

**NOTICE OF A SPECIAL MEETING OF THE GOVERNING BOARD OF THE
KINNEY COUNTY GROUNDWATER CONSERVATION DISTRICT**

Notice is hereby given that a special meeting of the Kinney County Groundwater Conservation District will be held Tuesday, September 15, 2026, at 6:00 p.m. at the district office, 503 S. Ann Street, Brackettville, Texas, at which the following subjects will be discussed, to wit:

SPECIAL MEETING AGENDA

1. Call to order.
2. Establish a quorum.
3. Pledge of Allegiance.
4. Public Comments.
5. Call for annual audit.
6. Discussion/Possible Action: Proposed Budget FY 2026-2027, set time/date for a public hearing on proposed 2026-2027 annual budget.
7. Discussion/Possible Action: Proposed Tax Rate, set time/date for a public hearing on proposed tax rate.
8. Discussion/Possible Action: Proposed fee schedule, set time/date for a public hearing to set a proposed fee schedule.
9. Adjourn.

FILED FOR RECORD
at 4:51 o'clock PM

SEP 09 2026

Ricardo Alvarado
COUNTY & DISTRICT CLERK, KINNEY CO.

I, the undersigned authority, do hereby certify that the above NOTICE OF MEETING of the Board of Directors of the Kinney County Groundwater Conservation District is a true and correct copy of said Notice. I have posted a true and correct copy of said Notice at the District's office, located in Brackettville, Texas, and said Notice was posted at am/pm on 9/9, 2026 a true and correct copy of said Notice was furnished to the Kinney County Clerk, in which the above-named political subdivision is located.

Kinney County Groundwater Conservation District

By: Genell Hobbs
Genell Hobbs, General Manager

Agenda items may be considered, deliberated and/ or acted upon in a different order than set forth above. If during the course of the meeting covered by this agenda, the Kinney County Groundwater Conservation District Board determines that an executive session of said Board should be held or is required in relation to any item included on the agenda, the Board may adjourn to a closed meeting as authorized by the Open Meetings Act at the date, hour, and place given in this Agenda concerning any and all subjects, and for any and all purposes permitted by

Section 551.071-551.074 of the Government Code, including but not limited to Section 551.071—for the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.

The Kinney County Groundwater Conservation District is committed to compliance with the Disabilities Act (ADA). Reasonable accommodation and equal opportunity for effective communication will be provided upon request. Please contact the District Office at 830-563-9699 at least 24- hours in advance of the meeting if accommodation is needed.

KINNEY COUNTY GROUNDWATER CONSERVATION DISTRICT

BUDGET INFORMATION, AS OF 8/31/2026.

Cash on hand: \$ 1,011,167.63

The Kinney County Groundwater Conservation District (hereinafter referred to as "District") has no long-term indebtedness. Short-term obligations are as follows:

The District has an Agreement with Ede & Company, LLC, for year-end (FYE 9/30/2026), financial audit in an amount not to exceed \$15,000.

The District has an obligation to pay the Kinney County Appraisal District in the amount of \$25,494.28 annually, with quarterly payments. This is for appraisals, billing and tax collection re: the District.

The District has an agreement with Streamline for database website hosting in the amount of \$3,600 annually.

The District has a 5-year lease agreement with GreatAmerica for a multifunctional printer, at \$247.59 monthly.

The District has a Service Agreement with Freese and Nichols for hydrogeological services for a one-year period beginning Oct.1, 2025. This Service Agreement is scheduled for renewal at the District's September 2026 Regular Board Meeting.

The District has an agreement with Greg Ellis Law Firm for legal services. Services are on an as-needed basis. Additionally, there is a Legislative Agreement with Ellis commencing December 16,2025 and running through September 30, 2027.

