

LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2B
NOTICE OF MEETING
(BY TELECONFERENCE)

TO: THE BOARD OF DIRECTORS OF LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2B AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given pursuant to V.T.C.A., Government Code § 551, that the Board of Directors of Lakeside Water Control and Improvement District No. 2B will hold a regular meeting, by teleconference, open to the public, on August 10, 2020 at 6:00 p.m. (in person meetings are typically held at 4421 Rowe Lane, Pflugerville, Texas).

In accordance with the Office of the Governor's March 16, 2020 proclamation suspending certain Texas Open Meetings Act laws in response to the current COVID-19 pandemic and statewide disaster declaration, as extended, Lakeside WCID No. 2B will hold this meeting accessible only by telephonic conference call. No physical meeting space will be available.


In lieu of physical attendance at this Board meeting, the public may dial into the teleconference by calling (877) 309-2073 and entering the following code: 346-296-909. The toll-free teleconference line will offer two-way communication, affording members of the public the opportunity to participate in the meeting. The meeting will be recorded, and the audio recording will be available after the meeting. The following matters will be considered and may be acted upon at the meeting:

1. Call meeting to order and establish quorum;
2. Consider approval of minutes of July 13, 2020 regular meeting;
3. Receive public comment (*3 minutes per speaker; but any person providing public comment through a translator is limited to six (6) minutes, unless the District uses simultaneous translation equipment in a manner that allows the Board to hear the translated public testimony simultaneously with the speaker*);
4. Receive report from District's Engineer;
5. Receive recreational facilities report and take action as necessary concerning same, including, but not limited to, operations, maintenance, and/or improvements related to existing recreational facilities;
6. Discuss, consider, and take action as necessary concerning adoption of resolution amending 2019–2020 District Budget;
7. Discuss, consider, and take action as necessary concerning preliminary budget for 2020-2021 fiscal year;
8. Receive a report and consider action as necessary concerning proposed tax rate for 2020, including scheduling a public hearing on a proposed tax rate;
9. Discuss, consider, and take action as necessary concerning engagement of West, Davis & Company to conduct audit of the District's financial records for the period ending September 30, 2020;

10. Discuss, consider, and take action on approval of the payment of invoices and Bookkeeper's report;
11. Discuss, consider, and take action concerning District website and maintenance of website;
12. Directors items for next agenda and announcements from Board members; and
13. Adjournment.

EXECUTED this the 7th day of August, 2020.

(District Seal)



Attorney for the District

Agenda Item No. 2
Consider approval of minutes of July 13, 2020
regular meeting.

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

THE STATE OF TEXAS

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§
§
§
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COUNTY OF TRAVIS

LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2B

The Board of Directors of Lakeside Water Control and Improvement District No. 2B (“District” or “Lakeside WCID No. 2B”) held a regular meeting, by a two-way toll-free telephonic conference call, at (866) 899-4679 and entering code 467-070-549, open to the public, on July 13, 2020, at 6:00 p.m. (in person meetings are typically held at 4421 Rowe Lane, Pflugerville, Texas). A copy of the notice of meeting along with associated certificates of posting are attached hereto as Exhibit “A”.

The roll was called of the members of the Board of Directors, to-wit:

Marilyn Horndt	President
Eddie Garcia	Vice President
Kenneth Whittier	Secretary/Treasurer
Jim Walker	Assistant Secretary
Terry Tuttle	Assistant Secretary

All members of the Board participated by telephone, thus constituting a quorum of the Board of Directors. All Directors who participated by telephone voted on all matters that came before the Board. Also participating by telephone were Matthew Tiemann of Rowe Lane Development, Ltd.; Jeff Monzingo of Montoya & Monzingo, LLP; Keith Collins of Randall Jones Engineering, Inc.; John Barganski of Specialized Public Finance, Inc.; Ken Heroy of Jones-Heroy & Associates, Inc.; David Klein and Maris Chambers, Attorneys, and Fred Castro, Paralegal, with Lloyd Gosselink Rochelle & Townsend, P.C.; and Brad Marshall.

