

NORTHERN TRINITY

GROUNDWATER
CONSERVATION
DISTRICT



2025 Annual Report

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Cover Photos

Sculpture artist Tom Fruin's *Windmill* is the focal point of a series of art installations throughout The Shops at Clearfork, intended to showcase the connections to the land that made settling the area possible. Visitors to this retail development in central Fort Worth are treated to a dazzling display of color as the light shines through the new and reclaimed plexiglass panels that make up the 30-foot tall structure. Although it does not actually pump groundwater, the striking windmill sculpture and nearby fountain feature pay homage to the frontier spirit and the importance of water to Tarrant County's success – in the past, present, and future.

Upper-right photo from Artspace111 Art Consulting <https://artspace111.com/consulting/projects/the-shops-at-clearfork/>. All other cover collage photos courtesy of Matthew Pugliese (@mattpugs), https://www.instagram.com/p/CEo9whwA_Qo/. Windmill sculpture by Tom Fruin.

Table of Contents

INTRODUCTION FROM THE GENERAL MANAGER.....	5
MISSION STATEMENT	6
BRIEF HISTORY	6
DISTRICT PERSONNEL	7
PROVIDING THE MOST EFFICIENT USE OF GROUNDWATER	8
<i>Well Registrations</i>	<i>8</i>
<i>Groundwater Volume Report</i>	<i>9</i>
<i>Online Access</i>	<i>9</i>
CONTROLLING AND PREVENTING WASTE OF GROUNDWATER.....	10
<i>Public Outreach.....</i>	<i>10</i>
<i>Water Use Fees</i>	<i>11</i>
ADDRESSING CONJUNCTIVE SURFACE WATER MANAGEMENT ISSUES	12
<i>Groundwater Management Area Joint Planning.....</i>	<i>12</i>
ADDRESSING NATURAL RESOURCE ISSUES THAT IMPACT THE USE AND AVAILABILITY OF GROUNDWATER AND WHICH ARE IMPACTED BY THE USE OF GROUNDWATER	13
<i>Groundwater Quality</i>	<i>13</i>
<i>Injection Well Information.....</i>	<i>15</i>
ADDRESSING DROUGHT CONDITIONS	16
ADDRESSING CONSERVATION, RECHARGE ENHANCEMENT, RAINWATER HARVESTING, AND BRUSH CONTROL	21
<i>New Wells and Float Valves</i>	<i>22</i>
<i>Other Conservation Strategies.....</i>	<i>22</i>
ADDRESSING THE DESIRED FUTURE CONDITIONS	23
<i>Pumping Estimates</i>	<i>23</i>
<i>Groundwater Monitoring Network & Trends</i>	<i>24</i>
APPENDIX.....	36
<i>Appendix A – Annual Audit for Fiscal Year Ending December 31, 2025</i>	<i>36</i>

List of Tables and Figures

Table 1. Well Registrations in 2025.....	8
Table 2. Groundwater Production in 2025	9
Table 3. Water quality sample results collected by Northern Trinity GCD on December 17th and 18th, 2025.....	14
Figure 1. NTGCD Precinct Map	7
Figure 2. NTGCD's online public well map, accessed at ntgcd.halff.com	9
Figure 3. NTGCD Education webpage.....	10
Figure 4. Footage from General Manager Corey Jones' interview with Commissioner Sid Miller.....	11
Figure 5. Pages of the June 2025 issue of Municipal Water Leader, featuring Northern Trinity GCD	11
Figure 6. Region C Regional Water Planning Area.....	12
Figure 7. Groundwater Management Area 8.....	12
Figure 8. Water Wells Sampled in 2025.....	13
Figure 9. March 20, 2025 letter to Railroad Commission.....	15
Figure 10. Map of Saltwater or Waste Disposal Wells in Tarrant County, according to RRC	16
Figure 11. Palmer Drought Severity Index Maps, January-June 2025	17
Figure 12. Palmer Drought Severity Index Maps, June-December 2025	18
Figure 13. Texas Drought Monitor Maps, January-June 2025.....	19
Figure 14. Texas Drought Monitor Maps, July-December 2025	20
Figure 15. Water well meter	21
Figure 16. Monitor well N-2017-012 (Twin Mountains)	25
Figure 17. Monitor well N-2017-013 (Paluxy).....	25
Figure 18. Monitor well N-2017-049 (Antlers)	26
Figure 19. Monitor well N-2020-0269 (Glen Rose)	26
Figure 20. Monitor well N-2018-0271 (Twin Mountains)	27
Figure 21. Monitor well N-2018-0273 (Paluxy).....	27
Figure 22. Monitor well N-2018-0598 (Antlers)	28
Figure 23. Monitor well N-2018-0677 (Twin Mountains)	28
Figure 24. Monitor well N-2018-0710 (Woodbine)	29
Figure 25. Monitor well N-2018-0711 (Paluxy).....	29
Figure 26. Monitor well N-2018-0712 (Twin Mountains)	30
Figure 27. Monitor well N-2018-0713 (Twin Mountains)	30
Figure 28. Monitor well N-2018-0714 (target aquifer N/A)	31
Figure 29. Monitor well N-2016-1176 (Paluxy).....	31
Figure 30. Monitor well N-2016-1180 (Paluxy).....	32
Figure 31. Monitor well N-2016-1197 (Twin Mountains)	32
Figure 32. Monitor well N-2016-1198 (Paluxy).....	33
Figure 33. Monitor well N-2016-1428 (Twin Mountains)	33
Figure 34. Monitor well N-2016-1466 (Antlers)	34
Figure 35. Monitor well N-2016-1467 (Paluxy).....	34
Figure 36. Monitor well N-2016-1468 (Twin Mountains)	35
Figure 37. Monitor well N-2019-0199 (Paluxy).....	35

Introduction from the General Manager

2025 was a year of continued collaboration and planning for the Northern Trinity Groundwater Conservation District. Throughout the year, the District remained focused on improving its understanding of groundwater conditions, strengthening coordination with Tarrant County, and preparing for future groundwater management needs.

This annual report details the achievement of goals in the District's updated Management Plan, approved in 2025 in response to the Desired Future Conditions previously adopted through the joint planning process. The Management Plan establishes NTGCD's management strategies to carry out the District's statutory responsibilities and provides a framework for measuring the annual success of each objective. The performance standards that follow in this report will paint a picture of progress for the District as it remains responsive to changing groundwater conditions.

The year also brought changes to the District's Board of Directors. Longtime Board President Russell Laughlin departed the Board and was replaced by Nicholas Konen in the at-large position. Board Member William Gladbach was also replaced by Chris Hamilton, representing Precinct 3. Directors Konen and Hamilton quickly began working with District staff and have provided valuable guidance during their short time on the Board.

NTGCD staff also worked closely with Tarrant County to develop an Interlocal Agreement that will establish a formal role for the District in the review of Groundwater Availability Certifications. This coordination is intended to provide for a more consistent review of groundwater availability information associated with proposed developments and allow the District to contribute its groundwater expertise as part of the development review process.

Another important area of coordination has been the District's continued participation in Pre-Construction Advisory Committee meetings with Tarrant County staff, engineers, consultants, and developers. These meetings allow the District to become involved earlier in the development process. When a proposed development indicates that groundwater will be used or is being considered as a water source, District staff participates in the PAC process to discuss applicable District rules and explain how those requirements may affect the proposed development and anticipated groundwater use.

Together, these efforts reflect the District's continued emphasis on improving groundwater data, coordinating with Tarrant County and developers, and ensuring that those planning to utilize groundwater are informed of the District's requirements. On behalf of the Northern Trinity Groundwater Conservation District, I would like to thank the District's staff, Board of Directors, and consultants for their contributions throughout 2025. I look forward to building on this progress in 2026.

Sincerely,



Corey Jones
General Manager
Northern Trinity Groundwater Conservation District

Mission Statement

The mission of the District is to manage, preserve, and protect the groundwater resources of Tarrant County, Texas. The District will work to minimize future drawdown of the water table, prevent the waste of groundwater, prevent the interference between wells, protect the existing and historic use of groundwater, prevent the degradation of the quality of groundwater, use public education to promote water conservation, give consideration to the needs of municipal water utilities and the agricultural community, and carry out the power and duties conferred under Chapter 36 of the Texas Water Code. Any action taken by the District shall only be after full consideration and respect has been afforded to the individual property rights of all citizens of the District.

Brief History

- ✓ In 2006, the Texas Commission on Environmental Quality recommended the designation of the North-Central Texas – Trinity and Woodbine Aquifers Priority Groundwater Management Area, which includes Tarrant County and surrounding counties.
- ✓ The Northern Trinity Groundwater Conservation District (District) was created by the 80th Texas Legislature in 2007 with the enactment of House Bill 4028.
- ✓ On February 18, 2009, TCEQ designated North-Central Texas Trinity and Woodbine Aquifers a Priority Groundwater Management Area.
- ✓ On March 11, 2010, the Board of Directors of the District adopted the Temporary Rules for Water Wells in Tarrant County, Texas.
- ✓ On May 13, 2010, the Board of Directors adopted the District Management Plan.
- ✓ The District's Groundwater Management Plan was adopted by the Board of Directors on May 7, 2015.
- ✓ On January 25, 2018, the Board of Directors adopted the Desired Future Conditions (DFC) for the relevant aquifers within the District and Groundwater Management Area 8.
- ✓ On December 17, 2018, the Board of Directors of the District adopted Permanent Rules for Water Wells in Tarrant County, Texas.
- ✓ In 2020, the Board of Directors adopted a revised District Management Plan as required by Chapter 36 of the State Water Code.
- ✓ November 4, 2021 GMA-8 Adopted Desired Future Conditions
- ✓ On February 9, 2023, the Board of Directors adopted the Desired Future Conditions (DFC) for the relevant aquifers within the District and Groundwater Management Area 8.
- ✓ On September 21, 2023, the Board of Directors adopted the amended Management Plan to incorporate the adopted Desired Future Conditions (DFCs). The Texas Water Development Board approved the updated plan on February 23, 2024.
- ✓ In 2025, the Board of Directors adopted a revised District Management Plan as required by Chapter 36 of the State Water Code.

District Personnel



Corey Jones
General Manager



Laura Schumacher
Office Manager



Hi Newby
Director of Field Services

The District's Board of Directors consists of five members: one from each of the four precincts, appointed by the County Commissioners, and one member appointed at large by the County Judge. Precinct boundaries are shown in Figure 1, and the Board of Directors are as follows:

At-Large	Nicholas Konen, P.E., PMP (President)
Precinct 1	Randall G. Cozart (Vice President)
Precinct 2	Thomas Haster, P.E.
Precinct 3	Chris Hamilton
Precinct 4	H. Wayne Merritt

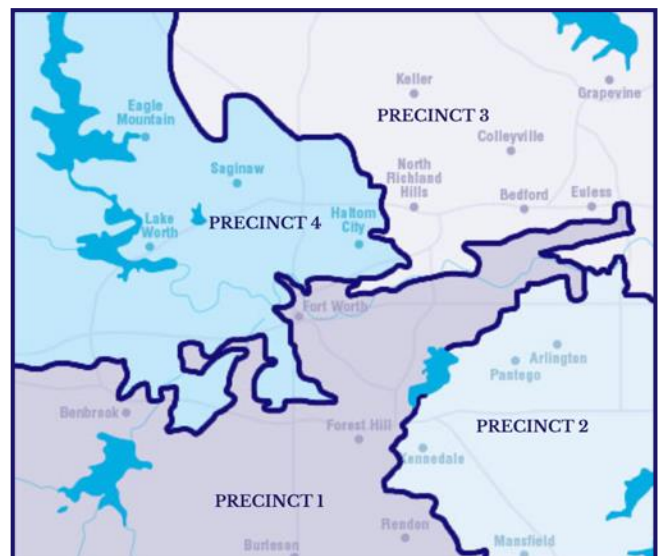


Figure 1. NTGCD Precinct Map

Providing the Most Efficient Use of Groundwater

A.1 OBJECTIVE

The District will require all new water wells constructed within the District to be in accordance with the District Rules.

PERFORMANCE STANDARD

The number of water wells registered by the District for each year will be included in the Annual Report submitted to the district's Board of Directors.

A.2 OBJECTIVE

The District will regulate the production of groundwater by maintaining a database of groundwater usage for non-exempt wells through the collection of groundwater production reports each year pursuant to the District Rules.

PERFORMANCE STANDARD

The District will include a summary of the volume of water produced in the County from non-exempt wells annually that will be included in the Annual Report.

Well Registrations

Since the adoption of the District's Temporary Rules for water wells in Tarrant County, all non-exempt wells have been required to register with the District by October 1, 2010, in accordance with District Rule 3.2. Owners of exempt wells that existed prior to this date may voluntarily register their wells, provided they submit documentation confirming the well was in place before October 1, 2010. All new exempt and non-exempt wells drilled on or after this date must be registered with the District. A summary of new wells registered with the District in 2025 is provided in Table 1.

New well registrations fell to the lowest annual total since the District's inception, with 177 new wells registered in 2025. This continues a downward trend that began in 2023 and is likely attributable, at least in part, to a slowdown in new home construction in areas that rely on groundwater as a household water source.

Table 1. Well Registrations in 2025

Exempt Wells	Non-Exempt Wells	Total Number of Wells
165	12	177

Groundwater Volume Report

District Rules require owners of non-exempt wells within the District to register, meter, and report groundwater production for the first and second 6-month periods annually. Water Production Reports must be submitted no later than January 31st and July 31st for the previous 6 months. Semi-annual 1 2025 reporting totaled 1,507,302,296 gallons, while semi-annual 2 totaled 1,940,602,252 gallons. The total reported pumping volume for 2025 is 3,447,904,548 gallons, which is approximately 10,581 acre-feet. Public Supply use accounts for the majority of the reported non-exempt production.

Table 2. Groundwater Production in 2025

Reporting Period	Production Volume (gallons)	Production Volume (acre-feet)
January 1-June 30	1,507,302,296	4,626
July 1-December 31	1,940,602,252	5,955
ANNUAL TOTAL	3,447,904,548	10,581

Online Access

The District's website, www.ntgcd.com, provides public access to a variety of resources, including new and existing well registration forms, the District's Rules, water production report forms, and Operating Permit Applications.

The site also features a publicly accessible GIS map that displays registered wells, monitor wells, restricted areas, TWDB well and plugging reports, and the boundaries of major and minor aquifers. Interactive tools within the map allow users to measure distances, add radius rings for well spacing, and upload GIS files or print map images for reference. Non-exempt well owners or authorized managers can request an online account within this tool that is connected to all of their wells. After a one-time setup by District staff, these groundwater users can calculate and submit their Water Production Reports with just a few clicks. This digital enhancement made available through Halff Associates simplifies the process for permittees, saves hours of staff time each reporting period, and makes complying with the District's rules just a drop in the bucket.

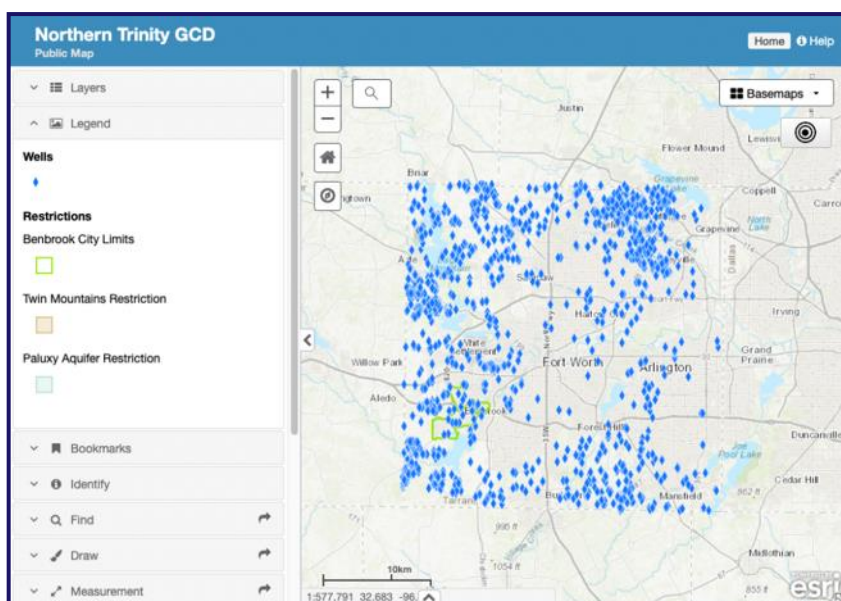


Figure 2. NTGCD's online public well map, accessed at ntgcd.halff.com

Controlling and Preventing Waste of Groundwater

B.1 OBJECTIVE

The District will annually provide information to the public on eliminating and reducing wasteful practices in the use of groundwater by one of the following methods:

- *Provide newspaper articles for publication;*
- *Publish a newsletter;*
- *Conduct public presentations;*
- *Set up displays at public events;*
- *Distribute brochures/literature.*

PERFORMANCE STANDARD

The District's Annual Report will include information about the method and type of information supplied to the public.

B.2 OBJECTIVE

The District will encourage the elimination and reduction of groundwater waste through the collection of a water-use fee for non-exempt production wells within the District.

PERFORMANCE STANDARD

Annual reporting of the total fees paid and the total volume used by users of non-exempt wells will be included in the Annual Report provided to the Board.

Public Outreach



Figure 3. NTGCD Education webpage

Throughout 2025, the District continued educating stakeholders through public presentations, brochure distribution, and information available on the District website, www.ntgcd.com. The District also took steps to expand its educational footprint, with an email newsletter and other outreach slated to begin in 2026. All informational materials and strategies are intended to reach groundwater users and well owners to help them understand groundwater resources, waste prevention, and the management role of the Northern Trinity GCD.

Northern Trinity GCD's website is the first stop for many people seeking information. The website at www.ntgcd.com, redesigned in 2024, is a highly effective method of distributing literature to the public and continues to offer a range of informative and engaging content to site visitors. Interactive menu tiles on the Education page guide users to resources on outdoor and indoor water conservation, TWDB's Major Rivers lesson plans, recharge

enhancement, drought monitors, and the fundamentals of rainwater harvesting. Additionally, a Frequently Asked Questions (FAQ) section was added to address common inquiries from drillers, well owners, and other stakeholders. These educational enhancements are designed to provide the community with accessible tools and knowledge to support responsible groundwater use and long-term conservation.



Figure 4. Footage from General Manager Corey Jones' interview with Commissioner Sid Miller.

General Manager Corey Jones participated in an interview with Texas Agriculture Commissioner Sid Miller for Texas Agriculture Matters, where they discussed groundwater issues and the District's role in managing groundwater resources. The episode aired on RFD-TV on February 4, 2025, and is also available on the Texas Department of Agriculture YouTube Channel. The General Manager was also interviewed by Municipal Water Leader magazine regarding groundwater management, planning efforts, and District activities.

In addition, the District participated in a North Central Texas Council of Governments webinar alongside other local groundwater conservation districts. The webinar provided an opportunity to discuss groundwater management and regional groundwater issues with a broader audience.



Figure 5. Pages of the June 2025 issue of Municipal Water Leader, featuring Northern Trinity GCD

Water Use Fees

To encourage the elimination and reduction of groundwater waste, the District's Board of Directors set a fee for groundwater use of 15.5 cents per 1,000 gallons (\$0.155/1,000 gallons) for non-exempt wells. Non-exempt wells are defined as all public supply wells and all wells or well systems with a capacity, as equipped, to produce more than 17.36 gallons per minute that are used in whole or in part for any purpose other than solely for domestic use, livestock use, poultry use, or agricultural irrigation use. Groundwater used in the District by the oil and gas industry for drilling or exploration and by the surface coal mining industry is reported to the District; however, the rules exempt this industry from water use fees. Water use fees for groundwater produced in 2025 totaled \$526,252.

All non-exempt wells must also be permitted by the District. Permits, which specify annual production limits, are approved by the District Board of Directors during a Permit Hearing.

Addressing Conjunctive Surface Water Management Issues

C.1 OBJECTIVE

Each year, the District will participate in the regional planning process by attending at least one Region C Regional Water Planning Group meeting.

PERFORMANCE STANDARD

The attendance of a District representative at the Region C Regional Water Planning Group meeting(s) will be noted in the Annual Report presented to the Board and will provide the total number of meetings conducted by the Region C Regional Water Planning Group for that year.

The District General Manager attended and reviewed materials for the six Region C Regional Water Planning Group meetings held on January 6, February 24, May 19, July 11, September 5, and October 6 in 2025. Figure 6 shows the boundaries of the Region C Regional Water Planning Area.

