



LOWER BRUSHY CREEK WCID

Regular Called Meeting of the Board of Directors

Edmond Komandosky, President
Monica P. Masters, Vice President
Laine Holman, Secretary/Treasurer
Allen R. David, Director
Mitchell Drummond, Director

Notice is hereby given for a regular called meeting of the Board of Directors of the Lower Brushy Creek WCID to be held on **Monday October 19, 2026 at 8:00am** at the Greater Taylor Chamber of Commerce located at 1519 North Main Street Taylor, TX, 76574 for the purpose of considering the following agenda items. The Board of Directors will meet, consider, deliberate and may take action on all agenda items.

BOARD PACKET

- Agenda for LBCWCID Regular Called Meeting for Monday October 19, 2026 1 Pagee

CONSENT AGENDA:

- Minutes for the Regular Called Meeting of September 9, 2026 2 Pages
- Financial Report: Account Register for July 2026 11 Pages

ACTION ITEMS:

- Order Adopting District Policy Regarding Use of District Easement Property 7 Pages
- Amended and Restated District Information Form 7 Pages
- Order Adopting the District Investment Policy and Designating Investment Officers 8 Pages
- District Calendar Options 2 Pages



LOWER BRUSHY CREEK WCID
Regular Called Meeting of the Board of Directors

Edmond Komandosky, President
Monica P. Masters, Vice President
Laine Holman, Secretary/Treasurer
Allen R. David, Director
Mitchell Drummond, Director

FILED 2:32 o'clock P M
OCT 13 2026
Nancy E. Ruter
County Clerk, Williamson Co., TX

Notice is hereby given for a Regular Called Meeting of the Board of Directors of the Lower Brushy Creek WCID to be held on **Monday October 19, 2026 at 8:00am** at the Greater Taylor Chamber of Commerce for the purpose of considering the following agenda items. The Board of Directors will meet, consider, deliberate and may take action on all agenda items.

AGENDA

1. Welcome, Call to Order, and determination of a Quorum;
2. Citizens Communications- *an opportunity for the public to address the Board on agenda items or concerns not on the agenda (limited to 3 minutes each)*
3. Consent Agenda- the items on the consent agenda are considered routine by the district and will be enacted by one motion. There will be no separate discussion of the items unless requested by a board member, in which the item will be removed from the consent agenda and considered at another time during the meeting.
 - a. Minutes for the Regular Called Meeting of the Board of Directors and Tax Hearing from September 9, 2026;
 - b. Financial Reports: Account Register for July 2026;
4. Consideration and Approval of District Easement Policy;
5. Consideration and Approval of amended Notice to Purchaser and District Information Form;
6. Consideration and Approval of District Investment Policy;
7. Consideration and Approval of District Calendar for 2027;
8. Agency Reports;
9. General Manager's Report;
10. Director's Comments;
11. Adjournment;

into executive session at any time during the meeting to discuss any of the matters listed above, as authorized by Texas Local Government Code Sections 551.071 (Consultation with Attorney), 55.072 (Deliberations regarding Real Property), 551.073 (Deliberations regarding Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations regarding Security Devices) and 551.087 (Deliberations regarding Economic Development Negotiations)

Lower Brushy Creek WCID was posted on/or before 5:00P Tuesday, October 13, 2026.

Sue Lilly

Sue Lilly, District Clerk

In compliance with the Americans with Disabilities Act, the Lower Brushy Creek WCID will provide reasonable accommodations for persons attending the Board of Directors meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Sue Lilly, District Clerk at 512-642-3129.

Consent Agenda:

- 3a. Minutes for the Regular Called Meeting of the Board of Directors
and Tax Hearing from September 9, 2026



LOWER BRUSHY CREEK WCID
Minutes of the Regular Called Meeting of the
Board of Directors and Tax Hearing
September 9, 2026

CALL TO ORDER & DETERMINATION OF A QUORUM: President Edmond Komandosky called the Regular Called Meeting of the Board of Directors of Lower Brushy Creek WCID and Public Hearing regarding the 2026 Tax Rate held on Wednesday September 9, 2026 at 7:01 pm at the Taylor Public Library located at 801 Vance Street; Taylor, TX and announced that a Quorum was present.

ATTENDANCE: Board members present included Vice President Monica Masters, Secretary/Treasurer Laine Holman, Director Allen David and Director Mitchell Drummond. Others present included General Manager Jim Clarno, Operations Manager Matthew May, District Clerk Sue Lilly, Board Attorney Stefanie Albright and partner Lauren Binger, and Board Communications Contractor Richard Stone. The following citizens were also present: Mark Baudek and Ryan Hall.

President Edmond Komandosky opened a Public Hearing at 7:03pm regarding the 2026 Tax Rate; consideration for adopting an order setting the property tax rate of \$0.019166 per one hundred dollars valuation of property;

CITIZEN COMMUNICATIONS: There were no citizen's communications. **No actions were taken.**

CONSENT AGENDA ITEMS:

General Manager, Jim Clarno, presented for consideration and approval of the following Consent Agenda Items:

- a. Minutes for the Regular Called Meeting of the Board of Directors from August 3, 2026;
- b. Financial Reports: Account Register for June 2026;
- c. 3rd Quarter Investment Report;

A motion to approve the consent agenda items as presented was made by Director Mitchell Drummond. The motion was seconded by Secretary/Treasurer Laine Holman and was carried unanimously.

ACTION ITEMS:

General Manager, Jim Clarno presented for consideration and approval of FY27 Budget;

A motion to approve the FY27 Budget as presented was made by Vice President Monica Masters. The motion was seconded by Director Drummond and was carried unanimously.

CONSENT ITEMS:

General Manager Clarno presented the following items on the consent agenda for consideration and approval;

Consideration and approval for the General Manager to execute the following Contracts:

- 6a. Contract for Professional Services for FY27 with RTS Connect LLC for communications consulting;
- 6b. Agreement with Bott and Douthitt, PLLC as the Bookkeeping Services Contractor for LBCWCID, effective October 1, 2026 for two (2) successive twelve (12) month periods;
- 6c.i. Professional Service Agreement Modification/Change Order No.1 reflecting/updating the consultant's corporate succession from KFrieese to Egis USA, Inc;
- 6c.ii. Professional Service Agreement, Amendment #3, for FY 27 with Egis USA, Inc for maintenance management, policy and permitting support;
- 6d. Work Order No. 7 for O&M plans and specifications for sites 9,10, 30 &13 with M&E Consultants;
- 6e. Contract Agreement Modification/Change Order No.2 with TerraSol LC for FY27 Operation, Maintenance and Related Services;
- 6f. Agreement with Performance Plus for FY27 Maintenance Services Modification/Change Order No. 1;
- 6g. Proposal from AWARE Sensing Technology for installation and services for monitoring 5 sites;
- 6h. Contract with Arbiz Fencing and Construction LLC, for refencing Lower Brushy Creek Site 9;

Items 6a. Contract for Professional Services for FY27 with RTS Connect LLC for communications consulting and 6g. Proposal from AWARE Sensing Technology for installation and services for monitoring 5 sites were removed from the consent action items for further discussion and consideration.

