



LOWER BRUSHY CREEK WCID
Regular Called Meeting of the Board of Directors
On Monday July 25, 2022 at 7:30am

Edmond S Komandosky, President
Scott Ging, Vice President **Monica Masters, Secretary**
Mike Schneider, Treasurer **Allen R David, Director**

Notice is hereby given for a regular called meeting of the Board of Directors of the Lower Brushy Creek WCID to be held on **Monday July 21, 2022 at 7:30 am** at the Greater Taylor Chamber of Commerce, 1519 North Main Street, Taylor, Texas 76574 for the purpose of considering the following agenda items. The Board of Directors will meet, consider, deliberate and may take action on all agenda items.

BOARD PACKET

- Agenda 2 pages
- Consider approval of meeting minutes
Regular called meeting minutes of June 20, 2022 1 page
- Consider approval of financial reports:
Account Register for June 2022 1 page
Financial Statement 3rd Quarter FY 22 1 page
Investment Report 3rd Quarter FY 22 1 page
- Consideration and Approval to enter into agreement to authorize Maxwell, Locke & Ritter, LLP to perform auditing services for FY 22 13 pages
- Consideration and approval of Amendment No 2 3 pages
- Consideration and possible action to approve first reading of Proposed Budget FY 23 4 pages
- Consideration and possible action to approve first reading of First reading of Ordinance #2022-01 2 pages
- Consideration and approval of FY 24 Board Election Guidelines 3 pages
- Consideration and approval of Partial Release of Easements 3 pages
- General Manager's Report 2 pages

JUL 18 2022

Nancy E. Ritter
County Clerk, Williamson Co. TX



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

Edmond S Komandosky, President
Scott Ging, Vice President **Monica P Masters, Secretary**
Mike Schneider, Treasurer **Allen R David, Director**

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Notice is hereby given for a regular called meeting of the Board of Directors of the Lower Brushy Creek WCID to be held on **Monday, July 25, 2022 at 7:30 am** at the Greater Taylor Chamber of Commerce, 1519 North Main Street, Taylor, Texas 76574 for the purpose of considering the following agenda items. The Board of Directors will meet, consider, deliberate and may take action on all agenda items.

AGENDA

1. Welcome, Call to Order, and determination of a Quorum;
2. Citizens Communications - *an opportunity for the public to address the Board on agenda items or concerns not on the agenda (limited to 3 minutes each)*
3. Consider approval of meeting minutes of the *Regular called meeting of June 20, 2022*
4. Consider approval of financial reports:
 - a. *Account Register for June 2022*
 - b. *Quarterly Financial Report for the 3rd Quarter FY 22*
 - c. *Quarterly Investment Report for the 3rd Quarter FY 22*
5. Consideration and approval to enter into an agreement to authorize Maxwell, Locke and Ritter, LLP to perform auditing services for FY 22 for a not-to-exceed amount of \$16,000
6. Consideration and approval to appoint James Clarno as the WCID's Investment Officer, subject to his completing Texas Public Finance Investment Act Training, effective October 1, 2022
7. Consideration and approval of Amendment No. 2 to Contract Number LBRUSHY18-ESF-548-21 from the Texas State Soil and Water Conservation Board for increase the budget for the upgrade to Lower Brushy Creek Site 18 for the following amounts:

Estimated Construction Cost Including contingency	\$4,036,000.00
Grant for construction (98.25%)	\$3,965,370.00
Grant for project management (3%)	\$118,961.10
Total grant amount	\$4,084,331.10
Total local share	\$70,630.00

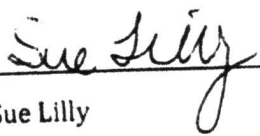
8. Presentation by General Manager of Proposed Budget for FY 23 and Tax Rate for 2022

9. Consideration and possible action to approve the first reading of the Proposed Budget for FY 23
10. Consideration and possible action to approve the first reading of *Ordinance #2022-01 - An Order Levying Taxes for the Maintenance and Operation of the Lower Brushy Creek Water Control & Improvement District*
11. Consideration and approval of FY 24 Board of Directors Election Guidelines
12. Consideration and approval of Partial Release of Easements along FM 1466 east of Coupland and downstream from Site 32 to the Texas Department of Transportation
13. Agency Reports
14. Consideration and discussion of the General Manager's report and update
15. Adjournment.

"The Lower Brushy Creek Water Control & Improvement District Board of Directors reserves the right to adjourn into executive session at any time during the meeting to discuss any of the matters listed above, as authorized by Texas Local Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations regarding Real Property), 551.073 (Deliberations regarding Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations regarding Security Devices), and 551.087 (Deliberations regarding Economic Development Negotiations).

CERTIFICATION

I certify that a copy of the July 25, 2022 agenda of items to be considered by the Board of Directors of the Lower Brushy Creek WCID was posted on July 18, 2022



 Sue Lilly
 District Clerk

Minutes of the June 20, 2022
Meeting of the Board of Directors of the Lower Brushy Creek WCID

President Ed Komandosky called the Regular Meeting of the Board of Directors of the Lower Brushy Creek WCID to order at 7:31am on Monday June 20, 2022 and announced that a quorum was present. Board members present included Vice President Scott Ging, Secretary Monica Masters and Director Allen David. Others present included, General Manager Jim Clamo, Communications Consultant Richard Stone and Board Attorney Ted Hejl.

There were no citizens communications.

General Manager, Jim Clamo, presented for consideration and approval the May 9, 2022 Special Called Meeting Minutes and May 16, 2022 Regular Called Meeting Minutes. A motion was made by Director Allen David to approve the meeting minutes as presented. The motion was seconded by Vice President Scott Ging and approved by a vote of 4-0.

Clamo presented for consideration and approval of the following Financial Reports: Checking Account Register for May 2022. A motion was made by Vice President Ging to approve the financial reports as presented. The motion was seconded by Secretary Monica Masters and approved by a vote of 4-0.

