# NOTICE OF MEETING AND AGENDA

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

Will Be Held At

**7:30 A.M.**

**JANUARY 21, 2026**

at

**24460 Highway 124**
**Hamshire, Texas 77665**

A. Meeting called to order.

B. Call Roll

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

D. Public Comments.

Public Comments (3 minutes each)—This is an opportunity for the public to address the Jefferson County Drainage District No. 3 Board of Commissioners regarding agenda items or any concerns not listed. Individuals wishing to speak must complete a comment card and present it to the District's Administrative Assistant before the meeting begins. Delegation of more than five persons shall appoint one person to present their views before the Board. Each speaker is allowed a three-minute time limit. Those who require a translator to address the Board will be granted six minutes to speak.

E. Approve the minutes of the December 17, 2025, meeting.

F. Business Session:

1. Review and Accept Regular District bills from December 30, 2025, to January 15, 2026.
2. Consider and Accept the District's Monthly Financial Report.
3. Consider and Accept the District's Monthly Insurance Summary as presented by Southeast Texas Government Employee Benefits Pool.
4. Acknowledge the receipt and filing of Jefferson County Drainage District No. 3's Investment Schedule for December 2025, pursuant to Section 2256.023 of the Public Funds Investment Act.
5. Consider and Review RFQ 25-1119– ENGINEER QUALIFICATIONS that were submitted December 17, 2025.
6. Executive Session – See footnote
7. Consider and take action, if any, on items discussed in Executive Session

G. Equipment Update:

H. Project Update:

**Completed Projects:**
**Projects In Progress:**
1. Ditches are being mowed

**Upcoming Projects:** *(work is not listed in any particular order)*
1. Ditch 124 – Hwy 73
2. Ditch 140 – Hwy 124
3. Ditch 750-122 – Brush Island Rd
4. Ditch 141 – Webb Rd
5. Ditch 111-1 Englin Rd
6. Ditch 302 – Englin Rd
7. Ditch 326 – Coon Rd

I. Meeting Updates
J. Board and Staff Comments, no action items.
K. Set next Board Meeting
L. Adjournment.

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.

This Notice of Meeting is given and posted pursuant to the Texas Open Meetings Act, contained in Chapter 551 of the Texas Government Code. Capitalized words and phrases have the meaning given to them in the Act. The Meeting will be held at the Date, Time, and Place stated above. The Board of Commissioners of the Governmental Body will Deliberate upon the items listed in the Agenda above. Any Agenda item is subject to discussion only, action only, or both discussion and action. All portions of the Meeting shall be Open, unless a Closed Meeting is held when permitted, and in the manner specified by the Act. If the Act permits all or any portion of the Deliberation of an Agenda item to be Closed, the Governing Body may enter into a Closed Meeting whether or not the Agenda item state that a Closed Meeting for such item is anticipated. Agenda items are not required to be considered in the same order as listed in the Agenda. Any agenda item(s) may be tabled for Deliberation at a later Meeting, or removed from the Agenda. Any such tabled or removed Agenda item may be placed on an Agenda for a later Meeting for which Notice has been given and posted pursuant to the Act.

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 January 15, 2026**

**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

# DRAINAGE DISTRICT No. 3

24460 Highway 124
Hamshire, Texas
Jefferson County, Texas

MINUTES OF MEETING
Of
BOARD OF COMMISSIONERS
Held
JANUARY 21, 2026, AT 7:30 A.M.

A. Meeting was called to order at 7:30 A.M. by Chairman Frank R. Rose.

B. Present were Frank R. Rose, Chairman; Reginald C. Boykin, Secretary; Commissioner Joel Levingston, Jr .

C. He announced that this meeting was being recorded for the purpose of transcribing the minutes.

D. There were no Public Comments

E. The Minutes of the December 17, 2025, meeting were approved on a motion made by Commissioner Boykin and seconded by Commissioner Levingston. All voted Aye.