KCGCD PROPOSED BUDGET 2026/2027

<u>INCOME</u>	<u>2025/2026</u>	<u>08/31/2026</u>	<u>2026/2027</u>
Transfer from reserve funds/allocate for well equip/science/prof. fees	433,346	433,346	466,517
Ad-Valorem Taxes	569,414	569,414.00	549,133
Application/Amend. Fees	1,500	700.00	1,500
Groundwater Use Fees	83,400	69,116.27	83,400
Interest	44,500	38,514.74	38,000
Miscellaneous Income	200	3,745.20	2,000
Renewal Fees/Other Fees	8,500	1,943.19	2,000
Well Log Deposit	600	1,200.00	600
TOTAL INCOME	1,141,460	1,117,979.40	1,143,150

PROPOSED - ANNUAL BUDGET – FY 2026-2027

I prepared the proposed budget based on a tax rate of 0.0462/\$100, which is the highest rate we can adopt without holding an election to approve the adopted tax rate. Using this rate, our tax revenue will be about \$20,281 less than the previous year. The total budget will be increased by \$1,690.

INCOME: As noted, we will receive more in tax revenue, and an increase in interest, but still conservative on interest.

EXPENSE:

Insurance – a minimal increase.

No Legislative Representation this coming year, as the Legislature will not be in session.

Work will continue with Vince Clause to update geology information along with other items as required. Propose to **increase the “Professional”** line item to \$275,000.

Collection fees for the Appraisal District are up slightly from the previous year.

Insurance also went up slightly from the previous year.

Legal expenses: Slight increase, due to attorney’s work on Rules, By-Laws and other items that might arise. Legislative Representation – 0 -, as this was only for last year.

Election expenses are added this year, as we will have an election in 2026. We hope to pay the KC Clerk for services rendered, prior to the end of the fiscal year.

Staff increase, for pay increases for Bonnie and Marti, and pay into retirement for Marti. Also, Kathy’s (bookkeeper) month end work is included in the “staff” line item. Her rate has gone up slightly, for the first time since 2012. Payroll taxes are also included.

IF YOU ARE IN AGREEMENT, A MOTION SHOULD BE MADE TO ADOPT THE BUDGET FOR FY 2026-27.

KCGCD PROPOSED BUDGET 2025-2026

EXPENSES	2025-2026	08/31/2026	2026-2027
Accounting (Audit)	12,600	12,600.00	12,600
Advertising/Public Notice	1,000	2,175.11	3,000
Association Fees	4,100	2,700.00	3,000
Collections/Fees to KCAD	23,036	24,807.18	25,500
Elections	-0-	-0-	-0-
Hearing	-0-	-0-	-0-
Insurance	8,074	9,730.52	12,000
Legal	45,000	-0-	45,000
Legislative Representation	-0-	31,000.00	31,000
Office Expense	44,500	30,473.94	38,000
Other Expense/office maint.	4,500	127.65	3,000
G/Water Protection Program	72,000	-0-	40,000
Scholarship/Comm. Awareness	12,500	12,000.00	12,500
Professional Fees	275,000	204,638.95	300,000
Reserves	25,000	-0-	20,000
Science	175,300	18,011.94	130,000
Science equip/Web-based tech svcs for scientific data support, water quality sample/lab analysis	200,000	218,373.58	245,000
Staff	175,000	129,922.71	185,000
Travel/vehicle exp.	4,200	1549.68	4,200
Education/Conventions	4,550	176.22	4,550
Election	6,300	-0-	8,000
Hearing	10,800	-0-	10,800
Monitor well/meters	38,000	-0-	10,000
TOTAL EXPENSE	1,141,460	698,287.48	1,143,150

PROPOSED FEE SCHEDULE FY 2025-2026

The following page is our Fee Schedule that was revised in 2020, and has been approved each September since then, along with approval of the budget.

I see no need to make any changes, but that is the board's call.