An Election of Officers was held for consideration and approval following the 2022 Elections. A motion was made by Secretary Masters to keep the board positions "as is". The motion was seconded by Vice President Ging and approved by a vote of 4-0.

Clamo presented for consideration and approval of Change Order No 5/Final in the amount of \$170,822.45 for the Site 18 Upgrade Project. A motion was made by Secretary Masters to approve the Change Order as presented. The motion was seconded by Director David and approved by a vote of 4-0.

Clamo presented for information and discussion, the possible major maintenance/minor repairs to improve dams- two major needs were identified- fencing and 3 separated discharger pipes.

Clamo presented for discussion the proposed Budget and Goals/Strategic Plan for FY 23.

Clamo, presented for consideration and discussion the General Manager's Report and update.

There were no other director's comments

There being no further business, the meeting was adjourned without objection at 8:19am.

Respectfully submitted:

Monica P Masters
Secretary

Lower Brushy Creek WCID
 FY 22 Account Register
 For the period ending
 June 30, 2022

Balance as of 06/01/22
 TexPool Acct (General Fund) \$583,566.46
 TexPool Acct (Rainy Day Fund) \$200,213.23
 City National Bank \$34,637.01
Total Funds Available \$818,416.70

Income
 06/13/22 TSSWCB \$258,687.58
 06/16/22 Deposit \$25,000.00
 06/21/22 TexPool (General Fund) \$250.00
 various TexPool (General Fund) \$3,353.95
 06/30/22 TexPool (General Fund) \$469.24
 06/30/22 TexPool (Rainy Day Fund) \$164.76
Total Income \$287,925.53

Expenses
 06/03/22 1912 Scott Ging \$300.00
 06/06/22 1911 Ed Komandosky \$300.00
 06/08/22 1915 Allen David \$200.00
 06/13/22 1791 Monica Masters \$300.00
 06/13/22 1818 Monica Masters \$100.00
 06/13/22 1855 Monica Masters \$200.00
 06/13/22 1867 Monica Masters \$100.00
 06/13/22 1897 Monica Masters \$100.00
 06/13/22 1913 Monica Masters \$300.00
 06/16/22 1916 Southern Infrastructure Group LLC \$25,000.00
 06/17/22 1918 Freese & Nichols \$255,626.45
 06/21/22 1920 Clark L Jackson PC \$14,511.31
 06/22/22 1922 Heritage Office Suites \$350.00
 06/22/22 1924 Clarno Consulting \$979.00
 06/24/22 1923 Williamson Country Appraisal Dist. \$6,500.00
 06/28/22 1917 TerraSol \$766.50
 06/30/22 \$14,250.00
 Transfer from Texpool to Checking \$25.56
 Site 18 Upgrade
 FY 21 Maintenance Inspections
 Accounting Services
 Office Rental
 General Manager's Fees
 Appraisal District
 Site 10 Maintenance
 Debit Card Purchase- Thrall
Total Expenses \$319,908.82

Balance as of 05/31/22
 TexPool Acct (General Fund) \$562,389.65
 TexPool Acct (Rainy Day Fund) \$200,377.99
 City National Bank Acct \$23,665.77
Total Funds Available \$786,433.41