F. Business Session:

1. Commissioners reviewed and accepted the District's regular checks written from December 30, 2025, to January 15, 2026. A motion was made by Commissioner Levingston and seconded by Commissioner Boykin. All voted Aye.
2. Commissioners reviewed and accepted the monthly financial report presented by Shanna Verret, which showed an ending fund balance of $1,480,002.42, an increase of $455,690.76 from last month. The motion was made by Commissioner Boykin and seconded by Commissioner Levingston. All voted Aye.
4. A motion was made by Commissioner Levingston and seconded by Commissioner Boykin to accept the District's Monthly Insurance Summary as presented by the Southeast Texas Government Employee Benefit Pool for December 2025. Active employees generated a year-end profit of $150,324.09 while retirees earned a year-end profit of $2,428.73. All voted Aye.
5. Commissioners acknowledged the receipt and filing of Jefferson County Drainage District's No. 3 Investment Schedule for December 2025, pursuant to Section 2256.023 of the Public Funds Investment Act. Motion made by Commissioner Boykin and seconded by Commissioner Levingston. All voted Aye.
6. Commissioners were given a Rating Criteria Score Sheet for the RFQ 25-1119 Engineers submittals. They are to rate the submissions and return them to Shanna Verret. They also requested that the County Engineer rate the submissions by the two firms. A Notice of Receipt Statement will be sent to both Fittz & Shipman and Schaumburg & Polk, notifying them of the qualification submission.
7. No Executive Session was held; however, Shanna Verret announced that the temporary employee was hired on as a permanent full-time employee as of January 1, 2026.

G. Equipment Update:

1. The new mulcher for the trackhoe was delivered on January 20, 2025. A Doggett representative will be out to connect the mulcher to the machine and provide operational instructions.
2. The Kubota tractor that is on loan to Road & Bridges Pct 3 is to be repaired and returned to the District.
3. The Komatsu Trackhoe 200 has had the starter repaired, and the radiator has been flushed. It will also be checked for a possible leak on the oil cooler.
4. General Manager Ruffus Lavergne is searching for a new mounting plate to retrofit the Diamond Cutter for the new Cat Trackhoe.

H. Project Update:

**Completed Projects**

**Projects in Progress**

1. Ditches within the District are still being mowed at this time

**Upcoming Projects -** *Most of these projects will be completed once the new mulcher is received and installed on the trackhoe*

1. Ditch 124 – Hwy 73 – Burn Brush
2. Ditch 140 – Hwy 124
3. Ditch 750-122- Brush Island Rd.
4. Ditch 141 – Webb Rd
5. Ditch 111-1 – Englin Rd
6. Ditch 302 – Englin Rd
7. Ditch 124 – E. Hamshire/Gallier Rd

I. Meeting Updates –No meeting updates

J. Board Comments-No Board Comments.

K. The next regular meeting date is set for Wednesday, February 25, 2026, at 7:30 a.m.

L. Adjournment -With no further business, Chairman Rose adjourned the meeting at 7:56 a.m.

Frank R. Rose, Chairman

Reginald C. Boykin, Sr., Secretary

Joel E. Levingston, Jr., Commissioner

# DRAINAGE DISTRICT No. 3
## Account QuickReport
### As of January 15, 2026

| Date | Num | Name | Memo | Amount |
|---|---|---|---|---|
| 12/30/2025 | ACH | PAYROLL ACCOUNT | Salaries & Auto Allowance 12/31/2025 | -16,836.50 |
| 12/30/2025 | ACH | Texas County & District Retirement System | Retirement | -2,626.76 |
| 12/30/2025 | 13621 | BALDOMERO LUGO | DEDUCTIBLE REIMBURSEMENT 2025 | -1,495.91 |
| 12/30/2025 | 13622 | SAM'S CLUB | Janitorial Supplies | -66.36 |
| 12/30/2025 | 13623 | Tri-Con Inc | Fuel | -4,381.60 |
| 12/30/2025 | 13624 | O'Reilly | Hardware | -26.99 |
| 12/30/2025 | 13625 | Farm & Home Supply | Hardware & Clothing Workwear | -118.17 |
| 12/30/2025 | 13626 | All Terrain Equipment Co. | Tractors & Mowers | -426.85 |
| 12/30/2025 | 13627 | Waukesha-Pearce Industries, Inc. | Equipment Repairs | -933.76 |
| 12/30/2025 | 13628 | Centerpoint Energy | Natural Gas | -112.42 |
| 12/30/2025 | 13629 | VICTOR INSURANCE MANAGERS INC. | Bonds | -175.00 |
| | | **Total December 30, 2025** | | **-27,200.32** |
| 01/15/2026 | 13631 | PAYROLL ACCOUNT | SALARIES 1-15-2026 | -14,084.50 |
| 01/15/2026 | 13632 | Southeast Tx Gov't Employees Benefit Pool | Insurance | -15,700.02 |
| 01/15/2026 | 13633 | Amwins Group Benefits, LLC | Insurance | -4,742.72 |
| 01/15/2026 | 13634 | County Treasurer, Life Insurance | Life Insurance | -41.12 |
| 01/15/2026 | 13635 | Labor Law Poster Service | Printed Matter | -89.50 |
| 01/15/2026 | 13636 | First National Bank Omaha | Clothing Workwear/Office Supplies | -572.06 |
| 01/15/2026 | 13637 | Centerpoint Energy | Natural Gas | -106.03 |
| 01/15/2026 | 13638 | AT&T | Telephone | -121.80 |
| 01/15/2026 | 13639 | Windstream | Telephone | -411.47 |
| 01/15/2026 | 13640 | Entergy | Electricity | -209.70 |
| 01/15/2026 | 13641 | West Jefferson Co. MWD | Water | -29.93 |
| 01/15/2026 | 13642 | Hamshire Waste | Waste Disposal | -68.00 |
| 01/15/2026 | 13643 | Kasie Cooper | Janitorial Services | -175.00 |
| 01/15/2026 | 13644 | FIRST FINANCIAL BANK, N.A. | Excavation Equipment | -2,741.02 |
| | | **Total January 15, 2026** | | **-39,092.87** |