Groundwater Management Area Joint Planning

Although not a performance standard in the District's management plan, collaborative groundwater planning to determine Desired Future Conditions with GMA 8 remains a priority. The District General Manager attended meetings on February 25, June 24, August 29, and November 14, in addition to participating in multiple technical meetings throughout the year.

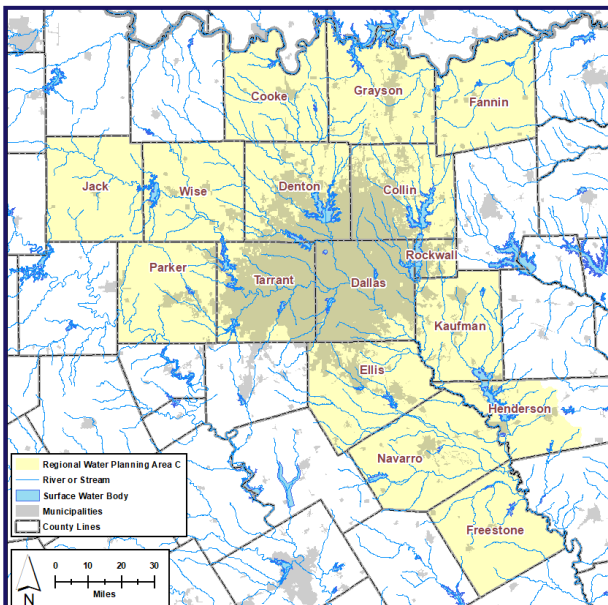


Figure 6. Region C Regional Water Planning Area

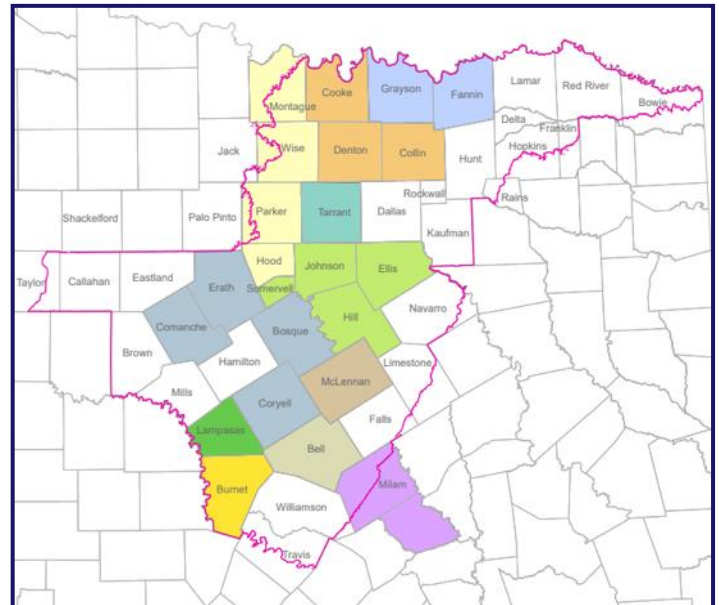


Figure 7. Groundwater Management Area 8

Addressing Natural Resource Issues that Impact the Use and Availability of Groundwater and Which are Impacted by the Use of Groundwater

D.1 OBJECTIVE

The District will collect and test groundwater quality samples from newly-drilled wells and existing wells.

PERFORMANCE STANDARD

Each year, District staff will sample and have analyzed the water quality in at least 5 wells. The General Manager will provide the lab analysis reports to the Board of Directors. The water quality results will also be summarized in the District Annual Report.

D.2 OBJECTIVE

The District will submit at least one request annually to the Railroad Commission of Texas (RRC) asking for the location of existing salt water and/or waste disposal injection wells which have been permitted by the Texas Railroad Commission within the District within the most recent fiscal year.

PERFORMANCE STANDARD

A copy of each request letter that was submitted to the RRC asking for the location of existing salt water or waste disposal wells permitted to operate within the District will be included in the Annual Report submitted to the Board of Directors of the District for each fiscal year and the Annual Report will also include the information supplied by the RRC, if any.

Groundwater Quality

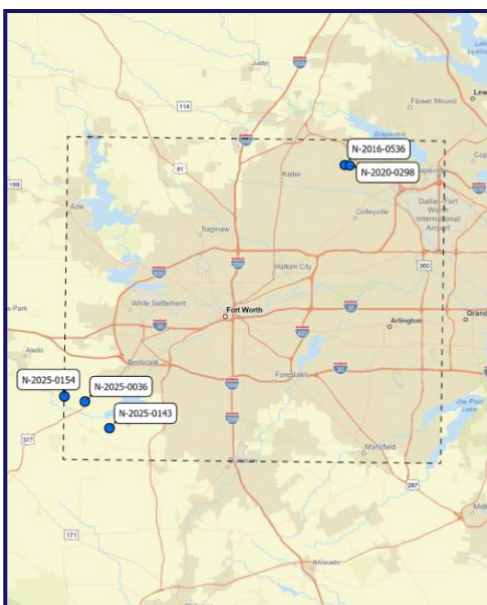


Figure 8. Water Wells Sampled in 2025

The District collected water quality samples from five wells (Figure 8) on December 17th and December 18th, 2025. Laboratory analysis results for these wells are presented in Table 3 below. Although not regulatorily applicable to private water wells, the Environmental Protection Agency standards for Primary Drinking Water Regulations (via maximum contaminant levels, or MCL) and Secondary Drinking Water Regulations (non-enforceable guidelines) are also listed for reference. Overall, groundwater quality was generally acceptable for the primary chemical standards evaluated, with no nitrate or fluoride exceedances. Some wells exceeded secondary standards for pH, iron, or manganese. Total coliform was detected in several samples, but E. coli was not detected; therefore, the results may reflect sampling or wellhead conditions rather than groundwater contamination. The presence of both total coliform and E. coli can be influenced by sampling procedures. These results were presented to the Board of Directors at the July 16, 2026 Board Meeting.

Table 3. Water quality sample results collected by Northern Trinity GCD on December 17th and 18th, 2025

NOTE: The EPA drinking water standards in the last two columns are provided only for reference, and are not applicable to private wells

	N-2016-0536	N-2025-0036	N-2025-0143	N-2025-0154	N-2020-0298	Primary DWR MCL	Secondary DWR Guidelines
Total Hardness* (mg/L as CaCO ₃)	70.3	68.6	51.3	189	193		
Specific Conductance at 25°C (umhos/cm)	303	622	552	549	588		
Calcium* (mg/L)	-	-	-	-	-		
Temperature (°C)	21.7	21.8	21.0	21.6	20.1		
pH	5.0	7.8	7.8	7.3	6.0		6.5-8.5
Total Dissolved Solids (mg/L)	154	401	353	336	355		500
Chloride (mg/L)	54.9	12.3	11.9	11.4	74.5		250
Fluoride (mg/L)	<0.10	0.22	0.46	0.17	0.15	4	2.0
Nitrate as N (mg/L)	3.74	<0.10	<0.10	<0.10	5.33	10	
Sulfate (mg/L)	31.4	47.6	37.5	44.3	57.5		250
Iron (mg/L)	0.079	0.096	0.149	0.162	0.780		0.3
Manganese (mg/L)	0.9613	0.0167	0.0250	0.0346	0.0309		0.05
Total Coliform (MPN/100mL)	<1	2	1550	7	435	0	
E. Coli (MPN/100mL)	<1	<1	<1	<1	<1	0	

Injection Well Information

Figure 9 shows a copy of the letter to the Railroad Commission regarding injection/disposal wells. The database of injection wells maintained by the Texas Railroad Commission was queried for saltwater injection wells and waste disposal injection wells. That query yielded ten saltwater disposal/injection wells and their statuses. Figure 10 shows the locations of the saltwater disposal wells.

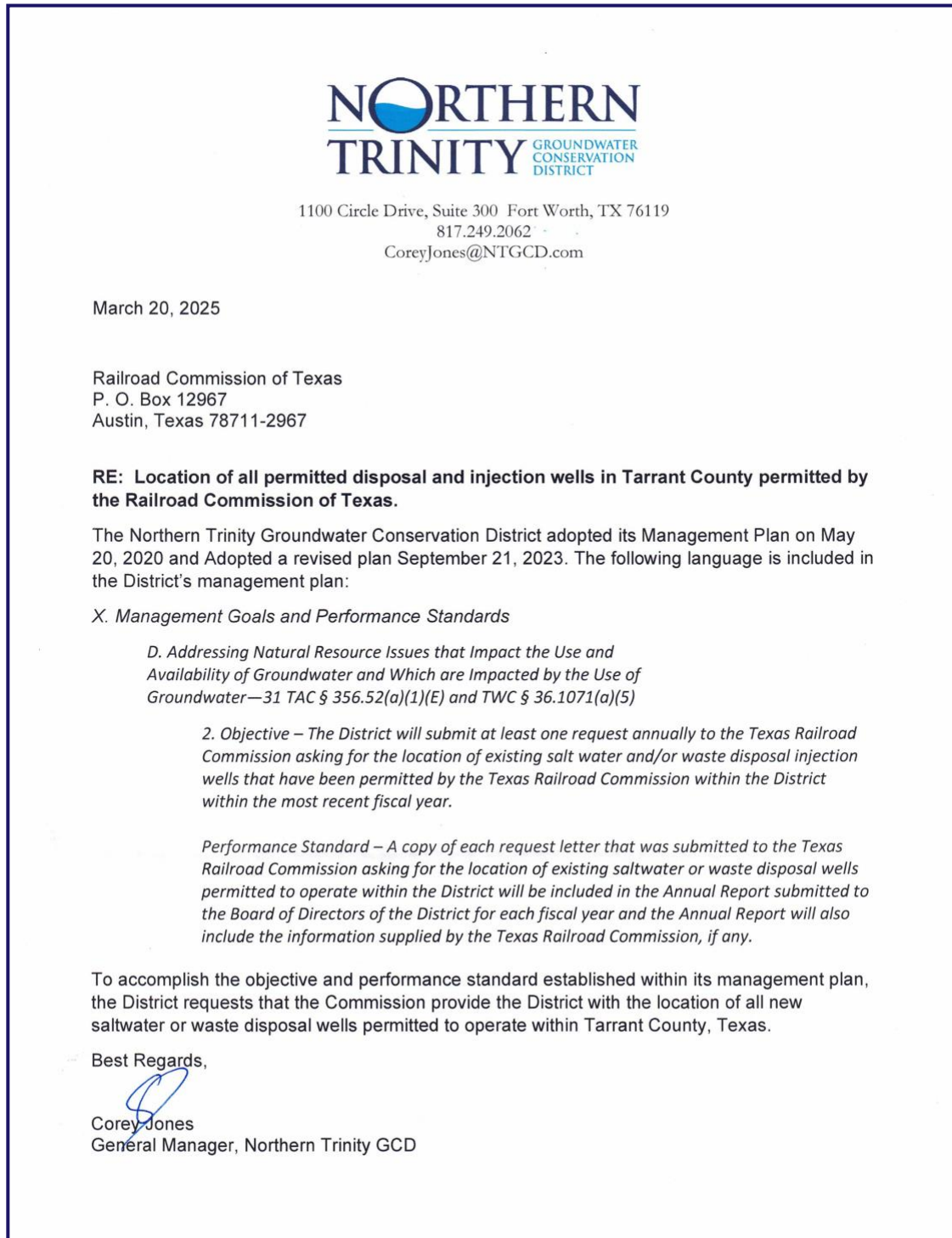


Figure 9. March 20, 2025 letter to Railroad Commission

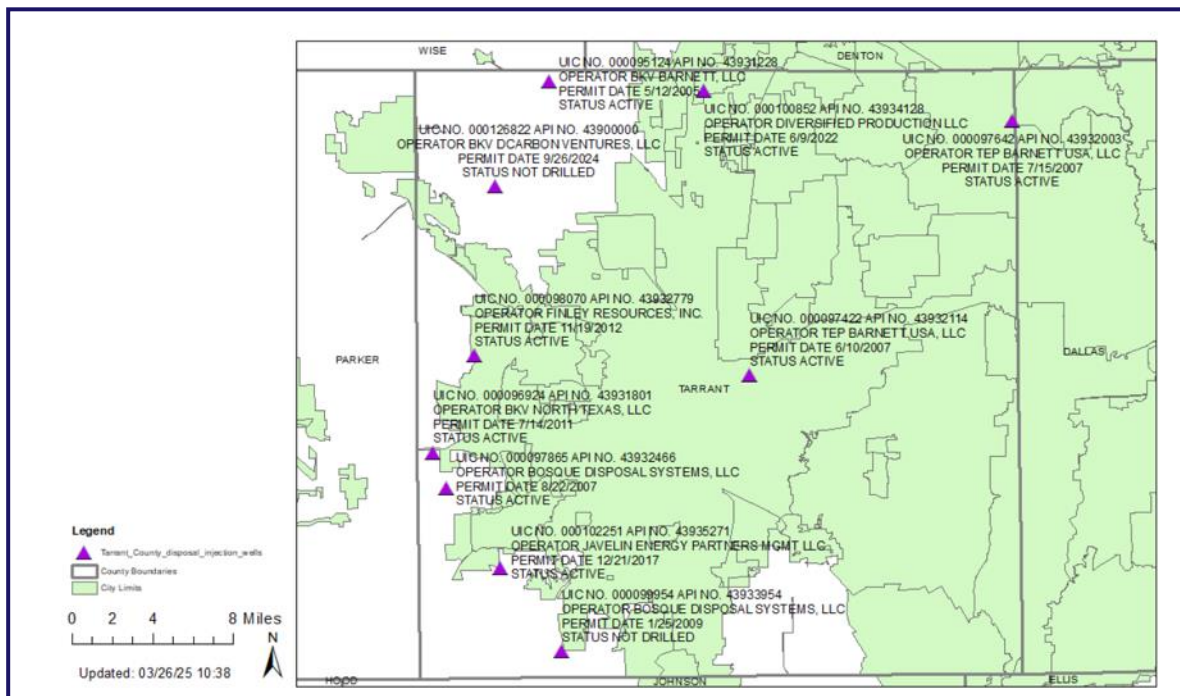


Figure 10. Map of Saltwater or Waste Disposal Wells in Tarrant County, according to RRC

Addressing Drought Conditions

E.1 OBJECTIVE

Quarterly, the District will review drought conditions by going to TWDB Drought Page (<http://www.waterdatafortexas.org/drought/>) which compiles many sources of valuable information on drought conditions in Texas.

PERFORMANCE STANDARD

The District will make an assessment of the status of drought conditions in the District and will prepare a briefing to the Board of Directors at regular Board Meetings. Any information compiled and presented at Board Meetings will be in the District Annual Report.

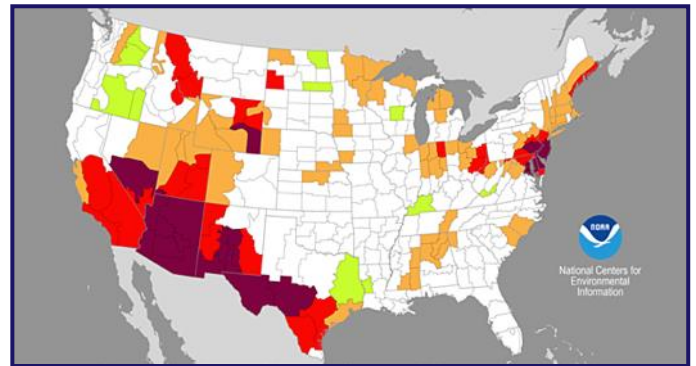
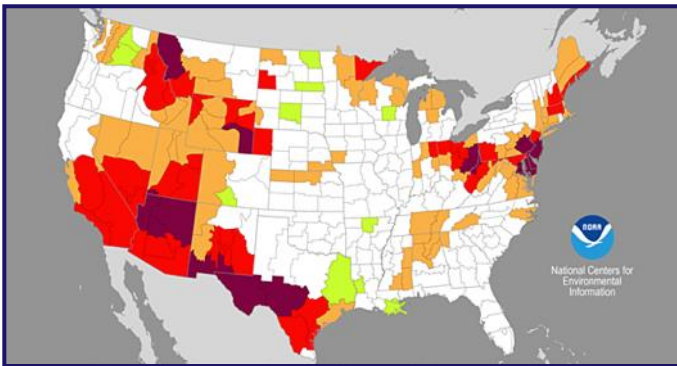
Drought conditions were assessed using the Palmer Drought Severity Index and the Texas Drought Monitor, both of which can be accessed through the Texas Water Development Board (TWDB) Drought page. The Palmer Drought Severity Index map for the beginning of each month in 2025 can be obtained directly from the National Oceanic and Atmospheric Administration, National Weather Service, Climate Prediction Center website (<https://www.ncdc.noaa.gov/temp-and-precip/drought/historical-palmers/>). Those maps, which cover the contiguous United States, are shown on the following pages.

Palmer Drought Severity Index Maps



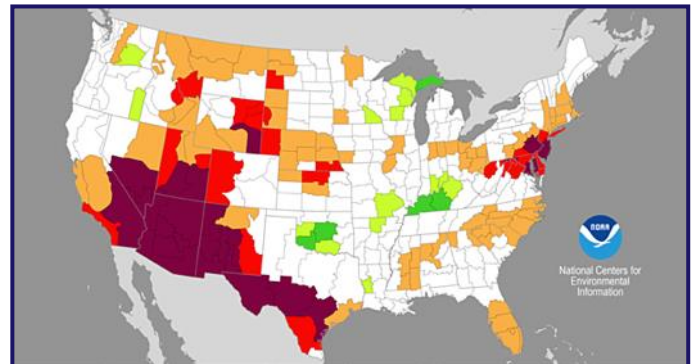
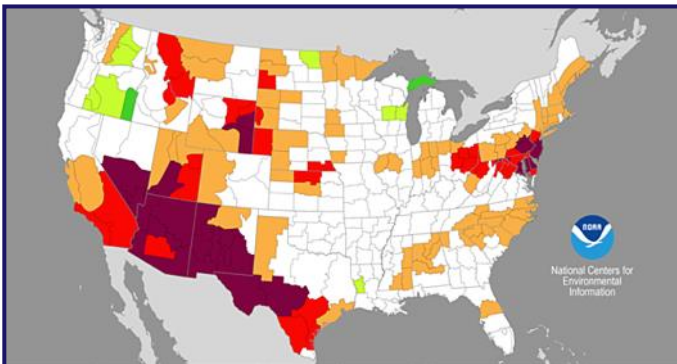
January 2025

February 2025



March 2025

April 2025



May 2025

June 2025

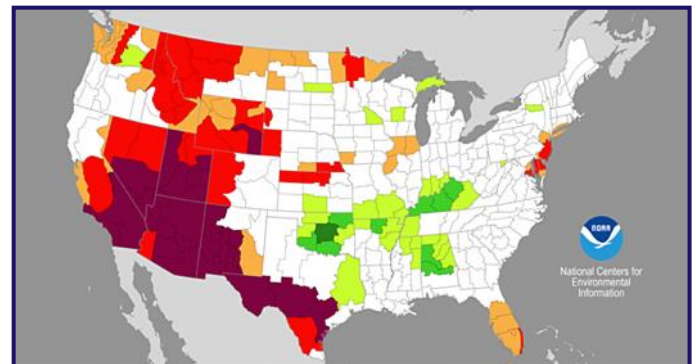
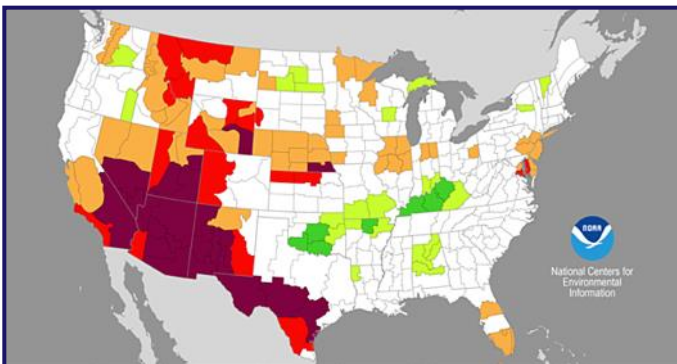
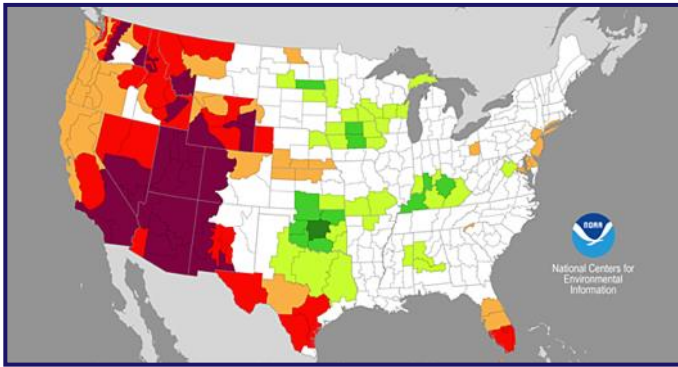
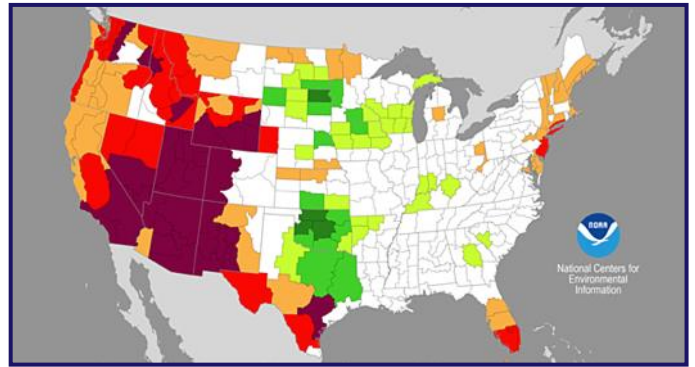