A motion to NOT approve the Contract for Professional Services for FY27 with RTS Connect LLC for communications consulting was made by Secretary/Treasurer Holman. The motion was seconded by Director David Allen and failed to pass by a vote of 2-3.

A motion to approve the Contract for Professional Services for FY27 with RTS Connect LLC for communications consulting was made by Vice President Masters. The motion was seconded by President Edmond Komandosky and was carried by a vote of 3-2.

A motion to approve the Proposal from AWARE Sensing Technology for installation and services for monitoring 5 sites with additional changes, including adding a spare un-installed unit (for back-up purposes) and plan for performance evaluation of the overall system, was made by Vice President Masters. The motion was seconded by Director Drummond and carried unanimously.

A motion to approve the consent action items 6b, 6c.i, 6c.ii, 6d, 6e, 6f and 6h as presented was made by Director Holman. The motion was seconded by Director Allen David and carried unanimously.

President Edmond Komandosky closed the Public Hearing at 7:45pm regarding the 2026 Tax Rate; consideration for adopting an order setting the property tax rate of \$0.019166 per one hundred dollars valuation of property;
There were no public comments.

General Manager Clarno presented for Consideration and Approval of an Order approving the 2026 Tax Rate;

A motion to approve the Order approving the 2026 Tax Rate as presented was made by Vice President Masters. The motion was seconded by Director David and carried unanimously.

General Manager Clarno presented for Consideration and Approval of updates to District Information Form and Notice to Purchaser;

A motion to approve of the updates to District Information Form and Notice to Purchaser was made by Secretary/Treasurer Holman. The motion was seconded by Director Allen and carried unanimously

General Manager Clarno presented for discussion and approval of appointment of "Assistant Secretary/Treasurer" for the LBCWCID Board of Directors;

A motion to approve Director Mitchell Drummond and Director Allen David as acting Assistant Secretary/Treasurer for the LBCWCID Board of Directors was made by Vice President Masters. The motion was seconded by President Komandosky and was carried unanimously

Operations Manager, Matthew May, presented a status report on Projects for Sites 3, 10 and 30; **No actions were taken.**

AGENCY REPORTS: There were no Agency Reports. **No actions were taken.**

GENERAL MANAGERS REPORT: Clarno presented the General Manager's Report. **No actions were taken.**

DIRECTORS COMMENTS: There were no other director's comments.

ADJOURNMENT: There being no further business, the meeting was adjourned without objection at 8:34am.

Respectfully submitted,

Laine Holman, Secretary/Treasurer

Consent Agenda:

3b. Financial Report Review July 31, 2026

Lower Brushy Creek WCID October 19, 2026

- Review Cash Activity Report, including Receipts and Expenditures
 - ☑ Action Items:
 - Review July 31, 2026 Financial Statements.

2026

Lower Brushy Creek W.C.I.D

January						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February						
Su	M	Tu	W	Th	F	Sa
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22	23	24	25	26	27	28

March						
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22	23	24	25	26	27	28
29	30	31				

Jan 20	Board Meeting
Feb 17	Board Meeting
Mar 16	Board Meeting
Apr 20	Board Meeting
Jun 08	Board Meeting
Aug 03	Board Meeting
Sep 09	Board Meeting
Oct 19	Board Meeting

April						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May						
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24	25	26	27	28	29	30
31						

June						
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28	29	30				

July						
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26	27	28	29	30	31	

August						
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23	24	25	26	27	28	29
30	31					

September						
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27	28	29	30			

October						
Su	M	Tu	W	Th	F	Sa
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November						
Su	M	Tu	W	Th	F	Sa
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December						
Su	M	Tu	W	Th	F	Sa
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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**Lower Brushy Creek WCID
Cash Activity Report
June 30, 2026 - July 31, 2026**

			<u>City National Bank</u>
			Operating Account
Reconciled Cash Balance - June 30, 2026			\$ 87,582.20
Subsequent Activity			\$ (6,272.95)
<u>Vendor</u>	<u>Memo</u>	<u>Amount</u>	
Texpool Fund Transfer		100,000.00	
QuickBooks Payroll Service	Payroll	(9,383.87)	
Ancira Strategic Partners LLP	Consulting Services - July 2026	(2,000.00)	
Clarno Consulting LLC	General Manager Services - July 2026	(7,000.00)	
RTS Connect	Consulting Services - July 2026	(1,200.00)	
US Treasury	Payroll Taxes	(2,306.00)	
TerraSol, LLC	Herbicide Application June 2026	(31,206.14)	
Allen Ray David	Director Fees - Q3 2026	(600.00)	
Bickerstaff Heath Delgado Acosta LLP	Legal Fees - June 2026	(5,278.00)	
Bott & Douthitt, PLLC	Accounting Services - June 2026	(2,200.00)	
Edmond Komandosky	Director Fees - Q3 2026	(952.20)	
Freese & Nichols	Engineering Fees - June 2026	(4,482.64)	
Laine Holman	Director Fees - Q3 2026	(1,050.00)	
Monica Masters	Director Fees - Q3 2026	(450.00)	
Scott Ging	Director Fees - Q3 - 2026	(450.00)	
TerraSol, LLC	Mowing/Herbicide Application - June 2026	(11,506.80)	
Williamson County	Election Expenses May 2026	(18,005.73)	
TCDRS	Employee Benefits	(1,442.10)	
City National Bank	Credit Card/Debit Card Expenditures	(6,759.47)	
	Total Bookkeeper's Account Expenditures	(6,272.95)	
Reconciled Cash Balance - July 31, 2026			\$ 81,309.25

Lower Brushy Creek WCID Cash/Investment Activity Report June 30, 2026 - July 31, 2026