# DRAINAGE DISTRICT No. 3
## Profit & Loss Budget Performance
### December 2025

| | Dec 25 | Budget | Oct - Dec 25 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **Ordinary Income/Expense** | | | | | |
| **Income** | | | | | |
| **REVENUES** | | | | | |
| **101 - Current Taxes** | 175,835.24 | 72,329.17 | 237,036.73 | 216,987.47 | 867,950.00 |
| **102 - Delinquent Taxes** | 3,584.14 | 833.33 | 9,250.67 | 2,500.03 | 10,000.00 |
| **103 - Interest** | 3,865.84 | 2,666.67 | 12,009.77 | 7,999.97 | 32,000.00 |
| **104 - Rendition Penalty** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **106 - Miscellaneous** | 786.25 | 0.00 | 913.97 | 0.00 | 0.00 |
| **Total REVENUES** | 184,071.47 | 75,829.17 | 259,211.14 | 227,487.47 | 909,950.00 |
| **Total Income** | 184,071.47 | 75,829.17 | 259,211.14 | 227,487.47 | 909,950.00 |
| **Gross Profit** | 184,071.47 | 75,829.17 | 259,211.14 | 227,487.47 | 909,950.00 |
| **Expense** | | | | | |
| **1 - SALARIES** | | | | | |
| **1001 - Administration** | 5,761.00 | 5,761.25 | 17,409.72 | 17,283.75 | 69,135.00 |
| **1002 - Clerical** | 4,881.00 | 4,881.08 | 14,516.28 | 14,643.28 | 58,573.00 |
| **1009 - Dept Head / Foreman** | 5,527.00 | 5,527.33 | 16,581.00 | 16,582.03 | 66,328.00 |
| **1010 - Commissioners** | 900.00 | 900.00 | 2,700.00 | 2,700.00 | 10,800.00 |
| **1015 - Extra Help** | 4,420.00 | 0.00 | 9,332.00 | 0.00 | 12,705.00 |
| **1020 - Laborer** | 0.00 | 2,946.67 | 0.00 | 8,839.97 | 35,360.00 |
| **1048 - Equipment Operators/Asst** | 9,054.00 | 13,215.83 | 27,162.00 | 39,647.53 | 158,590.00 |
| **Total 1 - SALARIES** | 30,543.00 | 33,232.16 | 87,701.00 | 99,696.56 | 411,491.00 |
| **2 - FRINGE BENEFITS** | | | | | |
| **2001 - FICA Expenses** | 2,306.34 | 3,215.00 | 6,618.50 | 9,645.00 | 38,580.00 |
| **2002 - Retirement** | 2,626.76 | 3,272.50 | 7,542.47 | 9,817.50 | 39,270.00 |
| **2003 - Insurance** | 19,905.03 | 26,237.50 | 55,227.43 | 78,712.50 | 314,850.00 |
| **2004 - Worker's Compensation** | 0.00 | 833.33 | 0.00 | 2,500.03 | 10,000.00 |
| **2006 - Auto Allowance** | 1,625.00 | 1,625.00 | 4,875.00 | 4,875.00 | 19,500.00 |
| **2007 - Retirement Wage Contg** | 900.00 | 4,166.67 | 900.00 | 12,499.97 | 50,000.00 |
| **2008 - Health Ins. Savings Acct** | 1,827.35 | 687.50 | 1,827.35 | 2,062.50 | 8,250.00 |
| **Total 2 - FRINGE BENEFITS** | 29,190.48 | 40,037.50 | 76,990.75 | 120,112.50 | 480,450.00 |
| **3 - MATERIALS & SUPPLIES** | | | | | |
| **3006 - Auto Parts & Supplies** | 0.00 | 625.00 | 0.00 | 1,875.00 | 7,500.00 |
| **3006 Batteries** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **3008 Bolts Nuts Nails & Screws** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **3009 Antifreeze & Coolant** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **3010 Books & Printed Matter** | 540.00 | 500.00 | 607.50 | 1,500.00 | 6,000.00 |
| **3010 - Maps Prints Books Print** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **3012 Prints, Maps & Etc** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **3014 Chains & Hooks** | 0.00 | 66.67 | 0.00 | 199.97 | 800.00 |
| **3016 Chemicals Weed Control** | 0.00 | 1,916.67 | 0.00 | 5,749.97 | 23,000.00 |

