RESOLUTION #25-005

LONE STAR GROUNDWATER CONSERVATION DISTRICT

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT ADOPTING THE AMENDED OPERATING AND CAPITAL OUTLAY BUDGET FOR 2026

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

WHEREAS, the Lone Star Groundwater Conservation District (the "District") was created by the Legislature of the State of Texas by the Act of May 17, 2001, 77th Leg., R.S., ch. 1321, 2001 Tex. Gen. Laws 3246, as amended (the "Enabling Act"), as a groundwater conservation district operating under Chapter 36, Texas Water Code, and the Enabling Act; and

WHEREAS, the District's Board of Directors and staff has worked diligently to identify all reasonably anticipated District revenues, expenses, and activities for the January 1 through December 31, 2026 budget cycle, and, after giving much consideration to these important factors, has developed an Amended 2026 budget for the Board's consideration and deliberation (the "2026FY Budget");

WHEREAS, the District Board of Directors (the "Board") has reviewed and considered the 2026 Operating and Capital Budget;

WHEREAS, pursuant to Section 36.154 of the Texas Water Code, the District has prepared a budget that contains a complete financial statement, including a statement of the outstanding obligations of the District, the amount of cash on hand to the credit of each fund of the District, the amount of money received by the District from all sources during the previous year, the amount of money available to the District from all sources during the ensuing year, the amount of the balances expected at the end of the year in which the budget is being prepared, the estimated amount of revenues and balances available to cover the proposal budget, and the estimated fee revenues that will be required;

WHEREAS, the Board finds that the adoption of the Amended 2026 Budget, attached hereto as Attachment A and incorporated herein by this reference for all purposes, is merited to support the District's activities and related expenses from January 1, 2026 through December 31, 2026 and that the attached budget will allow the District to carry out the District's objectives and responsibilities as prescribed by the Enabling Act and Chapter 36 of the Texas Water Code.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT THAT:

1. The above recitals are true and correct.

2. The Board of Directors of the Lone Star Groundwater Conservation District hereby adopts an operating and capital outlay budget for January 1, 2026 to December 31, 2026 as provided in the budget appended hereto as "Attachment A," which is incorporated herein by this reference and is hereby approved and adopted.

3. The Board of Directors, its officers, and the District employees are further authorized to take any and all actions necessary to implement this resolution.

AND IT IS SO ORDERED.

PASSED AND ADOPTED on this 11th day of November 2025.

LONE STAR GROUNDWATER CONSERVATION DISTRICT

By: _____
James Spigener, Board President

ATTEST:

_____
Janice Thigpen, Board Secretary

Lone Star Groundwater Conservation District

2026 Adopted Budget

INCOME		Adopted Budget
Permit Application Fees		
Well Registrations	$	120,000
Operating Permits	$	70,000
Amendments/Replacements	$	15,000
Other Applications	$	10,000
Total Application	**$**	**215,000**
Additional Admin Fees		
Records Request	$	-
Early Conversion Credit Water Use Fee	$	-
Customer Returned Check Fee	$	50
Well/Meter Re-inspection Fees	$	2,000
Total Additional Admin	**$**	**2,050**
Lone Star GCD Water Use Fees		
Export Water Use Fee	$	-
Historical Use - 2025	$	820,000
Ag Permits - 2025	$	1,600
Operating Permit - 2025	$	2,765,000
AWS/Production Fees - 2025	$	230,000
Total Lone Star GCD Fees	**$**	**3,816,600**
Over Pumpage/Penalties		
Over Pumpage Fee	$	50,000
Penalty / Interest	$	10,000
Total Over Pumpage/Penalties	**$**	**60,000**
Other Income		
Other Income	$	-
Total Other Income	**$**	**-**
Interest Income		
Interest Income	$	5,000
Total Additional Admin	**$**	**5,000**
TOTAL INCOME	**$**	**4,098,650**

