at all times in its administrative office at 24460 Hwy 124, Hamshire, Texas. This notice can also be viewed via the District's website at <http://jcdd3.org>. This notice remained so posted continuously for at least 72 hours immediately preceding the scheduled time of said Meeting. And further, that a true and correct copy of said notice was furnished to the County Clerk of Jefferson County for posting in the Jefferson County Courthouse.

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on July , 2024.

JEFFERSON COUNTY DRAINAGE DISTRICT No. 3

By: 
Frank R. Rose, Chairman

I, the undersigned County Clerk of Jefferson County, do hereby certify that the above Notice of Meeting of the Jefferson County Drainage District No. 3 Board of Commissioners, is a true and correct copy of said Notice, and that I received and posted said Notice on the Courthouse Doors and the bulletin board at the Courthouse of Jefferson County, Texas, at a place readily accessible to the general public at all times on the _____ day of _____, 20____ at _____m. and said Notice remained so posted continuously for at least 72 hours preceding the scheduled time of said Meeting.

Dated this the _____ day of _____, 20_____.

By: _____

Jefferson County Clerk

Return File Copy To: Jefferson County Drainage District No. 3, P.O. Box 388, Hamshire, TX 77622

MINUTES OF MEETING

JULY 24, 2024

7:30 A.M.

A meeting was held July 24, 2024, at 7:30 A.M. in the District's office located at 24460 Hwy 124, Hamshire, Texas. Present were Chairman Frank R. Rose, Secretary Reggie Boykin, and Commissioner Joel Levingston, Jr.

1. Meeting was called to order at 7:30 A.M. by Chairman Frank R. Rose.
2. He announced that this meeting was being recorded for the purpose of transcribing the minutes.
3. Public Comments – Donny Shank spoke to the Board in regards to a ditch that is located on his property off Wise Rd and ties into the ditch on Labelle Properties. He stated that the ditch on Labelle Properties needs to be cleaned to properly drain into Mayhaw Bayou. He was informed that when we complete a job on Big Hill Rd we would be moving to that property within the next week to change out a pipe and would also clean the ditch he is referring to. Mr. Shank also spoke to the Board about a ditch that is on his property off of Hamshire Rd. However, that ditch is located within DD6 jurisdiction and he would need to have them clean the ditch.
4. The Minutes of June 12, 2024, meeting was approved on a motion made by Commissioner Boykin and seconded by Commissioner Levingston. All voted Aye.
5. Office Update -
 - A. Commissioners reviewed and accepted the Districts' regular checks written June 30, 2024 to July 15, 2024. Motion made by Commissioner Levingston and seconded by Commissioner Boykin. All voted Aye.
 - B. Commissioners reviewed and accepted the monthly financial report presented by Shanna Verret which showed an ending fund balance of \$1,578,931.47 a decrease of \$72,198.57 from last month. Motion made by Commissioner Levingston and seconded by Commissioner Boykin. All voted Aye.
 - C. Insurance summary from June 2024 was presented by Shanna Verret. The active employees have a profit of \$88,171.39 and retirees show a profit of \$9,747.92. Motion was made by Commissioner Boykin and seconded by Commissioner Levingston to accept the insurance summary as presented. All voted AYE.
 - D. A motion was made by Commissioner Boykin and seconded by Commissioner Levingston to approve the budget amendment to move \$2000.00 from Miscellaneous Service category 5054 Contract Aerial Spraying to Miscellaneous Services category 5009 Professional Services. All voted AYE.
 - E. A motion was made by Commissioner Levingston and seconded by Commissioner Boykin to accept and approve the Management Letter from Funchess, Mills, White, PPC to perform the 2023-24 Audit for the District. All voted AYE.
 - F. The Board reviewed the July 2, 2024 Preliminary Net Taxable Value as presented by JCAD of \$297,360,153. Down 3,614,147 from the May 30, 2024 report.
 - G. No Executive session
6. Equipment/Project Update –
 - A. Equipment Update
 1. 2014 Dodge Ram will be brought to Winnie Dodge for possible work that needs to be done to the Turbo Charger.
 2. General Manager Ruffus Lavergne informed the board he is looking into possibly purchasing a new tractor with an offset mower for ditch maintenance.

MINUTES OF MEETING

JULY 24, 2024

7:30 A.M.

B. Project Update –

New Construction Updates –

1. **LONGHORN RV PARK** - The Board was informed of the memos that Mr. Sprinkle sent to the County Engineer concerning him performing work before permits are issued. The Engineer's office informed him that if work is performed before permits are received he could face fines and penalties from the County and TCEQ.
2. **AGY RV Park** – Final plans are being reviewed for permitting.