# DRAINAGE DISTRICT No. 3
## Profit & Loss Budget Performance
### December 2025

| | Dec 25 | Budget | Oct - Dec 25 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| 3018 Cleaners & Solvents | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3018 - Janitorial Supplies | 41.55 | 125.00 | 239.19 | 375.00 | 1,500.00 |
| 3019 - Additives & Lubricants | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3020 Metal Culvert Pipe | 0.00 | 4,166.67 | 3,005.80 | 12,499.97 | 50,000.00 |
| 3022 Copying Supplies | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3027 Electrial Supplies | 0.00 | 250.00 | 0.00 | 750.00 | 3,000.00 |
| 3030 Fencing Material | 0.00 | 625.00 | 0.00 | 1,875.00 | 7,500.00 |
| 3032 Concrete, Sand, Aggregat | 0.00 | 833.33 | 0.00 | 2,500.03 | 10,000.00 |
| 3034 Diesel Fuel | 599.29 | 5,000.00 | 3,497.00 | 15,000.00 | 60,000.00 |
| 3036 Diesel Fuel ON ROAD | 2,026.53 | 583.33 | 2,026.53 | 1,750.03 | 7,000.00 |
| 3037 Gasoline | 1,755.78 | 583.33 | 1,755.78 | 1,750.03 | 7,000.00 |
| 3040 Hardware - Misc | 40.17 | 250.00 | 682.67 | 750.00 | 3,000.00 |
| 3041 Hose & Fittings & Filters | 697.57 | 833.33 | 1,237.33 | 2,500.03 | 10,000.00 |
| 3048 Lumber, Timbers, Rope | 0.00 | 416.67 | 0.00 | 1,249.97 | 5,000.00 |
| 3050 Medical & Safety | 209.38 | 250.00 | 255.10 | 750.00 | 3,000.00 |
| 3051 Motor Oil & Grease | 0.00 | 833.33 | 0.00 | 2,500.03 | 10,000.00 |
| 3056 Paint & Brushes | 0.00 | 83.33 | 0.00 | 250.03 | 1,000.00 |
| 3072 Rope Wire Manila & Burlap | 0.00 | 66.67 | 0.00 | 199.97 | 800.00 |
| 3073 Spare Parts, Heavy Equip | 0.00 | 83.33 | 0.00 | 250.03 | 1,000.00 |
| 3077 Computer Supplies | 0.00 | 208.33 | 0.00 | 625.03 | 2,500.00 |
| 3078 Office Supplies | -1,063.12 | 375.00 | 1,210.26 | 1,125.00 | 4,500.00 |
| 3080 Steel Angle Iron Rods, Etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3083 Tires & Tubes | 0.00 | 750.00 | 10.30 | 2,250.00 | 9,000.00 |
| 3084 Minor Equipment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3084 - Sm Tools & Minor Equip | 0.00 | 958.33 | 0.00 | 2,875.03 | 11,500.00 |
| 3095 Welding Supplies | 0.00 | 291.67 | 0.00 | 874.97 | 3,500.00 |
| 3098 - Clothing & Work Wear | 497.09 | 208.33 | 497.09 | 625.03 | 2,500.00 |
| 3099 Sundry | 24.81 | 166.67 | 224.79 | 499.97 | 2,000.00 |
| Total 3 - MATERIALS & SUPPLIES | 5,369.05 | 21,049.99 | 15,249.34 | 63,150.09 | 252,600.00 |
| 4 - MAINTENANCE & UTILITES | | | | | |
| 4001 Cooling and Heating | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4009 Building & Structure | 0.00 | 375.00 | 0.00 | 1,125.00 | 4,500.00 |
| 4010 Tractors & Mowers | 611.13 | 1,041.67 | 622.89 | 3,124.97 | 12,500.00 |
| 4011 Equipment Repairs | 236.19 | 5,833.33 | 3,566.72 | 17,500.03 | 70,000.00 |
| 4013 Marine Craft | 0.00 | 166.67 | 0.00 | 499.97 | 2,000.00 |
| 4014 - Auto - Truck | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4014 - Auto Truck Trailer | 218.44 | 250.00 | 293.44 | 750.00 | 3,000.00 |
| 4015 Communication Equip | 0.00 | 125.00 | 0.00 | 375.00 | 1,500.00 |
| 4020 Miscellaneous | 0.00 | 41.67 | 0.00 | 124.97 | 500.00 |
| 4030 Tools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4051 Freight | 0.00 | 25.00 | 0.00 | 75.00 | 300.00 |
| 4052 Postage | 101.90 | 41.67 | 257.90 | 124.97 | 500.00 |
| 4053 Natural Gas/Butane | 112.42 | 308.33 | 334.59 | 925.03 | 3,700.00 |
| 4054 Telephone | 532.62 | 500.00 | 1,034.38 | 1,500.00 | 6,000.00 |
| 4056 Electricity | 160.43 | 500.00 | 536.30 | 1,500.00 | 6,000.00 |