Figure 11. Palmer Drought Severity Index Maps, January-June 2025

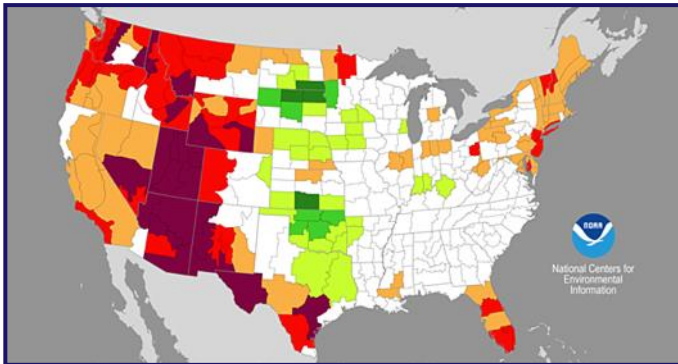
July 2025



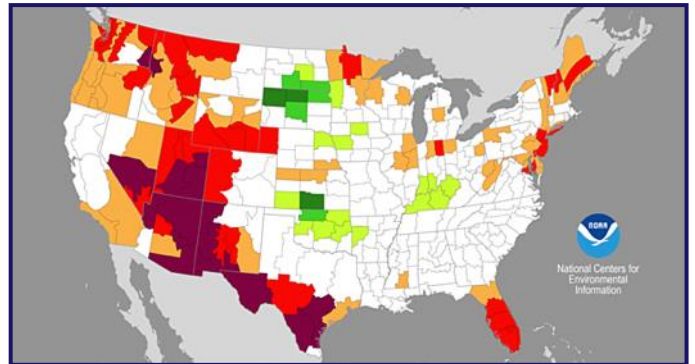
August 2025



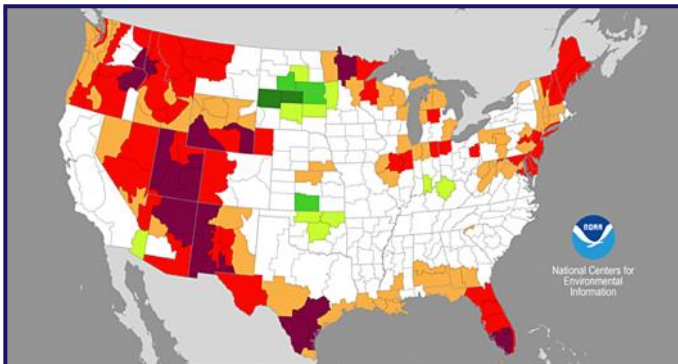
September 2025



October 2025



November 2025



December 2025

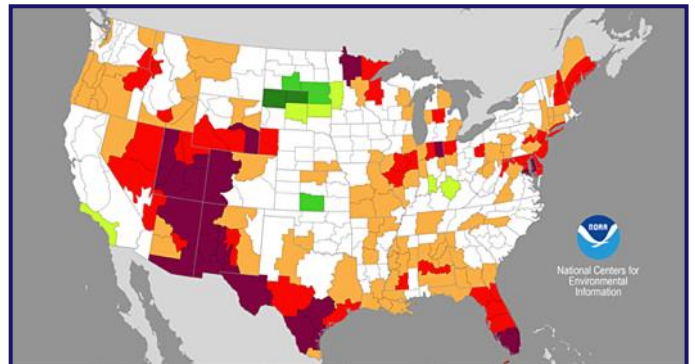


Figure 12. Palmer Drought Severity Index Maps, July-December 2025

In addition, drought monitoring data specifically for Texas were obtained from the National Drought Mitigation Center website (<https://droughtmonitor.unl.edu/Maps/MapArchive.aspx>) and are shown below for each month of 2025. According to the Palmer Drought Severity Index, the surrounding region experienced predominantly normal to moderately moist conditions throughout 2025, indicating generally favorable regional moisture conditions during the year. The Texas-specific data indicate that Tarrant County experienced abnormally dry conditions during the first half of 2025, with conditions improving to no drought for the remainder of the year.

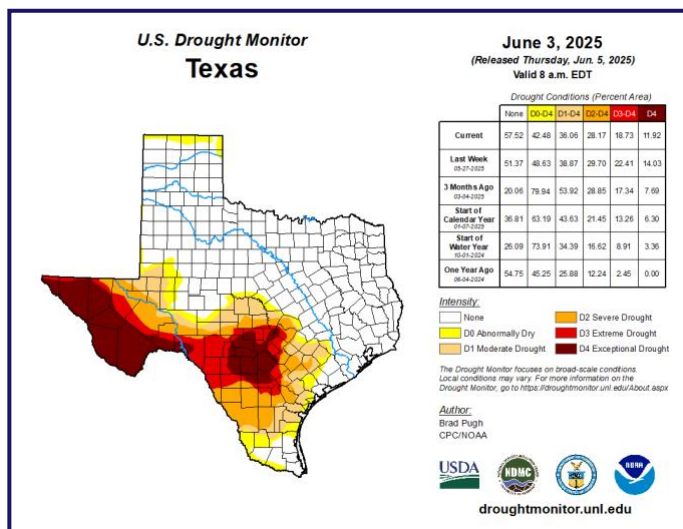
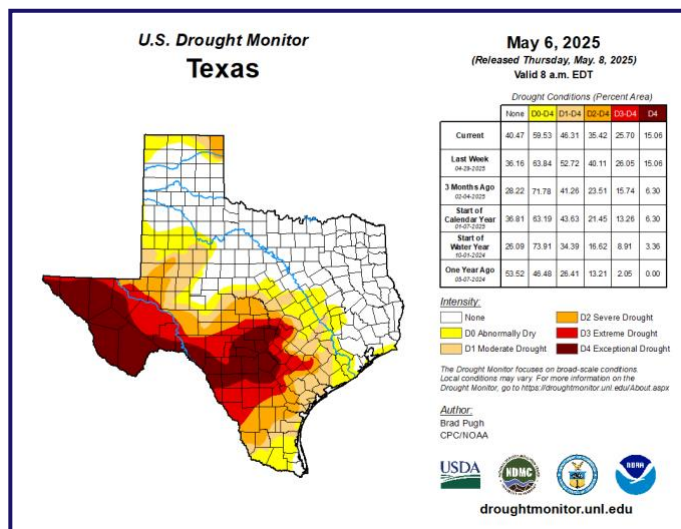
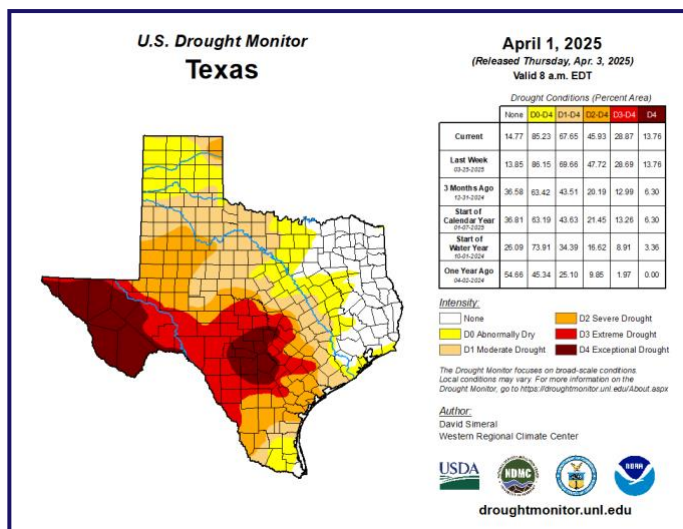
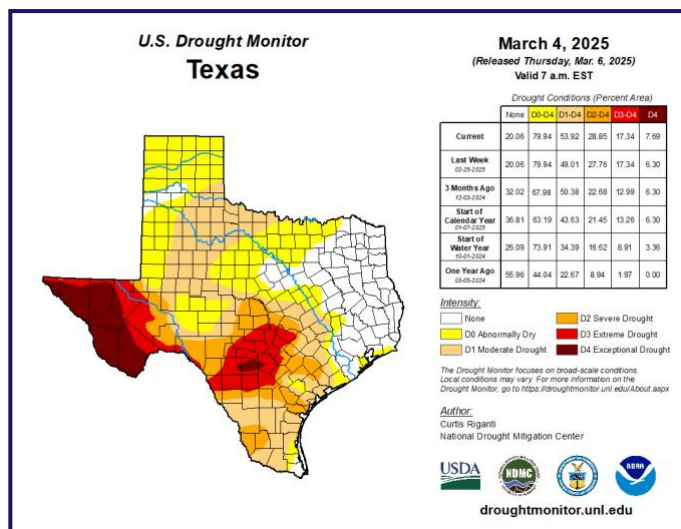
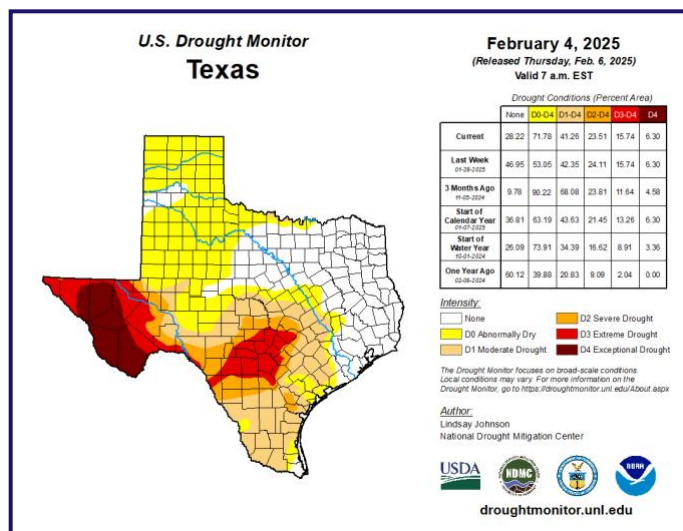
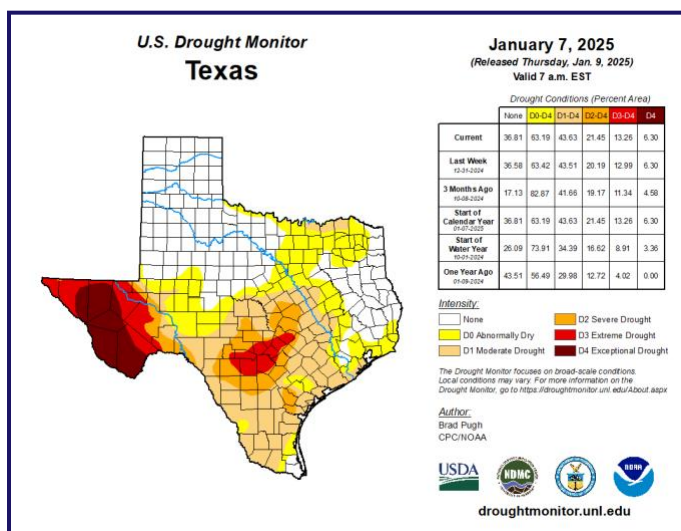


Figure 13. Texas Drought Monitor Maps, January-June 2025

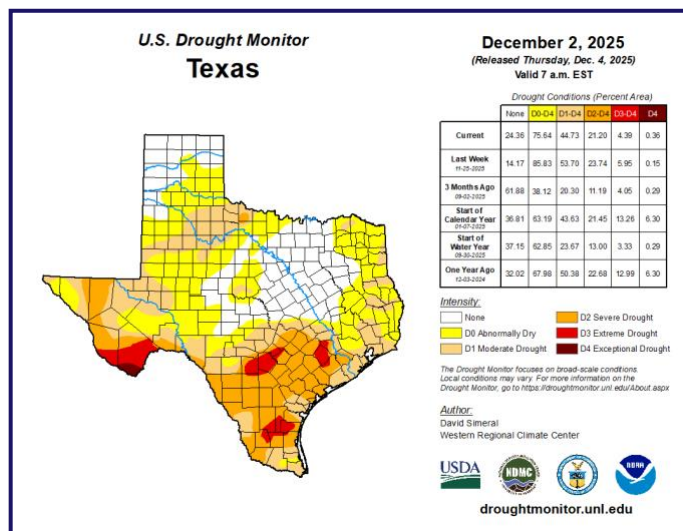
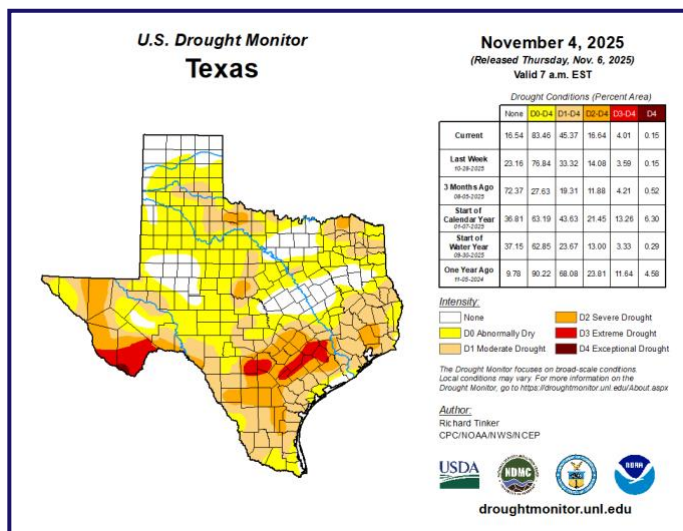
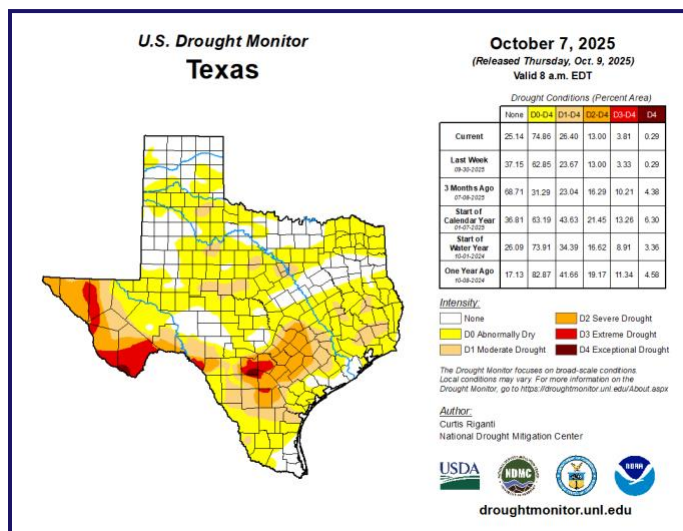
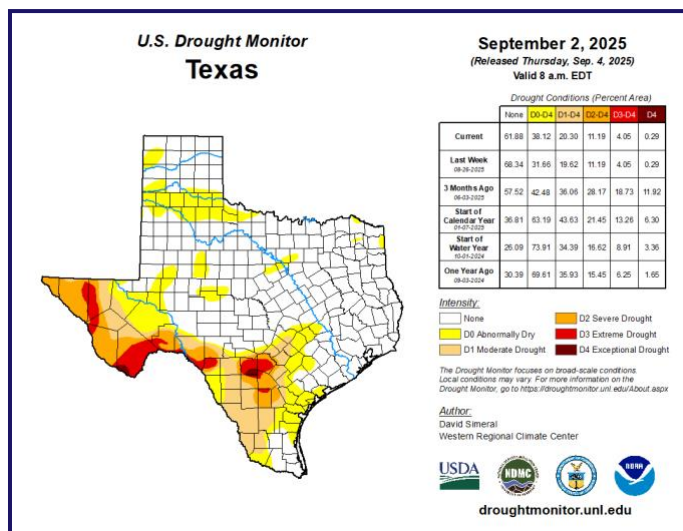
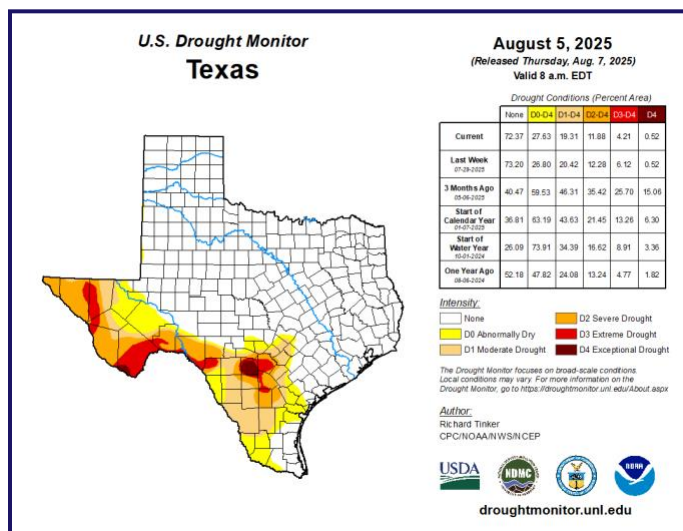
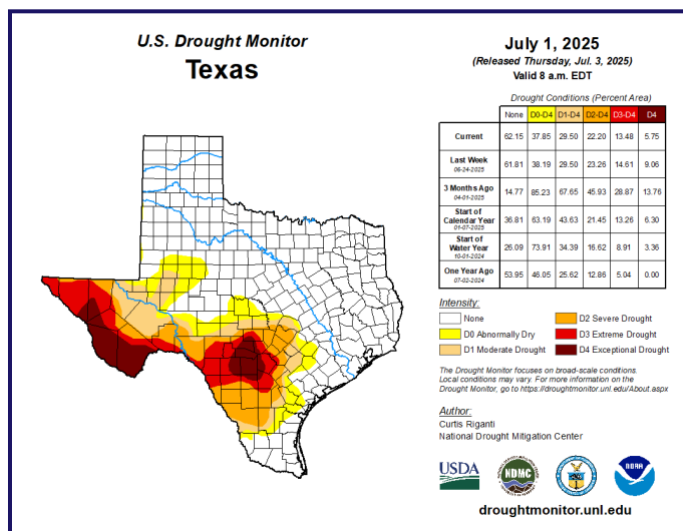


Figure 14. Texas Drought Monitor Maps, July-December 2025

Addressing Conservation, Recharge Enhancement, Rainwater Harvesting, and Brush Control

F.1 OBJECTIVE

The District will address Conservation, as defined by TWC §15.001, by facilitating the development of water resources within its jurisdictional boundaries and reducing the loss or waste of water. The District will provide public records of these activities once per year.

PERFORMANCE STANDARD

The District will continue to adhere to its established permitting rules, which mitigate potential over-production of groundwater, including District rule 10.1(e) which requires operational float valves on any well which flows to a surface impoundment. This prevents the flow of well water when the impoundment is at capacity. The Annual Report will provide a count of new wells registered in the District in the previous year and any float valves installed in surface impoundments in accordance with District rule 10.1(e) in the previous year.



Figure 15. Water well meter

F.2 OBJECTIVE

The District will provide information on the District website relating to recharge enhancement at least once each year.

PERFORMANCE STANDARD

The Annual Report will include a copy of the information provided by the District related to recharge enhancement.

