

**KLEINWOOD MUNICIPAL UTILITY DISTRICT
OF
HARRIS COUNTY, TEXAS**

TO: THE BOARD OF DIRECTORS OF KLEINWOOD MUNICIPAL UTILITY DISTRICT OF HARRIS COUNTY, TEXAS, AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of Kleinwood Municipal Utility District will hold a regular meeting, open to the public, on **THURSDAY, 26 MARCH 2026, at 6:00 p.m.** at the District Office, **16530 Kleinwood Drive, Spring, Texas**, within the boundaries of the District. The Board will consider and act upon the matters listed below.

Guests attending the meeting via teleconference, please dial **877-746-4263** and enter Guest Code **2925180**.

1. Consider comments and questions from District residents (3-minute limit);
2. Minutes of the Board of Directors meeting of 26 February 2026;
3. Security Report (Harris County Precinct 4 Constable's Office);
4. Report on maintenance of stormwater detention facilities;
5. Tax Assessor/Collector's Report, including:
 - (a) authorize payments from the District's Tax Account;
 - (b) status report regarding delinquent tax accounts;
6. Financial Advisor's Report;
7. Engineer's Report, including:
 - (a) status of hydropneumatic tank addition at Water Plant No. 2 (CFG Industries, LLC);
 - (b) status of concrete GST at Water Plant No. 2 and authorize actions deemed necessary;
 - (c) status of Water Plant No. 1 rebuilding project (R&B Group, Inc.);
 - (d) discuss requests for service and authorize actions deemed necessary;
8. Attorney's Report, including:
 - (a) status of special purpose district database report to Comptroller (due 4/1/26);
 - (b) status of annual cyber security training;
 - (c) review and approve First Amendment to Agreement for Management of District Office;
9. Matters for review and approval, including:
 - (a) engage Auditor to prepare Annual Financial Report for the District;
 - (b) review proposal for renewal of insurance coverage (expires 4/30/26);
 - (c) consider sponsorship of Kleinwood Swim Team;
10. Operator's Report, including:
 - (a) review monthly operations report and District's water accountability rate;
 - (b) discuss and authorize repairs to District's facilities;
 - (c) authorize action against delinquent accounts, including termination of service;
 - (d) status of Water Loss Audit (TWDB – due 5/1/2026);

11. District Office Report, including:
 - (a) report on District Office operations;
 - (b) authorize repairs or improvements to District Office;
 - (c) review proposal for repairs to wooden fence adjacent to detention pond;
12. Bookkeeper's Report, including:
 - (a) payment of the bills of the District;
 - (b) review District investments;
 - (c) review balance of District's Operating Fund;
 - (d) adopt Operating Budget for FYE 3/31/27, including review of Taxpayer Impact Statement;
13. Old Business, including:
 - (a) report on Kleinwood Joint Powers Board;
 - (b) discuss matters relating to homeowner associations;
 - (c) review Sales Tax Report (Sales Revenue, Inc.);
 - (d) status of District's website;
14. Pursuant to V.T.C.A., Government Code, Chapter 551, the Board of Directors may convene in executive session to discuss matters relating to pending or contemplated litigation, personnel matters, real estate transactions, or security;
15. Authorize action on matters discussed in executive session; and
16. Schedule future meetings as required (next meeting on **23 April 2026**).

(SEAL)



A handwritten signature in blue ink, reading "William D. Yale, III", is written over a horizontal line.

William D. Yale, III
Coats Rose, P.C.
Attorney for Kleinwood Municipal Utility District
9 Greenway Plaza, Suite 1000
Houston, Texas 77046

KLEINWOOD M.U.D. - OPERATING ACCOUNT
Proposed 2027 Budget
April 2026 through March 2027

Apr '25 - Mar 26

Ordinary Income/Expense
Income

41000 · WATER SERVICE REVENUE	530,000
41200 · WATER RECONNECTION FEES	3,000
42000 · SEWER SERVICE REVENUES	250,000
42020 · SEWER INSPECTION FEES	15,000
43300 · PENALTY & INTEREST INCOME	20,000
44000 · TRANSFER FEES	2,500
53800 · MISCELLANEOUS INCOME	10,000
53910 · INTEREST INCOME	200,000
53920 · NHCRWA CAPITAL CONTRIBUTION	88,404
53930 · NHCRWA CHLORAMINE CREDIT	21,840
53980 · MAINTENANCE TAXES	589,809
57000 · NHCRWA ASSESSMENT	1,200,000
59500 · SALES TAX REVENUES	400,000