**IF YOU ARE IN AGREEMENT, A MOTION SHOULD BE MADE TO
ACCEPT THE PROPOSED FEE SCHEDULE AND SET THE
PUBLIC HEARING FOR THE FEE SCHEDULE ON SEPTEMBER
22nd 2026 AT 6 PM AT THE DISTRICT OFFICE.**

KINNEY COUNTY GROUNDWATER CONSERVATION DISTRICT FEE SCHEDULE

Revised September 20.2020

I. Fees

<u>Groundwater Use Fees:</u> (ref. Rule 7.01(E))	Agriculture Use: \$1.00 per acre-foot per year. CRP Rate: per acre-foot per year, provided there is no production from the well(s) under the permit. CRP Rate: \$0.25 per acre-foot per year. All Other Uses: \$10.00 per acre-foot per year
<u>Groundwater Export Application Fee:</u> (ref. Rule 6.01(C))	Application fee \$500 and all costs associated with the hearing process
<u>Groundwater Export Fee:</u> (ref. Rule 7.01(F))	To be negotiated.
<u>Testing Permit Application Fee:</u> (ref. Rule 3.03)	Application fee \$500 and all costs associated with developing the pump test and monitoring system
<u>Regular Permits Applications:</u> (ref. Rule 3.03)	Application fee \$500 and all costs associated with the hearing process
<u>Permit Renewal Administration Fee:</u> (ref. Rule 5.01)	\$35 per permit with no changes. The fee for renewals requiring research or legal opinions will be the actual costs of processing the renewal.
<u>Transfer Permit Ownership and Ownership Shares</u> (ref. Rule 5.02)	\$35 per permit plus amount of actual costs of processing the transfer.
<u>Existing Exempt Well registration:</u> (ref. Rule 2.02)	\$35
<u>New Well registration:</u> (ref. Rule 2.01)	\$50
<u>Well Log Deposit:</u> (ref. Rule 2.09 and Rule 7.02)	\$300
<u>Returned Check Fee:</u> (ref. Rule 7.02)	\$35
<u>Administrative Fees</u> (Texas Administrative Code Chapter 70; ref Rule 7.03)	Standard paper copies \$.10 per page, CD \$1.00, DVD \$3.00
<u>Inspection Fee</u> (ref. Rule 7.05)	\$50 per inspection.

II. PAYMENT DEADLINES

All fees due to the district shall be remitted in accordance with District Rules.

SCHEDULE OF RULE VIOLATION PENALTIES

Violation	Penalty
1. Drilling a Well without a Permit	\$25,000.00 max/daily
2. Pumping water from unpermitted well	\$5,000.00 max/daily
3. Failure to turn in Pumping Report (Report is 60 days late)	\$1,000.00 max/daily
4. Failure to pay Water Use Fees (Fees are 90 days late)	\$1,000.00 max/daily
5. Failure to cover an open well	\$1,000.00 max/daily

PROPOSED TAX RATE:

This year the **proposed** tax rate is \$0.0462, up slightly from the previous year, due to re-appraisals. Last year's rate was \$0.0454. When appraisals go down, the tax rate goes up.

Our tax revenue will be down by about \$20,281.

**IF YOU ARE IN AGREEMENT, A MOTION SHOULD BE MADE TO
ACCEPT THE PROPOSED TAX RATE OF \$0.0462 AND SET THE
PUBLIC HEARING FOR THE TAX RATE ON SEPTEMBER 22nd
2026 AT 6 PM AT THE DISTRICT OFFICE.**

Taxpayer Impact Statement

This notice is provided in accordance with Section 551.043 (C) (2), Texas Government Code, as amended by HB 1522(89th Legislature, R.S.).

For the Kinney County Groundwater Conservation District, the median-value of a homestead in the district was \$98,405 in the 2025-2026 fiscal year and is \$104,279 in the 2026-2027 fiscal year.

At the current rate of \$0.00454, per \$100 valuation, the property tax bill for the median-valued homestead in the FY 2025-2026 was \$44.25.

If the proposed budget is adopted at the proposed tax rate of \$0.00462 per \$100 valuation, the property tax bill for the median-valued homestead in FY 2026-2027 will be \$46.25.