# DRAINAGE DISTRICT No. 3
## Profit & Loss Budget Performance
### December 2025

| | Dec 25 | Budget | Oct - Dec 25 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| 4057 Water & Sewer | 29.93 | 166.67 | 91.65 | 499.97 | 2,000.00 |
| 4058 Garbage Waste Disposal | 68.00 | 100.00 | 204.00 | 300.00 | 1,200.00 |
| 4059 - Unscheduled Misc | 0.00 | 83.33 | 0.00 | 250.03 | 1,000.00 |
| Total 4 - MAINTENANCE & UTILITES | 2,071.06 | 9,558.34 | 6,941.87 | 28,674.94 | 114,700.00 |
| 5 - MISCELLANEOUS SERVICES | | | | | |
| 5009 Professional Services | 252.00 | 1,250.00 | 639.95 | 3,750.00 | 15,000.00 |
| 5010 - Medical & Surgical | 0.00 | 166.67 | 0.00 | 499.97 | 2,000.00 |
| 5021 Dues & Subscriptions | 444.36 | 291.67 | 1,108.06 | 874.97 | 3,500.00 |
| 5027 Engineering Fees | 0.00 | 2,500.00 | 0.00 | 7,500.00 | 30,000.00 |
| 5028 Assessor/Collector Fees | 0.00 | 166.67 | 0.00 | 499.97 | 2,000.00 |
| 5029 Attorney Fees | 0.00 | 1,666.67 | 0.00 | 4,999.97 | 20,000.00 |
| 5031 Filing, Records & Photos | 0.00 | 8.33 | 0.00 | 25.03 | 100.00 |
| 5032 Accounting Services | 0.00 | 41.67 | 0.00 | 124.97 | 500.00 |
| 5036 Treasurer Commision | 0.00 | 133.33 | 2,118.06 | 400.03 | 1,600.00 |
| 5038 Supplemenal Tax Refunds | 0.00 | 166.67 | 0.00 | 499.97 | 2,000.00 |
| 5040 Insurance - Auto Prop Liab | 0.00 | 1,341.67 | 0.00 | 4,024.97 | 16,100.00 |
| 5040 Insurance Autos & Trucks | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5041 Insurance Property | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5043 Insurance General Liab | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5044 Insurance Official Liab | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5045 Bonds Surety & Notary | 175.00 | 83.33 | 275.00 | 250.03 | 1,000.00 |
| 5053 Equipment Rental | 0.00 | 1,416.67 | 0.00 | 4,249.97 | 17,000.00 |
| 5054 Contract Aerial Spraying | 0.00 | 833.33 | 0.00 | 2,500.03 | 10,000.00 |
| 5055 Contract Spraying | 0.00 | 916.67 | 0.00 | 2,749.97 | 11,000.00 |
| 5060 -Janitorial Services | 175.00 | 175.00 | 525.00 | 525.00 | 2,100.00 |
| 5062 Travel & Meeting Expense | 110.88 | 66.67 | 110.88 | 199.97 | 800.00 |
| 5064 Training & Education | 0.00 | 125.00 | 0.00 | 375.00 | 1,500.00 |
| 5074 Independent Auditor Fees | 0.00 | 2,500.00 | 5,000.00 | 7,500.00 | 30,000.00 |
| 5095 Bank Service Charges | 0.00 | 250.00 | 0.00 | 750.00 | 3,000.00 |
| 5098 Appraisal District Fees | 0.00 | 750.00 | 0.00 | 2,250.00 | 9,000.00 |
| 5099 Sundry | 0.00 | 83.33 | 0.00 | 250.03 | 1,000.00 |
| Total 5 - MISCELLANEOUS SERVICES | 1,157.24 | 14,933.35 | 9,776.95 | 44,799.85 | 179,200.00 |
| 6 - CAPITAL OUTLAY | | | | | |
| 6001 Office Machines | 0.00 | 375.00 | 0.00 | 1,125.00 | 4,500.00 |
| 6002 Excavation Equipment | -326,218.64 | 13,333.33 | 0.00 | 40,000.03 | 160,000.00 |
| 6011 Machinery & Equipment | 2,741.02 | 13,333.33 | 8,223.06 | 40,000.03 | 160,000.00 |
| 6014 Building & Structures Grnd | 0.00 | 833.33 | 0.00 | 2,500.03 | 10,000.00 |
| 6022 Furniture & Fixtures | 0.00 | 416.67 | 0.00 | 1,250.00 | 5,000.03 |
| 6042 Auto Truck & Trailer | 0.00 | 4,233.33 | 0.00 | 12,700.03 | 50,800.00 |
| 6045 Land/ROW Acquisitions | 0.00 | 350.00 | 0.00 | 1,050.00 | 4,200.00 |
| Total 6 - CAPITAL OUTLAY | -323,477.62 | 32,874.99 | 8,223.06 | 98,625.12 | 394,500.03 |