	Interest Rates	Balance 6/30/2026	Subsequent		Subtotal 7/31/2026	Balance 7/31/2026
			Receipts	Disbursements		
General Fund -						
Cty Nation Bank Account	n/a	\$ 87,582.20	\$ 100,000.00	\$ (106,272.95)	\$ 81,309.25	\$ 81,309.25
TexPool - General Operating	3.6484%	1,829,926.19	10,674.56	(100,000.00)	1,740,600.75	1,740,600.75
TexPool - Rany Day Fund	3.6484%	238,929.67	740.38	-	239,670.05	239,670.05
Total - General Fund		2,156,438.06	111,414.94	(206,272.95)	2,061,580.05	2,061,580.05
Total - All Funds						
		\$ 2,156,438.06	\$ 111,414.94	\$ (206,272.95)	\$ 2,061,580.05	\$ 2,061,580.05

Recap & Standings Report

WTAXSaaS

Cycles: All Taxing Units: Coupland ISD... Deposit Date Range: 10/01/2025 to 07/31/2026 Sorted By: By Year, Descending Options: Separate Rollbacks, Include

Property Tax

W13 (Lower Brushy Cr WC&ID)

Taxing Unit Totals (IS,MO,SA)

2025 Fiscal Year: 10/01/2025 - 09/30/2026

	Original Roll	Beg. Uncollected	Adjustments	Adjusted Uncollected	Collections	P&I Collected	Credits / Discounts Allowed	Atty. Fee Collected	Variance	Uncollected Balance	YTD Collections
2027	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2026	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2025	1,371,885.62	0.00	1,395,901.85	1,395,901.85	1,378,233.77	3,731.13	-202.57	616.65	1.91	17,872.56	1,378,029.29
2024	1,023,634.61	8,729.02	-2,988.12	5,740.90	2,292.94	1,068.36	7.89	1,048.03	0.00	3,440.07	2,300.83
2023	841,540.38	2,446.74	651.47	3,098.21	1,049.43	144.24	13.78	72.49	0.00	2,035.00	1,063.21
2022	758,373.38	1,541.03	787.70	2,328.73	936.38	48.70	6.01	13.78	0.00	1,386.34	942.39
2021	577,067.74	891.78	481.26	1,373.04	562.74	29.64	0.00	2.10	0.00	810.30	562.74
2020	484,724.15	746.54	-2.33	744.21	43.82	15.75	0.00	1.26	0.00	700.39	43.82
2019	440,890.17	722.05	-2.45	719.60	38.53	13.80	0.00	0.00	0.00	681.07	38.53
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2017	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2016	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2009	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2008	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2007 & prior	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Summary

Total Current	1,371,885.62	0.00	1,395,901.85	1,395,901.85	1,378,233.77	3,731.13	-202.57	616.65	1.91	17,872.56	1,378,029.29
Total Delinquent	4,126,230.43	15,077.16	-1,072.47	14,004.69	4,923.84	1,320.49	27.68	1,137.66	0.00	9,053.17	4,951.52
Rollbacks		3,944.82	4,137.71	8,082.53	5,831.08	3.49	8.02	0.00	-0.01	2,243.42	5,839.11
Taxing Unit Total	5,498,116.05	19,021.98	1,398,967.09	1,417,989.07	1,388,988.69	5,055.11	-166.87	1,754.31	1.90	29,169.15	1,388,819.92

Percentages

% of Roll Collected - 2025 - 98.72%	Adjusted Original Roll -- \$1,395,901.85	Current YTD Collected -- \$1,378,029.29
Tax Collections Compared to Current Taxes Billed 0% Collected		
All Collections Compared to Current Taxes Billed 0% Collected		
Combined Collections (Collections + P&I Collected) -- 1,394,043.80		

Accountant's Compilation Report

Board of Directors
Lower Brushy Creek W.C.I.D
Williamson County, Texas

The District is responsible for the Governmental Funds Balance Sheet as of July 31, 2026 and the Statement of Revenues, Expenditures & Changes in Fund Balance – Governmental Funds for the ten months ended July 31, 2026, which collectively comprise the District's basic financial statements – governmental funds in accordance with the accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The District has omitted the management's discussion and analysis, the Statement of Net Assets, and Statement of Activities that the Governmental Accounting Standards Board required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context.

In addition, the District has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and components required by GASB 34 were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information be presented to supplement the basic financial statements. Such information is presented for the one and ten months ended July 31, 2026, for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to Lower Brushy Creek W.C.I.D



BOTT & DOUTHITT, P.L.L.C.
Certified Public Accountants
Round Rock, TX

October 19, 2026

Lower Brushy Creek WCID

Governmental Funds Balance Sheet

July 31, 2026

	<u>Governmental Funds</u>
	<u>General Fund</u>
Assets	
Cash and Cash Equivalents	
Cash	\$ 81,309.25
Cash Equivalents	1,980,270.80
Receivables	
Property Taxes	9,169.15
Total Assets	<u>\$ 2,070,749.20</u>
Liabilities	
Accounts Payable	\$ 37,400.20
Payroll Liabilities	3,437.43
Total Liabilities	<u>40,837.63</u>
Deferred Inflows of Resources	
Property Taxes	9,169.15
Total Deferred Inflows of Resources	<u>9,169.15</u>
Fund Balance	
Fund Balances:	
Assigned	548,375.00
Unassigned	1,472,367.42
Total Fund Balances	<u>2,020,742.42</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 2,070,749.20</u>

**Lower Brushy Creek WCID
Statement of Revenues,
Expenditures & Changes in Fund Balance-Governmental Funds
October 1, 2025 - July 31, 2026**

	<u>Governmental Funds</u>
	<u>General Fund</u>
Revenues:	
Property Tax Revenue, including penalties	\$ 1,383,249.42
Grant Revenue	51,030.00
Interest	55,293.56
Total Revenues	<u>1,489,572.98</u>
Expenditures:	
Current-	
Administrative Services -	
General Manager	65,000.00
Salaries	108,425.00
Director Fees	7,852.20
Accounting Fees	22,081.15
Audit Fees	12,000.00
Consulting fees	32,000.00
Legal Fees	44,724.57
Advertising/Legal Notices	2,379.27
Bonds/Insurance	4,383.16
Dues/Subscriptions/Professional Development	2,200.00
Meals/Entertainment	557.20
Rent	20,516.75
Office Supplies	1,460.91
Postage/PO Box/Delivery Charges	368.40
Travel/Mileage	7,376.85
Website	2,505.22
Tax Appraisal Fees	6,225.00
Utilities	1,679.09
Payroll Expenses	17,484.66
Employee Benefits	24,711.58
Elections	34,881.71
Miscellaneous	4,512.71
Engineering Fees -	
Engineering/Surveying	65,536.82
USGS	49,425.00
Operating Expenses -	
Dam Maintenance	133,931.97
Dam Rehabilitation	28,722.92
Total Expenditures	<u>700,942.14</u>
Excess/(Deficiency) of Revenues over Expenditures	<u>788,630.84</u>
Fund Balance, October 1, 2025	<u>1,232,111.58</u>
Fund Balance, July 31, 2026	<u>\$ 2,020,742.42</u>