Completed Projects

- a) Ditch 403 – Big Hill Rd

Projects in Progress

- a) Ditch 111 – Englin Rd/Rollins Rd

Upcoming Projects

- a) Ditch 750B - Labelle Properties Hwy 73
- b) J. Broussard – E. Hamshire Rd (need a ditch number)
- c) Ditch 316 –Todd Rd
- d) Ditch 121 – Rollins Rd
- e) Ditch 100 – Rollins Rd
- f) Ditch 309 – Copeland Rd
- g) Ditch 318 – Vincent Rd
- h) Ditches 125 & 313 – Hwy 73 & Kiker Rd
- i) Ditch 319 – Vincent Rd
- j) Ditch 325 – E. Buccaneer Rd

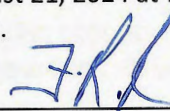
7. New Business

A. No Meeting Updates

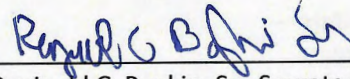
B. Board Comments – Commissioner Levingston requested that we put the District Map on the screen when discussing ditches that need maintenance.

C. The next regular meeting date is set for Wednesday, August 21, 2024 at 7:30 a.m.

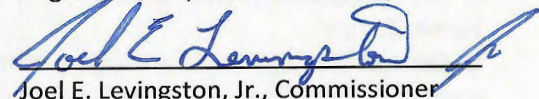
With no further business, the meeting adjourned at 8:08 a.m.



Frank R. Rose, Chairman



Reginald C. Boykin, Sr., Secretary



Joel E. Levingston, Jr., Commissioner

**DRAINAGE DISTRICT No. 3
EXPENDITURE REPORT**

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Split</u>	<u>Amount</u>
06/27/2024	ACH	FICA	Payroll Tax Liability	-3,124.06
06/27/2024	13123	PAYROLL ACCOUNT	Salaries & Auto Allowance	-15,323.00
06/27/2024	ACH	Texas County & District Retirement Sys	Retirement	-2,038.90
06/27/2024	13125	Amwins Group Benefits, LLC	Insurance	-7,190.95
06/27/2024	13126	Shanna Verret	Deductible Reimbursement	-534.08
06/27/2024	13127	Tri-Con Inc	Fuel	-2,622.05
06/27/2024	13128	Office Depot	Computer Supplies	-179.09
06/27/2024	13129	Centerpoint Energy	Natural Gas	-96.28
06/27/2024	13130	Windstream	Telephone	-375.70
06/27/2024	13131	Entergy	Electricity	-221.66
06/27/2024	13132	TWCARMF	Property Insurance, Wkrs Comp	<u>-17,265.00</u>
		June 30, 2024 Total		-48,970.77
07/15/2024	13133	PAYROLL ACCOUNT	Salaries	-13,398.00
07/15/2024	13135	County Treasurer, Life Insurance	Insurance	-36.06
07/15/2024	ACH	FICA	Payroll Tax Liability	-2,854.22
07/15/2024	13142	Southeast Tx Gov't Employees Benefit	Insurance	-18,117.80
07/15/2024	13144	O'Reilly	Hardware	-24.99
07/15/2024	13145	Waukesha-Pearce Industries, Inc.	Filters	-1,809.72
07/15/2024	13146	First National Bank Omaha	Office Supplies, Tools	-148.03
07/15/2024	13147	SAM'S CLUB	Sundries	-70.76
07/15/2024	13148	Audilet Tractor Sales, Inc.	Trailer Repair	-224.80
07/15/2024	13149	Stratton, Inc. - Western Auto	Hardware	-74.24
07/15/2024	13150	Centerpoint Energy	Natural Gas	-95.62
07/15/2024	13151	AT&T	Telephone	-112.80
07/15/2024	13152	West Jefferson Co. MWD	Water & Sewere=	-31.79
07/15/2024	13153	Hamshire Waste	Waste Disposal	-68.00
07/15/2024	13154	Advanced Systems Alarm Services	Professional Services	-355.00
07/15/2024	13155	T Wuenschel - Tax Assessor/Collector	Dues & Subscriptions	-7.50
07/15/2024	13156	Lone Star Lube Right	Dues & Subscriptions	-7.00
07/15/2024	13157	Jux Technologies	Dues & Subscriptions	-18.00
07/15/2024	13158	Winnie Welding Works	Equipment Rental	<u>-480.00</u>
		July 15, 2024 Total		<u>-37,934.33</u>