LOWER BRUSHY CREEK WCID
Financial Statement
Third Quarter of FY 22

Description	1st Quarter	2nd Quarter	3rd Quarter	Total to Date	FY 22 Budget (Approved)	% of budget
INCOME						
Tax Income	\$320,385.02	\$236,928.10	\$11,162.55	\$568,475.67	\$570,000.00	99.73%
TSSWCB Grants						
Maintenance Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$226,800.00	0.00%
Repair Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$208,477.00	0.00%
Rehabilitation Grants	\$2,027,565.53	\$1,310,193.54	\$579,807.34	\$3,917,566.41	\$3,815,532.00	102.67%
Total TSSWCB Grant Income	\$2,027,565.53	\$1,310,193.54	\$579,807.34	\$3,917,566.41	\$4,250,809.00	92.16%
Other Income						
Permits, fees and interest	\$39.72	\$182.96	\$1,536.20	\$1,758.88	\$600.00	293.15%
Total Other Income	\$39.72	\$182.96	\$1,536.20	\$1,758.88	\$600.00	293.15%
TOTAL INCOME	\$2,347,990.27	\$1,547,304.60	\$592,506.09	\$4,487,800.96	\$4,821,409.00	93.08%
EXPENSES						
Administrative Expenses						
General Manager	\$18,000.00	\$18,000.00	\$19,500.00	\$55,500.00	\$72,000.00	77.08%
District Clerk	\$2,020.00	\$820.00	\$860.00	\$3,700.00	\$15,000.00	24.67%
Directors Fees	\$400.00	\$1,200.00	\$3,100.00	\$4,700.00	\$7,500.00	62.67%
Professional Services - Accounting	\$1,050.00	\$1,050.00	\$1,050.00	\$3,150.00	\$4,800.00	65.63%
Professional Services - Auditing	\$0.00	\$0.00	\$15,500.00	\$15,500.00	\$15,500.00	100.00%
Professional Services - Communiations	\$7,446.65	\$2,000.00	\$3,000.00	\$12,446.65	\$18,000.00	69.15%
Professional Services - Engineering/Surveying						
General	\$0.00	\$0.00	\$984.25	\$984.25	\$0.00	
Inspection of all dams	\$0.00	\$11,114.00	\$16,881.73	\$27,995.73	\$30,000.00	
Breach maps for Emergency Action Plans	\$58,309.71	\$0.00	\$0.00	\$58,309.71	\$75,000.00	
Emergency Action Plans	\$0.00	\$0.00	\$0.00	\$0.00	\$30,000.00	
Other	\$0.00	\$0.00	\$0.00	\$0.00	\$40,000.00	
Total Engineering/Surveying	\$58,309.71	\$11,114.00	\$17,865.98	\$87,289.69	\$175,000.00	49.88%
Professional Services - Legal	\$360.00	\$520.00	\$0.00	\$880.00	\$12,000.00	7.33%
Professional Services - USGS	\$0.00	\$7,500.00	\$7,500.00	\$15,000.00	\$40,000.00	37.50%
Advertising/Legal Notices	\$3,374.50	\$1,199.00	\$0.00	\$4,573.50	\$6,000.00	76.23%
Bonds/Insurance	\$1,330.84	\$0.00	\$130.00	\$1,460.84	\$2,000.00	73.04%
Dues/Subscriptions/ProfDevelopment	\$251.28	\$385.00	\$0.00	\$636.28	\$2,500.00	25.45%
Meals/Entertainment	\$0.00	\$323.14	\$25.56	\$348.70	\$500.00	69.74%
Office - rental/deposit	\$2,745.00	\$2,589.45	\$2,937.00	\$8,271.45	\$10,000.00	82.71%
Office - furniture/equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	0.00%
Office - Supplies	\$201.29	\$60.71	\$0.00	\$262.00	\$2,500.00	10.48%
Postage/Delivery Charges	\$0.00	\$0.00	\$400.00	\$400.00	\$600.00	66.67%
Travel/Mileage	\$1,500.00	\$1,500.00	\$0.00	\$3,000.00	\$6,400.00	46.88%
Website	\$0.00	\$75.76	\$766.50	\$842.26	\$2,400.00	35.09%
Williamson Central Appraisal District	\$596.00	\$766.50	\$766.50	\$2,129.00	\$4,000.00	53.23%
Williamson County - Election Office	\$0.00	\$0.00	\$0.00	\$0.00	\$20,000.00	0.00%
Williamson County - Tax Collector/Assessor	\$0.00	\$0.00	\$0.00	\$0.00	\$5,200.00	0.00%
Misc. (5% contingency)	\$0.00	\$0.00	\$1,790.03	\$1,790.03	\$21,000.00	8.52%
Total Administrative Expenses	\$97,585.27	\$49,103.56	\$75,191.57	\$221,880.40	\$443,900.00	49.98%
Project Expenses						
Dam Maintenance	\$19,523.60	\$1,875.00	\$83,384.00	\$104,782.60	\$370,000.00	28.32%
Dam Repairs	\$637,227.55	\$0.00	\$0.00	\$637,227.55	\$214,000.00	297.77%
Dam Rehabilitation	\$1,724,795.72	\$1,296,039.63	\$555,963.81	\$3,576,799.16	\$3,790,000.00	94.37%
Total Project Expenses	\$2,381,546.87	\$1,297,914.63	\$639,347.81	\$4,318,809.31	\$4,374,000.00	98.74%
TOTAL EXPENSES	\$2,479,132.14	\$1,347,018.19	\$714,539.38	\$4,540,689.71	\$4,817,900.00	94.25%

Revised 07/06/22



LOWER BRUSHY CREEK WCID

PO Box 267
Georgetown, Texas 78627

612 Quail Valley Drive
Georgetown, Texas 78626

Board of Directors

Edmond Komandosky
President

Scott Ging
Vice President

Monica P. Masters
Secretary

Mike Schneider
Treasurer and
Investment Officer

Allen R. David
Director

TO: President and Member of the Board of Directors
FROM: Mike Schneider, Treasurer and Investment Officer
DATE: July 25, 2022
SUBJECT: Investment Report
Third Quarter of FY 22

Following please find the Second Quarter Investment Report for FY 22 as required by the *Public Fund Investment Act* (Chapter 2459 of the Texas Government Code, as amended by Chapter 2256) and the *Investment Policy* adopted by the Board of Directors of the Lower Brushy Creek WCID on June 10, 2019:

	Fund	General	Rainy Day
General Manager	Starting Book/Market Value	\$670,277.39	\$200,057.37
	Total Deposits	\$11,162.55	\$0.00
	Total Withdrawn	\$120,000	\$0.00
	Interest Earned	\$949.71	320.62
	Ending Book/Market Value	\$562,389.65	\$200,377.99
	Trade Date	n/a	n/a
Board Attorney	Maturity Date	n/a	n/a

James R. Clarno, P.E.
108 Trinity Lane
Georgetown, TX 78633
Cell: 512.517.7596
Email: jclarno.pe@att.net

Ted W. Hejl
Hejl & Schroeder, PC
P.O. Box 192
311 Talbot Street
Taylor, Texas 76574
Office: 512.365.6348
FAX: 512.365.2226

If you have any questions, please contact Jim Clarno or myself.

Sincerely,

LowerBrushyCreekWCID.com

Mike Schneider,
Investment Officer

June 30, 2022

To the Board of Directors and Mr. Jim Clarno
Lower Brushy Creek Water Control and Improvement District
601 Quail Valley Drive, Suite 112
Georgetown, Texas 78626

Dear Board Members:

We are pleased to confirm our understanding of the services we are to provide Lower Brushy Creek Water Control and Improvement District (the "District") as of and for the year ended September 30, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities and the General Fund, the budgetary comparison information for the General Fund, and the disclosures (collectively, the "financial statements"), which collectively comprise the basic financial statements of the District as of and for the year ended September 30, 2022. Accounting standards generally accepted in the United States of America ("GAAS") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by U.S. generally accepted accounting principles ("GAAP") and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditors' report on the financial statements:

- Supplemental schedules required by the Texas Commission on Environmental Quality
- Schedule of Expenditures of Federal and State Awards

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of Texas Uniform Grant Management Standards ("UGMS").

Auditors' Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance and UGMS, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance and UGMS, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgement and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the District. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste and abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Revenue recognition - property taxes
- Revenue recognition - grant revenue
- Management override - fraud risk

We note that our audit planning procedures are not yet complete, and modifications may be made to these identified significant risks.