Supplementary Information
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General Fund

- Budgetary Comparison Schedule
- Revenue & Expenditures: Actual + Budgeted

Lower Brushy Creek WCID
Budgetary Comparison Schedule-General Fund
July 31, 2026

	Current Month			Year to Date		
	Actual	Budget	Difference	Actual	Budget	Difference
Revenues:						
Property Taxes, including penalties	\$ 5,220.60	\$ -	\$ 5,220.60	\$ 1,383,249.42	\$ 1,350,000.00	\$ 33,249.42
Grant Income	-	-	-	51,030.00	51,030.00	-
Interest Income	6,194.34	2,500.00	3,694.34	55,293.56	25,000.00	30,293.56
Total Revenues	11,414.94	2,500.00	8,914.94	1,489,572.98	1,426,030.00	63,542.98
Expenditures:						
Administrative Expenses						
General Manager	6,500.00	6,500.00	-	65,000.00	65,000.00	-
Salaries	11,000.00	11,000.00	-	108,425.00	110,000.00	1,575.00
Director Fees	-	-	-	7,852.20	6,750.00	(1,102.20)
Accounting Fees	2,200.00	2,500.00	300.00	22,081.15	25,000.00	2,918.85
Audit Fees	-	-	-	12,000.00	12,000.00	-
Consulting fees	3,200.00	3,616.67	416.67	32,000.00	36,166.67	4,166.67
Legal Fees	234.00	4,000.00	3,766.00	44,724.57	40,000.00	(4,724.57)
Advertising/Legal Notices	315.00	315.00	-	2,379.27	2,379.27	-
Bonds/Insurance	-	-	-	4,383.16	4,000.00	(383.16)
Dues/Subscriptions/Professional Development	-	-	-	2,200.00	2,200.00	-
Meals/Entertainment	-	166.67	166.67	557.20	1,666.67	1,109.47
Rent	2,074.22	2,166.67	92.45	20,516.75	21,666.67	1,149.92
Office Supplies	-	166.67	166.67	1,460.91	1,666.67	205.76
Postage/PO Box/Delivery Charges	-	41.67	41.67	368.40	416.67	48.27
Travel/Mileage	997.71	1,083.33	85.62	7,376.85	10,833.33	3,456.48
Website	50.00	-	(50.00)	2,505.22	600.00	(1,905.22)
Tax Appraisal Fees	-	-	-	6,225.00	4,500.00	(1,725.00)
Utilities	210.25	400.00	189.75	1,679.09	4,000.00	2,320.91
Payroll Expenses	1,634.26	1,750.00	115.74	17,484.66	17,500.00	15.34
Employee Benefits	2,065.82	1,416.67	(649.15)	24,711.58	14,166.67	(10,544.91)
Elections	-	-	-	34,881.71	24,000.00	(10,881.71)
Miscellaneous	2,359.18	1,250.00	(1,109.18)	4,512.71	12,500.00	7,987.29
Engineering Expenses						
Engineering/Surveying	5,260.20	10,000.00	4,739.80	65,536.82	100,000.00	34,463.18
USGS	27,425.00	-	(27,425.00)	49,425.00	31,875.00	(17,550.00)
Operating Expenses						
Dam Maintenance	1,966.00	26,250.00	24,284.00	133,931.97	262,500.00	128,568.03
Dam Rehabilitation	-	-	-	28,722.92	29,000.00	277.08
Total Expenditures	67,491.64	72,623.35	5,131.71	700,942.14	840,387.62	139,445.48
Excess/(Deficiency) of						
Revenues over Expenditures	\$ (56,076.70)	\$ (70,123.35)	\$ 14,046.65	\$ 788,630.84	\$ 585,642.38	\$ 202,988.46

Lower Brushy Creek WCID Revenues & Expenditures - General Fund: Actual + Budgeted Fiscal Year 2025-2026