F.3 OBJECTIVE

The District will provide information on rainwater harvesting on the district website at least once a year.

PERFORMANCE STANDARD

The Annual Report will provide a copy of the information on rainwater harvesting that was posted by the District in the previous year.

F.4 OBJECTIVE

The District will evaluate the State Brush Control Plan on an annual basis to determine the necessity of projects within the District and whether projects within the District would increase the groundwater resources of the District.

PERFORMANCE STANDARD

The Annual Report will include a copy of the most recent brush control information pertaining to the District and the District's conclusions regarding necessity of projects and whether certain projects would increase the District's groundwater resources.

New Wells and Float Valves

The District addressed conservation through implementation and enforcement of its established well registration and permitting requirements. These rules are intended to reduce waste, limit unnecessary groundwater production, and promote the beneficial use of groundwater within the District. A total of 177 new wells were registered in 2025.

District staff also continued to apply Rule 10.1(e), which requires operational float valves for wells that discharge to surface impoundments. Float valves prevent excess groundwater production once an impoundment reaches capacity, thereby reducing the potential for waste. In 2025, float valves were installed on 5 wells that were subject to compliance with this rule.

Other Conservation Strategies

The Education page of the District website (see Objective B.1 for more details) contains interactive menu tiles with definitions and links to resources on rainwater harvesting and recharge enhancement. These conservation strategies that can reduce reliance on groundwater supplies are also addressed in most public presentations and in several brochures available at the District office.

Brush control was not identified as a potentially feasible strategy in the 2026 Region C Regional Water Plan, nor are any sites in Tarrant County identified by the Texas State Soil & Water Conservation Board as priority watersheds for brush control. Therefore, the District did not pursue any brush control projects in FY 2025.

Addressing the Desired Future Conditions

G.1 OBJECTIVE

The District is developing a Groundwater Monitoring Program.

PERFORMANCE STANDARD

The District's Annual Report will include a discussion of the District's progress on developing and implementing a Groundwater Monitoring Program.

G.2 OBJECTIVE

Once the Groundwater Monitoring Program is established, annually, the District will measure the water levels in at least five monitoring wells within the District. At least four of the monitoring wells will be located within the Trinity Aquifer and one will be located in the Woodbine Aquifer.

PERFORMANCE STANDARD

The District's Annual Report will include the water level measurement data from the monitoring wells and an assessment of water level trends and the adequacy of the monitoring network to monitor aquifer conditions within the District and comply with the aquifer Desired Future Conditions.

G.3 OBJECTIVE

The District will estimate non-exempt pumping within the District for use in evaluating compliance with Desired Future Conditions.

PERFORMANCE STANDARD

The District's Annual Report will include an estimate of groundwater use in the District by non-exempt wells.

Pumping Estimates

As described in Objective A.2, reported production from non-exempt wells in the District in 2025 totals approximately 10,581 acre-feet. In addition, the District completed an analysis of estimated groundwater use by exempt wells. The analysis utilized Certificate of Convenience and Necessity service areas, State of Texas Well Reports for domestic wells, and an estimated average gallons-per-capita-per-day usage rate. The resulting exempt-use estimates closely mirrored the Texas Water Development Board's average water-pumpage estimates for non-surveyed groundwater use for the most recent years available.

Groundwater Monitoring Network & Trends

NTGCD is largely a product of the Priority Groundwater Management Area (PGMA) evaluation process in which TCEQ studies, identifies, and delineates an area that is experiencing or is expected to experience critical groundwater problems - including shortages of surface water or groundwater, potential land subsidence resulting from groundwater withdrawal, or contamination of groundwater supplies. The District was created by House Bill 4028 in 2007, one year after TCEQ recommended designation of the North-Central Texas – Trinity and Woodbine Aquifers Priority Groundwater Management Area, which includes Tarrant County and surrounding counties. The PGMA recommendation was ultimately confirmed by TCEQ in 2009. As such, any mitigation of Tarrant County's expected critical groundwater shortage may be seen as a trend in the right direction.

In 2025, the District began an analysis of its groundwater monitoring network. This effort is evaluating existing monitor wells and identifying opportunities for additional monitoring locations that can improve the District's understanding of groundwater levels and conditions across Tarrant County. Expanding and improving the monitoring network will provide better information for evaluating groundwater trends and supporting future management decisions.

The following 22 hydrographs represent the District's groundwater monitoring well network, along with the stratigraphy and all associated water level measurements of each well.

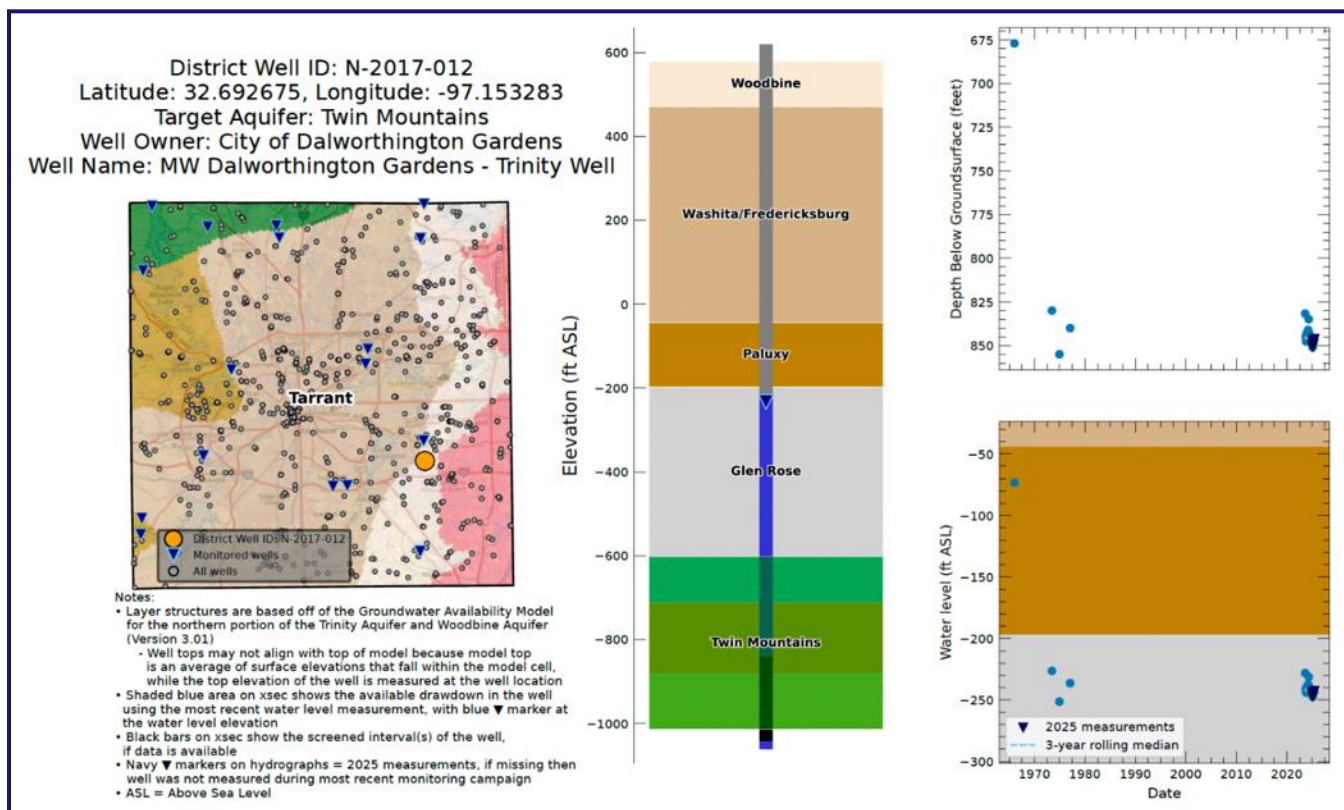


Figure 16. Monitor well N-2017-012 (Twin Mountains)

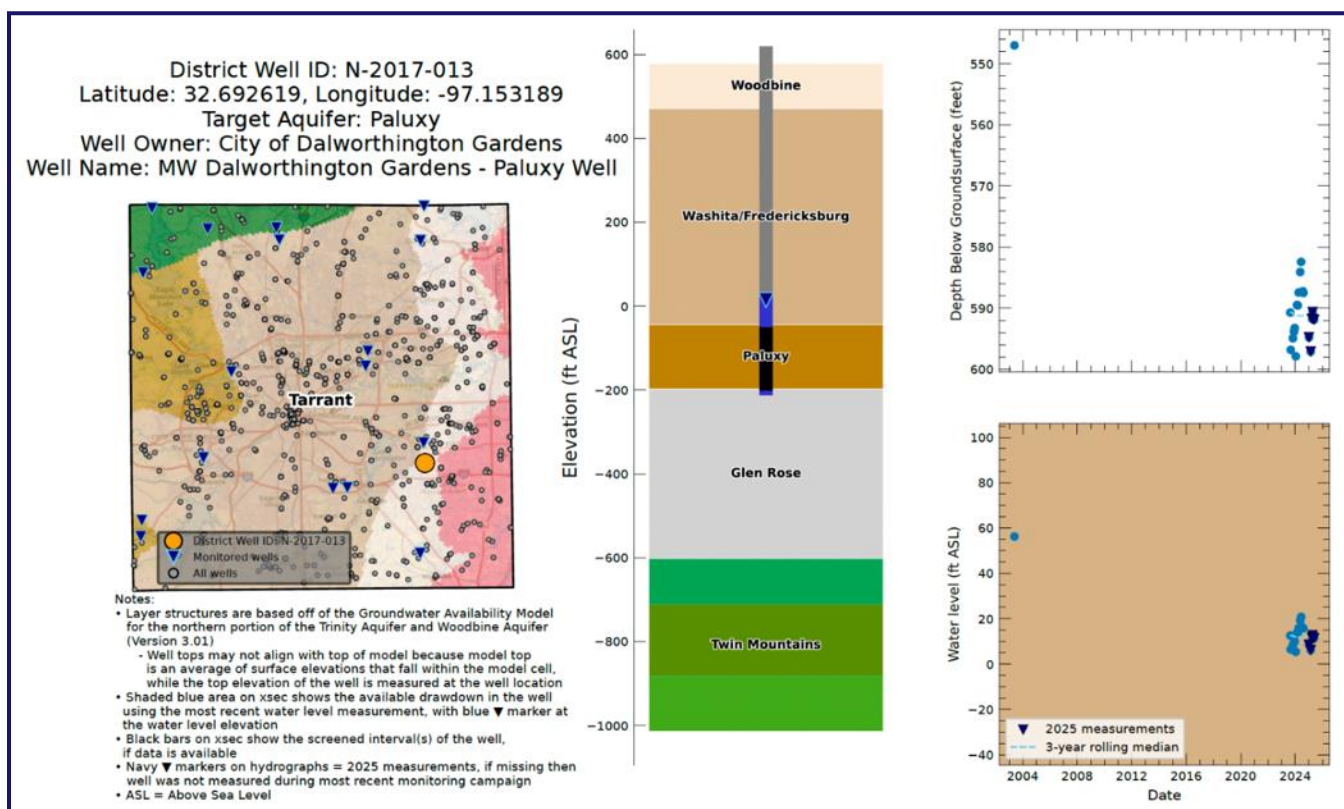
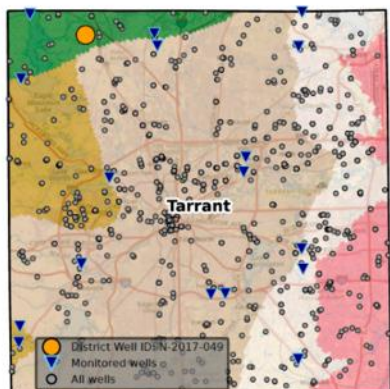


Figure 17. Monitor well N-2017-013 (Paluxy)

District Well ID: N-2017-049
 Latitude: 32.964750, Longitude: -97.439367
 Target Aquifer: Antlers
 Well Owner: Shane Olson
 Well Name: MW 28- Olson



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
 - Black bars on xsec show the screened interval(s) of the well, if data is available
 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

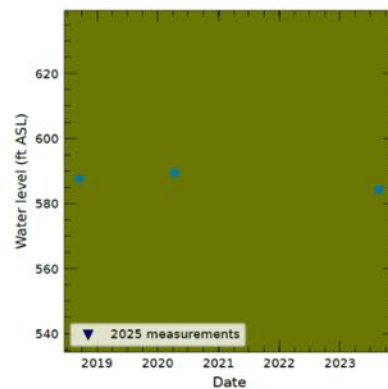
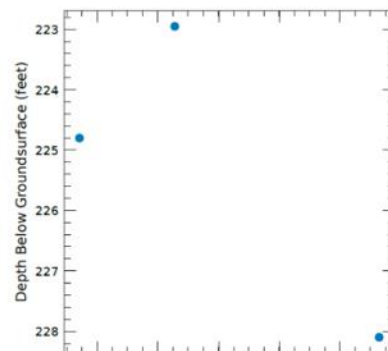
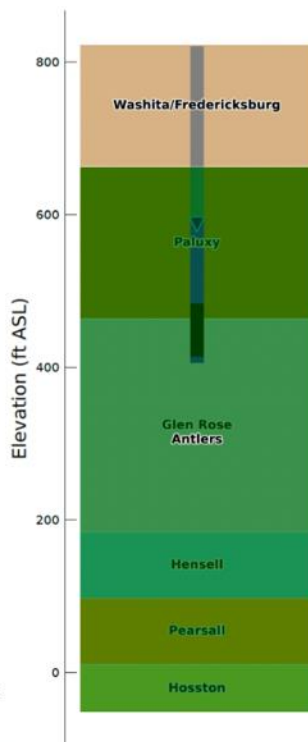
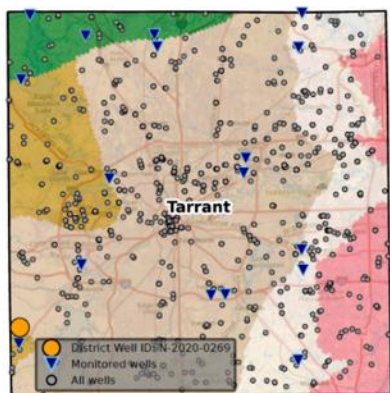


Figure 18. Monitor well N-2017-049 (Antlers)

District Well ID: N-2020-0269
 Latitude: 32.635020, Longitude: -97.537190
 Target Aquifer: Glen Rose
 Well Owner: Jay White
 Well Name: Jay White



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
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 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

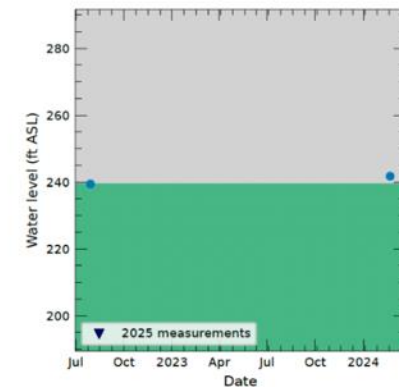
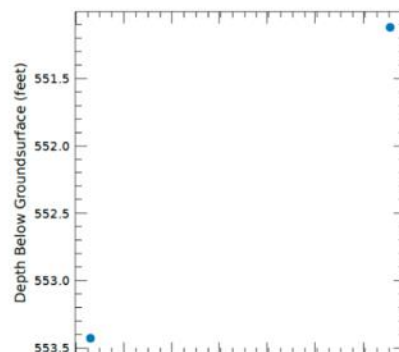
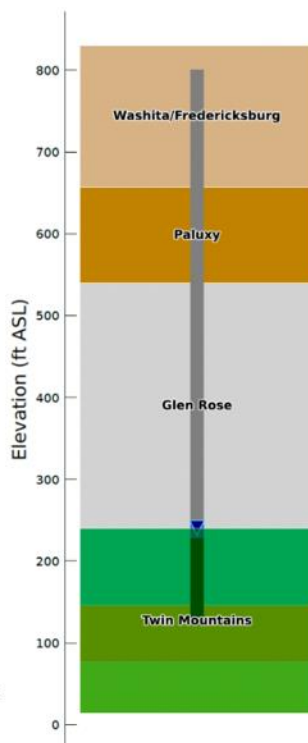
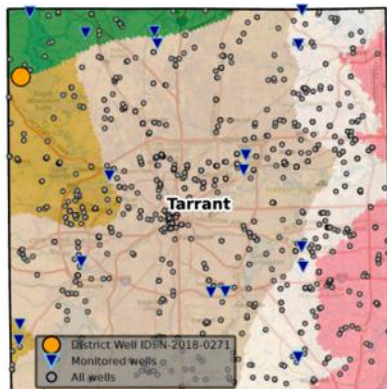


Figure 19. Monitor well N-2020-0269 (Glen Rose)

District Well ID: N-2018-0271
 Latitude: 32.916694, Longitude: -97.528361
 Target Aquifer: Twin Mountains
 Well Owner: Girl Scouts of Texas and Oklahoma
 Well Name: MW 3- Girl Scouts of TX/OK



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
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 - ASL = Above Sea Level

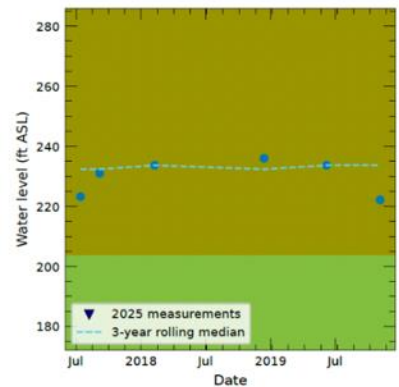
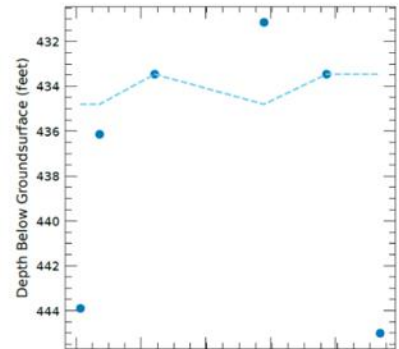
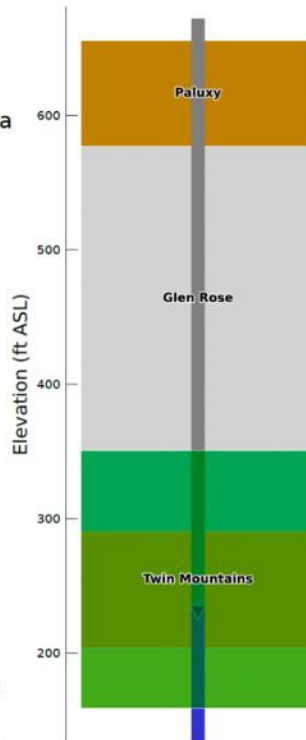
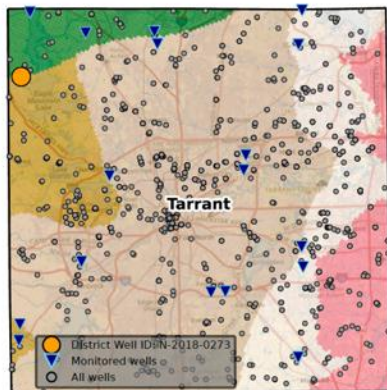


Figure 20. Monitor well N-2018-0271 (Twin Mountains)

District Well ID: N-2018-0273
 Latitude: 32.916666, Longitude: -97.528028
 Target Aquifer: Paluxy
 Well Owner: Girl Scouts of Texas and Oklahoma
 Well Name: MW 4- Girl Scouts of TX/OK



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
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 - ASL = Above Sea Level