# DRAINAGE DISTRICT No. 3
## Profit & Loss Budget Performance
### December 2025

| | Dec 25 | Budget | Oct - Dec 25 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| Reconciliation Discrepancies | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Expense | -255,146.79 | 151,686.33 | 204,882.97 | 455,059.06 | 1,832,941.03 |
| Net Ordinary Income | 439,218.26 | -75,857.16 | 54,328.17 | -227,571.59 | -922,991.03 |
| Other Income/Expense | | | | | |
| Other Expense | | | | | |
| Transfer Account | -16,836.50 | 0.00 | -16,836.50 | 0.00 | 0.00 |
| Total Other Expense | -16,836.50 | 0.00 | -16,836.50 | 0.00 | 0.00 |
| Net Other Income | 16,836.50 | 0.00 | 16,836.50 | 0.00 | 0.00 |
| **Net Income** | **456,054.76** | **-75,857.16** | **71,164.67** | **-227,571.59** | **-922,991.03** |

# DRAINAGE DISTRICT No. 3
## Statement of Cash Flows
### December 2025

| | Dec 25 |
|---|---|
| **OPERATING ACTIVITIES** | |
| **Net Income** | 456,054.76 |
| **Adjustments to reconcile Net Income to net cash provided by operations:** | |
| **Accounts Receivable** | -454.70 |
| **EMPLOYEE PAID EXPENSES:202-0400 Employee Insurance** | 55.67 |
| **Payroll Liabilities** | 35.03 |
| **Net cash provided by Operating Activities** | 455,690.76 |
| **Net cash increase for period** | 455,690.76 |
| **Cash at beginning of period** | 1,024,311.66 |
| **Cash at end of period** | **1,480,002.42** |