DRAINAGE DISTRICT No. 3 Profit & Loss Budget Performance June 2024

	Jun 24	Budget	Oct '23 - Jun 24	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
REVENUES					
101 - Current Taxes	8,814.36	69,173.00	813,192.72	622,557.00	830,076.00
102 - Delinquent Taxes	5,125.64	416.67	17,275.67	3,749.99	5,000.00
103 - Interest	6,698.21	1,250.00	57,970.90	11,250.00	15,000.00
104 - Rendition Penalty	0.00		0.00	0.00	0.00
106 - Miscellaneous	0.00	83.33	2,296.00	750.01	1,000.00
Total REVENUES	20,638.21	70,923.00	890,735.29	638,307.00	851,076.00
Total Income	20,638.21	70,923.00	890,735.29	638,307.00	851,076.00
Gross Profit	20,638.21	70,923.00	890,735.29	638,307.00	851,076.00
Expense					
1 - SALARIES					
1002 - Clerical	4,741.00	4,741.83	42,669.00	42,676.51	56,902.00
1009 - Dept Head / Foreman	5,583.00	5,583.75	50,247.00	50,253.75	67,005.00
1010 - Commissioners	900.00	900.00	8,100.00	8,100.00	10,800.00
1015 - Extra Help	1,800.00	3,000.00	1,800.00	27,000.00	36,000.00
1048 - Equipment Operators/Asst	14,072.00	14,080.75	126,648.00	126,726.75	168,969.00
Total 1 - SALARIES	27,096.00	28,306.33	229,464.00	254,757.01	339,676.00
2 - FRINGE BENEFITS					
2001 - FICA Expenses	2,073.64	2,530.00	17,415.18	22,770.00	30,360.00
2002 - Retirement	2,038.90	2,280.83	17,553.27	20,527.51	27,370.00
2003 - Insurance	24,959.31	23,750.00	205,785.37	213,750.00	285,000.00
2004 - Worker's Compensation	4,297.00	916.67	5,108.00	8,249.99	11,000.00
2006 - Auto Allowance	1,625.00	1,625.00	14,625.00	14,625.00	19,500.00
2007 - Retirement Wage Contg	0.00	2,886.67	400.00	25,979.99	34,640.00
2008 - Health Ins. Savings Acct	534.08	687.50	662.97	6,187.50	8,250.00
Total 2 - FRINGE BENEFITS	35,527.93	34,676.67	261,549.79	312,089.99	416,120.00
3 - MATERIALS & SUPPLIES					
3006 Batteries	0.00	250.00	654.93	2,250.00	3,000.00
3008 Bolts Nuts Nails & Screws	34.74	83.33	34.74	750.01	1,000.00
3009 Antifreeze & Coolant	0.00	166.67	0.00	1,499.99	2,000.00
3010 Books & Printed Matter	0.00	416.67	95.00	3,749.99	5,000.00
3012 Prints, Maps & Etc	0.00	83.33	0.00	750.01	1,000.00
3014 Chains & Hooks	0.00	66.67	0.00	599.99	800.00
3016 Chemicals Weed Control	0.00	1,916.67	0.00	17,249.99	23,000.00
3018 Cleaners & Solvents	0.00	125.00	0.00	1,125.00	1,500.00
3019 - Additives & Lubricants	0.00	208.33	0.00	1,875.01	2,500.00
3020 Metal Culvert Pipe	6,304.50	4,166.67	29,990.21	37,499.99	50,000.00
3022 Copying Supplies	0.00	166.67	1,078.91	1,499.99	2,000.00