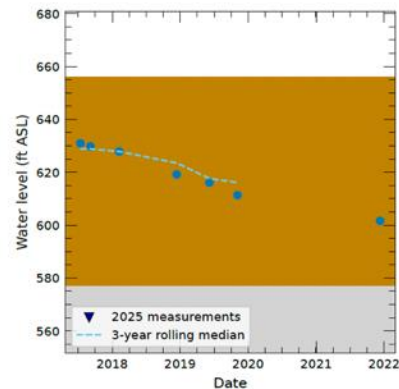
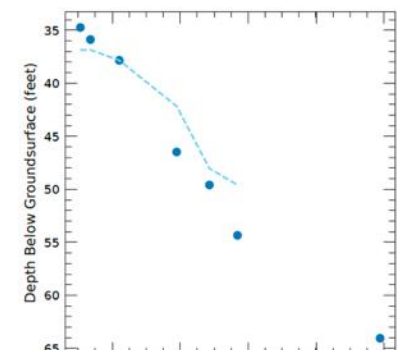
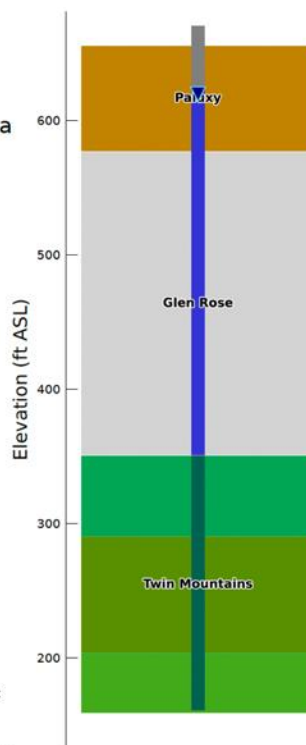
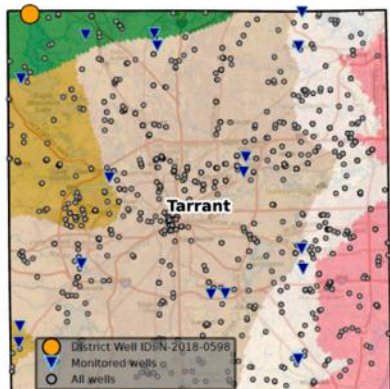


Figure 21. Monitor well N-2018-0273 (Paluxy)

District Well ID: N-2018-0598
 Latitude: 32.989702, Longitude: -97.514035
 Target Aquifer: Antlers
 Well Owner: Patterson Water Supply
 Well Name: MW 5- Patterson WS



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
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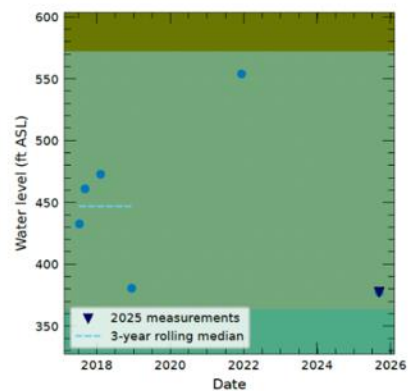
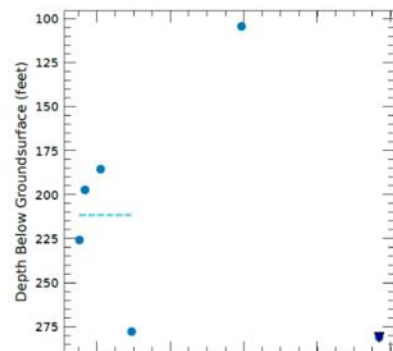
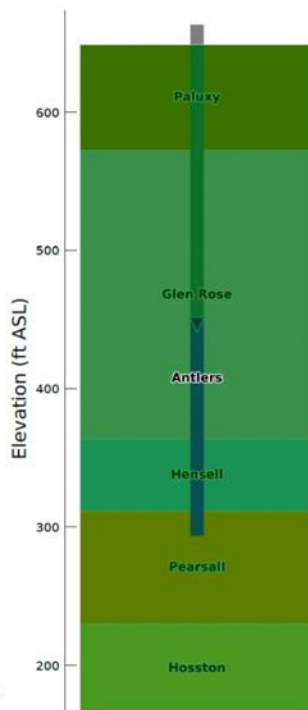
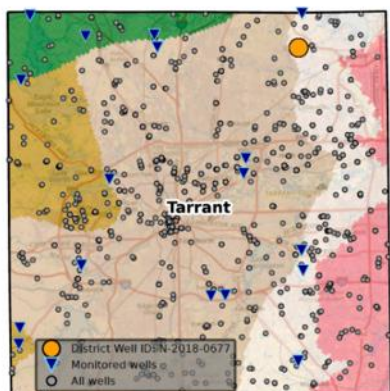


Figure 22. Monitor well N-2018-0598 (Antlers)

District Well ID: N-2018-0677
 Latitude: 32.945700, Longitude: -97.151481
 Target Aquifer: Twin Mountains
 Well Owner: City of Southlake
 Well Name: MW 7- City of Southlake - Bicentennial Park - Ph



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
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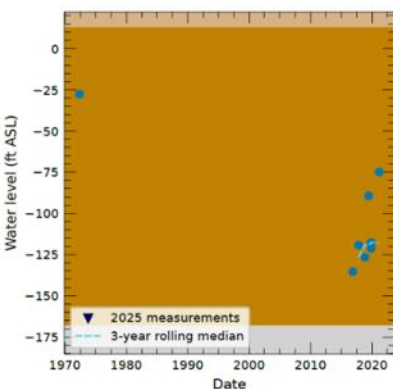
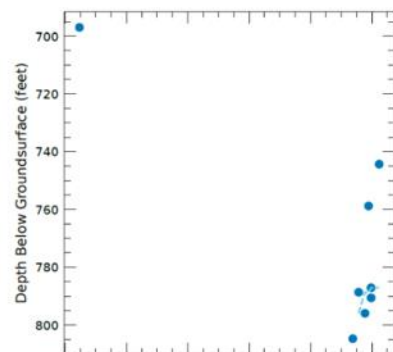
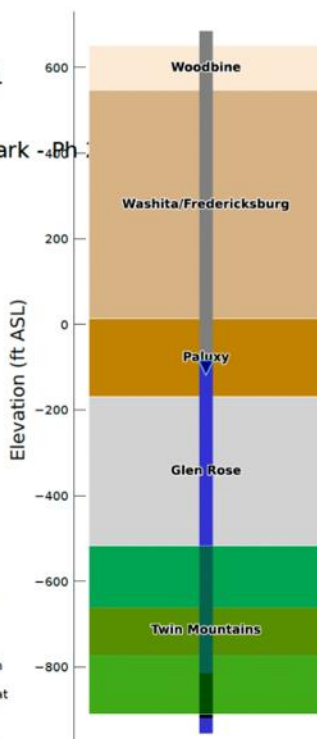
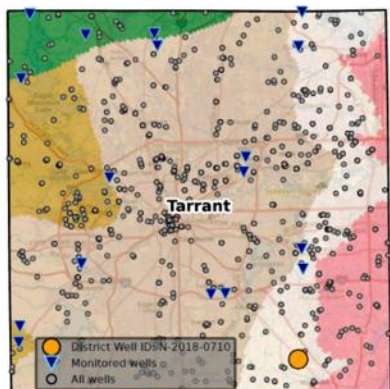


Figure 23. Monitor well N-2018-0677 (Twin Mountains)

District Well ID: N-2018-0710
 Latitude: 32.590002, Longitude: -97.162712
 Target Aquifer: Woodbine
 Well Owner: Linda Harris
 Well Name: MW 16- Linda Harris



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
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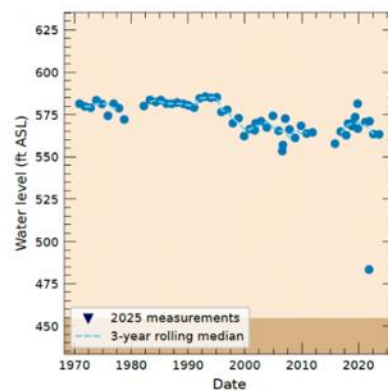
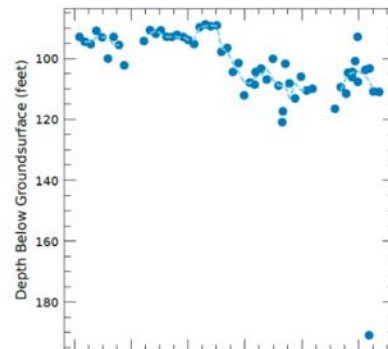
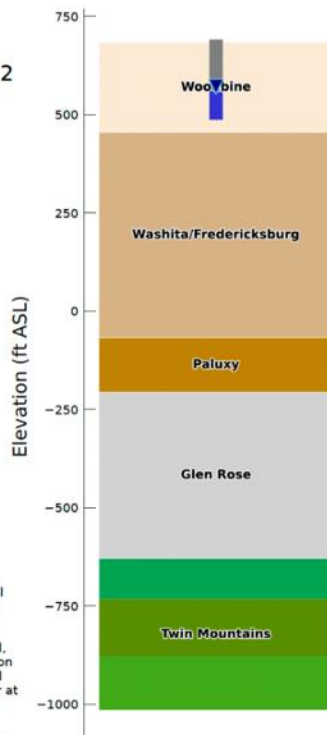
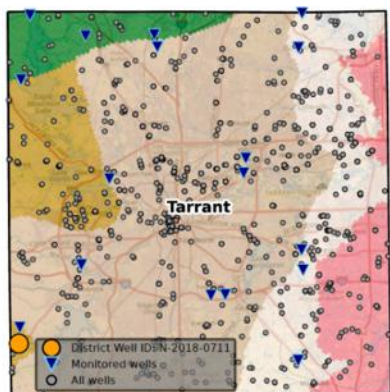


Figure 24. Monitor well N-2018-0710 (Woodbine)

District Well ID: N-2018-0711
 Latitude: 32.616610, Longitude: -97.539020
 Target Aquifer: Paluxy
 Well Owner: Watts Drilling
 Well Name: MW 13- AT Watts



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
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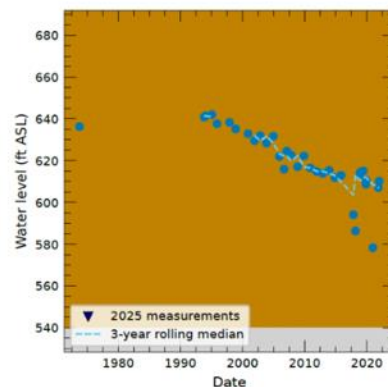
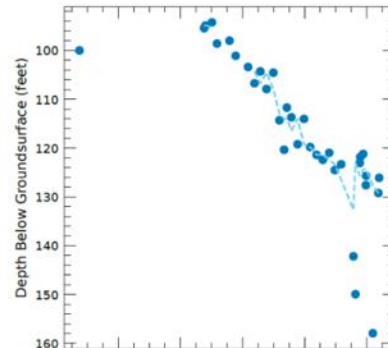
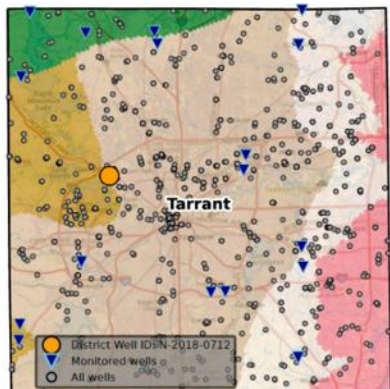


Figure 25. Monitor well N-2018-0711 (Paluxy)

District Well ID: N-2018-0712
 Latitude: 32.801644, Longitude: -97.411672
 Target Aquifer: Twin Mountains
 Well Owner: City of Sansom Park
 Well Name: MW 9- Sansom Park Ridge Ln



Notes:

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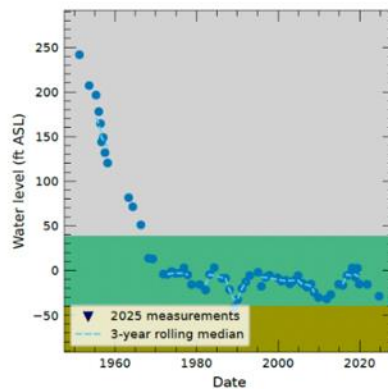
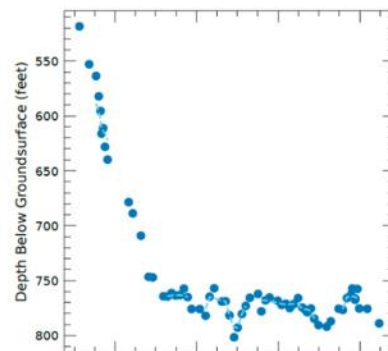
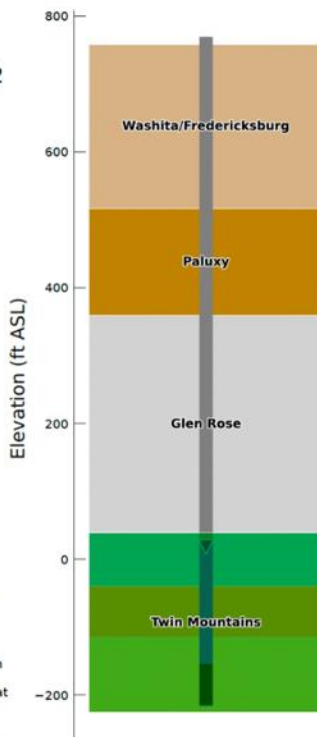
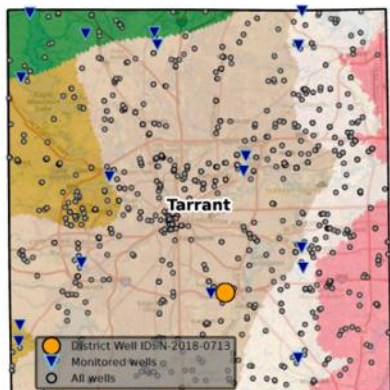


Figure 26. Monitor well N-2018-0712 (Twin Mountains)

District Well ID: N-2018-0713
 Latitude: 32.666798, Longitude: -97.258889
 Target Aquifer: Twin Mountains
 Well Owner: City of Forest Hill
 Well Name: MW 12- Forest Hill Griggs St



Notes:

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- ASL = Above Sea Level

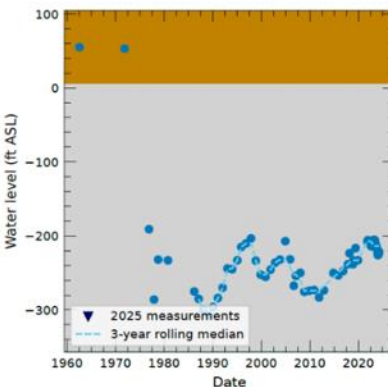
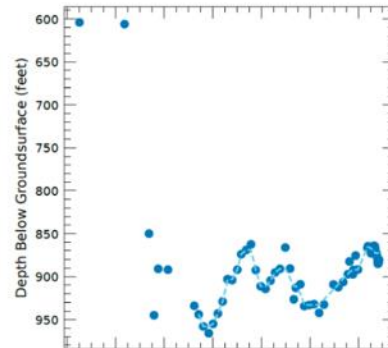
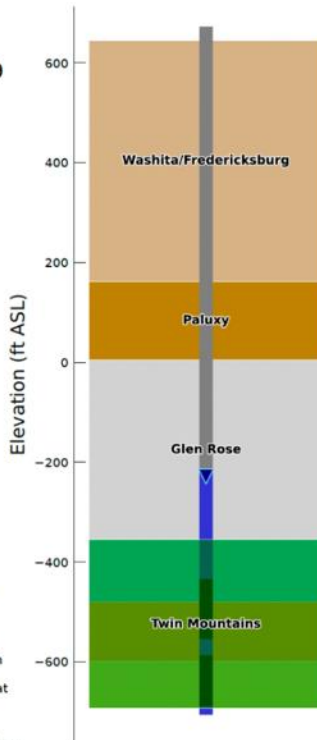


Figure 27. Monitor well N-2018-0713 (Twin Mountains)

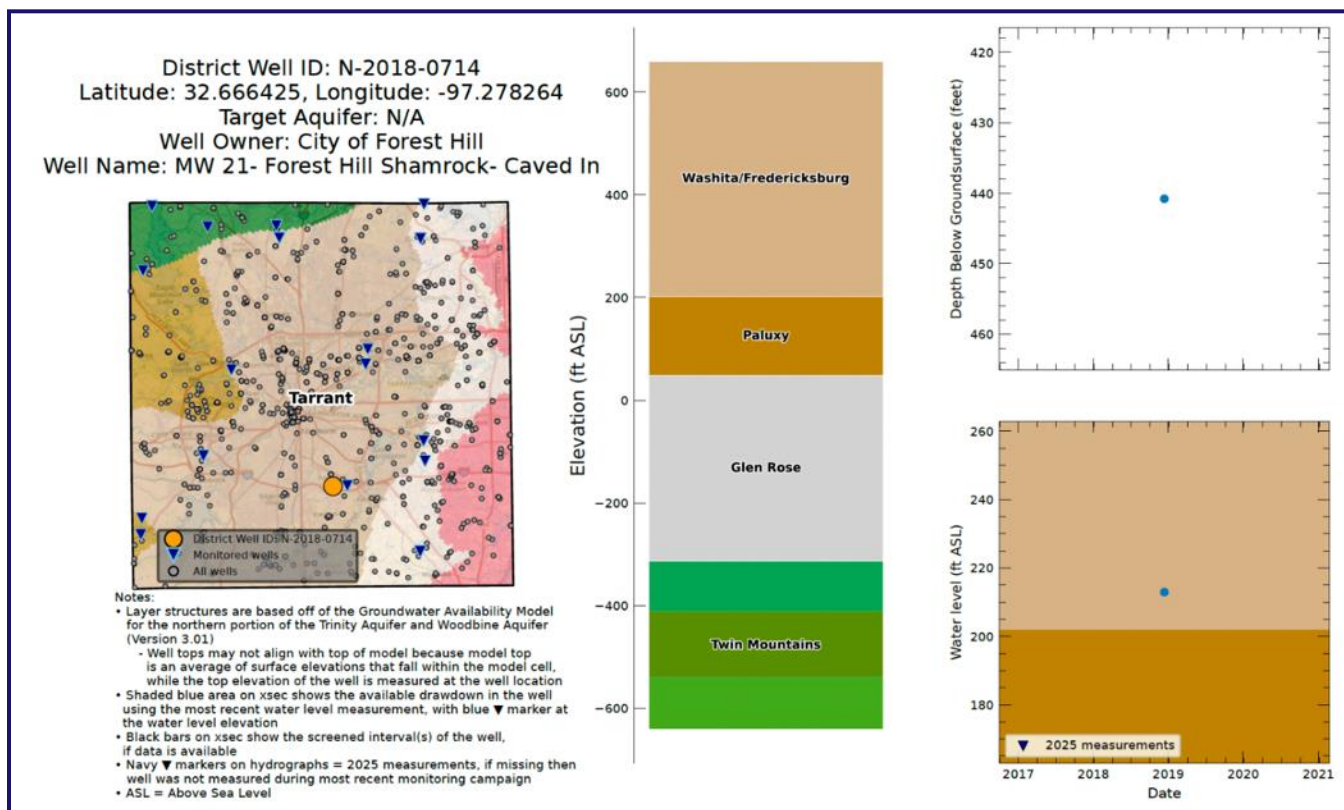


Figure 28. Monitor well N-2018-0714 (target aquifer N/A)