Mr. Klein stated this meeting was being held under the Governor’s March 16, 2020 proclamation, as extended, suspending certain Texas Open Meetings Act laws in response to the current COVID-19 pandemic and statewide disaster declaration. He stated this open meeting of the Board of Directors was being recorded and the recording would be made available to the public. Mr. Klein stated that the conference call line was toll-free and allowed for two-way communication, and the Board would provide members of the public with the opportunity to participate, as in any normal Lakeside Water Control and Improvement District No. 2B open meeting. Mr. Klein asked that the attendees use the same courtesy as an in-person meeting and try to avoid talking over each other. He stated that the Board would announce the instances where comments from the public would be accepted.

Next, Director Horndt stated that Directors Horndt, Garcia, Whittier, Walker, and Tuttle were participating in this meeting by telephone along with the District’s consultants: Jeff

Monzingo, Keith Collins, John Barganski, Ken Heroy, David Klein, Maris Chambers, Fred Castro; and with Brad Marshall and Matthew Tiemann participating as members of the public.

Director Horndt called the meeting to order at 6:03 p.m. and announced that a quorum of the Board was in attendance (on the call). Director Horndt stated that the Board would next take action to consider the approval of the minutes of the June 8, 2020 regular meeting. Upon motion by Director Garcia, seconded by Director Whittier, and unanimously carried, the minutes of the June 8, 2020 regular meeting were approved, as presented.

The next item to come before the Board was to receive public comment. There were no public comments received by the Board.

Director Horndt stated that the Board would next receive a report from the District's Engineer. Mr. Collins provided a brief report on the status of utility construction within the Blackhawk subdivision. Next, Mr. Collins reiterated his efforts to obtain necessary approvals from Travis County in connection with the pedestrian trails project within the greenbelt in Lakeside WCID No. 2D. Mr. Collins stated that he hoped to hear from the County soon so that the project could move forward.

Director Horndt stated that the Board would next take action concerning a Resolution Authorizing Water Rights Application. Mr. Klein presented a resolution authorizing the filing of a water rights application at the Texas Commission on Environmental Quality (the "TCEQ"), a copy of which is attached hereto as Exhibit "B". He stated that adoption of the resolution by the Board authorized the District's Attorney, Engineer, and Jones-Heroy & Associates, Inc. to prepare and file an application executed by the District's President at the TCEQ. Mr. Klein reiterated that this item stems from the report on the water rights assessment from Ken Heroy that the District's Lakeside at Blackhawk Section 3 pond needs to be permitted. Mr. Klein stated that he agreed with Mr. Heroy's assessment and that water rights for this pond needed to be obtained. He recommended that the Board approve the resolution, as presented. After discussion, upon motion by Director Garcia, seconded by Director Tuttle, and unanimously carried, the Board adopted the above-referenced resolution.

The next item to come before the Board was to consider the engagement of Jones-Heroy & Associates, Inc. to prepare an application to the TCEQ for a water rights permit, a copy of which is attached hereto as Exhibit "C". Mr. Heroy presented this item. He stated that he would be assisting the District's Attorney and Engineer, in preparation of an application to the TCEQ for a water rights permit under Chapter 11 of the Texas Water Code. Mr. Heroy stated that his work would be billed to the District on an hourly basis. Mr. Klein noted that work performed on behalf of the District in connection with the processing of this application by his office and the District Engineer would be handled under existing agreements with the District for general legal services and engineering services. After discussion, upon motion by Director Garcia, seconded by Director Tuttle, and unanimously carried, the Board approved the engagement of Jones-Heroy & Associates, Inc. to prepare an application to the TCEQ for a water rights permit.

Director Horndt stated that the Board would next receive recreational facilities reports and take action concerning the same, including, but not limited to, operations, maintenance and/or

improvements related to existing recreational facilities. Mr. Monzingo presented recreational facilities reports from the Associations operating the District's recreational facilities, copies of which are attached hereto as Exhibit "D". After discussion, the Board recognized Mr. Klein, who addressed the Board concerning the reopening strategy plan for District-owned recreational facilities. Mr. Klein reiterated that at its last meeting the Board authorized reopening of the amenity centers, subject to developing a reopening plan by the HOA, the Reserve at Westcreek Owners Association (the "Reserve"), and their respective facility operators, in association with his office to open District-owned recreational facilities in a safe, efficient manner, pursuant to the Governor's recent proclamations, including measures to properly manage capacity limits. He noted that work continues by the HOA, Reserve, facility operators, and his office toward developing this plan, a draft plan has been created by the Reserve, a copy of which was provided to the Board and is attached hereto as Exhibit "E". Mr. Klein suggested that the proposed reopening plan be approved, subject to additional edits and approval of a finalized reopening plan by the Board President.