DRAINAGE DISTRICT No. 3 Profit & Loss Budget Performance June 2024

	Jun 24	Budget	Oct '23 - Jun 24	YTD Budget	Annual Budget
3027 Electrical Supplies	94.96	250.00	461.28	2,250.00	3,000.00
3030 Fencing Material	0.00	541.67	0.00	4,874.99	6,500.00
3032 Concrete, Sand, Aggregat	0.00	833.33	0.01	7,500.01	10,000.00
3034 Diesel Fuel	2,293.77	4,166.67	10,288.27	37,499.99	50,000.00
3036 Diesel Fuel ON ROAD	0.00	1,666.67	4,623.82	14,999.99	20,000.00
3037 Gasoline	0.00	583.33	2,798.12	5,250.01	7,000.00
3040 Hardware - Misc	2.49	250.00	205.48	2,250.00	3,000.00
3041 Hose & Fittings & Filters	0.00	833.33	652.67	7,500.01	10,000.00
3048 Lumber, Timbers, Rope	0.00	208.33	1,026.55	1,875.01	2,500.00
3050 Medical & Safety	0.00	250.00	679.06	2,250.00	3,000.00
3051 Motor Oil & Grease	328.28	833.33	328.28	7,500.01	10,000.00
3056 Paint & Brushes	0.00	83.33	0.00	750.01	1,000.00
3072 Rope Wire Manila & Burlap	0.00	66.67	0.00	599.99	800.00
3073 Spare Parts, Heavy Equip	0.00	83.33	0.00	750.01	1,000.00
3077 Computer Supplies	270.76	208.33	1,552.46	1,875.01	2,500.00
3078 Office Supplies	56.78	208.33	572.54	1,875.01	2,500.00
3080 Steel Angle Iron Rods, Etc	0.00	125.00	0.00	1,125.00	1,500.00
3083 Tires & Tubes	0.00	750.00	1,180.66	6,750.00	9,000.00
3084 Minor Equipment	0.00	708.33	651.97	6,375.01	8,500.00
3095 Welding Supplies	0.00	166.67	0.00	1,499.99	2,000.00
3098 - Clothing & Work Wear	204.00	125.00	1,343.28	1,125.00	1,500.00
3099 Sundry	67.12	166.67	637.20	1,499.99	2,000.00
Total 3 - MATERIALS & SUPPLIES	9,657.40	20,758.33	58,855.44	186,825.01	249,100.00
4 - MAINTENANCE & UTILITES					
4001 Cooling and Heating	0.00	83.33	0.00	750.01	1,000.00
4009 Building & Structure	0.00	291.67	254.16	2,624.99	3,500.00
4010 Tractors & Mowers	0.00	1,041.67	0.00	9,374.99	12,500.00
4011 Equipment Repairs	0.00	4,166.67	6,311.98	37,499.99	50,000.00
4013 Marine Craft	0.00	166.67	0.00	1,499.99	2,000.00
4014 - Auto - Truck	0.00	250.00	0.00	2,250.00	3,000.00
4015 Communication Equip	0.00	125.00	0.00	1,125.00	1,500.00
4020 Miscellaneous	0.00	41.67	0.00	374.99	500.00
4030 Tools	0.00	250.00	235.09	2,250.00	3,000.00
4051 Freight	0.00	25.00	0.00	225.00	300.00
4052 Postage	0.00	41.67	177.62	374.99	500.00
4053 Natural Gas/Butane	96.28	308.33	1,086.83	2,775.01	3,700.00
4054 Telephone	488.47	500.00	4,217.13	4,500.00	6,000.00
4056 Electricity	221.66	500.00	1,758.07	4,500.00	6,000.00
4057 Water & Sewer	29.93	166.67	301.71	1,499.99	2,000.00
4058 Garbage Waste Disposal	68.00	100.00	612.00	900.00	1,200.00
Total 4 - MAINTENANCE & UTILITES	904.34	8,058.35	14,954.59	72,524.95	96,700.00