	FY 2026 Budget Approved 9/10/2025	Actual Oct-25	Actual Nov-25	Actual Dec-25	Actual Jan-26	Actual Feb-26	Actual Mar-26	Actual Apr-26	Actual May-26	Actual Jun-26	Actual Jul-26	Budget Aug-26	Budget Sep-26	Actual + Budgeted	Variance
Revenues:															
Property Taxes	\$ 1,350,000	12,677	\$ 36,489	\$ 176,367	\$ 983,827	\$ 127,185	\$ 13,173	\$ 13,836	\$ 7,279	7,195	5,221	\$ -	\$ -	\$ 1,383,249	33,249
Grant Income	155,925	-	-	-	-	-	-	-	51,030	-	-	-	104,895	155,925	-
Permits and Fees	4,000	-	-	-	-	-	-	-	-	-	-	-	4,000	4,000	-
Interest Income	30,000	4,035	3,747	3,847	4,898	6,364	6,897	6,475	6,601	6,236	6,194	2,500	2,500	60,294	30,294
Total Revenues	1,539,925	16,712	\$ 40,236	\$ 180,214	\$ 988,725	\$ 133,548	20,070	20,311	64,910	13,432	11,415	2,500	111,395	1,543,174	63,543
Expenditures:															
Administrative Expenses -															
General Manager	78,000	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000	-
Salaries	132,000	9,425	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	130,425	1,575
Director Fees	9,000	-	-	1,500	-	-	2,850	-	-	3,502	-	-	-	2,250	(1,402)
Accounting Fees	30,000	2,200	2,200	2,200	2,200	2,281	2,200	2,200	2,200	2,200	2,200	2,500	2,500	27,081	2,919
Audit Fees	12,000	-	-	12,000	-	-	-	-	-	-	-	-	-	12,000	-
Consulting fees	43,400	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,617	3,617	39,233	4,167
Legal Fees	48,000	7,109	4,290	5,687	780	12,630	637	3,588	4,492	5,278	234	4,000	4,000	52,725	(4,725)
Advertising/Legal Notices	4,000	-	98	-	-	-	-	1,966	-	-	315	-	-	4,000	-
Bonds/Insurance	4,000	3,863	-	520	-	-	-	-	-	-	-	-	-	4,383	(383)
Dues/Subscriptions/Prof. Dev.	3,000	-	-	-	200	-	250	580	500	670	-	-	800	3,000	-
Meals/Entertainment	2,000	-	215	107	-	-	46	189	-	-	-	167	167	891	1,109
Rent	26,000	2,029	2,029	2,029	2,029	2,029	2,074	2,074	2,074	2,074	2,074	2,167	2,167	24,850	1,150
Office Supplies	2,000	110	51	62	41	-	408	788	-	-	-	167	167	1,794	206
Postage/PO Box/Delivery Charges	500	56	22	77	55	71	-	88	-	-	-	42	42	452	48
Travel/Mileage	13,000	1,304	647	500	646	593	761	622	670	637	998	1,083	1,083	9,544	3,456
Website	600	-	-	-	49	49	949	71	55	1,283	50	-	-	2,505	(1,905)
Appraisal Fees	6,000	-	-	2,075	-	-	2,075	-	-	2,075	-	-	1,500	7,725	(1,725)
Williamson County Tax Collector	10,000	-	-	-	-	-	-	-	-	-	-	-	10,000	10,000	-
Utilities	4,800	151	100	250	169	25	188	199	184	203	210	400	400	2,479	2,321
Payroll Expenses	21,000	1,627	1,634	1,634	1,931	1,823	2,027	1,634	1,634	1,905	1,634	1,750	1,750	20,985	15
Employee Benefits	17,000	3,250	3,592	3,408	2,066	2,066	2,066	2,066	2,066	2,066	2,066	1,417	1,417	27,545	(10,545)
Elections	24,000	-	-	-	-	-	-	-	16,876	18,006	-	-	-	34,882	(10,882)
Miscellaneous	15,000	581.53	429.91	719.52	73.14	44.34	-	-	16	289	2,359	1,250	1,250	7,013	7,987
Engineering Expenses -															
Engineering/Surveying	120,000	4,668	-	23,002	2,595	9,677	75	9,896	10,070	295	5,260	10,000	10,000	85,537	34,463
USGS	42,500	-	-	11,000	-	-	11,000	-	-	-	27,425	-	10,625	60,050	(17,550)
Operating Expenses -															
Dam Maintenance	315,000	-	1,500	8,100	7,850	-	48,600	-	23,203	42,713	1,966	26,250	26,250	186,432	128,568
Dam Repairs	1,020,500	-	-	-	-	-	-	-	-	-	-	-	1,020,500	1,020,500	-
Dam Rehabilitation	85,000	-	-	-	-	28,723	-	-	-	-	-	-	56,000	84,723	277
Total Expenditures	2,088,300	46,289	\$ 37,293	\$ 95,571	\$ 41,383	\$ 80,712	96,907	46,661	84,739	103,895	67,492	72,308	1,175,604	1,948,855	139,445
Excess/(Deficiency) of Revenues over Expenditures	\$ (548,375)	\$ (29,577)	\$ 2,943	\$ 84,643	\$ 947,342	\$ 52,837	\$ (76,836)	\$ (26,350)	\$ (19,830)	(90,463)	(56,077)	\$ (69,808)	\$ (1,064,209)	\$ (405,680)	\$ 202,988

\$ Accountant's R. part.

4. Order of District Easement Policy

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

1

Section 2: The District’s Board of Directors adopts and approves the Policy Regarding Use of District Easement Property (the “Policy”), as shown in Attachment A.

Section 3: Pursuant to the District’s authority under the Texas Water Code, including Section 49.004, the Board reserves the authority to assess civil penalties per violation as provided in the Policy. Each instance or day that a violation occurs constitutes an additional violation. Penalties assessed will be in addition to any penalties provided under the laws of the State of Texas.

Section 4: Open Meeting. The Board of Directors considered and adopted this Order during a duly noticed open meeting, in compliance with Texas Government Code Chapter 551, the Texas Open Meetings Act.

Section 5: The Policy shall be effective five days after completion of the publication requirements under Texas Water Code § 51.129.

Section 6: All previous policies, resolutions, or orders conflicting with the matters contained herein are superseded by this Order.

PASSED, APPROVED, AND ADOPTED this 19th day of October 2026.

EDMOND S. KOMANDOSKY
President, Board of Directors

ATTEST:

LAINE HOLMAN
Secretary/Treasurer, Board of Directors

(SEAL)

ATTACHMENT A

**DISTRICT POLICY REGARDING USE OF DISTRICT EASEMENT
PROPERTY**



LOWER BRUSHY CREEK WCID BOARD APPROVED POLICY

POLICY REGARDING USE OF DISTRICT EASEMENT PROPERTY

The purpose of this policy is to identify procedures to be utilized by Lower Brushy Creek Water Control and Improvement District (the “District”) staff and officials in connection with use of areas within the Easements) relating to the District’s dam facilities, including the dam embankments, auxiliary spillways, principal spillways, sediment pools, flood pools, and maximum storage pools, inlet and outlet works, and all related structures (collective the “District Dams” or individually a “District Dam”). The District’s Dams are owned and maintained by the District.

At the time of the original construction of the District Dams, landowners entered into blanket permanent easements allowing the District to, among other activities, construct, operate, maintain, inspect, repair, or rehabilitate the District Dams. Subsequent easements were granted to the District including, but not limited to: access area easements, inundation (flood pool) area easements, structure area easements. Collectively with the blanket permanent easements, these easements are defined as the “Easements”. The Easements were filed with the appropriate County Clerk and can be found in the Official Public Records of the County where the Districts Dams are located. If requested, the District will make a reasonable effort to assist with obtaining a copy of that Easement for the current landowner.

Each Easement includes that portion of the original tract of land encompassing the Districts Dam(s).

The District wants to ensure that while the landowner continues to enjoy the property subject to any Easement, the District can also ensure that the District Dams are properly maintained and do not incur damage, including any damage from the landowner’s use of the Easement property, that could interfere with the proper functioning of the Districts Dams and potentially put public health, public safety, or property at risk.

The District adopts the following Policy Regarding the Use of District Easement Property (the “Policy”) as rules and regulations of the District in accordance with Chapters 49 and 51 of the Texas Water Code:

Damage to District Dams

- The District strictly prohibits any damage to any District Dams, as well as any activities that would interfere with the functionality, operation, or use any District Dams, or interfere with the District’s use and enjoyment of an Easement.

