

GREEN DeWITT DRAINAGE DISTRICT

Doug Sethness, President
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Green DeWitt Drainage District met in **Regular** session on the 18th day of January 2023, at 11:00 A.M. in the Conference Room of the District's office at 107 N. Gonzales Street, in Cuero, Texas with the following members present:

Doug Sethness, Director
John Varela, Director

Staff: Jennifer Urban, General Manager
Pat Trevino, Office Manager
Ignacio Granado, Crew Foreman

Auditor: Yvette Castro, Certified Public Accountant

CALL TO ORDER & ANNOUNCE QUORUM

Mr. Sethness called the meeting to order at 11:00 a.m.

PUBLIC COMMENT

No public comment

MINUTES:

A motion was made by John Varela to accept the minutes from December 12, and the Special meeting on December 30, 2022. Doug Sethness seconded the motion.

FACILITIES – MAINTENANCE, IMPROVEMENTS & PROJECTS:

The field report was made by Ignacio Granado providing an update on the progress of daily operations of maintaining the channels. He went on to add that the goal for the month was to complete the cutting and maintenance of the channel off of Alonzo St this month. In February the plan is to get started on the west lateral channel spillway and pick up trash and debris as well as remove any trees that need to be cut. He requested the need to hire a part-time helper because of the added work.

Mr. Granado will also be seeking bids from electrical companies to get work done at the shop. The following companies will be asked to submit estimates: Jansen Brothers, R & R Electric (John Rudy Liendo), GVEC, Sutton Electric. Mr. Sethness also suggested that they get estimates from Titan Electric.

Other items reported by Mr. Granado were the need to repair the fence in the yard and his recommendation to install a security camera for the shop/yard with future projects to continue to

improve and beautify the shop area by painting and maintaining the grounds. He also suggested the need to pour concrete in areas that will allow water to flow away from the shop.

Jennifer Urban presented the board with slides showing before and after improvement photos. General Manager said that pictures were posted to our Facebook page and Mr. Sethness suggested that pictures be posted to our website as well.

Mr. Sethness also brought up the need to have the owner of a property on Alonzo move his fence back. Mr. Granado stated this was not on his field report but that he had the opportunity to talk to the new owners of a property on Alonzo and he informed them that we have a lock on the gate but that we also have legal access to go through the property to gain access to the channel. The new owner suggested that they team up and split the cost of gravel to fill up the ruts. The board agreed to find out the cost to get this done and Ms. Urban voiced her opinion that this might be a pretty hefty budget item but that quotes would be collected.

GM REPORT:

Included in the General Managers report were the following: The employment of Pat Trevino on Dec 14, 2022, and that efforts are being made to train her and get her up to speed; The GLO requirements to publish Civil Rights and Fair Housing notices with the Cuero Record; The update notice to purchasers' form filed with the County Clerk's office and uploaded to the district website; The Commissioners Court re-appointment of all three current directors for 2023-2025 term; The Civil Corp and Public Management meeting to kick off Engineering for GLO grant; The quarterly unemployment report, annual payroll tax filing, and SSA/IRS was completed and filed; The Railroad Bridge repair project at Main St and Bridge St. was completed by Zed Stewart; An update was set to TCEQ; Civil Corp submitted and Acquisition Report for GLO Grant citing six parcels needing acquired easements.

Also reported was that she would be attending a free emergency operation course being held in Victoria on January 31, for rural jurisdiction personnel. And on March 7 through 10, 2023 she would be attending a required training organized by the Texas Flood Plain Management Association being held in Houston. The cost would more than likely be over five hundred dollars because it would be out of town and require staying at a hotel.

MOTION:

A motion was made by John Varela to approve the training for General Manager to attend the conference being held in Houston. Doug Sethness seconded the motion to approve the District General Manager to attend the conference being held at the Omni in Houston. The motion passed.

OUTSIDE AUDIT:

Yvette Castro, Certified Public Accountant with the public accounting firm Roloff, Hnatek & Co from Victoria, Texas introduced herself and provided an independent 34-page auditors' report of financial statements for the period ending September 30, 2022. Ms. Castro stated that they were able to issue an unmodified report which is the highest level of assurance that can be given as auditors. Ms. Castro noted that she was aware that the district had a name change but that as of September 30, 2022, it was still the name on the report but that on their next audit report, they would change it.