DRAINAGE DISTRICT No. 3 Profit & Loss Budget Performance June 2024

	Jun 24	Budget	Oct '23 - Jun 24	YTD Budget	Annual Budget
5 - MISCELLANEOUS SERVICES					
5009 Professional Services	1,440.00	833.33	10,490.29	7,500.01	10,000.00
5021 Dues & Subscriptions	218.00	291.67	887.50	2,624.99	3,500.00
5027 Engineering Fees	0.00	1,666.67	0.00	14,999.99	20,000.00
5028 Assessor/Collector Fees	0.00	166.67	1,450.26	1,499.99	2,000.00
5029 Attorney Fees	0.00	833.33	0.00	7,500.01	10,000.00
5031 Filing, Records & Photos	0.00	8.33	0.00	75.01	100.00
5032 Accounting Services	0.00	41.67	0.00	374.99	500.00
5036 Treasurer Commision	0.00	133.33	0.00	1,200.01	1,600.00
5038 Supplemenal Tax Refunds	0.00	166.67	0.00	1,499.99	2,000.00
5040 Insurance Autos & Trucks	4,466.00	500.00	4,466.00	4,500.00	6,000.00
5041 Insurance Property	5,572.00	500.00	5,572.00	4,500.00	6,000.00
5043 Insurance General Liab	1,595.00	166.67	1,716.00	1,499.99	2,000.00
5044 Insurance Official Liab	1,335.00	166.67	1,335.00	1,499.99	2,000.00
5045 Bonds Surety & Notary	0.00	83.33	447.00	750.01	1,000.00
5053 Equipment Rental	480.00	1,416.67	4,090.00	12,749.99	17,000.00
5054 Contract Aerial Spraying	0.00	1,333.33	0.00	12,000.01	16,000.00
5055 Contract Spraying	0.00	1,416.67	0.00	12,749.99	17,000.00
5062 Travel & Meeting Expense	0.00	66.67	0.00	599.99	800.00
5064 Training & Education	0.00	125.00	18.00	1,125.00	1,500.00
5074 Independent Auditor Fees	2,750.00	2,083.33	23,225.00	18,750.01	25,000.00
5095 Bank Service Charges	0.00	250.00	0.00	2,250.00	3,000.00
5098 Appraisal District Fees	2,098.88	750.00	6,298.32	6,750.00	9,000.00
5099 Sundry	526.03	83.33	725.95	750.01	1,000.00
Total 5 - MISCELLANEOUS SERVICES	20,480.91	13,083.34	60,721.32	117,749.98	157,000.00
6 - CAPITAL OUTLAY					
6001 Office Machines	0.00	375.00	1,746.06	3,375.00	4,500.00
6002 Excavation Equipment	0.00	14,583.33	153.58	131,250.01	175,000.00
6011 Machinery & Equipment	0.00	8,333.33	0.00	75,000.01	100,000.00
6014 Building & Structures	0.00	3,333.33	8,826.42	30,000.01	40,000.00
6022 Furniture & Fixtures	0.00	416.67	279.99	3,749.99	5,000.00
6042 Auto Truck & Trailer	0.00	4,166.67	0.00	37,499.99	50,000.00
6045 Land/ROW Acquisitions	0.00	416.67	0.00	3,749.99	5,000.00
Total 6 - CAPITAL OUTLAY	0.00	31,625.00	11,006.05	284,625.00	379,500.00
Payroll Expenses	0.00		0.00		
Reconciliation Discrepancies	0.00	0.00	0.00	0.00	0.00
Total Expense	93,666.58	136,508.02	636,551.19	1,228,571.94	1,638,096.00
Net Ordinary Income	-73,028.37	-65,585.02	254,184.10	-590,264.94	-787,020.00

8:58 AM

07/16/24

Accrual Basis

DRAINAGE DISTRICT No. 3
Profit & Loss Budget Performance
June 2024

	<u>Jun 24</u>	<u>Budget</u>	<u>Oct '23 - Jun 24</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
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	<u>-73,028.37</u>	<u>-65,585.02</u>	<u>254,184.10</u>	<u>-590,264.94</u>	<u>-787,020.00</u>

DRAINAGE DISTRICT No. 3
Statement of Cash Flows
June 2024

	<u>Jun 24</u>
OPERATING ACTIVITIES	
Net Income	-73,028.37
Adjustments to reconcile Net Income to net cash provided by operations:	
EMPLOYEE PAID EXPENSES:202-0400 Employee Insurance	818.58
Payroll Liabilities	<u>11.22</u>
Net cash provided by Operating Activities	<u>-72,198.57</u>
Net cash increase for period	-72,198.57
Cash at beginning of period	<u>1,651,130.04</u>
Cash at end of period	<u><u>1,578,931.47</u></u>

DRAINAGE DISTRICT NO. 3
Jefferson County, Texas

2023-24 BUDGET AMENDMENTS
JULY 24, 2024

EXPENSES MOVE FROM	AMOUNT	EXPENSES MOVE TO	AMOUNT
MISCELLANEOUS SERVICES		MISCELLANEOUS SERVICE	
5054 - CONTRACT AERIAL SPRAYING	2,000.00	5009 PROFESSIONAL SERVICES	2,000.00
TOTAL	2,000.00	TOTAL	\$2,000.00

June 10, 2024

To Management
Jefferson County Drainage District No. 3
P.O. Box 120
Hampshire, Texas 77622

We are pleased to confirm our acceptance and understanding of the services we are to provide Jefferson County Drainage District No. 3 (“the District”) for the year ended September 30, 2024.

You have requested that we prepare the financial statements of Jefferson County Drainage District No. 3, which comprise the annual Statement of Net Position and Governmental Fund Balance Sheet and the related Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Net Position of Drainage District No. 3, Jefferson County, Texas for the year ended September 30, 2024, and the related notes and management’s discussion and analysis and perform a compilation engagement with respect to those financial statements. You have also requested that we prepare the supplementary Schedule of the Budgetary Comparison General Fund, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Employer Contributions, Schedule of Changes in OPEB Liability and Related Ratios, Services and Rates, General Fund Expenditures, Temporary Investments, Taxes Levied and Receivable, Long-Term Debt Service Requirements by Years, Changes in Long-Term Debt Service, Comparative Schedule of Revenues and Expenditures – General Fund, and Board Members, Key Personnel, and Consultants based on information provided by you.