EXPENSES		Budget
Attorney Fees		
Legislative Consulting		150,000
PIA Legal Work		10,000
General Counsel Work		375,000
Additional legal Work		25,000
Total Attorney Fees	**$**	**560,000**
Audit Fees		
Audit Fees		12,350
Total Audit Fees	**$**	**12,350**
Board Expense		
Meeting/Conference		10,000
Per Diem		63,000
Payroll Tax Liability		5,500
Board Meeting Expense		6,000
Board Recognition & Events		3,000
Total Board Expense	**$**	**87,500**
Building Expense		
Board Room (Virtual meeting System)		14,700
Building Maintenance		50,000
Utilities/Housekeeping		41,800
Total Building Expense	**$**	**106,500**
Computer Support		
Well Permitting Database Management		200,000
Hosting/Internet/Backup		28,000
Website Modification		5,000
Computer Repair & Support		30,000
Software		10,000
Total Computer Support	**$**	**273,000**
Education/Public Awareness Coordination		
Educational Scholarship/Sponsorship Programs		55,000
Strategic Communication		58,000
Rainwater Harvesting Barrel Program		100,000
Rainwater Collection Maintenance		750
Abandoned Well Plugging Program		50,000
Advertising/Public Notices		6,000
ET Weather Station Network		2,500
Communication/Public Awareness		20,000
Conservation Products		8,000
Total Education/Public Awareness	**$**	**300,250**
Election Expense		
Election Expense		200,000
Total Election Expense	**$**	**200,000**

EXPENSES		Budget
Technical Consultant Services		
Technical Consulting		150,000
Permitting Consulting Services		280,000
GMA 14 Planning		150,000
Technical Consulting Expense	**$**	**580,000**
Field/Technical Expense		
PAM Units		15,000
Field Supplies		3,500
Vehicle Fuel Expense		8,500
Vehicle/Mobile Lab Repair and Maintenance		5,000
Vehicle - Capital Expense		45,000
Field/Technical Expense	**$**	**77,000**
Insurance Expense		
Bonds		1,000
Building Insurance		5,500
Errors & Omissions		2,500
Liability		2,000
Vehicle Insurance		5,115
Insurance Expense	**$**	**16,115**
Litigation Expense		
Legal - DFC Appeal		50,000
Engineering Consultant Services		-
Total Litigation Expense		**50,000**
Membership Dues/Subscriptions & Misc		
Event Sponsorship		4,000
Membership Dues/Subscriptions		20,000
Miscellaneous		5,000
Total Mem. Dues/Sub. & Misc Expense		**29,000**
Office Expense		
Employee Recognition & Events		3,000
Equipment Lease - Copier		6,500
Office Equipment		6,500
Printing		7,000
Supplies		9,000
Total Office Expense		**32,000**

EXPENSES		Budget
Payroll Expense		
Salaries		1,200,000
Payroll Tax Liability	ss-6.2 med-1.45	91,800
Retirement	6%	72,000
Medical/Life	varies by employee	150,000
SUI (Unemployment Tax)		2,500
Workman's Comp		2,500
Tuition Assistance		-
Payroll Service Fees		11,000
Total Payroll Expense		**1,529,800**
Postage Expense		
Postage Meter and Supplies		1,000
Postage/Shipping/Delivery Service		6,000
Total Postage Expense		**7,000**
Programs Expense		
Subsidence Study - Phase III		50,000
Additional Scientific Programs		200,000
Hydrogeological Modeling/Protection		1,000
USGS Joint Funding Agreement Expense		
USGS - Groundwater Level Data Collection		60,350
USGS - Continuous Water-Level Monitoring		11,856
Total Programs Expense		**323,206**
Rebate Water Use Fees		
Rebate Water Use Fees		35,000
Total Programs Expense		**35,000**
Travel/Education/Training		
Manager Expense		12,800
Non-Manager Expense		8,000
Vehicle Allowance		7,200
Total Travel/Training/Staff Expense		**28,000**
Depreciation		
Depreciation		50,000
Total Depreciation Expenses		**50,000**

	Budget
TOTAL INCOME	**$ 4,098,650**
TOTAL EXPENSES	**4,296,721**
NET INCOME	**(198,071)**

Net Income = Total Income - Total Expenses