Ownership and Repair of District Fencing

- The District may install fencing within certain Easement areas generally encompassing all or a portion of the District Dams along with the necessary gates and/or gaps. Any fencing installed within an Easement is the sole property of the District.
- The District General Manager will determine whether repairs or replacement of a District fence are necessary.
- If a landowner is aware of any damage to a District fence, the landowner should notify the District in a reasonable amount of time once the landowner has actual knowledge of fence damage. It is the responsibility of the landowner to advise any lessee that the landowner must be notified of any damage to a District fence as that knowledge becomes known to the lessee.
 1. If a District fence is damaged, the District will determine whether repair is required, and will repair as needed. However; if the District determines that the landowner or landowner’s lessee has removed, cut, or damaged a District fence, or any livestock or animals owned by landowner or landowner’s lessee have damaged a District fence, the landowners shall be responsible for the full cost incurred by the District to repair or replace the damaged portion of the District’s fence.
 2. If the District determines that the landowner is responsible for the cost to repair or replace a District fence, the District shall provide written notification to the landowner detailing the damages and providing an invoice for the cost of repair or replacement. This notice may be delivered by hand, electronically, or by certified mail.
- If a landowner objects to any items included in the notice, the landowner may appeal in writing to the District’s Board of Directors.
- A landowner may request that the General Manager provide documentation of satisfaction of any amounts invoiced to the landowner once the cost of repair or replacement is paid to the District.

Access Land Containing District Dams

- The Easements include the District’s right to construct fencing with gates around District Dams within the Easement. The District will make every effort to work with the landowner to locate such any District fence over a route satisfactory to the District and, to the extent practical, the landowner.
- If the District determines that any impediment or condition exists that affects the

functionality of all or a portion of any District Dams or its access to any portion of an Easement is impeded, the District may issue a formal notice to the landowner to remove such an impediment or condition.

- Failure to remove the impediment or condition within the timeline, or consistent with the requirements and conditions contained in the notice will be considered a violation of this policy and subject to enforcement action.

Right to Inspection Easement

- In accordance with the Easements, the District has the right of ingress and egress to the Easement over the landowner's property. The District has the right to inspect any Easement, and any fencing placed thereon, at any time and landowner and/or landowner's lessee shall not impair, restrict, or prevent any such access by the District.

Grazing within the Easement

- A landowner may not, in their use of the land within the Easement, damage or otherwise interfere with the functionality, operation, or use any District Dam or interfere with the District's use and enjoyment of the Easement.
- The District may allow grazing in Easement areas containing one or more District Dams on the following conditions:
 - Grazing may occur in areas within a District fence only with the express and prior written consent of the District;
 - Landowner or landowner's lessee must at all times comply with any conditions included in the District's consent for grazing;
 - Landowner or landowner's lessee shall not allow any livestock to damage or otherwise interfere with the functionality, operation, or use of any District Dam;
 - Landowner or landowner's lessee shall avoid overgrazing on any District Dam;
 - Landowner shall remove animals from any District Dam following significant rainfall event to avoid creating animal trails resulting in damage to any District Dam.
- The General Manager of the District may issue a notice to a landowner to remove animals from any area within a District fence or any Easement area containing a District Dam to allow for the restoration of the grass cover, to repair any erosion or animal trails, or to facilitate any repairs, maintenance, or construction by the District or the District's contractor. Failure to remove the animals within the timeline, or consistent with the requirements and conditions contained in the notice will be considered a violation of this Policy and subject to enforcement action.

Structures within Easements

- The Easements generally include language that the District has the right to use the land for, or in connection with the construction, operation, maintenance, and inspection of the District Dams.
- If the District becomes aware of a structure built in an Easement that interferes with the functionality, operations, or structure of a District Dam, the District General Manager of the District may issue a notice to the landowner requiring the removal of such structure under the terms and conditions provided in the notice. Failure to

remove any structure within the timeline, or consistent with the requirements and conditions, contained in the notice will be considered a violation of this Policy and subject to enforcement action.

- It is the responsibility of the landowner to make the District aware of any structures built by landowner or landowner's lessee at the time the landowner has actual knowledge of the existence of such structure.

Enforcement of District Policy and Civil Penalties

- If an individual or landowner does not comply with this Policy, pursuant to Texas Water Code §§ 49.004, 51.122, 51.127, and 51.128, the Board of Directors of the District may impose a fine for each violation of this Policy as follows:
 - First notice of violation – Written notice only with no penalty
 - Second notice of violation – \$250.00
 - Third notice of violation – \$500.00
 - Fourth notice of violation – \$1,000.00
- If a violation is not resolved following the timeline for compliance described in the notice, the Board of Directors may assess a fine of \$1,000.00 per day until the violation is resolved.
- Fines assessed against a landowner may not exceed \$10,000.00 in a calendar year.
- In addition to any fines assessed for violations of this Policy, individuals violating this Policy will be responsible for all costs incurred by the District related to mediation of any damages to any District Dam or removal of any damage or impediment that prevents the District's intended use and enjoyment of any Easement, relating to such violations.
- The District reserves the right to pursue any and all other legal remedies available to enforce this Policy.

Effective Date

This policy will become effective following adoption by the Board of Directors and upon publication in accordance with Texas Water Code § 51.129(a).

APPROVED AND ADOPTED on this ___ day of _____, 2026.

By: _____
Edmond S. Komandosky
Board President

ATTEST:

By: _____
Laine Holman
Board Secretary/Treasurer

5. Amended District Information Form and Notice to Purchaser

1. The name of the District is Lower Brushy Creek Water Control and Improvement District.
2. The District boundaries consist of the metes and bounds description and map attached hereto as **Exhibit “A”**.
3. The most recent District-wide tax rate on properties located within the District for operation and maintenance purposes is \$0.019166 on each \$100.00 of assessed valuation. The most recent District-wide tax rate on properties located within the District for debt services is \$0 on each \$100.00 of assessed valuation.
4. The total amount of bonds which have been approved by the voters and which may be issued by the District (excluding refunding bonds and any bonds or portion of bonds payable solely from revenues received or expected to be received pursuant to a contract with a governmental entity) is \$0.
5. The aggregate initial principal amount of all bonds of the District payable in whole or in part from taxes (excluding refunding bonds and any bonds or portions of bonds payable solely from revenues received or expected to be received pursuant to a contract with a governmental entity) that has been previously issued is \$0.
6. The District does not currently impose a standby fee.
7. An election to confirm the creation of The Brushy Creek Water Control and Improvement District No. 1 (the “Original District”) was held on January 8, 1957. On November 6, 2001, the Original District was divided and the District was established.
8. The functions performed or to be performed by the District are to provide flood control and all other powers and functions authorized by Chapters 49 and 51 of the Texas Water Code.