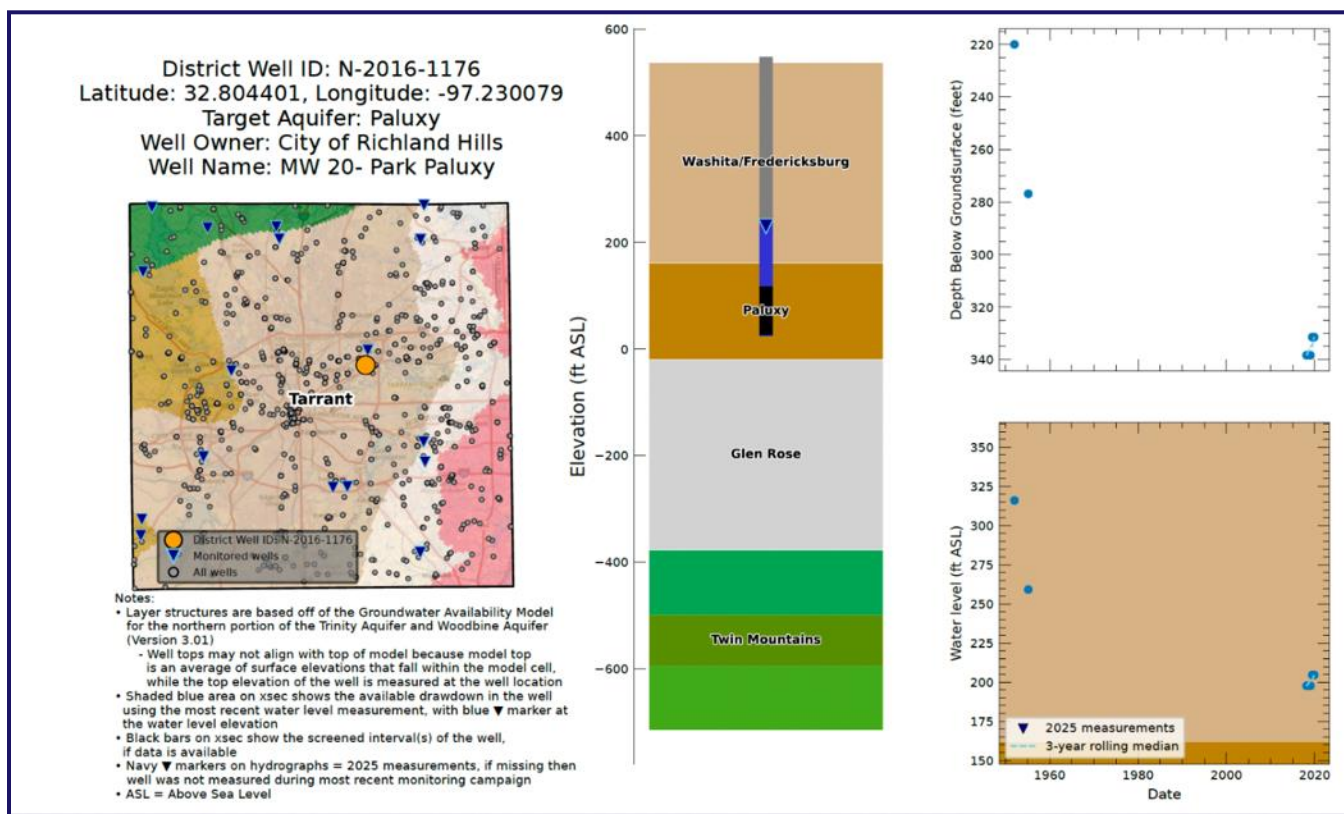
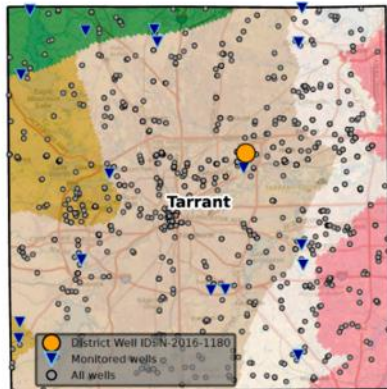


Figure 29. Monitor well N-2016-1176 (Paluxy)

District Well ID: N-2016-1180
 Latitude: 32.821348, Longitude: -97.226631
 Target Aquifer: Paluxy
 Well Owner: City of Richland Hills
 Well Name: MW 19- Booth Paluxy



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
 - Black bars on xsec show the screened interval(s) of the well, if data is available
 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

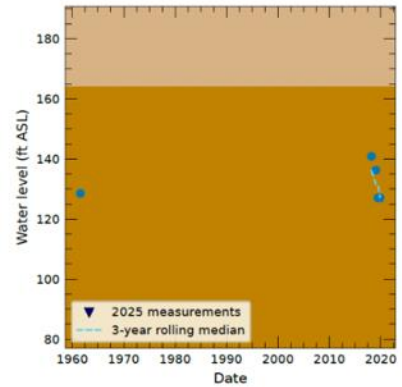
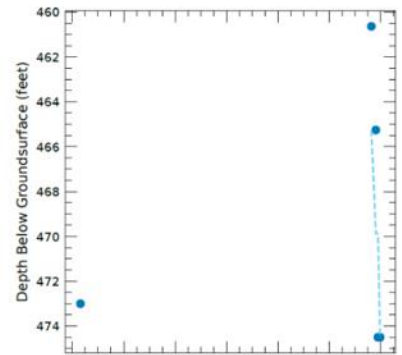
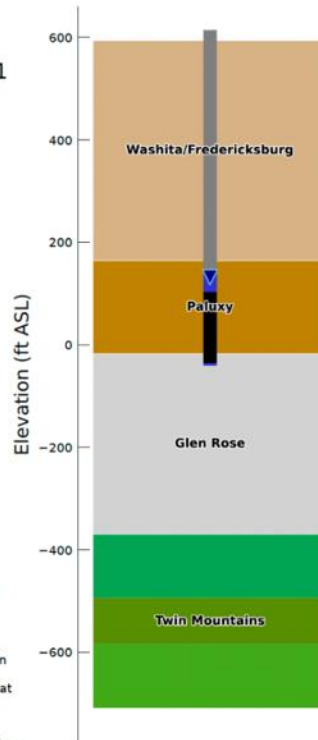
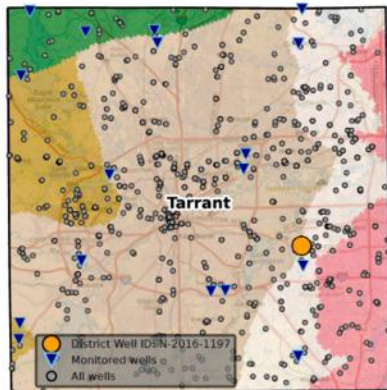


Figure 30. Monitor well N-2016-1180 (Paluxy)

District Well ID: N-2016-1197
 Latitude: 32.715602, Longitude: -97.154425
 Target Aquifer: Twin Mountains
 Well Owner: Town of Pantego
 Well Name: MW 2- Pantego West Stolper_Well 2



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
 - Black bars on xsec show the screened interval(s) of the well, if data is available
 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

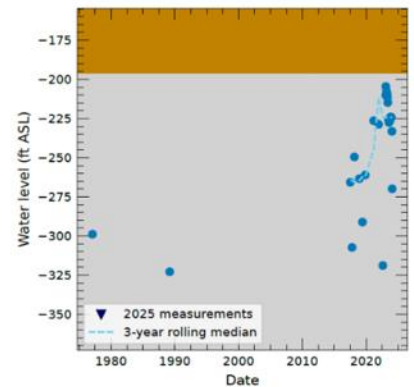
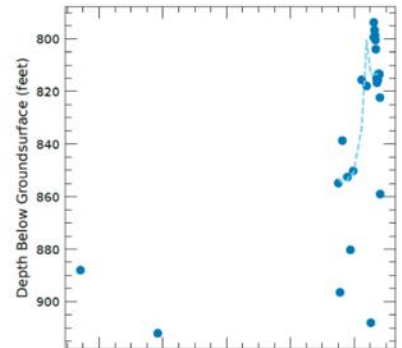
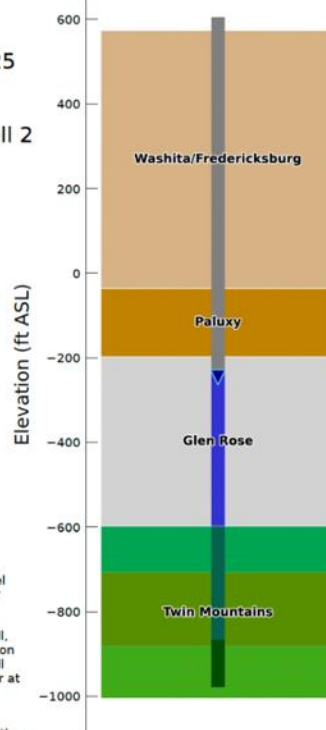
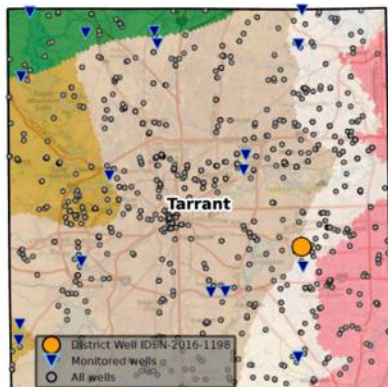


Figure 31. Monitor well N-2016-1197 (Twin Mountains)

District Well ID: N-2016-1198
 Latitude: 32.715589, Longitude: -97.154313
 Target Aquifer: Paluxy
 Well Owner: Town of Pantego
 Well Name: MW 1- Pantego East Stolper_Well 1



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
 - Black bars on xsec show the screened interval(s) of the well, if data is available
 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

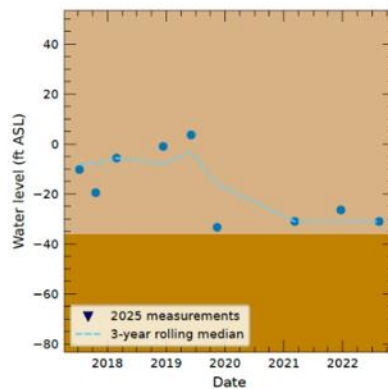
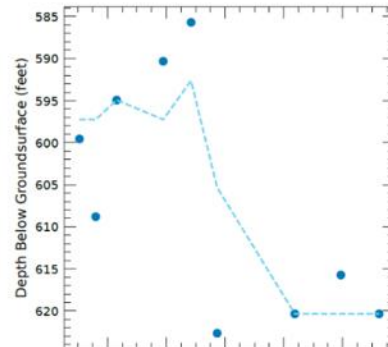
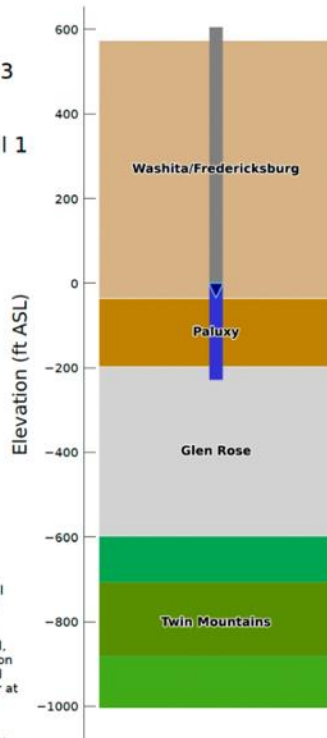
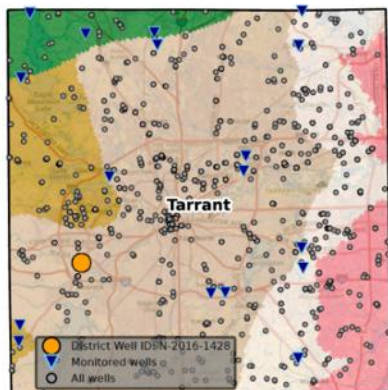


Figure 32. Monitor well N-2016-1198 (Paluxy)

District Well ID: N-2016-1428
 Latitude: 32.704610, Longitude: -97.452130
 Target Aquifer: Twin Mountains
 Well Owner: Benbrook Water Authority
 Well Name: MW 10- BWA #14



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
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 - ASL = Above Sea Level

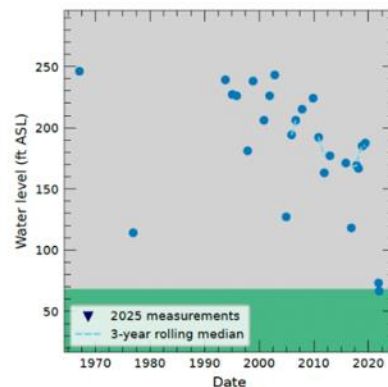
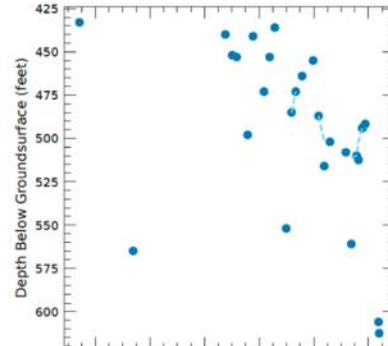
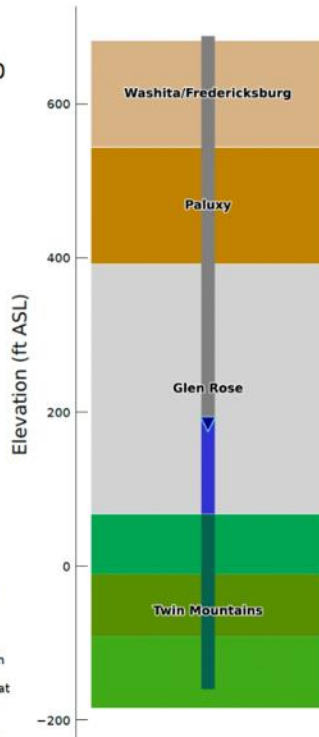
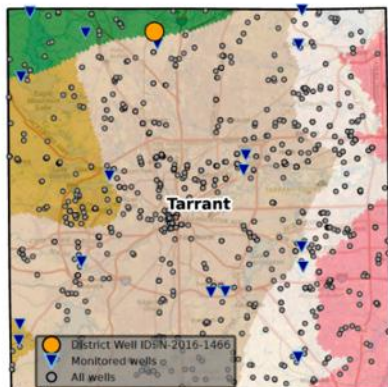


Figure 33. Monitor well N-2016-1428 (Twin Mountains)

District Well ID: N-2016-1466
 Latitude: 32.964361, Longitude: -97.346217
 Target Aquifer: Antlers
 Well Owner: City of Haslet
 Well Name: MW 22- Haslet- School House Plauxy



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
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 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

Elevation (ft ASL)

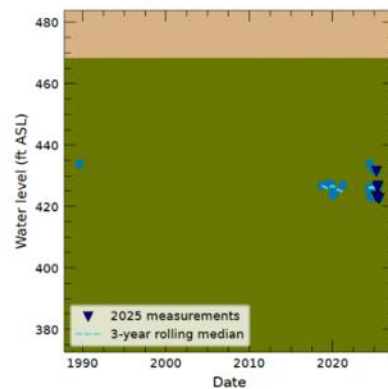
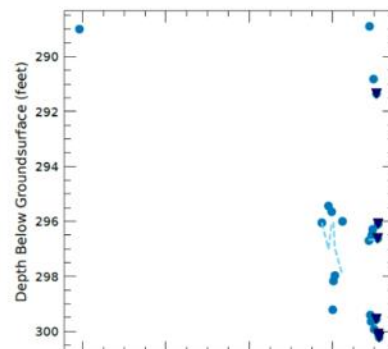
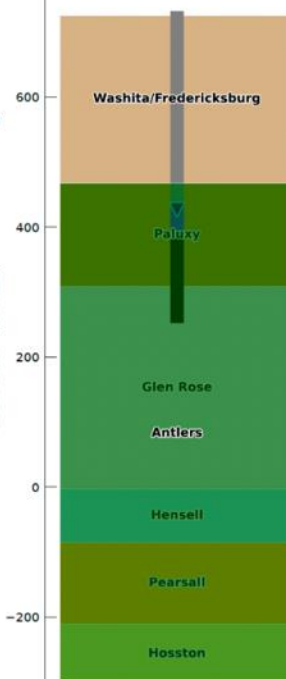
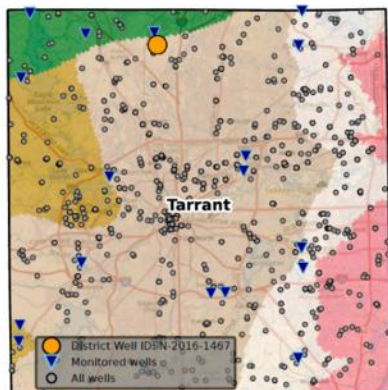


Figure 34. Monitor well N-2016-1466 (Antlers)

District Well ID: N-2016-1467
 Latitude: 32.950376, Longitude: -97.342603
 Target Aquifer: Paluxy
 Well Owner: City of Haslet
 Well Name: MW 24- Haslet 1701 FM 156- Paluxy



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
 - Black bars on xsec show the screened interval(s) of the well, if data is available
 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

Elevation (ft ASL)

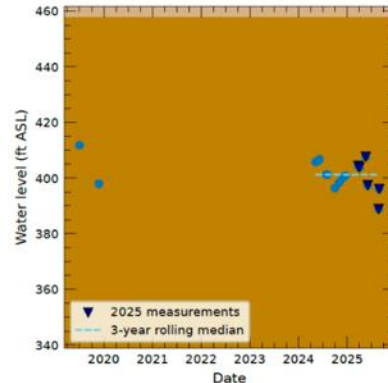
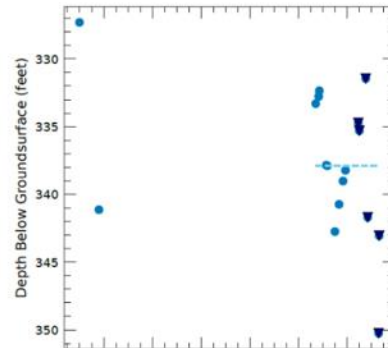
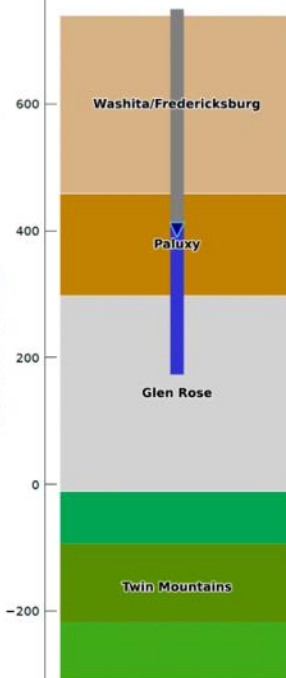
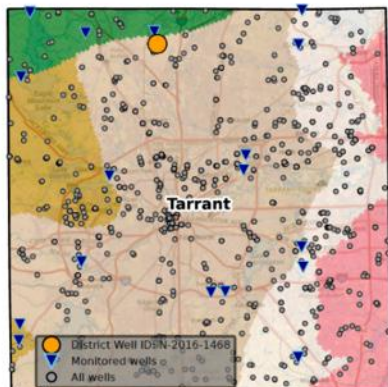


Figure 35. Monitor well N-2016-1467 (Paluxy)

District Well ID: N-2016-1468
 Latitude: 32.950309, Longitude: -97.342609
 Target Aquifer: Twin Mountains
 Well Owner: City of Haslet
 Well Name: MW 25- Haslet 1701 FM 156- Trinity



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
 - Black bars on xsec show the screened interval(s) of the well, if data is available
 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

Elevation (ft ASL)

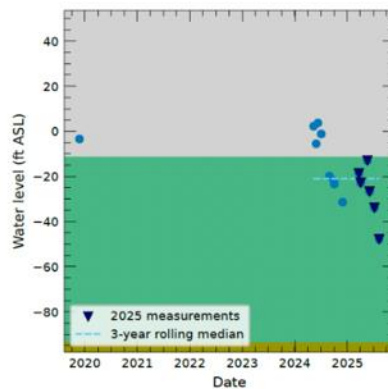
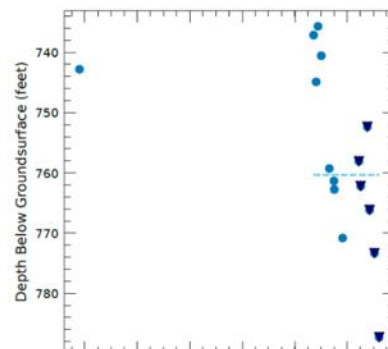
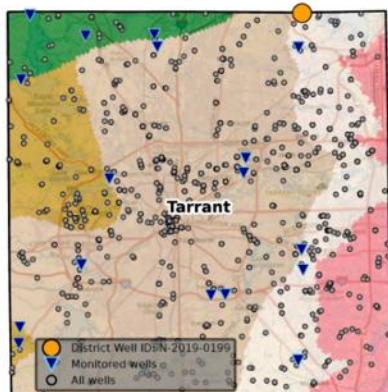


Figure 36. Monitor well N-2016-1468 (Twin Mountains)

District Well ID: N-2019-0199
 Latitude: 32.984639, Longitude: -97.145583
 Target Aquifer: Paluxy
 Well Owner: Southlake Park Services, Inc.
 Well Name: MW 29- Southlake Park Services



- Notes:
- Layer structures are based off of the Groundwater Availability Model for the northern portion of the Trinity Aquifer and Woodbine Aquifer (Version 3.01)
 - Well tops may not align with top of model because model top is an average of surface elevations that fall within the model cell, while the top elevation of the well is measured at the well location
 - Shaded blue area on xsec shows the available drawdown in the well using the most recent water level measurement, with blue ▼ marker at the water level elevation
 - Black bars on xsec show the screened interval(s) of the well, if data is available
 - Navy ▼ markers on hydrographs = 2025 measurements, if missing then well was not measured during most recent monitoring campaign
 - ASL = Above Sea Level

Elevation (ft ASL)

