BROOKSHIRE MUNICIPAL WATER DISTRICT

MINUTES OF BOARD OF DIRECTORS BUDGET MEETING

July 21, 2026

The Board of Directors (the "Board" or "Directors") of Brookshire Municipal Water District (the "District") met in regular session on the 21st day of July, 2026, at 6:00 p.m., in the meeting room of the District, 4004 6th Street, Brookshire, Texas, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code, whereupon the roll was called of the members of the Board, to-wit:

LaKethia Connor	President
Shirley Williams	Vice President
NaKeshia Barley	Secretary
Erin Jackson	Investment Officer
Stephanie Green	Assistant Secretary

All members of the Board were present, thus constituting a quorum. Also attending the meeting were Tonya Pierre, General Manager for the District; Steve Haskins of Protocol Bookkeeping, Inc. ("Bookkeeper"); Linda E. Vela, Administrative Assistant; and Willis Holmes, Field Supervisor.

The President, after finding that notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order at 6:00 p.m. and declared it open for such business as may regularly come before it.

1. **Public Comment**

The President first opened the meeting to public comment. There being no public comments, the President directed the Board to proceed with the agenda.

2. **Budget Review**

The Board reviewed the proposed Fiscal Year 2026-2027 budget and discussed employee compensation, staffing needs, operational expenses, revenue projections, and future District needs.

The Board reviewed proposed salary projections, performance evaluations, and a proposed 3.8% cost-of-living adjustment (COLA) for employees. Discussion included employee retention, salary competitiveness, staffing needs, and compensation adjustments. The Board discussed increasing the starting wage for administrative personnel to $18.00 per hour and reviewed field employee compensation, supervisory responsibilities, licensing incentives, and overtime considerations.

The Board reviewed compensation options for field personnel, including potential future adjustments related to licensing requirements and additional responsibilities. Pierre will continue evaluating compensation structures and budget impacts.

Pierre presented a comparison of staffing costs and discussed temporary staffing practices, employee screening procedures, unemployment considerations, and recruitment costs. Pierre will obtain updated rate information from Lynx Staffing Services for further review.

The Board reviewed Operations and Maintenance budget items, including water and wastewater facility expenses, treatment plants, lift stations, maintenance requirements, and anticipated capital improvements. Discussion included the potential use of bond funding for future improvements to reduce impacts on operating expenses.

The Board reviewed expenses related to the generator purchased for the Cooper Street facility and discussed the possibility of reimbursement through future bond funding, subject to additional legal and financial review.

The Board reviewed progress on the District's mapping project. Pierre discussed coordination with engineers and MOC personnel, digitizing historical drawings, updating infrastructure records, collecting field data, and improving documentation for future grant opportunities and regulatory compliance.

The Board reviewed projected revenues and discussed expected growth from ongoing and proposed development activity within the District. The Board also discussed Brookwood reimbursement obligations, including possible repayment schedules and quarterly payment options.

The Board agreed that an additional budget review would be beneficial to further evaluate budget categories, assumptions, vehicle needs, equipment needs, and potential capital expenditures prior to final budget adoption.

3. **Adjournment**

There being no further business to come before the Board, the meeting was adjourned at approximately 7:00 p.m.

PASSED, APPROVED and ADOPTED this the 3rd day of August, 2026.

(DISTRICT SEAL)

President, Board of Directors

ATTEST:

Secretary, Board of Directors