



**NECHES & TRINITY VALLEYS  
GROUNDWATER CONSERVATION DISTRICT**

***Protecting Anderson, Cherokee, and Henderson Counties***

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**P.O. Box 1387**

**501 Devereux, Ste 201**

**Jacksonville, Texas 75766**

Terry Morrow, President

Sam Hurley, Vice President

Gary Douglas, Secretary

Jimmy Terrell, Director

Randall Chandler, Director

Cody Rayburn, Director

Christophe Trahan, Director

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**MINUTES OF BOARD OF DIRECTORS MEETING – November 20, 2025**

**DIRECTORS PRESENT**

Terry Morrow, President; Sam Hurley, Vice President; Gary Douglas, Secretary; Jimmy Terrell, Director; Cody Rayburn, Director; Christophe Trahan, Director

**ALSO PRESENT**

Penny Hanson, General Manager; Deborah Trejo, Attorney; Hollie Baze, Attorney; Members of Public

**CALL TO ORDER**

Terry Morrow, President, opened the Board meeting at 2:00 pm

**1. DECLARATION OF A QUORUM AND INVOCATION**

A quorum was declared by Sam Hurley.

**2. INVOCATION**

The invocation was given by Sam Hurley.

**3. PUBLIC COMMENTS**

Public comments were given by Cheryl Gilpin and Sylvia Guzman.

**4. RECEIVE FINANCIAL STATEMENTS AND REPORTS FROM RANDY GORHAM, CPA**

Financial reports were presented to the Board. No action required.

**5. CONSIDER AND TAKE ACTION ON THE 2026 DISTRICT BUDGET AS POSTED ON THE HOME PAGE OF THE DISTRICT'S WEBSITE**

A motion was made to approve the 2026 District Budget with the amendments to #7250 Office Rent Expense, increase to \$14,400; #7360 Payroll Taxes, decrease to \$9,500; #7355 Salaries, increase to \$110,000; and #6930 Attorney Fees, increase to \$150,000 by Sam Hurley, 2<sup>nd</sup> by Christophe Trahan, passed unanimously.

**6. CONSENT ITEMS:**

A motion was made by Christophe Trahan, 2<sup>nd</sup> by Cody Rayburn to approve the minutes for the October 16, 2025 meeting and payment of bills for December 1, 2025 through January 31, 2026, passed unanimously.

## **7. HEAR AND DISCUSS REPORTS FROM STAFF**

- a. General Manager report

No action required.

## **8. CLOSED SESSION - THE BOARD OF DIRECTORS MAY GO INTO CLOSED SESSION UNDER THE AUTHORITY OF THE GOVERNMENT CODE, CHAPTER 551, AND TEXAS OPEN MEETINGS ACT, TO DISCUSS:**

- A. Consultation with Attorney -Attorney/Client Privileged Consultations (§ 551.071)
- B. Consultation with Attorney - Pending or Contemplated Litigation(§ 551.071)
- C. Consultation with Attorney-Settlement Offers(§ 551.071)
- D. Deliberations Regarding Real Prop1iy (§ 551.072)
- E. Deliberations Regarding Personnel Matters (§ 551.074)
- F. Deliberations Regarding Security Devices or a Security Audit(§§ 551.076, 551.0894)

The Board exited the regular board meeting and entered closed session at 2:20 pm.  
The Board ended closed session and reopened the regular board meeting at 4:03 pm.

## **9. CONSIDER AND TAKE ACTION ON PERSONNEL MATTERS**

A motion was made by Sam Hurley, 2<sup>nd</sup> by Christophe Trahan, to increase the General Manager's salary to \$78,000 annually and to increase the Administrative Assistant's hourly rate to \$20.00 per hour, passed unanimously.

A motion was made by Christophe Trahan, 2<sup>nd</sup> by Sam Hurley, to give a year-end bonus of \$2,000 to the General Manager and \$1,000 to the Administrative Assistant, passed unanimously.

## **10. CONSIDER AND TAKE ACTION ON FORM AGREEMENT FOR THE DISTRICT TO USE IN ACCEPTING GRANTS OR DONATIONS**

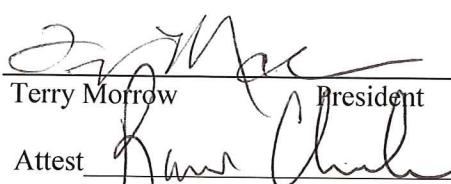
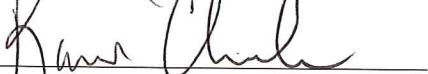
A motion was made by Christophe Trahan, 2<sup>nd</sup> by Jimmy Terrell to approve the form agreement for the District to use in accepting grants or donations, passed unanimously. A copy is attached.

## **11. CONSIDER AND TAKE ACTION TO ESTABLISH RULE COMMITTEE**

A motion to appoint Terry Morrow, Gary Douglas, and Cody Rayburn as the Rules Committee was made by Christophe Trahan, 2<sup>nd</sup> by Jimmy Terrell, passed unanimously.

## **12. ADJOURN**

A motion to adjourn at 4:11 pm was made by Christophe Trahan, 2<sup>nd</sup> by Sam Hurley, passed unanimously.