We will assist your chief financial officer in adjusting the books of accounts with the objective that she will be able to prepare a working trial balance from which financial statements can be prepared. Your chief financial officer will provide us with a detailed trial balance and any supporting schedules we require.

Our Responsibilities

The objective of our engagement is to –

1. prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you and
2. apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our compilation engagement in accordance with the Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with applicable professional standards, including the AICPA’s *Code of Professional Conduct*, and its ethical principles of integrity, objectivity, professional competence, and due care, when preparing the financial statements and performing the compilation engagement.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the District or noncompliance with laws and regulations.

We in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities since performing those procedures or taking such action would impair our independence.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America and assist you in the presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

- 1) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.
- 2) The preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America.
- 3) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
- 4) The prevention and detection of fraud.
- 5) To ensure that the District complies with the laws and regulations applicable to its activities.
- 6) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- 7) To provide us with—
 - access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - additional information that we may request from you for the purpose of the compilation engagement.
 - unrestricted access to persons within the District of whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee the preparation of your financial statements and depreciation schedule. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Our Report

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. There may be circumstances in which the report differs from the expected form and content. If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

We are not independent with respect to Jefferson County Drainage District No. 3 and will disclose that we are not independent in our compilation report.

You agree to include our accountant's compilation report in any document containing financial statements that indicates that we have performed a compilation engagement on such financial statements and, prior to the inclusion

of the report, to obtain our permission to do so. The supplementary information accompanying the financial statements will be presented for purposes of additional analysis. Our report will not express an opinion, a conclusion, nor provide any assurance on such information.

Engagement Administration, Fees, and Other


Terry S. Whiddon, CPA is the engagement principal and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We estimate that our fees for these services will range from \$13,500 to \$14,500. You will also be billed for out-of-pocket costs such as report production, word processing, postage, travel, etc. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to be of service to Jefferson County Drainage District No. 3 and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



FMW, P.C.

This letter correctly sets forth the understanding of Drainage District No. 3, Jefferson County, TX.

Signature

Title

Company Representative Printed Name

Memo Response and Project Update

Michelle Falgout <Michelle.Falgout@jeffcotx.us>

Tue 7/2/2024 4:39 PM

To: Ronny Sprinkle <ronnysprinkle@gmail.com>; tohmehani@yahoo.com <tohmehani@yahoo.com>
Cc: Ronda Conlin <Ronda.Conlin@jeffcotx.us>; Pepe Dominguez <Pepe.Dominguez@jeffcotx.us>; Jeff Branick <Jeff.Branick@jeffcotx.us>; Fred Jackson <Fred.Jackson@jeffcotx.us>; Shenita Keyes <Shenita.Keyes@jeffcotx.us>; Michael Sinegal <Michael.Sinegal@jeffcotx.us>; Shanna Verrette <drainage3@jcdd3.org>

📎 2 attachments (387 KB)

Memo_c.pdf; Memo_e (1).pdf;

**RE Longhorn RV Park
Jefferson County and Jefferson County DD3
Memo response and Project Update**

Mr. Sprinkle,

We have reviewed the submitted Memos (attached) and would like to inform you that any work on the site prior to receiving County Permits may result in an injunction, Court determined fines leveled by the Jefferson County Environmental Department and possible TCEQ fines for initiating work prior to State water well/distribution system permitting and stormwater construction permitting.

The status of information requested again in our meeting June 13, 2024 is as follows:

- Application for the water wells were received 6-17-2024.
- Water well application is under review by the TCEQ, approval pending.
- OSSF site plan with all utilities received today 7-2-2024
- OSSF installation plans from the installer received 6-25-2024
- OSSF plans can now be reviewed by Jefferson County and will be forwarded to the TCEQ for review. Approval will be pending.
- Updated plan set received 7-2-2024 under review and should be completed this week with comments

In our June 13th meeting, the following were also discussed but have not been received:

- TCEQ NOI for construction stormwater permitting;
- DD3 draft easement document. Note this easement is supposed to be 50' from the west property line as indicated on all of the drawings.

Additionally, please **carefully** review requirements and requested information that have been submitted to you previously (see e:mail string below). Items of note include, but are not limited to:

- Owner will be required to Bond the section of Wilber Road from the most northerly property line, south to Hwy 73 during construction (conveyed to you August 17th 2023).
- Additionally, we hope that you have you submitted information to Entergy as they will want to review and approve the plans in order to provide power.