Ms. Castro summarized the report calling attention to page 12 which reflects a snapshot of that date and time. The general fund shows \$220,357 with a majority of that in cash and taxes receivable, total liabilities of \$6,010 and unavailable revenue for property taxes of \$31,693, an

unassigned fund balance of \$219,703. The unassigned fund balance means that the district can use those funds for whatever it needs. It is a decrease from the prior year of \$137,223 or approximately a 38% decrease. There is a five-month operating expense in your fund balance if there were ever a situation if the district did not receive any revenue.

In addition, on page 13 the Statement of Activities and governmental fund revenues, expenditures, and changes in fund balances for year ended September 30, 2023. This is the activity for the entire year. Focus on the first column which is the general fund there was \$100 for charges for services and the rest of that is in general revenues mostly in property taxes with the total revenues of \$385,221. Then there is a total expenditure of \$522,444 with a majority of that being in your facilities and infrastructure as well as employee salaries and benefits.

Then on page 14 you will find the deficiency of \$137,223 for unexpected expense to repair a wall. This wall expenditure created most of the 38% decrease from the fund balance of the previous year mentioned earlier. Only \$13,500 was budgeted for this expense and the district actually spent \$188,431. The auditor recommended that when the board holds their last meeting of the year for them to review their budget and consider amending it to allow for any increase. This amendment will then show a positive balance instead of a negative balance for budgeted items. This amendment will still show a decrease, but it will show up in the fund balance.

Mr. Sethness asked about the investments being made by the district and the auditor, Ms. Castro confirmed that the Texas Pool investments being made by the district were good and that most districts put their excess funds into those accounts which are safe and are definitely better than doing CD's or anything similar.

Furthermore, there is nothing else that the district can do to increase or collect on accounts receivable. However, the percentage of taxes collected is good. Ms. Castro referenced pages 32 and 33 as a good trend analysis of activity for over the last five years.

The annual audit report was signed by Director, Doug Sethness and notarized during the meeting. The filing affidavit and report will be submitted to the Texas Commission on Environmental Quality to satisfy the annual filing requirements of Texas Water Code Section 49.194.

RE-APPOINTMENT OF DISTRICT DIRECTOR FOR 2023-2025 TERM

The re-appointment of district director for 2023-2025 Joe Olive was to be done but was canceled since Mr. Olive will be moving out of the district. The board discussed asking Mr. Olive to submit a letter of resignation, as well as the need to find a new director.

TWDB GRANT EXTENSION REQUEST:

This grant is for the sensors and an extension is being requested so that it can be done in next year's budget.

GLO GRANT UPDATES:

The GLO form with a brief description was submitted by the Engineer, Ben Galvan which states the acquisition for the easements of six parcels. Jennifer Urban brought up the need for the environmental review which is needed before we can move forward with the grant. Mr. Sethness believes an environmental review was waived during his discussion with the GLO. However, there is no record of this in our office or with the GLO application. Further research will be done by accessing Mr. Sethness portal with GLO.

PERSONNEL MATTERS:

None

FINANCIAL MATTERS:

Presented was the Director activity log which requires the director's signature. Then there is the check log. Also, an invoice from Concrete Contractors and the estimate from Exibix need approval so that we can update all of our signage for the name change. Ms. Urban stated that this expense was not in the budget so later we will need to do a budget amendment for this expense. Other financial matters are the reflection of office expenses that are already at 50 percent because the district has had to run advertisements under that code. A different account will have to be created to correct this expenditure.

MOTION

John Varela made a motion to approve the financial report and Doug Sethness seconded the motion and it passed unanimously.

SCHEDULE NEXT MEETING(S)

The next board meeting is scheduled for February 14, 2023, at 11:00 am in the conference room at 107 N Gonzales St. Cuero, Texas.

MOTION

John Varela made a motion to adjourn the meeting and Mr. Sethness seconded the motion and the motion passed.

ADJOURN

The meeting was adjourned at 11:42 am.

Sincerely,

Director

Jennifer Urban, General Manager