  
Terry Morrow  
President  
Attest 

1-22-26  
DATE

**Neches & Trinity Valleys GCD  
Groundwater Conservation District  
2026 Budget**

**Ordinary Income/Expense**

**Income**

**8000 · Income Accounts**

|                                     |                   |
|-------------------------------------|-------------------|
| 8200 · Drilling Permit Fees         | 40,000.00         |
| 8250 · Administrative fees          | 300.00            |
| 8105 · Export Fees                  | 9,000.00          |
| 8500 · Interest Income              | 10,000.00         |
| 8115 · Non-meter Usage Fee          | 600.00            |
| 8350 · Non-metered permit fee       | 200.00            |
| 8460 · Non Compliance Fees          | 300.00            |
| 8300 · Operating Permit Fees        | 15,000.00         |
| 8600 · Other Income                 |                   |
| 8110 · Pumping Payments             | 200,000.00        |
| 8310 · Transfer Permit Fees         | 200.00            |
| <b>Total 8000 · Income Accounts</b> | <b>275,600.00</b> |

**Total Income**

**Gross Profit**

**Expense**

**Fixed Costs**

|                               |                 |
|-------------------------------|-----------------|
| 7251 · Storage rent expense   | 800.00          |
| 7110 · Copier Lease & Maint   | 2,500.00        |
| 6400 · Depreciation           |                 |
| 6800 · Insurance              |                 |
| 6810 · Automobile Insurance   | 1,200.00        |
| 6840 · Director Bonds         | 1,200.00        |
| 6830 · Liability Insurance    | 3,600.00        |
| 6820 · Property Insurance     | 1,200.00        |
| 6860 · Workmans Comp          | 1,200.00        |
| <b>Total 6800 · Insurance</b> | <b>8,400.00</b> |

**7250 · Office Rent Expense**

**7350 · Payroll Expenses**

    7356 · Employee Health Insurance

15,000.00

    7368 · Retirement Employer Cont

13,000.00

    7360 · Payroll Taxes

9,500.00

    7355 · Salaries

110,000.00

**Total 7350 · Payroll Expenses**

**147,500.00**

**Total Fixed Costs**

**173,600.00**

**Variable Cost**

    6100 · Advertising

2,000.00

    7170 · Groundwater Management Expense

1,000.00

    6151 · Automobile Fuel

1,800.00

|                                      |            |
|--------------------------------------|------------|
| 6250 · Bank Service Charges/Checks   | 500.00     |
| 6600 · Board Meeting Expense         | 5,000.00   |
| 7370 · Contract Labor                | 1,000.00   |
| 6650 · Employee Expense              |            |
| 6660 · Conference & Training Fees    | 2,000.00   |
| 6695 · Other-Employee Expense        | 200.00     |
| 6670 · Travel                        | 5,000.00   |
| Total 6650 · Employee Expense        | 7,200.00   |
| 5008 · Licenses and Permits          | 100.00     |
| 7100 · Office Expense                |            |
| 7165 · Software expense              | 5,000.00   |
| 7160 · Computer Equipment            | 3,000.00   |
| 7150 · Postage                       | 500.00     |
| 7140 · misc office expense           | 500.00     |
| 7120 · Website maintenance           | 2,000.00   |
| 7115 · P.O. Box rental               | 150.00     |
| 7108 · toner & ink                   | 2,500.00   |
| 7105 · office supplies               | 1,500.00   |
| Total 7100 · Office Expense          | 15,150.00  |
| 6900 · Professional Service          |            |
| 6910 · Accounting/Audit              | 10,000.00  |
| 6940 · Consultant Fees               | 5,000.00   |
| Total 6900 · Professional Service    | 15,000.00  |
| 7300 · Repairs & Maintenance         |            |
| 6155 · Auto Maintenance              | 2,000.00   |
| 7320 · Office Equipment              | 500.00     |
| Total 7300 · Repairs & Maintenance   | 2,500.00   |
| 4100 · School Outreach Expense       |            |
| 4110 · Teaching Labor                | 2,500.00   |
| 4112 · Mileage                       | 1,000.00   |
| 4115 · Misc Teaching Expense         | 1,500.00   |
| Total 4100 · School Outreach Expense | 5,000.00   |
| 6550 · Subscriptions & Dues          | 2,100.00   |
| Telephone Services                   |            |
| 7610 · Cell Phone Service            | 1,500.00   |
| 7125 · Internet Service              | 2,700.00   |
| 7600 · Office Phone                  | 0.00       |
| Total Telephone Services             | 4,200.00   |
| Total Variable Cost                  | 62,550.00  |
| Total Expense                        | 236,150.00 |
| Net Ordinary Income                  | 39,450.00  |
| Other Income/Expense                 |            |
| Other Expense                        |            |
| 6930 · Attorney Fees                 | 150,000.00 |

|                              |                           |
|------------------------------|---------------------------|
| 7354 · Salaries-vacation pay | 11,000.00                 |
| <b>Total Other Expense</b>   | <b>161,000.00</b>         |
| <b>Net Other Income</b>      | <b>-161,000.00</b>        |
| <b>Net Income</b>            | <b><u>-121,550.00</u></b> |