If we need to discuss any of the issues, please do not hesitate to call.

Thank you

Michelle

2024 PRELIMINARY TOTALS

847 - DRAINAGE DISTRICT #3
Grand Totals

Property Count: 3,360

7/2/2024

8:41:19AM

Land		Value			
Homesite:		20,393,569			
Non Homesite:		34,374,646			
Ag Market:		91,271,381			
Timber Market:		1,427,822	Total Land	(+)	
				147,467,418	
Improvement		Value			
Homesite:		126,690,890			
Non Homesite:		72,896,214	Total Improvements	(+)	
				199,587,104	
Non Real		Count	Value		
Personal Property:	141		96,100,005		
Mineral Property:	323		9,202,018		
Autos:	0		0	Total Non Real	(+)
					105,302,023
			Market Value	=	452,356,545
Ag	Non Exempt	Exempt			
Total Productivity Market:	92,699,203	0			
Ag Use:	3,377,533	0	Productivity Loss	(-)	89,261,582
Timber Use:	60,088	0	Appraised Value	=	363,094,963
Productivity Loss:	89,261,582	0			
			Homestead Cap	(-)	12,063,659
			23.231 Cap	(-)	2,080,601
			Assessed Value	=	348,950,703
			Total Exemptions Amount	(-)	51,590,550
			(Breakdown on Next Page)		
			Net Taxable	=	297,360,153

APPROXIMATE TOTAL LEVY = NET TAXABLE * (TAX RATE / 100)
 858,630.42 = 297,360,153 * (0.288751 / 100)

Certified Estimate of Market Value: 451,673,537
 Certified Estimate of Taxable Value: 296,539,784

Tax Increment Finance Value: 0
 Tax Increment Finance Levy: 0.00

2024 PRELIMINARY TOTALS

847 - DRAINAGE DISTRICT #3

Property Count: 3,360

Grand Totals

7/2/2024

8:42:49AM

Exemption Breakdown

Exemption	Count	Local	State	Total
DP	25	731,694	0	731,694
DV1	1	0	5,000	5,000
DV2	5	0	36,936	36,936
DV3	1	0	10,000	10,000
DV4	18	0	189,564	189,564
DV4S	1	0	12,000	12,000
DVHS	12	0	2,178,444	2,178,444
DVHSS	3	0	322,689	322,689
EX-XI	1	0	54,327	54,327
EX-XU	2	0	15,791	15,791
EX-XV	43	0	2,269,202	2,269,202
EX366	27	0	21,644	21,644
FR	3	9,591,596	0	9,591,596
HS	763	26,319,022	0	26,319,022
OV65	270	9,662,481	0	9,662,481
PC	3	170,160	0	170,160
Totals		46,474,953	5,115,597	51,590,550

2024 PRELIMINARY TOTALS

847 - DRAINAGE DISTRICT #3

Property Count: 3,360

Grand Totals

7/2/2024

8:42:49AM

State Category Breakdown

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	SINGLE FAMILY RESIDENCE	1,034	1,758.2606	\$3,095,450	\$158,587,069	\$115,209,979
C1	VACANT LOTS AND LAND TRACTS	472	1,064.5298	\$0	\$9,137,445	\$9,046,066
D1	QUALIFIED AG LAND	828	37,732.2012	\$0	\$92,699,203	\$3,435,041
D2	NON-QUALIFIED LAND	112		\$276,051	\$2,707,694	\$2,707,694
E	FARM OR RANCH IMPROVEMENT	377	3,944.8679	\$1,265,231	\$46,625,469	\$38,622,536
F1	COMMERCIAL REAL PROPERTY	43	80.1722	\$536,598	\$17,948,613	\$16,823,198
F2	INDUSTRIAL REAL PROPERTY	26	176.7332	\$0	\$12,841,100	\$12,670,940
G1	OIL AND GAS	321		\$0	\$9,197,737	\$9,096,164
J3	ELECTRIC COMPANY (INCLUDING C	5	0.8000	\$0	\$10,964,528	\$10,964,528
J4	TELEPHONE COMPANY (INCLUDI	4	0.0964	\$0	\$211,156	\$211,156
J6	PIPELAND COMPANY	28	2.5680	\$0	\$9,431,540	\$9,431,540
J8	OTHER TYPE OF UTILITY	13		\$0	\$1,435,701	\$1,435,701
L1	COMMERCIAL PERSONAL PROPE	56		\$0	\$37,802,959	\$29,194,197
L2	INDUSTRIAL PERSONAL PROPERT	16		\$0	\$36,310,028	\$35,327,194
M1	TANGIBLE OTHER PERSONAL, MOB	139		\$607,426	\$4,095,339	\$3,184,219
X	TOTALLY EXEMPT PROPERTY	73	177.1269	\$0	\$2,360,964	\$0
	Totals		44,937.3562	\$5,780,756	\$452,356,545	\$297,360,153