Mr. Klein stated, for background purposes, that on June 26, 2020, the Governor issued Executive Order No. 28, which in part (i) allowed certain facilities to be opened to a level of 50% capacity; (ii) prohibited outdoor gatherings of more than 100 people outside the corporate limits of a city unless otherwise authorized by the County Judge; and (iii) strongly discouraged people from gathering in groups larger than 10 while maintaining a distance of 6-feet apart from those not in their group. He continued by stating that on July 2, 2020, the Governor issued Executive Order No. 29 which in part required that every person in the State must wear a face mask while inside a commercial building, other buildings, spaces open to the public, or when in an outdoor public space when social distancing is not possible, subject to certain listed exceptions. Mr. Klein stated that with efforts by the Governor to reopen the State, it's permissible for the Lakeside Districts to reopen its recreational facilities, albeit in a safe, efficient manner, subject to certain exceptions. He stated that District-owned recreational facilities are open and are operating under a plan that calls for reopening District-owned recreational facilities; maintains signage within and outside of its facilities; provides for proper sanitation; and includes measures to properly manage capacity limits.

Next, Mr. Klein asked the Board for guidance regarding whether the amenity centers should accept requests for holding events at this time. He noted that Directors Garcia and Whittier are members of the HOA Board and have expressed concern with opening amenity centers for hosting events, as it may prove difficult for the operators of the amenity centers to maintain a clean and safe environment- especially when there is more than one event scheduled per day. Mr. Klein indicated that the HOA, Reserve and their respective operators have recommended that amenity center staff deny requests for the use of the amenity center until the end of the swimming pool season. Mr. Klein added that Ms. Tara MacLane, Onsite Manager, Blackhawk Amenity Center, called into the Lakeside WCID No. 2A Board meeting held earlier this evening and shared those opinions to that Board, as well. He noted that it had been suggested that the Lakeside District Boards reconsider reserving events at the amenity centers until after swimming pool season is over. Mr. Klein noted these sentiments were shared by the Reserve's representatives.

Mr. Klein noted that due to the meeting schedules of the Lakeside Districts, Lakeside WCID No. 1 ("Lakeside 1") is the final District to meet each month, often after input and decisions

have been made regarding the operation of the amenity centers. He noted that at the Lakeside 1 Board meeting in June, the Board asked him to share the opinions of that Board with the other Lakeside Districts. Specifically, there are Lakeside 1 Board members who feel that the Districts are obligated, as governmental agencies, to have District-owned recreational facilities open and support the right of District residents to use these facilities if they so choose to do so. He noted that the Lakeside 1 Board also believes that social distancing is a civic duty and implementing such safety measures are necessary. Mr. Klein stated that the proposed reopening plan accomplishes the goal of reopening District-owned recreational facilities; that maintains signage within and outside of its facilities; provides for proper sanitation; and includes measures to properly manage capacity limits.

Next, Director Garcia inquired whether anyone could provide guidance on building occupancy standards as it relates to the Blackhawk Amenity Center. He stated that until the HOA could conclusively determine the capacity limits for the Amenity Center, he recommended reservations for holding events be suspended. Mr. Klein noted that Lakeside WCID No. 2A's recommendation was to prohibit holding events at the amenity centers for the remainder of the summer season, as that was also Ms. MacLane's recommendation, who stated she had concerns about hosting events at the Blackhawk Amenity Center and maintaining a clean and safe environment. Mr. Klein reported that Ms. MacLane had also noted that most events take place after office hours when office personnel are not present. Mr. Klein reiterated the Governor's most recent proclamation prohibiting groups of more than 10 people from gathering, and it was likely that if the center did hold an event, it is likely that there would be more than 10 people in attendance. Director Garcia agreed with Lakeside WCID No. 2A's suggestion and noted that most events are held after 4:00 p.m. and amenity center staff would not be available to insure compliance with capacity limits, or other safety measures. He suggested that the Board adopt a similar stance with the regard to prohibiting the hosting of events at the amenity centers until after swimming pool season concludes. The remainder of the Board agreed with Director Garcia's suggestion. After discussion, upon motion by Director Garcia, seconded by Director Whittier, and unanimously carried, the Board approved the reopening plan, subject to modifications, including, but not limited to, prohibiting holding events at the amenity centers for the remainder of the summer season, as approved by the Board President.