Total Income 3,330,553

Gross Profit 3,330,553

Expense

61000 · SURFACE WATER PURCHASES	700,000
61250 · NHCRWA FEES	550,000
61260 · WATER PERMIT FEES	4,000
61320 · WTR MONTHLY SERVICE	70,000
61350 · WTR-REPAIRS & MAINTENANCE	175,000
61420 · WTR-CHEMICALS	30,000
61520 · WTR-UTILITIES EXPENSE	80,000
61800 · RECONNECTION EXPENSES	6,000
62010 · PURCHASED SEWER SERVICE	215,000
62320 · SWR-MONTHLY SERVICES	38,000
62350 · SWR-MAINTENANCE & REPAIRS	70,000
62520 · SWR-UTILITIES	5,000
62750 · SEWER INSPECTION EXPENSES	30,000
63000 · REGULATORY ASSESSMENT	10,000
63100 · DIRECTOR FEES	25,000
63200 · LEGAL FEES	120,000
63210 · AUDITING FEES	19,000
63220 · ENGINEERING - GENERAL ITEMS	
63220-L · L LEAD SERVICE LINE INVENTORY	5,000
63220-R · R PLAN REVIEW	7,500
63220 · ENGINEERING - GENERAL ITEMS - Other	120,000
Total 63220 · ENGINEERING - GENERAL ITEMS	132,500
63240 · LABORATORY FEES	22,000
63250 · ELECTION EXPENSES	
63250-2 · ELECTION - LEGAL	0
Total 63250 · ELECTION EXPENSES	0
63300 · BOOKKEEPING FEES	26,000
63350 · REPAIRS & MAINTENANCE	
63350-L · LANDSCAPE BEAUTIFICATION	15,000
Total 63350 · REPAIRS & MAINTENANCE	15,000
63380 · LEGAL NOTICES	1,000
63400 · PRINTING & OFFICE SUPPLIES	20,000
63500 · POSTAGE	5,000
63510 · TELEPHONE EXPENSES	8,000
63520 · UTILITIES-DETENTION POND	800
63530 · INSURANCE & SURETY BONDS	46,000
63570 · WEB SITE MAINTENANCE	1,800
63580 · SPA MANAGEMENT	9,000
63590 · OTHER EXPENSES	14,000
63591 · REIMBURSE EXPENSES	6,000
65000 · SECURITY SERVICES	185,000

KLEINWOOD M.U.D. - OPERATING ACCOUNT
Proposed 2027 Budget
April 2026 through March 2027

	Apr '25 - Mar 26
65600 · PAYROLL EXPENSES	2,000
73650 · CYPRESS FOREST UD & MUD	55,000
Total Expense	2,696,100
Net Ordinary Income	634,453
Other Income/Expense	
Other Income	
55000 · FACILITIES RENTAL REVENUE	1,200
Total Other Income	1,200
Other Expense	
66100 · FACILITY OPERATION	
66100-3 · GENERAL MAINTENANCE-BUILDING	7,000
66100-8 · REPAIRS & MAINTENANCE	50,000
Total 66100 · FACILITY OPERATION	57,000
66300 · LANDSCAPING & PARKS	
66300-4 · REPAIRS/MAINTENANCE	10,000
66300 · LANDSCAPING & PARKS - Other	20,000
Total 66300 · LANDSCAPING & PARKS	30,000
66400 · UTILITIES	
66400-1 · ELECTRICITY	3,000
66400-3 · GAS UTILITIES	300
Total 66400 · UTILITIES	3,300
66600 · PROFESSIONAL FEES	
66600-3 · MANAGEMENT FEES	5,400
Total 66600 · PROFESSIONAL FEES	5,400
73600 · CAPITAL EXPENDITURES	
63220-W · ENG FEES - WATER PLANT NO. 2	0
73600-K · CAPITAL EXPENDITURES-KJPB	0
73600 · CAPITAL EXPENDITURES - Other	0
Total 73600 · CAPITAL EXPENDITURES	0
Total Other Expense	95,700
Net Other Income	(94,500)
Net Income	539,953

**Kleinwood MUD
TAXPAYER IMPACT STATEMENT**

	Current Budget Fiscal Year Ending March 2025**	Proposed Budget Fiscal Year Ending March 2026**	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$517.99	\$530.32	\$517.99

*The District levies taxes in accordance with the Texas Water Code. The District's current operations and maintenance tax rate is equal to \$.121 per \$100 of assessed value. Average homestead values are determined by the county appraisal district.

All estimates above were prepared utilizing the average resident homestead value as of the time that the District's most recent Truth in Taxation worksheet was prepared in accordance with the Texas Water Code.

**Average tax bill estimates for the current and proposed budgets reflect those taxes necessary to fund the operations and maintenance tax revenues stated in the applicable budget.

***This column estimates the operations and maintenance taxes to be paid on the average homestead if the proposed budget generates the same amount of operations and maintenance tax revenues as the current budget.

To Calculate the amount for the Current and No-New Revenue Tax Rate Budget:

Average Appraised Homestead Value:	\$428,089.00
Current M/O Tax Rate:	\$0.12100
Amount to Put in Boxes:	\$517.99

To Calculate the amount for the Proposed Tax Rate Budget:

Average Appraised Homestead Value:	\$438,280.00
M/O Tax Rate Used for Budget:	\$0.12100
Amount to Put in Box:	\$530.32

If you are not changing the maintenance tax revenue in your budget, all #s should be the same