

Victoria County Groundwater Conservation District

THE STATE OF TEXAS
VICTORIA COUNTY

The Board of Directors of the Victoria County Groundwater Conservation District convened a meeting at the Dr. Pattie Dodson Health Center, 2805 N. Navarro St., Room 108, Victoria, Victoria County, Texas, 77901 on August 18, 2023, at 9:00 AM.

Meeting Attendance:

Precinct 1:	Mr. Jerry Hroch, Vice President	Present
Precinct 2:	Mr. Thurman Clements, Jr., Director	Absent
Precinct 3:	Mrs. Barbara Dietzel, Secretary	Present
Precinct 4:	Mr. Mark Meek, President	Absent
At Large:	Mr. Kenneth Eller, Director	Present
General Manager:	Mr. Timothy Andruss	Present
Legal Counsel:	Mr. James Allison	Present

Agenda Items -

1. Call the meeting to order and welcome guests.

Meeting Discussion: Mrs. Dietzel called the meeting to order at 9:00 AM.

Board Action: None.

2. Receive public comments.

Meeting Discussion: None.

Board Action: None.

3. Consideration of and possible action on matters related to Groundwater Management including efforts and activities of the District regarding permitting, complaints, investigations, violations, and enforcement cases associated with permitting.

4. Consideration of and possible action on matters related to groundwater protection including complaints, investigations, violations, and enforcement cases related to groundwater contamination and waste.

5. Consideration of and possible action on matters related to groundwater monitoring.

6. Consideration of and possible action on matters related to groundwater conservation.

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7. Consideration of and possible action on matters related to groundwater resource planning including Groundwater Management Area 15 Joint Planning and regional water planning.

8. Consideration of and possible action on matters related to groundwater policy including the Management Plan of the District and the Rules of the District.

9. Consideration of and possible action on matters related to administration and management including the minutes of previous meetings, the annual budget of the district, financial reports of the district, bills and invoices of the district, management goals and objectives of the district, administrative policies, staffing, consultant agreements, interlocal cooperation agreements, and support services provided to and from other groundwater conservation districts.

9.0 – Report regarding Administration and Management

Meeting Discussion: Mr. Andruss explained the next meeting of the Board is October 20, 2023, with the meeting to convene at 9:00 AM. Regular meetings will be rescheduled as necessary and special meetings may be scheduled to address unforeseen issues.

On July 25, 2023, the District received a letter from Daniel B. Stephens & Associates, Inc. (DBS&A) expressing interest in providing technical support to the District. Due to the continuing difficulty the District has experienced in obtaining technical support from consultants, staff will attempt to negotiate terms for an agreement between the District and DBSA to be presented at the October 20, 2023, meeting.

Board Action: None.

9.1 – FY2024 Budget

Meeting Discussion: Mr. Andruss explained staff developed a budget for the fiscal year ending September 30, 2024, that attempts to fund the operations of the District in a manner that provides for 1) the accomplishment of the management plan goals and objectives and 2) the completion of certain projects and tasks associated with the administration of the district, groundwater conservation, groundwater management and permitting, groundwater monitoring, groundwater policy development, groundwater protection, groundwater research, and groundwater resource planning, and 3) avoid a budget deficit in Fiscal Year 2023-2024.

Staff developed the proposed budget anticipating the continued cooperation with and support of the Calhoun County GCD, Refugio GCD, and the Texana GCD to be achieved through the approval of a revised interlocal cooperation agreement that includes an increase to the monthly fees for service equal to 5%.

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Staff developed the proposed budget anticipating the commitment of the monies of the Reserve Fund in Fiscal Year 2023-2024 in accordance with the following schedule:

- Groundwater Conservation: 5%
- Groundwater Management: 10%
- Groundwater Monitoring: 25%
- Groundwater Protection: 25%
- Groundwater Research: 5%
- Groundwater Resource Planning: 5%
- Legal Contingencies: 25%

Staff developed the proposed budget anticipating the approval of a tax rate equal to the No-New-Revenue Tax Rate calculated by the Tax Assessor - Collector for Tax Year 2023.

Summary of Budget Recommendation:

In keeping with the practice of the District to develop and adopt conservative budgets, management has developed a budget recommendation that anticipates revenue of \$1,034,900 and expenditures of \$907,300, resulting in an anticipated surplus of \$127,600 at the end of the fiscal year. The budget surplus is achieved while reducing the tax rate, maintaining the tax levy, reducing employment-related expenses, and budgeting significant expenses for groundwater conservation, groundwater monitoring, and groundwater protection.

Based on feedback provided by the Board, the recommended budget has been developed based on the assumption that the adopted tax rate would equal the No-New-Revenue Tax Rate. The No-New-Revenue Tax Rate for Tax Year 2023 is \$0.00699 per \$100 valuation. The computed tax levy for Fiscal Year 2023, based on the No-New-Revenue Tax Rate, is \$748,600.