Audit Procedures - Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance and UGMS, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and state program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance and UGMS.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance and UGMS.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance and UGMS requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal and state statutes, regulations, and the terms and conditions of federal and state awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* and UGMS for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and UGMS.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal and state awards, and related notes of the District in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance and UGMS based on information provided by you. These nonattest services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal and state awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal and state awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and state awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal and state statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal and state awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance and UGMS; (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal and state awards; federal and state award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance and UGMS, it is management's responsibility to evaluate and monitor noncompliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on the date audit fieldwork commences.

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received, and COVID-19 related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance and UGMS. You agree to include our report on the schedule of expenditures of federal and state awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and state awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and state awards in accordance with the Uniform Guidance and UGMS; (2) you believe the schedule of expenditures of federal and state awards, including its form and content, is stated fairly in accordance with the Uniform Guidance and UGMS; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

With regard to including the auditors' report in an exempt offering document, you agree that the aforementioned auditors' report, or reference to Maxwell Locke & Ritter LLP ("ML&R"), will not be included in any such offering document without our prior permission or consent. With regard to an exempt offering document with which ML&R is not involved, you agree to clearly indicate in the exempt offering document that ML&R is not involved with the contents of such offering document.

You are responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for the presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal and state awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal and state awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal and state awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is also responsible to notify us in advance of your intent to print our report, in whole or in part, for inclusion in a document containing other information and to give us the opportunity to review such printed matter before its issuance. With regard to publishing the financial statements on the District's website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of the District's key personnel. We will plan the engagement based on the assumption that the District's personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, the District's personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Maxwell Locke & Ritter LLP ("ML&R") and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal or state agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of ML&R personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a cognizant agency, oversight agency for audit, or pass-through entity. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jimmy Romell is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit in November 2022 and to issue our reports no later than February 2023. To ensure that MLR's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel. Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Our base fee for these services will be \$10,000. In addition to the base fee, we will charge a fee of \$6,000 for each major program required to be tested under Uniform Guidance or UGMS. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered as work progresses and are payable upon presentation.

In the event we are required to respond to a subpoena, court order, or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our hourly rates for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

Management may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you concerning the scope of those additional services. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

In accordance with our firm policies, work may be suspended if the District's account becomes significantly overdue and will not be resumed until the District's account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. The District will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The District agrees that ML&R has the right to place advertisements in financial and other newspapers and journals at its own expense describing its services rendered to the District hereunder, provided that ML&R will submit a copy of any such advertisements to the District so that you can consent to the form and content of the advertisements. Without such consent, ML&R agrees not to make any public representations regarding the services rendered to the District, other than including the District in a list of clients served.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the contract period. Accordingly, our 2019 peer review report accompanies this letter.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of the District's records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance; and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance and UGMS report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and UGMS. Both reports will state that the report is not suitable for any other purpose.

Disputes and Claims

The parties to this engagement agree that any dispute that may arise regarding the meaning, performance or enforcement of this or any prior engagement between them (except actions by the firm to enforce payment of its professional invoices), will, prior to resorting to litigation, be submitted to mediation, and that they will engage in the mediation process in good faith. Any mediation initiated as a result of this engagement shall be administered within the county of Travis, Texas, by the American Arbitration Association, according to its mediation rules, and any ensuing litigation shall be conducted within said county, according to Texas law without regard to the conflict of laws or provisions thereof. The results of any such mediation shall be binding only upon agreement of each party to be bound. The parties participating in the mediation shall bear their own costs, except that any charges assessed by the mediation organization shall be shared equally by the participating parties.

Any claim arising out of this engagement, except our actions to enforce payment of our invoices, must be asserted within one year from the completion of services or the date any such cause of action accrues, whichever is later, unless otherwise barred by the applicable statute of limitation.

In connection with this engagement, you agree that we may communicate with you or others via email transmission, and by signing this letter you authorize us to do so. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by an addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

The District agrees to hold ML&R and its partners, heirs, executors, personal representatives, successors, and assigns harmless from any and all claims of the District which arise from knowing misrepresentations to ML&R by the management of the District, or the intentional withholding or concealment of information from ML&R by the management of the District. The District also agrees to indemnify ML&R for any and all claims made against ML&R by third parties which arise from any of these actions by the management of the District, as long as ML&R is not negligent in the performance of its services.



We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Maxwell Locke & Ritter LLP

Maxwell Locke & Ritter LLP

This letter correctly sets forth the understanding of Lower Brushy Creek Water Control and Improvement District:

Name, Title

Date

Report on the Firm's System of Quality Control

December 2, 2019

To To the Partners of
 Maxwell Locke & Ritter LLP
 and the Peer Review Committee of the TSCPA

We have reviewed the system of quality control for the accounting and auditing practice of Maxwell Locke & Ritter LLP in effect for the year ended May 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, audits of employee benefit plans and examinations of service organizations (Service Organizations Control (SOC) 1 and 2 engagements). As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Maxwell Locke & Ritter LLP, in effect for the year ended May 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Maxwell Locke & Ritter LLP has received a peer review rating of *pass*.

Gollob Morgan Peddy PC

Gollob Morgan Peddy PC
Certified Public Accountants

AMENDMENT 2
COOPERATIVE AGREEMENT
Flood Control: Structural Repair Activities – State Funds

It is mutually understood and agreed by and between the Texas Soil and Water Conservation Board, called the "TSSWCB"; and Lower Brushy Creek Water Control and Improvement District, called the "SPONSOR"; to amend said contract as follows:

DELETE:

SECTION III. CONSIDERATION, REIMBURSEMENTS, AND REPORTING:

1. Reimbursement Rate and Maximum Contract Price. The TSSWCB shall provide the SPONSOR reimbursement for work performed pursuant to the Scope of Work and the Plans and Specifications of the Project and otherwise required under this Agreement at the rates set herein for labor, material, and/or completion of such work. Invoices will be reimbursed at the following rates for eligible costs, not to exceed a **maximum contract price of \$4,078,259.25 (Maximum Contract Price)**:

- a. 98.25% of construction cost, not to exceed a maximum amount of \$3,959,475.00; and
- b. 3.0% of reimbursed amount for SPONSOR's administration cost, not to exceed a maximum amount of \$118,784.25.