**GROUP:** DD3 Active

**Month** December '25

# 2025 SUMMARY REPORT

| MONTH | PAID MEDICAL 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 | $ 6,411.40 | 77.38% | $ - | 0.00% | $ 1,873.98 | 22.62% | $ 8,285.38 | $ 745.68 | $ 9,031.06 | $ 17,971.87 | $ 8,940.81 |
| February | $ 2,926.15 | 42.24% | $ - | 0.00% | $ 4,000.52 | 57.76% | $ 6,926.67 | $ 623.40 | $ 7,550.07 | $ 17,971.87 | $ 10,421.80 |
| March | $ 175.18 | 118.79% | $ - | 0.00% | $ (27.71) | -18.79% | $ 147.47 | $ 13.27 | $ 160.74 | $ 17,971.87 | $ 17,811.13 |
| April | $ 74.71 | 2.09% | $ - | 0.00% | $ 3,502.45 | 97.91% | $ 3,577.16 | $ 321.94 | $ 3,899.10 | $ 17,971.87 | $ 14,072.77 |
| May | $ 610.58 | 7.07% | $ - | 0.00% | $ 8,021.14 | 92.93% | $ 8,631.72 | $ 776.85 | $ 9,408.57 | $ 17,971.87 | $ 8,563.30 |
| June | $ 667.40 | -43.40% | $ - | 0.00% | $ (2,205.36) | 143.40% | $ (1,537.96) | $ (138.42) | $ (1,676.38) | $ 17,971.87 | $ 19,648.25 |
| July | $ 964.74 | 14.19% | $ - | 0.00% | $ 5,834.95 | 85.81% | $ 6,799.69 | $ 611.97 | $ 7,411.66 | $ 17,971.87 | $ 10,560.21 |
| August | $ 291.38 | 3.96% | $ - | 0.00% | $ 7,074.10 | 96.04% | $ 7,365.48 | $ 662.89 | $ 8,028.37 | $ 17,971.87 | $ 9,943.50 |
| September | $ 535.72 | 10.60% | $ - | 0.00% | $ 4,516.10 | 89.40% | $ 5,051.82 | $ 454.66 | $ 5,506.48 | $ 17,971.87 | $ 12,465.39 |
| October | $ 370.73 | 10.03% | $ - | 0.00% | $ 3,324.61 | 89.97% | $ 3,695.34 | $ 332.58 | $ 4,027.92 | $ 17,971.87 | $ 13,943.95 |
| November | $ 633.85 | 13.15% | $ - | 0.00% | $ 4,187.79 | 86.85% | $ 4,821.64 | $ 433.95 | $ 5,255.59 | $ 17,971.87 | $ 12,716.28 |
| December | $ 1,028.08 | 16.64% | $ - | 0.00% | $ 5,150.95 | 83.36% | $ 6,179.03 | $ 556.11 | $ 6,735.14 | $ 17,971.87 | $ 11,236.73 |
| **TOTALS** | **$ 14,689.92** | **24.51%** | **$ -** | **0.00%** | **$ 45,253.52** | **75.49%** | **$ 59,943.44** | **$ 5,394.91** | **$ 65,338.35** | **$ 215,662.44** | **$ 150,324.09** |
| MONTHLY AVERAGE | $ 1,224.16 | | $ - | | $ 3,771.13 | | $ 4,995.29 | $ 449.58 | $ 5,444.86 | $ 17,971.87 | $ 12,527.01 |
| ANNUAL PROJECTIONS | $ 14,689.92 | | $ - | | $ 45,253.52 | | $ 59,943.44 | $ 5,394.91 | $ 65,338.35 | $ 215,662.44 | $ 150,324.09 |
| PROJECTED MONTHLY AVERAGE PER ENROLLEE | $ 174.88 | | $ - | | $ 538.73 | | $ 713.61 | | | | |
| PROJECTED MONTHLY AVERAGE PER MEMBER | $ 122.42 | | $ - | | $ 377.11 | | $ 499.53 | | | | |

**GROUP:** DD3 Retirees

**Month** December '25

# 2025 SUMMARY REPORT

| MONTH | PAID MEDICAL 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% | $ 44.26 | 100.00% | $ 44.26 | $ 3.98 | $ 48.24 | $ 275.72 | $ 227.48 |
| February | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| March | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| April | $ - | 0.00% | $ - | 0.00% | $ 356.00 | 100.00% | $ 356.00 | $ 32.04 | $ 388.04 | $ 275.72 | $ (112.32) |
| May | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| June | $ - | 0.00% | $ 132.00 | 82.76% | $ 27.50 | 17.24% | $ 159.50 | $ 14.36 | $ 173.86 | $ 275.72 | $ 101.87 |
| July | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| August | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| September | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| October | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| November | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| December | $ - | 0.00% | $ - | 0.00% | $ 27.50 | 100.00% | $ 27.50 | $ 2.48 | $ 29.98 | $ 275.72 | $ 245.75 |
| **TOTALS** | **$ -** | **0.00%** | **$ 132.00** | **16.35%** | **$ 675.26** | **83.65%** | **$ 807.26** | **$ 72.65** | **$ 879.91** | **$ 3,308.64** | **$ 2,428.73** |
| MONTHLY AVERAGE | $ - | | $ 11.00 | | $ 56.27 | | $ 67.27 | $ 6.05 | $ 73.33 | $ 275.72 | $ 202.39 |
| ANNUAL PROJECTIONS | $ - | | $ 132.00 | | $ 675.26 | | $ 807.26 | $ 72.65 | $ 879.91 | $ 3,308.64 | $ 2,428.73 |