9. The particular Notice to Purchaser form required by Texas Water Code Sections 49.452 and 49.4521 to be completed by the District and furnished to a seller or purchaser of real property within the District is attached hereto as **Exhibit "B"**.

WITNESS OUR HANDS on this 19th day of October, 2026.

Edmond S. Komandosky, President

Monica P. Masters, Vice President

Laine Holman, Secretary/Treasurer

Allen Ray David, Director

Mitchell Drummond, Director

THE STATE OF TEXAS §
COUNTY OF WILLIAMSON §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared EDMOND S. KOMANDOSKY, MONICA P. MASTERS, LAINE HOLMAN, ALLEN RAY DAVID, and MITCHELL DRUMMOND, known to me to be the persons and officers whose names are subscribed to the foregoing instrument, affirmed and acknowledged both that said instrument is correct and accurate to the best of their knowledge and belief, and that they executed the same for the purposes and in the capacities therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 19th day of October, 2026.

Notary Public, State of Texas

My Commission expires: _____

(SEAL)

EXHIBIT “A”

District Map

EXHIBIT “B”

**NOTICE TO PURCHASER OF SPECIAL
TAXING OR ASSESSMENT DISTRICT**

After recording, return to:

Stefanie Albright
Bickerstaff Health Delgado Acosta, LLP
Two Barton Skyway
1601 S. MoPac Expressway
Suite C400
Austin, Texas 78746

6. Order of District Investment Policy

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

WHEREAS, pursuant to the Investment Policy and the Texas Public Funds Investment Act, the District's Board of Directors must review the Investment Policy and investment strategies at least annually; and

WHEREAS, the District's General Manager (Jim Clarno) and the District's Bookkeeper (Bott and Douthitt) continue to serve as the designated Investment Officers of the District.

Section1: The above recitals are true and correct and are incorporated into this Order for all purposes.

Section 2: The District's Board of Directors has reviewed the District's Investment Policy and investment strategies contained therein, and it has determined that no changes or amendments to the Investment Policy are necessary at this time.

Section 3: The District's Board of Directors adopts and approves the District's Investment Policy, as shown in Attachment A.

Section 4: All previous policies, resolutions, or orders conflicting with the matters contained herein are superseded by this Order.

PASSED, APPROVED, AND ADOPTED this 19th day of October 2026.

EDMOND S. KOMANDOSKY
President, Board of Directors

ATTEST:

LAINÉ HOLMAN
Secretary/Treasurer, Board of Directors

(SEAL)

EXHIBIT A
INVESTMENT POLICY



LOWER BRUSHY CREEK WCID

BOARD APPROVED POLICY

(Approved October 19, 2026)

FINANCIAL INVESTMENT POLICY

The purpose of this document is to adopt a Financial Investment Policy pursuant to the Texas Government and Water Codes. This policy included that adoption of an Investment Policy and Investment Strategies; designation of qualified brokers authorized to engage in investment transactions with the District, and designates an Investment Officer to be responsible for the investment of Lower Brushy Creek Water Control and Improvement District ("District") funds.

Investment Policy:

Scope - This Policy applies to all transactions involving the investment assets of the District.

Policy - District funds will be invested in compliance with applicable legal requirements, the guidelines stated in this Policy, each District Investment Strategy, and the restrictions, contained in the District's bond resolutions. Effective cash management is recognized as a foundation of this Policy. Notwithstanding the foregoing investment of District funds is limited to the types of investments set forth below.

Allowable Maturities - Unless otherwise stated in **Authorized Investments**, the maximum allowable stated maturity of any individual investment may not exceed two years, and the maximum dollar-weighted average maturity for pooled fund groups based on the stated maturity dated for the portfolio may not exceed 60 days. Settlement of all transactions, other than investment pool funds and mutual funds, must be consummated on a delivery versus payment basis.

Investment Objectives - The District's investment portfolio will be planned and managed to take advantage of the investment interest as a source of income from all operating and capital funds. In addition, the portfolio will be managed in accordance with the covenants of the District's bond resolutions, including covenants with respect to the arbitrage regulations under the U.S. Internal Revenue Code. Consideration will be given to the following objectives:

- **Safety of capital:** The primary objective of the District is to ensure the preservation and safety of principal.
- **Liquidity:** The District will maintain sufficient liquidity to ensure the availability of funds necessary to pay obligations as they become due.
- **Return on investment:** The District will seek to optimize return on investments within the constraints of safety and liquidity.

- **Standard of Care:** The District will seek to ensure that all persons involved in the investment process act responsibly in the preservation of District capital. District investments will be made with the exercise of judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment Officer and Quarterly Report - Purchases and sales of District Investments may only be initiated by an Investment Officer appointed by resolution of the Board. The District's Investment Officer will be required to attend training, in compliance with the Public Funds Investment Act, from an independent source approved by the Board that includes education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act. With Board approval, an Investment Officer may invest and reinvest funds of the District in accordance with the Policy.

The Investment Officer must submit a written report to the Board, on at least a quarterly basis, which sets forth all investment transactions during the previous quarter. The report must:

1. describe in detail the investment position of the District on the date of the report;
2. be prepared jointly by all investment officers of the District;
3. be signed by each investment officer of the District;
4. contain a summary statement prepared in compliance with generally accepted accounting principles of each pooled fund group that states the:
 - a) beginning market value for the reporting period;
 - b) additions and changes to the market value during the period;
 - c) ending market value for the period; and
 - d) fully accrued interest for the reporting period.
5. state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
6. state the maturity date of each separately invested asset that has a maturity date;
7. state the account or fund or pooled group fund in the District for which each individual investment was acquired; and
8. state the compliance of the investment portfolio of the District as it relates to:
 - a) the investment strategy expressed in the District's investment policy; and
 - b) relevant provisions of the Public Funds Investment Act.

The Investment Officer shall monitor the credit rating on all authorized investments in the District's portfolio based on independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by this Policy, the Investment Officer shall immediately solicit bids for and sell the security, if possible, regardless of a loss of principal.

Acknowledgment Required - Any business that desires to sell investments to the District or otherwise engage in an investment transaction with the District must be given a copy of this policy, and a qualified representative of the Business Entity must execute a written instrument, in substantively the form attached as Exhibit "A" stating that he or she:

- Has received and thoroughly reviewed this Policy; and

- Acknowledges that his or her organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the District and his or her organization that are not authorized by this Policy, except to the extent that such authorization is dependent on analysis of the makeup of the District's entire portfolio or requires an interpretation of subjective investment standards.