2. SPONSOR Cost Responsibility. Pursuant to The Texas Administrative Code Title 31, Part 17, Rule 529.52(e), SPONSOR is required to provide 1.75% of the total construction and approved land rights cost with funds not originating from state appropriations. The estimated SPONSOR' cost for this contract is \$ 70,525.00. The SPONSOR shall successfully complete the Project in accordance with contract requirements and within the Maximum Contract Price as specified by this subsection. Any additional cost over the Maximum Contract Price will be the responsibility of the SPONSOR unless prior written approval is obtained from TSSWCB.

3. Project Budget.

Description of Work	TSSWCB Cost Share	Sponsor Lower Brushy Creek WCID Cost Share	Total Cost of Project
Cost Share Items:			
Construction and Approved Land Rights	\$3,959,475.00	\$70,525.00	\$4,030,000.00
Total of Project Costs	\$3,959,475.00	\$70,525.00	\$4,030,000.00
Non-Cost Share Costs:			
Contract Administration (3% of TSSWCB cost share)	\$118,784.25		
Total Agreement Costs	\$4,078,259.25	\$70,525.00	

INSERT:

SECTION III. CONSIDERATION, REIMBURSEMENTS, AND REPORTING:

1. Reimbursement Rate and Maximum Contract Price. The TSSWCB shall provide the SPONSOR reimbursement for work performed pursuant to the Scope of Work and the Plans and Specifications of the Project and otherwise required under this Agreement at the rates set herein for labor, material, and/or completion of such work. Invoices will be reimbursed at the following rates for eligible costs, not to exceed a **maximum contract price of \$4,084,331.10 (Maximum Contract Price)**:

- a. 98.25% of construction cost, not to exceed a maximum amount of \$3,965,370.00; and
- b. 3.0% of reimbursed amount for SPONSOR's administration cost, not to exceed a maximum amount of \$118,961.10.

2. SPONSOR Cost Responsibility. Pursuant to The Texas Administrative Code Title 31, Part 17, Rule 529.52(e), SPONSOR is required to provide 1.75% of the total construction and approved land rights cost with funds not originating from state appropriations. The estimated SPONSOR' cost for this contract is **\$ 70,630.00**. The SPONSOR shall successfully complete the Project in accordance with contract requirements and within the Maximum Contract Price as specified by this subsection. Any additional cost over the Maximum Contract Price will be the responsibility of the SPONSOR unless prior written approval is obtained from TSSWCB.

3. Project Budget.

Description of Work	TSSWCB Cost Share	Sponsor Lower Brushy Creek WCID Cost Share	Total Cost of Project
Cost Share Items:			
Construction and Approved Land Rights	\$3,965,370.00	\$70,630.00	\$4,036,000.00
Total of Project Costs	\$3,965,370.00	\$70,630.00	\$4,036,000.00
Non-Cost Share Costs:			
Contract Administration (3% of TSSWCB cost share)	\$118,961.10		
Total Agreement Costs	\$4,084,331.10	\$70,630.00	

This amendment shall become effective on the date of approval by both the TSSWCB and the SPONSOR. All other terms and conditions not hereby amended are to remain in full force and effect.

TSSWCB

SPONSOR

Texas State Soil and Water Conservation Board

Lower Brushy Cr. Water Control Improvement District

By: _____

By: _____

Title: Executive Director

Title: _____

Date: _____

Date: _____

LOWER BRUSHY CREEK WCID
PROPOSED FY 23 BUDGET
As of 7/15/22

BUDGET SUMMARY	FY 21 Budget (Approved)	FY 22 Budget (As amended)	FY 23 Budget (Proposed)
<u>INCOME</u>			
Property Tax Income	\$462,000.00	\$570,000.00	\$770,000.00
TSSWCB ¹ Maintenance Grants	\$226,800.00	\$21,000.00	\$307,555.00
TSSWCB ¹ Repair Grants	\$1,169,500.00	\$208,477.50	\$0.00
TSSWCB ¹ Rehabilitation/Upgrade Grants	\$817,600.00	\$3,815,532.00	\$0.00
Other Income	\$1,800.00	\$600.00	\$6,000.00
TOTAL INCOME	\$2,677,700.00	\$4,615,609.50	\$1,083,555.00
<u>EXPENSES</u>			
Administration	\$146,800.00	\$228,900.00	\$224,500.00
Engineering	\$207,500.00	\$215,000.00	\$263,000.00
Dam Maintenance	\$264,000.00	\$250,000.00	\$386,400.00
Dam Repairs	\$1,172,315.00	\$214,000.00	\$120,000.00
Dam Rehabilitation/Upgrade	\$830,000.00	\$3,790,000.00	\$0.00
TOTAL EXPENSES	\$2,620,615.00	\$4,697,900.00	\$993,900.00
SURPLUS/DEFICIT (09/30/23)	\$57,085.00	-\$82,290.50	\$89,655.00

GENERAL NOTES REGARDING THE PROPOSED FY 23 BUDGET

Income

Note - Wilco Tax Assessor/Collector has not yet released final AV or maximum allowable tax rate

Assessed valuation (AV) is increased from \$3.0 to \$4.3 billion (estimate)

Property tax rate is decreased from 1.9139 cents to 1.800 cents per \$100 AV (estimate)

Maintenance grants from TSSWCB based on applications pending

No new repair, rehabilitation nor upgrade projects are scheduled to be funded by the TSSWCB in FY 23