**Clint Turner**
**Chief Deputy**
**E-Mail**
**Clint.turner@jeffcotx.us**

**Tim Funchess**
**County Treasurer**
**1149 Pearl Street – Basement**
**Beaumont, Texas 77701**

**Office (409) 835-8509**
**Fax (409) 839-2347**
**E-Mail**
**tim.funchess@jeffcotx.us**

January 14, 2026

Board of Directors
Drainage District #3
P. O. Box 388
Hamshire, TX 77622

Dear Board Members:

Enclosed is the Investment Schedule as of December 31, 2025, including interest earnings.

The 90 day Treasury discount rate on December 31, 2025 was 3.57% and the interest on your checking accounts for the month of December was 3.48%.

There were no investments made.

Included in the attached report are the balances for the Districts pledged collateral.

This report meets the requirements for investment officers in compliance with the Texas Government Code. Title 10, Section 2256.023.

Sincerely,

Tim Funchess

Tim Funchess, CCT, CIO
Enclosure

# JEFFERSON COUNTY DRAINAGE DISTRICT 3
# MONTH END DECEMBER 31, 2025 INVESTMENT SCHEDULE

| SECURITY DESCRIPTION | PURCHASE DATE | PAR AMOUNT | AMOUNT INVESTED | PRICE PAID | EXPECT. YIELD | MATURITY DATE | # DAYS TO MATURITY | # DAYS INVEST | CUSIP NUMBER | TOTAL | BROKER DEALER | CURRENT MARKET VALUE | PREVIOUS MARKET VALUE | ACCURED INTEREST FROM PURCHASE | BOOK VALUE (AMOUNT PAID + ACCRUED INT.) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| TOTALS: | | $ - | $ - | | | | | | | | | $0.00 | | | $0.00 |
| WEIGHTED AVERAGE YIELD: | | | | | 0.000% | | | | | | | | | | |
| WEIGHTED AVERAGE MATURITY: | | | 0 DAYS | | | | | | | | | | | | |

## PLEDGE COLLATERAL REPORT
**Wells Fargo Bank**
**DRAINAGE DISTRICT 3**
AS OF DECEMBER, 2025

| | |
|---|---|
| MARKET VALUE OF COLLATERAL: | $5,000,000.00 |
| BALANCE IN ALL ACCOUNTS: | $1,464,104.30 |
| OVER OR (UNDER) AMOUNT: | $3,535,895.70 |
| | 341.51% |

## COMPLIANCE STATEMENT

This is an unaudited statement made in accordance with provisions of Government Code, Title 10, Section 2256.023, The Public Funds Investment Act. The investment portfolios of Jefferson County Drainage District No. 3 comply with the investment strategies in the Drainage District No. 3 Investment Policy and Procedures.

Tim Funchess

*Tim Funchess, Jefferson County Investment Officer*

# DECEMBER 2025, D. D. 3, INVESTMENT MATURITIES
# MATURED SECURITIES AND INTEREST EARNED

| ACCOUNT NAME | PURCHASE DATE | PAR AMOUNT | AMOUNT INVESTED | PRICE PAID | EXPECT. YIELD | MATURITY DATE | | # DAYS INVEST | CUSIP/CD NUMBER | INTEREST EARNING | BROKER DEALER |
|---|---|---|---|---|---|---|---|---|---|---|---|
| D. D. 3 MAINT. | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | DECEMBER INTEREST | | | 3.48% | 31-Dec-25 | | 31 | M&O Fund | $3,766.35 | STELLAR BANK |
| Pool Accounts | | DECEMBER INTEREST | | | 3.48% | 31-Dec-25 | | 31 | Payroll | $99.49 | STELLAR BANK |
| TOTALS | | $0.00 | $0.00 | | | | | | | $3,865.84 | |