2024 PRELIMINARY TOTALS

847 - DRAINAGE DISTRICT #3

Property Count: 3,360

Grand Totals

7/2/2024

8:42:49AM

CAD State Category Breakdown

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A1	REAL, RESIDENTIAL, SINGLE-FAMILY	770	1,411.7464	\$2,733,806	\$147,291,127	\$106,863,888
A2	REAL, RESIDENTIAL, MOBILE HOME	79	131.9698	\$359,110	\$4,473,914	\$3,504,545
A7	REAL/RES/MH 5 AC/LESS-BY OWNER	191	214.5444	\$2,534	\$6,822,028	\$4,841,546
C1	REAL, VACANT PLATTED RESIDENTI	465	998.8988	\$0	\$8,704,131	\$8,612,752
C2	REAL, VACANT PLATTED COMMERCIAL	7	65.6310	\$0	\$433,314	\$433,314
D1	REAL, ACREAGE, RANGELAND	852	38,014.7635	\$0	\$92,824,898	\$3,560,736
D2	REAL, ACREAGE, TIMBERLAND	112		\$276,051	\$2,707,694	\$2,707,694
D3	REAL, ACREAGE, FARMLAND	54	574.6048	\$964,398	\$8,183,933	\$7,555,379
D4	REAL, ACREAGE, UNDEVELOPED LA	164	2,220.2166	\$0	\$9,196,939	\$9,194,794
D5	UNFILLED LAND	7	129.3540	\$0	\$760,032	\$760,032
E1	REAL, FARM/RANCH, HOUSE	91	546.5912	\$165,089	\$25,355,543	\$18,704,306
E2	REAL, FARM/RANCH, MOBILE HOME	9	57.0260	\$135,744	\$1,119,014	\$771,239
E7	MH ON REAL PROP (5 AC/MORE) MH	29	134.5130	\$0	\$1,884,313	\$1,511,091
F1	REAL, Commercial	43	80.1722	\$536,598	\$17,948,613	\$16,823,198
F2	REAL, Industrial	9		\$0	\$11,921,611	\$11,751,451
F5	OPERATING UNITS ACREAGE	17	176.7332	\$0	\$919,489	\$919,489
G1	OIL AND GAS	321		\$0	\$9,197,737	\$9,096,164
J3	REAL & TANGIBLE PERSONAL, UTILI	5	0.8000	\$0	\$10,964,528	\$10,964,528
J4	REAL & TANGIBLE PERSONAL, UTILI	4	0.0964	\$0	\$211,156	\$211,156
J6	REAL & TANGIBLE PERSONAL, UTILI	28	2.5680	\$0	\$9,431,540	\$9,431,540
J8	REAL & TANGIBLE PERSONAL, UTILI	13		\$0	\$1,435,701	\$1,435,701
L1	TANGIBLE, PERSONAL PROPERTY, C	56		\$0	\$37,802,959	\$29,194,197
L2	TANGIBLE, PERSONAL PROPERTY, I	16		\$0	\$36,310,028	\$35,327,194
M1	TANGIBLE OTHER PERSONAL, MOBI	139		\$607,426	\$4,095,339	\$3,184,219
X		73	177.1269	\$0	\$2,360,964	\$0
Totals		44,937.3562	44,937.3562	\$5,780,756	\$452,356,545	\$297,360,153

Drainage District No. 3

Jefferson County, Texas

2020-2024

Appraisal Roll Comparison

2020 Taxable Value	2021 Taxable Value	2022 Taxable Value	2023 Taxable Value	2024 Taxable Value
\$ 236,639,681.00	\$ 216,228,410.00	\$ 233,822,212.00	\$ 260,982,564.00	\$ 304,494,902.00
\$ 249,620,978.00	\$ 208,039,725.00	\$ 244,716,883.00	\$ 283,030,787.00	\$ 300,974,300.00
\$ 249,331,161.00	\$ 210,736,998.00	\$ 264,814,077.00	\$ 295,180,253.00	\$ 297,360,153.00
\$ 184,307,377.00 *	\$ 211,224,892.00	\$ 263,351,599.00	\$ 300,023,786.00	
\$ 184,663,090.00		* \$ 262,661,673.00	\$ 297,003,572.00	
\$ 184,610,466.00			* \$ 296,362,151.00	