Expenses

Administrative/engineering expenses

do not include any new full time or part time employees

do include funds to complete and implement the Emergency Action Plans for all 23 dams

do include a **Table Top Exercise** of the Emergency Action Plan as required by TCEQ

do include a USGS water level/rain gauge at Site 29 located downstream of Samsung site

do include USGS water level/rain gauges at Sites 32, 20 and 18 (rehabilitation/upgrades completed)

Dam maintenance expenses reflect the WCID's emphasis to reduce deferred maintenance

Dam repairs reflect repair projects funded by the WCID

Notes:

1. TSSWCB is the Texas State Soil and Water Conservation Board

LOWER BRUSHY CREEK WCID
PROPOSED FY 23 BUDGET
As of 7/15/22

ADMINISTRATIVE INCOME AND EXPENSES	FY 21 Budget (Approved)	FY 22 Budget (As amended)	FY 23 Budget (Proposed)
ADMINISTRATIVE INCOME			
Property Tax Income	\$462,000.00	\$570,000.00	\$770,000.00
Other Income			
Permits, fees and interest	\$1,800.00	\$600.00	\$6,000.00
Total Other Income	\$1,800.00	\$600.00	\$6,000.00
TOTAL ADMINISTRATIVE INCOME	\$463,800.00	\$570,600.00	\$776,000.00
ADMINISTRATIVE EXPENSES			
Administrative Expenses			
General Manager (incl accounts payable)	\$36,000.00	\$72,000.00	\$72,000.00
District Clerk	\$15,000.00	\$15,000.00	\$15,000.00
Directors Fees (12 regular + 3 special meetings)	\$7,500.00	\$7,500.00	\$7,500.00
Professional Services - Accounting	\$4,800.00	\$4,800.00	\$4,800.00
Professional Services - Auditing	\$14,000.00	\$15,500.00	\$16,000.00
Professional Services - Communciations / Consulting Fees	\$18,000.00	\$18,000.00	\$25,000.00
Professional Services - Communciations / Other expenses			\$8,000.00
Professional Services - Legal	\$10,000.00	\$12,000.00	\$15,000.00
Advertising/Legal Notices	\$4,000.00	\$6,000.00	\$10,000.00
Bonds/Insurance	\$1,800.00	\$2,000.00	\$2,000.00
Dues/Subscriptions/Prof Development	\$2,500.00	\$2,500.00	\$3,000.00
Meals/Entertainment	\$500.00	\$500.00	\$750.00
Office - Rental/deposits	\$6,500.00	\$10,000.00	\$14,000.00
Office - Furniture/equipment	\$2,000.00	\$1,000.00	\$500.00
Office - Supplies	\$800.00	\$2,500.00	\$2,500.00
Postage/PO Box/Delevery Charges	\$400.00	\$600.00	\$600.00
Travel/Mileage	\$3,500.00	\$6,400.00	\$6,500.00
Website	\$2,400.00	\$2,400.00	\$1,200.00
Williamson Central Appraisal District	\$4,000.00	\$4,000.00	\$4,500.00
Williamson County - Election Office	\$0.00	\$20,000.00	\$0.00
Williamson County - Tax Collector/Assessor	\$4,800.00	\$5,200.00	\$5,400.00
Misc. (5% contingency)	\$8,300.00	\$21,000.00	\$10,250.00
TOTAL ADMINISTRATIVE EXPENSES	\$146,800.00	\$228,900.00	\$224,500.00
ENGINEERING EXPENSES			
Engineering Expenses			
Professional Services - Engineering/Surveying			
General (incl map updates)	\$2,000.00	\$0.00	\$5,000.00
Inspection of all dams (incl principal spillways)	\$40,000.00	\$30,000.00	\$30,000.00
Breach map updates for Emergency Action Plans	\$50,000.00	\$75,000.00	\$15,000.00
Emergency Action Plan update and Table Top Exercise	\$40,000.00	\$30,000.00	\$45,000.00
Other (repairs)	\$50,000.00	\$40,000.00	\$40,000.00
Total Engineering/Surveying	\$182,000.00	\$175,000.00	\$135,000.00
Professional Services - USGS			
Gauge Installation (4)	\$25,500.00	\$40,000.00	\$120,000.00
Gauge maintenance	\$0.00	\$0.00	\$8,000.00
Total USGS	\$25,500.00	\$40,000.00	\$128,000.00
TOTAL ENGINEERING EXPENSES	\$207,500.00	\$215,000.00	\$263,000.00