The next item to come before the Board was to consider action in connection with the Amenity Center Project, including, but not limited to (i) engagement of Brad Marshall and (ii) approval of plans and specifications. Ms. Chambers presented this item. She noted that the engagement of architectural, engineering, and landscaping architectural consultants for the Project have been secured. She stated that the Lakeside Amenity Center Subcommittees had reviewed the Brad Marshall proposal, attached hereto as Exhibit "F", and recommended that the Board approve the engagement of Brad Marshall as a consultant to oversee certain aspects of the Project and serve as a liaison between the consultants and the Lakeside District participants. In this role, he would oversee the project and act as a filter to determine whether information being provided by the project's other consultants was accurate, consistent, and appropriate. She recommended, however, that Mr. Marshall revise his proposal, noting that his original proposal was addressed to both Lakeside WCID No. 2A and the HOA. Ms. Chambers advised Mr. Marshall to divide his proposal into two agreements, one between Mr. Marshall and all the Lakeside District participants, and a separate agreement between Mr. Marshall and the HOA. Mr. Marshall stated that he agreed with

Ms. Chambers's assessment of the status of negotiations. Mr. Matthew Tiemann stated that the developer was in favor of the Lakeside District participants hiring Mr. Marshall due to his unique skillset and expertise in constructing these types of amenities.

Next, Ms. Chambers stated that the Lakeside Amenity Center Subcommittees reviewed a set of architectural and site plans prepared and presented to the Subcommittees by Duke C. Garwood Architects at the Subcommittees' last meeting. She stated that the set of architectural and site plans were provided to the Board separately before tonight's meeting, copies of which are attached hereto as Exhibit "G". She stated that the Lakeside Amenity Center Subcommittees had approved these plans and recommended that the Board approve them, as presented. She noted that approval by the Board would allow the Project to obtain necessary approvals from Travis County to move the project forward. Ms. Chambers recommended that the Board approve the set of architectural and site plans as prepared and presented this evening. Mr. Matthew Tiemann stated that the developer was ready to move forward with the Project up to the start of the construction phase of the Project. After discussion, upon motion by Director Garcia, seconded by Director Tuttle, and unanimously carried, the Board approved Brad Marshall's proposal, subject to dividing Mr. Marshall's proposal into two agreements, one between Mr. Marshall and all the Lakeside District participants, and a separate agreement between Mr. Marshall and the HOA, and approved the set of architectural and site plans, as presented and recommended.

Director Horndt stated that the Board would next consider the payment of invoices and Bookkeeper's report. Mr. Monzingo distributed a list of expenditures and money transfers, a copy of which is attached hereto as Exhibit "H". Mr. Monzingo noted that a payment was made after last month's Board meeting to the Travis Central Appraisal District for \$748.85. After discussion, upon motion by Director Tuttle, seconded by Director Whittier, and unanimously carried, the Board approved the payment of invoices, as presented.

There were no announcements or requests for items at the Board's next meeting.

After discussion, there being no further business, and upon motion made by Director Walker, seconded by Director Garcia, and unanimously carried, the meeting was adjourned at 6:47 p.m. until further call.

PASSED, APPROVED AND ADOPTED THIS 10th day of August, 2020.

[DISTRICT SEAL]

Kenneth Whittier, Secretary

Agenda Item No. 5

Receive recreational facilities report and take action as necessary concerning same, including, but not limited to, operations, maintenance, and/or improvements related to existing recreational facilities.