Collateralization - Funds held at a bank or trust company that are not invested must be collateralized by collateral security set forth in the Public Funds Collateral Act, to the extent not insured by the Federal Deposit Insurance Corporation (FDIC), the Federal Savings and Loan Insurance Corporation (FSLIC), their successors, or any other instrumentality of the United States. Any bank or trust company that is required to secure a deposit of District funds under this Policy or the Public Funds Collateral Act must enter into an agreement regarding the collateral securities in a form approved by the District.

Review - This Policy and investment performance and security will be reviewed and evaluated at least annually by the Board, or more frequently upon the request of any Director. Following its annual review, the Board will adopt a written resolution confirming its review of the Policy and the investment strategies contained in this Policy.

Authorized Investments:

1. The following obligations of governmental entities and obligations guaranteed by the governmental entities are allowed:
 - a) Obligations of the United States or its agencies and instrumentalities;
 - b) Direct obligations of the State of Texas or its agencies and instrumentalities;
 - c) With prior approval of the Board, collateralized mortgage obligations directly issued by the federal government, the underlying security for which is guaranteed by the United States with certain exceptions set forth in the Public Funds Investment Act;
 - d) Other obligations backed by the full faith and credit of the United States; and
 - e) With prior approval of the Board, obligations of states, agencies, counties, cities, and other political subdivisions having not less than "A" rating from nationally recognized investment rating firm.
2. Certificates of deposit issued by a bank doing business in Texas guaranteed by the Federal Deposit Insurance Corporation or the obligations set for above.
3. With prior approval of the Board, repurchase agreements with a defined termination date; secured by obligations set for above and placed through a primary government securities dealer or financial institution doing business in Texas.
4. With prior approval of the Board, bankers' acceptance with stated maturity of 270 days or less that will be liquidated in full at maturity and meet other credit requirements established by the Board.
5. With prior approval of the Board, commercial paper with a stated maturity of 270 days or less and meeting other credit requirements established by the Board.
6. With prior approval of the Board, money market mutual funds that are no-load and
 - a) Are regulated by the Securities and Exchange Commission (SEC);
 - b) Have provided the District with prospectus and other information required by the Securities Exchange Act of 1934 and the Investment Company Act of 1940;
 - c) Have an average weighted maturity of 90 days or fewer; and
 - d) Have an investment objective of maintaining a stable net asset value of \$1 per share.
7. Other types of mutual funds which are no-load and

- a) Are registered with the SEC;
 - b) Have an average weighted maturity of less than 2 years;
 - c) Are invested exclusively in obligations approved by this Act;
 - d) Have a "AAA", or its equivalent rating; and
 - e) Meet certain requirements of investment pools, as set forth in the Public Funds Investment Act.
8. Local government investment pool which meets the criteria as set forth in the Texas Public Funds Investment Act, maintains a "AAA" rating and has an investment objective of maintaining a stable net asset value of \$1 per share.

Investment Strategies in order of priority:

A. Investment requirements by fund.

- 1. Operating Funds. The District will maintain funds in the operating checking account at its depository, TexPool or any qualified money market fund to cover monthly operational expenses. The remaining operating funds will be invested in acceptable investments to meet the operating requirements of the District, as determined by the annual operating budget adopted by the Board, not to exceed a maximum maturity of two years.
- 2. Tax Collections. Tax collections will be deposited into the District's TexPool account. The balance will be checked monthly.
- 3. Rainy Day Funds. The District may maintain funds in a reserve account at its depository or TexPool, or those funds may be invested in acceptable investments not to exceed a maximum maturity of two years, to cover emergency expenses caused by storm, flood, drought, or other unforeseen occurrence.

B. Suitability. The District's Investment Officer(s) must understand the District's financial requirements. Appropriate investments will be made to meet the needs of the District. TexPool, Reserve Account, and future capital expenditures, or a qualified money market fund will be considered acceptable investments if approved by the District's Investment Officer in accordance with these strategies.

C. Preservation of Capital. A safe investment will allow the District to recover every dollar invested.

D. Liquidity. The District's Investment Officer(s) must invest in securities that are easily and rapidly converted into cash without substantial loss of value.

E. Investment Marketability Requirements. All investments must be "marketable" in case the need arises to liquidate an investment before maturity.

F. Maximum Maturities. To the extent possible, the District will match its investments with anticipated cash flow requirements. As required by the Public Funds Investment Act and the District's Financial Investment Policy, certain investments will have maturity limitations.

G. Diversification. There will be no defined level of investment diversification as long as all funds of the District are invested in accordance with these strategies.

H. Yield. District funds must be invested to obtain the maximum yield for each time frame taking into consideration the priority of preservation and safety of the principal and liquidity of the investment.

List of Authorized Brokers:

The following brokers may make investments for the District:

List of Authorized Brokers:

The following brokers may make investments for the District:

City National Bank of Taylor,
Citizens National Bank,
Frontier Bank of Texas,
Cadence Bank and PNC Bank

Annual Financial Audit:

Annually, the District Auditor shall audit for compliance of this policy. Written result of that audit shall be presented to the full Board for review and approval.

APPROVED AND ADOPTED on this 19th day of October, 2026.

By: _____

Edmond Komandosky,
President, Board of Directors

ATTEST:

By: _____

Laine Holman
Secretary/Treasurer, Board of Directors

7. District Calendar 2027 Options:

2027 LBCWCID Board Meeting Calendar

2027 Calendar

JANUARY						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

MARCH						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

APRIL						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

MAY						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

JUNE						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

JULY						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

SEPTEMBER						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4		
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

OCTOBER						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

NOVEMBER						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Schedule:

Tuesday Feb 16th	Board Meeting
Monday April 19th	Board Meeting
Monday June 21st	Board Meeting
Tuesday June 22nd	Stiles Farm Day
Monday Aug 9th	Board Meeting
Wednesday Sept 8th	Board Meeting/ Tax Hearing
Monday Oct 18th	Board Meeting
Monday Dec 6th	Board Meeting

2027 LBCWCID Board Meeting Calendar

SCHEDULE:

January						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

March						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

April						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

May						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

June						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

July						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

August						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

September						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

October						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

November						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

January 19th- Regular Board Meeting
March 16th- Regular Board Meeting
May 18th- Regular Board Meeting
June 22nd- Stiles Farm Day
August 10- Regular Board Meeting
September 8th- Regular Board Meeting and Tax Hearing
November 9th- Regular Board Meeting