LOWER BRUSHY CREEK WCID
PROPOSED FY 23 BUDGET
As of 7/15/22

GRANT INCOME AND PROJECT EXPENSES	FY 21 Budget (Approved)	FY 22 Budget (As amended)	FY 23 Budget (Proposed)
GRANT INCOME			
TSSWCB¹ Maintenance Grants			
Maintenance (90% state/10% local)	\$216,000.00	\$20,000.00	\$293,760.00
Maintenance (5% admin fee)	\$10,800.00	\$1,000.00	\$13,795.00
Total TSSWCB Maintenance Grants	\$226,800.00	\$21,000.00	\$307,555.00
TSSWCB¹ Repair Grants			
Sites 12 & 22 - construction ² (95% state/5% local)	\$1,119,100.00	\$199,500.00	
Sites 12 & 22 - project management/land rights (4.5% of const)	\$50,400.00	\$8,977.50	
Total TSSWCB Repair Grants	\$1,169,500.00	\$208,477.50	\$0.00
TSSWCB¹ Rehabilitation/Upgrade Grants			
Site 20 - rehabilitation (100% federal and state/0% local)	\$200,000.00	\$0.00	
Site 20 - project management/land rights (100% grants/0% local)	\$10,000.00	\$0.00	
Site 18 - upgrade to High Hazard ^{3,4} (98% state/2% local)	\$588,000.00	\$3,704,400.00	
Site 18 - project management/land rights (3.0% of const)	\$19,600.00	\$111,132.00	
Total TSSWCB Rehabilitation/Upgrade Grants	\$817,600.00	\$3,815,532.00	\$0.00
TOTAL GRANT INCOME	\$2,213,900.00	\$4,045,009.50	\$307,555.00
PROJECT EXPENSES			
Dam Maintenance			
Grant funded maintenance (incl 10% match)	\$240,000.00	\$20,000.00	\$110,500.00
Grant funded fence replacements (incl 10% match)	\$0.00	\$0.00	\$215,900.00
Other (non-grant funded maintenance and fencing)	\$24,000.00	\$230,000.00	\$60,000.00
Total Dam Maintenance	\$264,000.00	\$250,000.00	\$386,400.00
Dam Repairs			
Site 12/22 - construction ² (incl 5% local match)	\$1,121,915.00	\$210,000.00	
Site 12/22 - project management/legal/land rights	\$50,400.00	\$4,000.00	
Other (non-grant funded repairs)	\$0.00	\$0.00	\$120,000.00
Total Dam Repairs	\$1,172,315.00	\$214,000.00	\$120,000.00
Dam Rehabilitation/Upgrade			
Site 20 - rehabilitation (incl 0% match)	\$200,000.00		
Site 20 - project management/legal/land rights	\$10,000.00		
Site 18 - upgrade to high hazard stds ^{3,4} (incl 2% match)	\$600,000.00	\$3,780,000.00	
Site 18 - project management/legal/land rights	\$20,000.00	\$10,000.00	
Total Dam Rehabilitation/Upgrade	\$830,000.00	\$3,790,000.00	\$0.00
TOTAL PROJECT EXPENSES	\$2,266,315.00	\$4,254,000.00	\$506,400.00

Notes:

1. TSSWCB is the Texas State Soil and Water Conservation Board
2. Repairs to Sites 12 and 22 were completed in the fall of 2021
3. Upgrade (rehabilitation) of Site 18 was completed in the spring of 2022
4. No new projects are scheduled to be funded by the TSSWCB in FY 23

**LOWER BRUSHY CREEK WCID
PROPOSED FY 23 BUDGET
As of 7/15/22**

**Williamson Central Appraisal District
Tax Year 2021 Certified Appraisal Roll Information
July 9, 2022**

Lower Brushy Creek WCID FY 23 Tax Rate		0.0180
	Total taxable value within Lower Brushy Creek WCID	Property Tax Revenue
Total Certified Taxable Assessed Valuation (100% Receivable)	\$4,044,794,627	\$728,063
Total Taxable Valuation still being evaluated by Williamson Central Appraisal Board Review (Estimated 70% Receivable)	\$328,650,046	\$59,157
Maximun Expected FY 23 Tax Revenue		\$787,220

at 98% collection	\$771,475.64
Recommended	\$770,000.00

**ORDINANCE #2022-01
ORDER**

**AN ORDER LEVYING TAXES FOR THE TAX YEAR 2022 FOR THE
MAINTENANCE AND OPERATION OF THE LOWER BRUSHY CREEK
WATER CONTROL & IMPROVEMENT DISTRICT**

BE IT ORDERED BY THE BOARD OF THE LOWER BRUSHY CREEK WATER CONTROL & IMPROVEMENT DISTRICT:

I.

That there is hereby levied and there shall be collected for the maintenance and operation of the LOWER BRUSHY CREEK WATER CONTROL & IMPROVEMENT DISTRICT, for the Tax Year 2021, upon all property within the corporate limits of said District subject to taxation, real, personal and mixed, a tax rate of X.XXXX cents (\$0.0XXXX) on each One Hundred Dollars (\$100.00) valuation of property. THIS TAX WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL RAISE TAXES (FOR MAINTENANCE AND OPERATIONS) ON A \$XXX,XXX HOME BY APPROXIMATELY \$X.XX AND A PERCENTAGE OF INCREASE OF APPROXIMATELY 8.00%.

II.

The Board hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Order was adopted was posted and that such meeting was open to the public as required by law at all time during which this Order and the subject matter hereof was discussed, considered, and formally acted upon as required by the Open Meetings Act, Chapter 551, Texas Local Government Code, as amended.

READ and APPROVED on this the 12th day of September 2022.

By: _____
Edmond S. Komandosky
Board President

ATTEST:

By: _____
Monica P. Masters
Board Secretary

Lower Brushy Creek WCID Board of Directors Election Guidelines

The Lower Brushy Creek Water Control & Improvement District is governed by residents who are elected to a five-member Board of Directors. They are elected at-large and serve four-year, staggered terms. District elections occur every even-numbered year on the first Saturday in May.

The Board generally meets at 7:30 a.m. on the third Monday of each month in the Board Room of the Greater Taylor Chamber of Commerce, 1519 North Main Street, Taylor, Texas 76574. The public is always invited and encouraged to attend. Meeting agendas are posted at the District's office in Georgetown, on the district's website and at the Williamson County Clerk's office in Georgetown. Monthly meetings may occasionally change from the typical third Monday to the second or fourth Monday due to conflicts or holidays so check website for up-to-date information.

CURRENT BOARD OF DIRECTORS

Edmond S Komandosky, President

Term of Office: 06/2020 – 05/2024

Scott A Ging, Vice-President

Term of Office: 06/2022 – 05/2026

Monica P Masters, Secretary

Term of Office: 06/2020 – 05/2024

Michael Schneider, Treasurer

Term of Office: 06/2022 – 05/2026

Allan R David, Director

Term of Office: 06/2022 – 05/2026

Email for all Directors

LowerBrushyCreekWCID@gmail.com

BOARD OF DIRECTORS ELECTIONS

House Bill 305 Election Disclosure: The following information related to the District's elections for members of the Board of Directors is being posted by the District pursuant to Section 2051.152 of the Texas Government Code (enacted by House Bill 305 during the 2019 Texas Legislative Session):

1. The date and location of the next election for members of the Board of Directors of the District:

Elections for directors of the District are conducted on the May uniform election date in even-numbered years. Accordingly, the next election for members of the Board of Directors of the District shall be conducted on the first Saturday in May 2024, which is May 4, 2024.