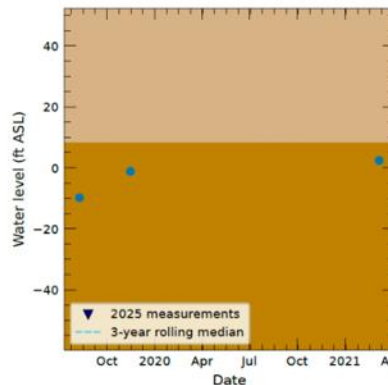
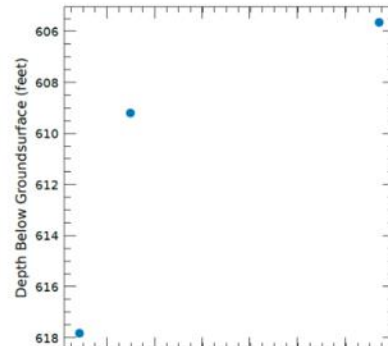
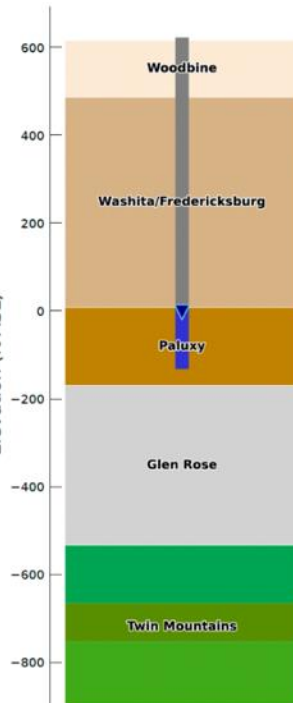


Figure 37. Monitor well N-2019-0199 (Paluxy)

Appendix A

Annual Audit for Fiscal Year Ending December 31, 2025

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT

Table of Contents December 31, 2025 and 2024

FINANCIAL SECTION	Page
Annual Filing Affidavit	1
Independent Auditors' Report	2
Management's Discussion and Analysis.....	6
<u>Financial Statements</u>	
Statements of Net Position.....	11
Statements of Revenues, Expenses, and Changes in Net Position.....	12
Statements of Cash Flows.....	13
Notes to Financial Statements.....	15
<u>Required Supplementary Information:</u>	
Texas County and District Retirement System:	
Schedule of Changes in Net Pension Liability and Related Ratios.....	27
Schedule of Employer Contributions.....	28
Notes to Required Supplementary Information.....	29
<u>Supplementary Information</u>	
Budgetary Comparison Schedules.....	31

**NORTHERN TRINITY
GROUNDWATER CONSERVATION
DISTRICT**

Annual Financial Report
December 31, 2025 and 2024

ANNUAL FILING AFFIDAVIT

THE STATE OF TEXAS _____ }
COUNTY OF Tarrant _____ }

I, Nicholas Konen of the
(Name of Duly Authorized District Representative)

Northern Trinity Groundwater Conservation District
(Name of District)

hereby swear, or affirm, that the District named above has reviewed and approved at a meeting of the Board of the Directors of the District on July 29, 2026, its annual audit report for the fiscal year or period ended December 31, 2025 and that copies of the annual audit report have been filed in the District's office, located at

1100 Circle Drive Suite 300, Fort Worth, TX 76119
(Address of District)

The annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of the annual filing requirements of Texas Water Code Section 49.194.

Date: July 29th, 2026 By: [Signature]
(Signature of District Representative)

Nicholas Konen, President, Board of Directors

Sworn to and subscribed to before me this 29th day of July, 2026
(SEAL)

[Signature]
(Signature of Notary)

My Commission Expires On: March 28, 2028
Notary Public in the State of Texas.



Boucher, Morgan & Young, a P.C.
Certified Public Accountants
1115 Waters Edge Dr, Ste. 106
Granbury, TX 76048
(817) 279-7052

INDEPENDENT AUDITOR'S REPORT

Board of Directors and General Manager
Northern Trinity Groundwater Conservation District
Fort Worth, Texas

Opinions

We have audited the accompanying financial statements of Northern Trinity Groundwater Conservation District (the District) as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2025 and 2024, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Texas County and District Retirement System schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Budgetary Comparison Schedules are presented for purposes of additional analysis, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Annual Filing Affidavit but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Granbury, Texas
July 29, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2025

Northern Trinity Groundwater Conservation District (the District) is pleased to present its financial statements. This required supplementary information presents a narrative overview and analysis of the financial activities of the District for the year ended December 31, 2025. Please read this section in conjunction with the basic financial statements following this section.

OVERVIEW OF THE FINANCIAL STATEMENTS:

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of two components: 1) financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Financial Statements – The financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the District's assets, deferred outflows, liabilities, and deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the District's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods.

The Statement of Cash Flows presents information showing how the District's cash and cash equivalents changed during the fiscal year, with cash flows being classified as operating, investing, or financing activities. The statement further reconciles the District's operating income to cash provided by operating activities by removing non-cash related transactions.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

FINANCIAL HIGHLIGHTS

- The District's total assets and deferred outflows at December 31, 2025 of \$3,204,968 exceeded total liabilities and deferred inflows of \$122,772, resulting in total net position of \$3,082,196. Total net position represents an increase of \$112,384 or 3.78% from the previous fiscal year end.
- Unrestricted cash and cash equivalents of \$2,612,826 represents an increase of \$176,348 or 7.24% from the previous fiscal year.
- During the year, the District earned total operating revenues of \$722,006, representing a decrease of \$60,475 from the previous fiscal year. Total operating revenues consisted primarily of charges for water production and charges for new wells of \$534,254 and \$90,500, respectively.
- Total operating expenses of \$708,398 consisted primarily of \$439,139 incurred for payroll and related taxes and benefits, \$55,230 for engineering services, and \$39,813 in depreciation expense.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2025

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position may serve over time as a useful indicator of a government's financial position. For the District, total net position was \$3,082,196 and represented an increase of \$112,384 over the previous fiscal year end. This increase was due to total customer revenues of \$722,006 that exceeded total operating expenses of \$708,398. Below is a comparative condensed summary of the District's statements of net position as of December 31, 2025 and 2024.

	2025	2024	Total Percentage Change 2024-2025
ASSETS			
Cash and cash equivalents	\$ 2,612,826	\$ 2,436,478	7.24%
Other current assets	302,188	317,506	-4.82%
Restricted cash	39,205	33,500	17.03%
Capital assets, net	134,404	174,217	-22.85%
Total assets	<u>3,088,623</u>	<u>2,961,701</u>	4.29%
DEFERRED OUTFLOWS			
Related to TCDRS pension	116,345	106,338	9.41%
Total deferred outflows	<u>116,345</u>	<u>106,338</u>	9.41%
LIABILITIES			
Current liabilities	47,614	48,092	-0.99%
Noncurrent liabilities	71,291	50,135	42.20%
Total liabilities	<u>118,905</u>	<u>98,227</u>	21.05%
DEFERRED INFLOWS			
Related to TCDRS pension	3,867	-	100.00%
Total deferred inflows	<u>3,867</u>	<u>-</u>	100.00%
NET POSITION			
Net investment in capital assets	134,404	174,217	-22.85%
Unrestricted	2,947,792	2,795,595	5.44%
Total net position	<u>\$ 3,082,196</u>	<u>\$ 2,969,812</u>	3.78%

As of December 31, 2025, the District's total assets were comprised primarily of cash and cash equivalents. These assets are available for future use, with the exception of restricted cash reserves to repay driller deposits and thus are a major component of unrestricted net position in the financial statements.

The District's current liabilities consist of accounts payable and accrued liabilities for services received during the fiscal period but not paid until after year end as well as driller deposits.

Unrestricted net position represents amounts available for future use.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2025

CHANGES IN NET POSITION

The District's total operating revenues were \$722,006 and consisted primarily of charges for water production and charges for new wells of \$534,254 and \$90,500, respectively. Charges for water production are billed at a rate of \$0.155 per 1,000 gallons of water produced.

Total operating expenses of \$708,398 consisted primarily of payroll and related taxes and benefits of \$439,139, \$55,230 for engineering services, and \$39,813 in depreciation expense.

A condensed summary of the District's statements of revenues, expenses, and changes in net position for years ended December 31, 2025 and 2024 is presented below.

	2025	2024	Total Percentage Change 2024-2025
OPERATING REVENUES			
Charges for water production fees	\$ 534,254	\$ 581,957	-8.20%
Charges for new wells	90,500	118,000	-23.31%
Forfeited driller deposits	8,600	20,800	-58.65%
Penalties assessed	51,119	20,593	148.23%
Permit and exception fees	32,450	35,970	-9.79%
Miscellaneous income	5,083	5,161	-1.51%
Total operating revenues	<u>722,006</u>	<u>782,481</u>	-7.73%
OPERATING EXPENSES			
Operating expenses	<u>708,398</u>	<u>668,545</u>	5.96%
Total operating expenses	<u>708,398</u>	<u>668,545</u>	5.96%
OPERATING INCOME	13,608	113,936	-88.06%
NON-OPERATING INCOME			
Interest revenue	<u>98,776</u>	<u>106,205</u>	-6.99%
Total non-operating income	<u>98,776</u>	<u>106,205</u>	
Changes in net position	112,384	220,141	-48.95%
NET POSITION, beginning of year	<u>2,969,812</u>	<u>2,749,671</u>	8.01%
NET POSITION, end of year	<u>\$ 3,082,196</u>	<u>\$ 2,969,812</u>	3.78%

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2025

BUDGET TO ACTUAL COMPARISON

For the year ended December 31, 2025, actual operating revenues were less than the budgeted amount by \$8,344 primarily due to lower than expected charges for water production fees and lower than expected charges for new wells. For the year ended December 31, 2025, actual operating expenses were \$80,722 less than the budgeted amount, primarily due to positive variances in the office expense, website services, and water well monitoring categories. The District's change in net position for the year ended December 31, 2025 was \$112,384, compared to a budgeted amount of \$6,230.

ANALYSIS OF CHANGES IN CAPITAL ASSETS AND LONG-TERM DEBT

As of December 31, 2025 and 2024, the District's investment in capital assets totals \$134,404 and \$174,217, respectively, (net of accumulated depreciation), and consisted primarily of intangible assets and a vehicle. The non-cancellable lease expired during the year ending December 31, 2024 and was renewed with the option to cancel. There were no capital asset additions or disposals during the year ended December 31, 2025. During the year ended December 31, 2024, the District acquired office furniture with a cost of \$4,695 and paid for a new website. Depreciation expense totaled \$39,813 and \$38,219 for the years ended December 31, 2025 and 2024, respectively.

The District had no additions to its noncurrent liabilities during the year ended December 31, 2024 other than net pension liability. The District added \$29,772 in compensated absences during the year ended December 31, 2025.

NEXT YEAR'S BUDGET, ECONOMIC ENVIRONMENT, AND OTHER CONSIDERATIONS

The budget for the year ended December 31, 2026, was approved by the Board of Directors and adopted by NTGCD Resolution #025-003. The budget for the fiscal year ending December 31, 2026 shows projected revenues of \$857,992 and operating expenses of \$839,208. The increase in projected revenues is primarily due to the increase in the water use fee rate from \$0.155 to \$0.16 effective January 1, 2026. The anticipated increase in operating expenses primarily relates to projected increases related to payroll and related taxes and benefits, and professional services.

Because revenues from water usage and new wells could decline if certain situations occur, the Board of Directors deem it prudent to accumulate sufficient funds to cover operations and unexpected expenses should the District lose any major water customers. As such, the District's immediate and long-term financial goals are to use program revenues to fund necessary groundwater planning and scientific studies, waste-prevention programs, and public education efforts, while safeguarding adequate cash reserves for future needs.

Political issues affecting the District include potential groundwater ownership legislative issues, additional planning goals, conservation, waste prevention, and discussions of the authority of certain groundwater conservation districts.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District.

FINANCIAL STATEMENTS

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT

Statements of Net Position

December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,612,826	\$ 2,436,478
Accounts receivable	302,188	312,006
Prepaid expenses	-	5,500
Total current assets	<u>2,915,014</u>	<u>2,753,984</u>
Noncurrent assets:		
Restricted cash	39,205	33,500
Capital assets, net	134,404	174,217
Total assets	<u>3,088,623</u>	<u>2,961,701</u>
DEFERRED OUTFLOWS		
Deferred retirement contributions	38,519	36,195
Deferred actual vs. assumption	75,443	65,664
Deferred investment experience	-	4,196
Deferred assumption/input changes	2,383	283
Total deferred outflows	<u>116,345</u>	<u>106,338</u>
Total assets and deferred outflows	<u>\$ 3,204,968</u>	<u>\$ 3,068,039</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 8,409	\$ 14,592
Driller deposits	39,205	33,500
Noncurrent liabilities		
Compensated absences - due within one year	12,811	-
Compensated absences - due in more than one year	16,961	-
Net pension liability	41,519	50,135
Total liabilities	<u>118,905</u>	<u>98,227</u>
DEFERRED INFLOWS		
Deferred investment experience	1,221	-
Deferred assumption/input changes	2,646	-
Total deferred inflows	<u>3,867</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	134,404	174,217
Unrestricted	2,947,792	2,795,595
Total net position	<u>3,082,196</u>	<u>2,969,812</u>
Total liabilities, deferred inflows, and net position	<u>\$ 3,204,968</u>	<u>\$ 3,068,039</u>

The accompanying notes are an integral part of the financial statements.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT

Statements of Revenues, Expenses, and Changes in Net Position

Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
OPERATING REVENUES		
Charges for water production fees	\$ 534,254	\$ 581,957
Charges for new wells	90,500	118,000
Forfeited driller deposits	8,600	20,800
Penalties assessed	51,119	20,593
Permit and exception fees	32,450	35,970
Miscellaneous income	5,083	5,161
Total operating revenues	<u>722,006</u>	<u>782,481</u>
OPERATING EXPENSES		
Accounting	17,500	16,720
Advertising	10,892	13,129
Auto expense	26,952	25,128
Engineering	55,230	23,885
GMA 8 contribution	13,149	28,668
Insurance	3,780	3,698
Legal	27,972	17,347
Office expense	38,585	38,703
Payroll and related taxes and benefits	439,139	418,309
Travel and training	8,837	12,299
Water well monitoring	18,780	29,231
Website services	107	1,003
Other	7,662	2,206
Depreciation and amortization	39,813	38,219
Total operating expenses	<u>708,398</u>	<u>668,545</u>
OPERATING INCOME	13,608	113,936
NON-OPERATING INCOME		
Interest revenue	98,776	106,205
Total non-operating income	<u>98,776</u>	<u>106,205</u>
Changes in net position	112,384	220,141
NET POSITION, beginning of year	<u>2,969,812</u>	<u>2,749,671</u>
NET POSITION, end of year	<u><u>\$ 3,082,196</u></u>	<u><u>\$ 2,969,812</u></u>

The accompanying notes are an integral part of the financial statements.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT

Statements of Cash Flows

Years Ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 737,529	\$ 818,456
Cash paid to suppliers	(230,129)	(213,158)
Cash paid to employees	(424,123)	(394,217)
Net cash provided by operating activities	<u>83,277</u>	<u>211,081</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	-	(17,695)
Principal payments on lease liability	-	(488)
Net cash used in capital and related financing activities	<u>-</u>	<u>(18,183)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned on cash holdings	98,776	106,205
Net cash provided by investing activities	<u>98,776</u>	<u>106,205</u>
Net changes in cash and cash equivalents	182,053	299,103
CASH AND CASH EQUIVALENTS, beginning of year	<u>2,469,978</u>	<u>2,170,875</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 2,652,031</u></u>	<u><u>\$ 2,469,978</u></u>
RECONCILIATION OF OPERATING INCOME TO THE STATEMENT OF NET POSITION		
Cash and cash equivalents	\$ 2,612,826	\$ 2,436,478
Restricted cash	39,205	33,500
Total cash	<u><u>\$ 2,652,031</u></u>	<u><u>\$ 2,469,978</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 13,608	\$ 113,936
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization expense	39,813	38,219
Changes in assets and liabilities		
Accounts receivable	9,818	43,510
Prepaid expenses	5,500	(500)
Deferred outflows	(10,007)	(18,365)
Accounts payable and accrued liabilities	(6,183)	(641)
Compensated absences	29,772	-
Driller deposits	5,705	(7,535)
Net pension liability	(8,616)	42,457
Deferred inflows	3,867	-
Net cash provided by operating activities	<u><u>\$ 83,277</u></u>	<u><u>\$ 211,081</u></u>

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 1. ORGANIZATION

The Northern Trinity Groundwater Conservation District (the District) is a political subdivision of the State of Texas created under the authority of Article XVI, Section 59, Texas Constitution, and operating pursuant to the provisions of the Texas Water Code, Chapter 36, and Senate Bill 1983, Acts of the 80th Legislature, Regular Session, 2007. The District commenced operations in 2010.

The District is governed by a Board of Directors, which is comprised of five appointed directors.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District are presented in accordance with U.S. generally accepted accounting principles (GAAP) applicable to independent enterprise agencies as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the nature of operations and significant accounting policies:

A. Nature of Operations

The primary objective of the District is to protect the groundwater resources within Tarrant County, Texas, to promote recharge of the aquifers, and to work with others to ensure a sustainable, adequate, high quality and cost effective supply of water.

B. Reporting Entity

The financial statements of the District include all activities of the primary government, organization and functions as required by accounting principles generally accepted in the United States of America. The District does not have any component units and does not meet the requirements, as defined in Governmental Accounting Standards Board Statements 14, 39, and 61, to be included as a component unit in any other governmental entities.

C. Basis of Accounting

The activities of the District are similar to those of enterprise funds of local jurisdictions and, therefore, are reported as an enterprise fund. Enterprise funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

D. Budgetary Data

The District maintains control over operating expenses by the establishment of an annual operating budget. Budgets are prepared on the accrual basis of accounting consistent with GAAP. An annual proposed budget is presented to the Board of Directors. Following discussion, the Board of Directors adopts the budget. The operating budget includes only proposed expenses and the means of financing them.

E. Financial Reporting

Revenues are distinguished between operating and non-operating. Operating revenues, such as charges for water production, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as interest income, result from non-exchange transactions or ancillary activities. Expenses, such as interest expense, are considered non-operating expenses.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Cash Equivalents

Certain cash and cash equivalents of the District are classified as restricted assets on the statements of net position because their use is limited to the repayment of permit deposits of customers.

For purposes of the statements of cash flows, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

G. Accounts Receivable

Receivables are carried at net realizable value. Management evaluates the collectability of the receivables based on prior experience, review of individual accounts, historical losses, existing economic conditions and other pertinent factors. Management charges off receivables when it becomes certain that the balance is uncollectible. Accounts considered uncollectible are charged to the allowance. At December 31, 2025 and 2024, the District considers all amounts due from others to be fully collectible; therefore, no allowance has been recorded.

H. Prepaid Items

Certain payments to vendors reflects costs applicable to future periods and are recorded as prepaid items.

I. Capital and Right-to-Use Assets

The District capitalizes assets with an initial cost of \$1,500 or more with a useful life of more than one year. Purchased or constructed capital assets are reported at cost. Right-to-use lease assets are reported as present value of the future lease payments (lease liability), plus any ancillary cost to place the asset in service, plus any additional payments made at the beginning of the lease term, less any lease incentives received from the lessor prior to the commencement of the lease term. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Depreciation and amortization are recorded on a straight-line basis over the estimated useful life of the asset, which is 5 years for vehicles, 5 - 10 years for intangible assets, and 7 years for furniture and equipment.

J. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

K. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Pensions

For purposes of measuring the net pension liability, deferred outflows and deferred inflows related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCDRS' Fiduciary Net Position have been determined on the same basis as they are reported by TCDRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Net Position Flow Assumption

Net position represents the difference between assets, deferred outflows, liabilities, and deferred inflows. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and/or regulations of other governments. Unrestricted net position is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position".

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

N. Revenue Recognition

The District recognizes revenue related to charges for water production in the period in which they can be reasonably estimated, which is the period in which the related production reports relate to. Revenue related to charges for new wells is recognized as received. Fees received that are applicable to future periods, if any, are recorded as unearned revenue.

O. Concentration of Credit Risk

The District is a political subdivision that regulates water well drilling of its customers, all of whom reside in Tarrant County, Texas. Credit risk is limited due to the large number of customers comprising the District's customer base.