RECREATIONAL FACILITIES REPORT
FOR PARK AT BLACKHAWK RECREATIONAL FACILITIES

August 5, 2020

I. BUDGETED MAINTENANCE AND REPAIR PROJECTS IN REMAINDER OF DISTRICTS' FISCAL YEAR (AND ESTIMATED COSTS)

II. OTHER ISSUES FOR DISTRICTS' ATTENTION AND/OR APPROVAL (CONDITIONS OF BUILDINGS, EQUIPMENT, IRRIGATION SYSTEM, BUDGET VARIANCES, OUTCOME OF BIDDING OF WORK, ETC.)

III. UNBUDGETED ITEMS THAT NEEDED ATTENTION/WORK COMPLETION

- a) Railing to be added to off Eire Dr. and Blarney Rd. Railing will be installed along with a sign stating boat entry is prohibited. Cost for 40ft rail is \$1,600.00. Quote from Viking Fence is attached : 8/5/2020 UPDATE- Waiting on completion of project
- b) Water Fountain Replacement- I have attached a quote to replace the water fountain at the playground located at the Amenity Center. The one we currently have has continued to have issues. I am suggesting we upgrade to a fountain that is ADA compliant, as well has offers a dog bowl at the bottom for residents who walk their dogs on the trails. We have had an influx of residents bringing their dogs in the facility during UPDATE: 8/5/2020 Project pending completion. Fountain needed is on back order

IV. DISCUSSION FOR WCID

- a) HOA was approached by Mr. and Mrs. Kleppe who reside at 20613 Pinewalk Dr. about requesting a pocket type park be out in behind their home. They have gathered signatures from neighbors who ok'd this request be asked. I have attached their proposal for review and discussions. UPDATE: 8/5/2020 I am leaving this subject on the report for discussion purposes. Will remove at WCID request if needed

**Recreational Facilities Report for Reserve at Westcreek
Reporting Period June 1- 30, 2020**

1. List maintenance and repair projects identified or started during the reporting period, current status, costs, and budget

- 1.
- 2.
- 3.
- 4.
- 5.

2. Planned maintenance and repair projects in remainder of RWC fiscal year, estimated costs and budget

3. Other issues for Districts' attention and/or approval (conditions of buildings, equipment, irrigation system, budget variances, outcome of bidding work, etc.)

- 1.
- 2.
- 3.
- 4.
- 5.

Budget trending/issues identified for January 2020 (see detail on "WCID" tab):

No budget issues in June. Expenses are 9% of total budget with 25% of the budget year elapsed (Calendar Year Budget Cycle). Only one line items have exceeded the 25% trend (discussed below) but overall the budget spending is being managed closely and overspending in some line items will be offset by savings in others.

L **6402** Cleaning costs have gone up temporarily due to the dust from the floor project.

Upcoming Projects:

- 1.
- 2.

Agenda Item No. 6

**Discuss, consider, and take action as necessary
concerning adoption of resolution amending
2019–2020 District Budget.**

RESOLUTION AMENDING 2019-2020 DISTRICT BUDGET

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

WHEREAS, a regular meeting of the Board of Directors of Lakeside Water Control and Improvement District No. 2B (the "District") was held on August 10, 2020.

WHEREAS, the Board of Directors has projected the operating expenses and revenues for the District for the period October 1, 2019 through September 30, 2020, and adopted a budget consistent therewith;

WHEREAS, the Board of Directors is of the opinion that the District's budget should be amended to reflect adjustments made to the operating expenses and revenues of the District; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors considered and approved an amendment to the District's budget, attached hereto as "Exhibit A", and incorporated herein for all purposes, adjusting the operating expenses and revenues for the District for the period of October 1, 2019 through September 30, 2020.

2. The Secretary of the Board of Directors is hereby directed to file a copy of this Resolution Amending the 2019-2020 District Budget in the official records of the District.

ADOPTED this 10th day of August, 2020.

**LAKESIDE WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 2B**

Marilyn Horndt, President

ATTEST:

Kenneth Whittier, Secretary

[DISTRICT SEAL]

Agenda Item No. 8

Receive a report and consider action as necessary concerning proposed tax rate for 2020, including scheduling a public hearing on a proposed tax rate.