The election shall be conducted at the polling places established by Williamson County to serve the county's regular election precincts within the District, as required by Sections 42.0621 and 43.004 of the Texas Election Code. Similar to its most recent prior election, the District anticipates that Williamson County will authorize voters to vote at any of the voting locations established by Williamson County, and voters will not be limited to voting in the precinct where they are registered to vote.

2. The requirements and deadline for filing for candidacy of each elected office of the District:

In order to be qualified to serve as a director of a water control and improvement district, Section 51.072 of the Texas Water Code requires that a person be (1) be a resident of the state; (2) own land subject to taxation in the District or be a qualified voter in the District; and (3) be at least 18 years of age.

A person that desires to be a candidate for the director election must timely complete and submit a notarized application for a place on the ballot for the election. *Application for a Place on the Ballot for the General Election* (Form No 2-26 dated 09/2021) may be downloaded and printed from the Texas Secretary of State's website:

(<https://www.sos.state.tx.us/elections/forms/index.shtml>).

For the May 4, 2024 director election, the first day to file an application for a place on the ballot is Wednesday, January 17, 2024, the last day to file an application for a place on the ballot is Friday, February 16, 2024 and the deadline for write-in candidates is Tuesday, February 20, 2024.

Completed applications for a place on the ballot may be filed by mail to the District at the following address:

Lower Brushy Creek WCID, PO Box 467, Georgetown, Texas 78627

or emailed to:

LowerBrushyCreekWCID@gmail.com

Adopted this 25th day of July, 2022.

**LOWER BRUSHY CREEK WATER
CONTROL & IMPROVEMENT DISTRICT**

By: _____
Edmond S. Komandosky, President

ATTEST:

By: _____
Monica P Masters, Secretary

PARTIAL RELEASE OF EASEMENT

THE STATE OF TEXAS § ROW CSJ: 1200-04-018
 §
COUNTY OF WILLIAMSON § KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, by an easement instrument dated the 1st day of May, 1958, recorded in Volume 430, Page 643, Deed Records of Williamson County, Texas, and by an easement instrument dated the 26th day of September, 1957, recorded in Volume 430, Page 673, Deed Records of Williamson County, Texas, the undersigned is the owner of an easement in, along, over, upon and across the property described in the easement (“Easement”); and

WHEREAS, the State of Texas, acting by and through the Texas Transportation Commission, has acquired or is in the process of acquiring the property described in Exhibit “A” (“Acquired Property”); and

WHEREAS, the State of Texas desires to have the Acquired Property released from the Easement.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:
That, the Lower Brushy Creek Water Control and Improvement District of the County of Williamson, State of Texas, for and in consideration of the sum of Ten Dollars (\$10.00), and other good and valuable consideration, the receipt of which is hereby acknowledged, has released and relinquished the Acquired Property from the Easement but the Easement shall remain in force and effect except as to the Acquired Property released herein.

IN WITNESS WHEREOF, this instrument is executed on this the 25th day of July 2022.

Lower Brushy Creek Water Control
and Improvement District

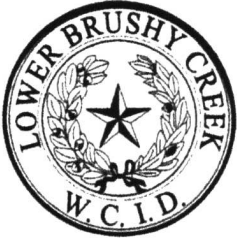
By: Edmond S. Komandosky
Its: President of t Board of Directors

STATE OF TEXAS,
COUNTY OF WILLIAMSON.

BEFORE ME, the undersigned authority, on this day personally appeared Edmond S. Komandosky, President of the Board of Directors of the Lower Brushy Creek Water Control and Improvement District, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated and as the act and deed of the District.


GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 25th day of July, 2022.

Notary Public in and for
The State of Texas



LOWER BRUSHY CREEK WCID

PO Box 467, Georgetown, Texas 78627
601 Quail Valley Drive, Georgetown, Texas 78626
LowerBrushyCreekWCID@gmail.com

TO: President and Members of the Board
FROM: Jim Clarno, General Manager 
DATE: July 18, 2022
SUBJECT: General Manager's Report

Administration

- Received and reviewed Engagement Letter from Maxwell, Locke and Ritter for FY 22 Audit.
- Met with Richard Stone about contract amendment for FY 23 communications.
- Attended the July meeting of the Taylor Soil and Water Conservation Board.

Engineering

- Continued work with Freese & Nichols and TCEQ to obtain approval of the *Emergency Action Plan*.
- Toured Sites 18, 20, 25 and 29 with USGS regarding locations of possible rain gauge/water level recording devices.

Dam Operation and Maintenance

- TerraSol has completed spring shredding and has begun working at the principal spillways.
- Initial discussions with TerraSol about contract amendment for FY 23 maintenance.

Capital Improvements

- Site 18 Upgrade
 - Contractor performed soil tests of bare areas in June and hydro-mulched bare areas on July 13th.
 - Met with contractor and Thrall Maintenance Supervisor about possibly using effluent to water new grass.
 - Approved and processed Pay Estimate 10.
 - Provided copies of executed Change Orders to State Board and received Amendment 2 to funding agreement.

President and Members of the Board
July 18, 2022
Page Two

Other

- Continued to provide information regarding WCID dams to AECOM who is preparing the *Atlas 14 Report for the Brushy Creek Basin* of Williamson County.
- Met twice with Upper Brushy Creek WCID, Wilco GIS, Wilco Emergency Management and others about the county's plan for hosting a flood information web site. Received and reviewed *beta* version of that web site.