P. Implementation of New Standard

In 2025, the District implemented GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to improve financial reporting by providing users of financial statements with essential information regarding certain concentrations of constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this statement are effective for reporting periods beginning after June 15, 2024 and was implemented in the District's fiscal year 2025 financial statements with no impact to amounts or disclosures previously reported.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 3. CASH AND CASH EQUIVALENTS

During the years ended December 31, 2025 and 2024, the District did not own any investments. All cash and cash equivalents are deposits with financial institutions.

A. Authorized Investments

The District is authorized by its policy and the Public Funds Investment Act (PFIA) to invest in the following: (1) obligations, including letters of credit, of the United States of America, certain U.S. agencies, and the state of Texas and its agencies and instrumentalities, (2) municipal securities, (3) bonds issued, assumed, or guaranteed by the state of Israel, (4) certificates of deposit, (5) no-load money market mutual funds, (6) investment pools that meet the requirements of the PFIA, and (7) any other investment authorized by the PFIA, unless prohibited by other law.

B. Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The carrying amount and bank balance of the District's deposits at December 31, 2025 were \$2,652,031 and \$2,678,631, respectively and at December 31, 2024 were \$2,469,978 and \$2,479,170, respectively. As of December 31, 2025 and 2024, \$500,000 of the bank balance was covered by federal depository insurance, with the remaining balance covered by pledged collateral, leaving all accounts fully collateralized. The District believes it is not exposed to any significant credit risk on its cash and equivalent balances.

C. Interest Rate Risk

The District's investment policy requires investments be made in a manner to attain the maximum rate of return allowed through prudent and legal investing of District funds while preserving and protecting capital in the overall portfolio. The District's policy further controls interest rate risk by limiting the term of any single investment to a maximum of thirteen (13) months. As of December 31, 2025 and 2024, the District was not invested in any investments subject to interest rate risk.

D. Credit Risk and Concentration of Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the District's policy to allow for investments in obligations of the U.S. or its agencies and instrumentalities, certificates of deposit, and local government investment pools.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 was as follows:

	Balance 1/1/2025	Additions	Retirements/ Adjustments	Balance 12/31/2025
Business-type activities:				
Capital assets being depreciated				
Vehicles	\$ 44,981	\$ -	\$ -	\$ 44,981
Furniture and equipment	6,494	-	-	6,494
Intangible assets	285,893	-	-	285,893
Total capital assets being depreciated	337,368	-	-	337,368
Less accumulated depreciation				
Vehicles	(22,490)	(8,996)	-	(31,486)
Furniture and equipment	(1,180)	(928)	-	(2,108)
Intangible assets	(139,481)	(29,889)	-	(169,370)
Total accumulated depreciation	(163,151)	(39,813)	-	(202,964)
Business-type activities capital assets, net	<u>\$ 174,217</u>	<u>\$ (39,813)</u>	<u>\$ -</u>	<u>\$ 134,404</u>

Depreciation expense amounted to \$39,813 and \$38,219 in 2025 and 2024, respectively.

NOTE 5. NONCURRENT LIABILITIES

The following is a summary of all long-term liability transactions of the District for the year ended December 31, 2025:

Description	Beginning Balance 1/1/2025	Increases	Decreases	Ending Balance 12/31/2025	Due Within One Year
Business-type activities					
Compensated absences	\$ -	\$ 29,772	\$ -	\$ 29,772	\$ 12,811
Net pension liability	50,135	-	(8,616)	41,519	-
Total business-type activities	<u>\$ 50,135</u>	<u>\$ 29,772</u>	<u>\$ (8,616)</u>	<u>\$ 71,291</u>	<u>\$ 12,811</u>

NOTE 6. LEASES

The District entered into an operating lease agreement in February 2024 for an initial one-year term with two additional one-year extension options. The lease requires monthly payments of \$696. Rent is payable monthly in accordance with the terms of the lease. The lease also allows either party to terminate the agreement upon 90 days' notice without permission from the other party.

Under GASB Statement No. 87, *Leases*, as amended by GASB Statement No. 99, periods for which both the lessee and the lessor have an unconditional right to terminate the lease without permission from the other party are cancellable periods and are excluded from the lease term. Accordingly, because either party may terminate the lease upon 90 days' notice, the District excluded periods beyond the noncancellable notice period from the lease term, unless the termination right is conditional or other terms of the agreement create an enforceable noncancellable period.

For the fiscal year ended December 31, 2025, the District recognized lease expense/outflows of resources of \$8,352 related to this lease.

NOTE 7. CONTINGENCIES

From time to time, the District may be a defendant in legal proceedings related to its operations as a groundwater conservation district. In the opinion of management, the ultimate outcome of such matters, if any, will not have a material effect on the financial condition of the District.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 8. RETIREMENT PLAN

A. Plan Description

The District provides retirement benefits for all of its full-time and part-time employees through a nontraditional defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the state-wide agent multiple-employer public employee retirement. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034 or at www.tcdrs.org.

B. Benefits Provided

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 5 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 80 or more, when vested. Members are vested after 5 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can expect to be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. There are no automatic post-employment benefit changes, including automatic COLAs.

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1
Inactive employees entitled to but not yet receiving benefits	0
Active employees	3
	<u>4</u>

C. Contributions

The District has elected the annually determined contribution rate (Variable Rate) plan provision of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually.

The District contributed using the actuarially required contribution rate of 11.41% for the 2025 calendar year. The deposit rate payable by the employee members for calendar year 2025 is the rate of 7.00% as adopted by the governing body of the District. The employee and employer deposit rates may be changed by the governing body of the District within the options available in the TCDRS Act.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 8. RETIREMENT PLAN (CONTINUED)

D. Net Pension Liability

The District's Net Pension Liability (NPL) for the year ended December 31, 2025, was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	4.70% per year
Investment Rate of Return	7.50%, net of administrative and investment expense, including inflation

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.50% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.70% per year for a career employee.

Mortality rates for depositing members were based on 135% of the Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Employees Amount-Weighted Mortality Table for females as appropriate, both projected with 100% of the MP-2021 Ultimate scale after 2010. Service retirees, beneficiaries and non-depositing members were based on 135% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010. Disabled retirees were based on 160% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over the years 2017-2020 and were adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were adopted by the TCDRS Board of Trustees in March of 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pension liability as of December 31, 2024. The assumptions are reviewed annually for continued compliance with the relevant standards of practice.

The long-term expected rate of return of 7.50% is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2025 information for a 10-year time horizon and are re-assessed in detail at a minimum every four years, and it is set based on a long-term time horizon. Best estimates of geometric real rates of return (net of inflation, assumed at 2.35%) for each major asset class included in the target asset allocation (per Cliffwater's 2025 capital market assumptions) were adopted at the March 2025 TCDRS board meeting and are summarized below:

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 8. RETIREMENT PLAN (CONTINUED)

D. Net Pension Liability (continued)

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (2)
US Equities	Dow Jones U.S. Total Stock Market Index	13.00%	5.35%
Global Equities	MSCI World (net) Index	4.00%	5.15%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	6.00%	4.75%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	0.00%	4.75%
Investment-Grade Bonds	Bloomberg U.S. Aggregate Bond Index	3.00%	2.55%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.70%
Direct Lending	Morningstar LSTA Leveraged Loan TR USD Index	16.00%	6.85%
Distressed Debt	Cambridge Associates Distressed Securities Index (3)	4.00%	6.80%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.95%
Master Limited Partnerships	Alerian MLP Index	2.00%	4.95%
Commodities	Bloomberg Commodities Index	2.00%	1.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	6.00%	5.75%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (5)	25.00%	8.15%
Hedge Funds	HFR, Inc. Fund of Funds Composite Index	6.00%	3.60%
Cash Equivalents	90-Day U.S. Treasury	2.00%	1.10%
Total		100.0%	

(1) Target asset allocation adopted at the March 2025 TCDRS Board meeting

(2) Geometric real rates of return equal the expected return minus the asset class minus the assumed inflation rate of 2.35%, per Cliffwater's 2025 capital market assumptions.

(3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

(4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

(5) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.60%. Using the alternative method, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments based on the funding requirements under the District's funding policy and the legal requirements under the TCDRS Act.

1. TCDRS has a funding policy where the unfunded actuarial accrued liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.
2. Under the TCDRS Act, the District is legally required to make the contribution specified in the funding policy.
3. The District assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the District is still required to contribute at least the normal cost.
4. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and the net pension liability of the District is equal to the long-term assumed rate of return on investments, net of investment expenses but gross of inflation.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 8. RETIREMENT PLAN (CONTINUED)

D. Net Pension Liability (continued)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balance at 12/31/2023	\$ 337,191	\$ 287,056	\$ 50,135
Changes for the year:			
Service cost	34,151	-	34,151
Interest on total pension liability (1)	27,827	-	27,827
Effect of plan changes (2)	-	-	-
Effect of economic/demographic gains or losses	20,495	-	20,495
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	-	-	-
Benefit payments	(10,576)	(10,576)	-
Administrative expenses	-	(200)	200
Member contributions	-	22,109	(22,109)
Net investment income	-	30,272	(30,272)
Employer contributions	-	36,196	(36,196)
Other (3)	-	2,712	(2,712)
Net changes	\$ 71,897	\$ 80,513	\$ (8,616)
Balance at 12/31/2024	\$ 409,088	\$ 367,569	\$ 41,519

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) No plan changes valued.

(3) Relates to allocation of system-wide items.

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the District, calculated using the discount rate of 7.60%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60%) or 1-percentage point higher (8.60%) than the current rate:

	1% Decrease in Discount Rate (6.60%)	Discount Rate (7.60%)	1% Increase in Discount Rate (8.60%)
Total pension liability	\$ 464,995	\$ 409,088	\$ 362,041
Fiduciary net position	367,569	367,569	367,569
Net pension liability (asset)	\$ 97,426	\$ 41,519	\$ (5,528)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. That report may be obtained on the internet at www.tcdrs.org.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 8. RETIREMENT PLAN (CONTINUED)

D. Net Pension Liability (continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2025, the District recognized pension expense of \$23,764.

As of December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 75,443
Changes of assumptions	2,646	2,383
Net difference between projected and actual earnings	1,221	-
Contributions subsequent to the measurement date	N/A	38,519
Total	\$ 3,867	\$ 116,345

\$38,519 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Valuation year ended December 31:	
2025	\$ 10,292
2026	15,073
2027	8,405
2028	4,369
2029	5,686
Thereafter	30,134

NOTE 9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, natural disasters, and the litigious nature of the political environment in which it operates. The District is covered through third-party insurance policies, and risk is also mitigated by the protections afforded it through the Texas Water Code, Chapter 36, Sections 36.066, 36.251 and 36.253. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settlements have not exceeded coverage in the prior three fiscal years.

NOTE 10. RECLASSIFICATIONS

Certain amounts previously reported within Other Revenues have been reclassified to Nonoperating Revenues to conform the prior presentation to the current-year presentation. Specifically, Interest Revenue was previously included in Other Revenues and is now presented within Nonoperating Revenues. This reclassification had no effect on the previously reported change in net position, total net position, or cash flows and affected only the classification and presentation of revenues.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Financial Statements

NOTE 11. SUBSEQUENT EVENTS

The District evaluated subsequent events through July 29, 2026, the date the financial statements were issued.

On September 24, 2025, the Board of Directors approved an increase in the water usage fee rate from \$0.155 to \$0.160 per 1,000 gallons effective January 1, 2026. The fee increase occurred after December 31, 2025 and relates to conditions arising after that date. Accordingly, the increase is reported as a non-recognized subsequent event and no adjustment has been made to the amounts reported in the financial statements as of and for the year ended December 31, 2025.

Management believes the effect on future water usage fee revenues cannot reasonably be estimated because future water usage volumes may vary based on customer demand, weather conditions, and other operating factors.

REQUIRED SUPPLEMENTARY INFORMATION

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT

Schedule of Changes in Net Pension Liability and Related Ratios

Last 10 Measurement Years (will ultimately be displayed)

	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability								
Service Cost	\$ 34,151	\$ 22,936	\$ 16,364	\$ 16,874	\$ 14,964	\$ 14,280	\$ 30,702	\$ 24,660
Interest on total pension liability	27,827	19,669	16,041	12,934	9,603	6,309	4,685	1,997
Effect of plan changes	-	49,754	-	-	-	-	474	-
Effect of assumption changes or inputs	-	-	-	(3,702)	6,109	-	-	462
Effect of economic/demographic (gains) or losses	20,495	14,350	19,330	21,832	20,338	19,388	611	22
Benefit payments/refunds of contributions	(10,576)	(10,576)	(10,576)	(2,644)	-	-	-	-
Net Change in Total Pension Liability	71,897	96,133	41,159	45,294	51,014	39,977	36,472	27,141
Total Pension Liability, beginning	337,191	241,058	199,899	154,605	103,591	63,613	27,141	-
Total Pension Liability, ending (a)	<u>\$ 409,088</u>	<u>\$ 337,191</u>	<u>\$ 241,058</u>	<u>\$ 199,899</u>	<u>\$ 154,605</u>	<u>\$ 103,590</u>	<u>\$ 63,613</u>	<u>\$ 27,141</u>
Fiduciary Net Position								
Employer contributions	\$ 36,196	\$ 16,042	\$ 17,399	\$ 14,197	\$ 14,339	\$ 13,791	\$ 13,211	\$ 10,689
Member contributions	22,109	21,029	19,549	19,875	20,400	19,424	18,683	15,115
Investment income net of investment expenses	30,272	25,911	(15,046)	36,469	10,731	9,689	(138)	415
Benefit payments/refunds of contributions	(10,576)	(10,576)	(10,576)	(2,644)	-	-	-	-
Administrative expenses	(200)	(150)	(137)	(118)	(109)	(79)	(48)	(18)
Other	2,712	1,420	3,895	932	1,038	1,152	953	346
Net Change in Fiduciary Net Position	80,513	53,676	15,084	68,711	46,399	43,977	32,661	26,547
Fiduciary Net Position, beginning	287,056	233,380	218,296	149,585	103,186	59,208	26,547	-
Fiduciary Net Position, ending (b)	<u>\$ 367,569</u>	<u>\$ 287,056</u>	<u>\$ 233,380</u>	<u>\$ 218,296</u>	<u>\$ 149,585</u>	<u>\$ 103,185</u>	<u>\$ 59,208</u>	<u>\$ 26,547</u>
Net Pension Liability (Asset), ending = (a) - (b)	\$ 41,519	\$ 50,135	\$ 7,678	\$ (18,397)	\$ 5,020	\$ 405	\$ 4,405	\$ 594
Fiduciary net position as a % of total pension liability	89.85%	85.13%	96.81%	109.20%	96.75%	99.61%	93.08%	97.81%
Pensionable covered payroll	\$ 315,645	\$ 300,416	\$ 279,270	\$ 283,934	\$ 291,435	\$ 277,492	\$ 266,894	\$ 215,934
Net pension liability as a % of covered payroll	13.15%	16.69%	2.75%	-6.48%	1.72%	0.15%	1.65%	0.28%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT

Schedule of Employer Contributions

Last 10 Fiscal Years

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2016					
2017	10,689	10,689	-	215,934	5.0%
2018	13,211	13,211	-	266,894	4.9%
2019	13,791	13,791	-	277,492	5.0%
2020	14,339	14,339	-	291,435	4.9%
2021	14,197	14,197	-	283,934	5.0%
2022	17,399	17,399	-	279,270	6.2%
2023	16,042	16,042	-	300,416	5.3%
2024	36,196	36,196	-	315,845	11.5%
2025	38,519	38,519	-	337,491	11.4%

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT
Notes to Required Supplementary Information

Notes to Schedule of Employer Contributions

Valuation Date

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates (Dec. 31, 2022 valuation for 2024 contributions)

Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	16.9 years (based on contribution rate calculated in 12/31/2024 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	2015: New inflation, mortality and other assumptions were reflected 2017: New mortality assumptions were reflected 2019: New inflation, mortality and other assumptions were reflected 2022: New investment return and inflation assumptions were reflected
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: No applicable, prior to TCDRS participation. 2016: No applicable, prior to TCDRS participation. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2022: No changes in plan provisions were reflected in the Schedule. 2023: No changes in plan provisions were reflected in the Schedule. 2024: Employer contributions reflect that the current service matching rate was increased to 200% for future benefits.

**Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule*

SUPPLEMENTARY INFORMATION

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT

Budgetary Comparison Schedule

Year Ended December 31, 2025

	GAAP Basis			Variance -
	Budgeted Amounts			Positive
	Original	Final	Actual	(Negative)
OPERATING REVENUES				
Charges for water production fees	\$ 571,900	\$ 571,900	\$ 534,254	\$ (37,646)
Charges for new wells	115,000	115,000	90,500	(24,500)
Forfeited driller deposits	6,500	6,500	8,600	2,100
Penalties assessed	5,000	5,000	51,119	46,119
Permit and exception fees	27,350	27,350	32,450	5,100
Miscellaneous income	4,600	4,600	5,083	483
Total operating revenues	730,350	730,350	722,006	(8,344)
OPERATING EXPENSES				
Accounting	17,500	17,500	17,500	-
Advertising	25,000	25,000	10,892	14,108
Auto expense	32,800	32,800	26,952	5,848
Aquifer storage recovery	1,000	1,000	-	1,000
Engineering	70,000	70,000	55,230	14,770
GMA 8 contribution	25,000	25,000	13,149	11,851
Insurance	6,700	6,700	3,780	2,920
Legal	40,000	40,000	27,972	12,028
Office expense	62,601	62,601	38,585	24,016
Payroll	427,019	427,019	439,139	(12,120)
Travel and training	18,000	18,000	8,837	9,163
Water well monitoring	38,000	38,000	18,780	19,220
Website services	19,500	19,500	107	19,393
Other	6,000	6,000	7,662	(1,662)
Depreciation	-	-	39,813	(39,813)
Total operating expenses	789,120	789,120	708,398	80,722
OPERATING INCOME	(58,770)	(58,770)	13,608	72,378
NON-OPERATING INCOME				
Interest revenue	65,000	65,000	98,776	33,776
Total non-operating income	65,000	65,000	98,776	33,776
Change in net position	6,230	6,230	112,384	106,154
NET POSITION - beginning of year	2,969,812	2,969,812	2,969,812	-
NET POSITION - end of year	\$ 2,976,042	\$ 2,976,042	\$ 3,082,196	\$ 106,154

NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICT

Budgetary Comparison Schedule Year Ended December 31, 2024

	GAAP Basis			Variance - Positive (Negative)
	Budgeted Amounts Original	Final	Actual	
OPERATING REVENUES				
Charges for water production fees	\$ 542,500	\$ 542,500	\$ 581,957	\$ 39,457
Charges for new wells	130,000	130,000	118,000	(12,000)
Forfeited driller deposits	8,000	8,000	20,800	12,800
Penalties assessed	5,000	5,000	20,593	15,593
Permit and exception fees	36,150	36,150	35,970	(180)
Miscellaneous income	4,600	4,600	5,161	561
Total operating revenues	726,250	726,250	782,481	56,231
OPERATING EXPENSES				
Accounting	16,000	16,720	16,720	-
Advertising	25,000	25,000	13,129	11,871
Auto expense	31,800	31,800	25,128	6,672
Aquifer storage recovery	1,000	1,000	-	1,000
Engineering	75,000	74,280	23,885	50,395
GMA 8 contribution	53,000	53,000	28,668	24,332
Insurance	6,000	6,000	3,698	2,302
Legal	50,000	50,000	17,347	32,653
Office expense	57,600	57,600	38,703	18,897
Payroll	399,964	399,964	418,309	(18,345)
Travel and training	16,000	16,000	12,299	3,701
Water well monitoring	30,000	30,000	29,231	769
Website services	20,000	20,000	1,003	18,997
Other	4,500	4,500	2,206	2,294
Depreciation	-	-	38,219	(38,219)
Total operating expenses	785,864	785,864	668,545	117,319
OPERATING INCOME	<u>(59,614)</u>	<u>(59,614)</u>	<u>113,936</u>	<u>173,550</u>
NON-OPERATING INCOME				
Interest revenue	60,000	60,000	106,205	46,205
Total non-operating income	60,000	60,000	106,205	46,205
Change in net position	386	386	220,141	219,755
NET POSITION - beginning of year	<u>2,749,671</u>	<u>2,749,671</u>	<u>2,749,671</u>	<u>-</u>
NET POSITION - end of year	<u>\$ 2,750,057</u>	<u>\$ 2,750,057</u>	<u>\$ 2,969,812</u>	<u>\$ 219,755</u>