Based on current staffing and the continuation of interlocal cooperation agreements with Pecan Valley GCD, Texana GCD, Refugio GCD, and Calhoun County GCD, the estimated revenue for Fiscal Year 2023 from cooperation district is estimated to be \$251,300. The cooperating district revenue estimate is based on a 5% increase in fees charged to the cooperating districts which would require the approval of revisions to the interlocal agreements between the district and Texana GCD, Refugio GCD, and Calhoun County GCD.

The recommended budget expenditures for employment totals -\$466,400. The total reflects the following changes: elimination of wages and benefits for the permitting technician position, the addition of expenditures for the intern position, the creation of a new wage chart (i.e. pay scale) for the specialist position based on the wage chart for the administrative coordinator position, the adjustment of the wage charts by 3.3% based on Consumer Price Index (CPI) calculations for the South Region for the 12 months ending in June 2023. The recommended budget

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expenditures for employment represents a reduction of \$43,700 as compared to Fiscal Year 2023.

Structurally, the budget has been revised to simplify future transaction processing by eliminating the "function" hierarchy and assigning all employment-related expenses to the Program 1002 - Administration - Employment.

Board Action: Mr. Eller move to adopt the proposed budget for Fiscal Year 2024 by order and authorize the presiding officer to execute the draft interlocal agreement with the Calhoun County Groundwater Conservation District, the Refugio Groundwater Conservation District, and the Texana Groundwater Conservation District, as presented. Mrs. Dietzel seconded the motion. The motion passed unanimously.

9.2 – Tax Rate for TY2023

Meeting Discussion: Mr. Andruss explained staff completed the public notice requirements related the required public hearing regarding the proposed tax rate for tax year 2023.

On September 9, 2022, the Board of Directors met and adopted a tax rate of \$0.00800/\$100 for Tax Year 2022.

Based on calculations completed by the Victoria County Tax Assessor-Collector, the following tax rates exist for the District for Tax Year 2023:

- No-New-Revenue Tax Rate: \$0.006990/\$100
- Voter-Approval Tax Rate: \$0.007570/\$100

The proposed tax rate for Tax Year 2023 is equal to the No-New-Revenue Tax Rate.

Board Action: Mr. Eller moved to close the public hearing at 9:29 AM after receiving no public comment. Mrs. Dietzel seconded the motion. The motion passed unanimously.

Mr. Eller moved to approve and adopt the proposed tax rate as the adopted tax rate by order. Mrs. Dietzel seconded the motion. The motion passed unanimously.

9.3 – Appraisal Roll for Tax Year 2023

Meeting Discussion: None.

Board Action: Mr. Eller moved to accept and approve the appraisal roll for Tax Year 2023 and adopt the Order Approving the 2023 Appraisal Roll. Mrs. Dietzel seconded the motion. The motion passed unanimously.

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9.4 – Employee Compensation and Benefits

Meeting Discussion: Mr. Andruss explained the District established pay scales for each type of employee with the previous adoptions of the budgets of the district. The scales area comprised of 5 steps with each incremental step representing a 5% increase in wage. The scales are used to 1) establish budget recommendations and 2) establish pay rates for new employees, and 3) develop recommendations regarding merit-based pay increases for individual employees.

The recommended budget expenditures for employment totals -\$466,400. The total reflects the following changes: elimination of wages and benefits for the permitting technician position, the addition of expenditures for the intern position, the creation of a new wage chart (i.e. pay scale) for the specialist position based on the wage chart for the administrative coordinator position, the adjustment of the wage charts by 3.3% based on Consumer Price Index (CPI) calculations for the South Region for the 12 months ending in June 2023. The recommended budget expenditures for employment represents a reduction of \$43,700 as compared to Fiscal Year 2023 and are based on Step 5 wage rates.

Based on their performance during the current fiscal year and the state of the labor market, consideration of incrementing their pay scale steps is recommended. All other employees have reach step 5 of their respective pay scale.

Board Action: Mr. Eller moved to approve and adopt the recommended pay scales and pay steps for fiscal year 2024, as presented. Mrs. Dietzel seconded the motion. The motion passed unanimously.

10. Consideration of and possible action on matters related to legal counsel report.

11. Adjourn.

11.0 – Adjourn Meeting

Meeting Discussion: None.

Board Action: Mr. Eller moved to adjourn the meeting at 9:37 AM after concluding all business of the District. Mrs. Dietzel seconded the motion. The motion passed unanimously.

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THE ABOVE AND FOREGOING MINUTES WERE READ AND APPROVED ON THIS

THE 20 DAY OF October A.D. 2023.



Director of the Victoria County Groundwater Conservation District

ATTEST:



Director of the Victoria County Groundwater Conservation District