TRAVIS CENTRAL APPRAISAL DISTRICT

BOARD OFFICERS

James Valadez
Chairperson
Bruce Grube
Vice Chairperson
Theresa Bastian
Secretary/Treasurer



Marya Crigler
Chief Appraiser

BOARD MEMBERS

Tom Buckle
Bruce Elfant
Anthony Nguyen
Eleanor Powell
Ryan Steglich
Felipe Ulloa
Blanca Zamora-Garcia

July 24, 2020

LAKESIDE WCID NO 2B
MARILYN HORNDT, PRESIDENT
C/O FRED CASTRO
816 CONGRESS AVE STE 1900
AUSTIN, TX 78701

Senate Bill 2 passed by the 86th legislature enacted several changes and new requirements for certification of the appraisal roll and setting of tax rates beginning in 2020.

In accordance with Tax Code Section 26.01(a-1), enclosed is the 2020 Certified Estimate information for your taxing unit. The Certified Estimate shall be used to calculate the no-new-revenue tax rate and the voter-approval tax rate, per Tax Code Section 26.04(c-2). For the Certified Estimate, value remaining under protest is reported, pursuant to Tax Code Section 26.01(c), as the owner's opinion of value or the preceding year's value, whichever is lower. Accordingly, it is a conservative estimate.

Senate Bill 2 also modified Truth in Taxation and the information page has been revised to include additional fields needed to complete the Comptroller's most recent tax rate worksheets. In addition, the calculated tax rates and hearing date information should be posted to the taxing unit portal maintained by the appraisal district, as established in Tax Code Section 26.17(e). For taxing units required to comply with Tax Code Section 26.04, the 26.17(e) postings should be completed no later than August 7, 2020.

Please feel free to contact me if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Marya Crigler", is written over a circular stamp that is partially obscured by the signature.

Marya Crigler
Chief Appraiser
mcrigler@tcadcentral.org
(512) 834-9317 ext. 337

TRAVIS CENTRAL APPRAISAL DISTRICT

BOARD OFFICERS

James Valadez
Chairperson
Bruce Grube
Vice Chairperson
Theresa Bastian
Secretary/Treasurer



Marya Crigler
Chief Appraiser

BOARD MEMBERS

Tom Buckle
Bruce Elfant
Anthony Nguyen
Eleanor Powell
Ryan Steglich
Felipe Ulloa
Blanca Zamora-Garcia

CERTIFIED ESTIMATE OF 2020 APPRAISED VALUES

July 24, 2020

LAKESIDE WCID NO 2B

Jurisdiction No. **9H**

Entity ID: **1135**

I, Marya Crigler, Chief Appraiser of the Travis Central Appraisal District, hereby certify that the estimated 2020 appraised value for this jurisdiction is:

APPROVED APPRAISAL ROLL		PROPERTY UNDER PROTEST	
Number of Accounts	Market Values	Number of Accounts	Market Values
426	122,926,391	79	24,961,737
7	145,234	0	0
<u>433</u>	<u>123,071,625</u>	<u>79</u>	<u>24,961,737</u>
	REAL PROPERTY		
	PERSONAL PROPERTY		
	TOTAL		

EXEMPTIONS			
Number of Accounts	Exemption Amount	Number of Accounts	Exemption Amount
	0		
			4,579
			AG HOMESTEAD CAP ABATEMENT CHODO / CLT/ LIH DISABLED PERSON
20	182,000	1	10,000
6	1,976,178		
			DISABLED VETERAN DV/FR 100% HS ECONOMIC DEV ENERGY EXEMPT EXEMPT 366 FREEPORT GOODS IN TRANSIT HISTORIC HOMESTEAD HOMESTEAD OV65 POLLUTION CONTROL
14	13,260		
			SOLAR VEHICLE
11	103,978	2	32,200
	120,796,209		24,914,958
			NET AFTER EXEMPTIONS
			22,417,285
			SECTION 26.01 (c) VALUE UNDER PROTEST :

NET TAXABLE VALUE	
143,213,494	

MARYA CRIGLER
CHIEF APPRAISER



2020 CERTIFIED ESTIMATE INFORMATION

July 24, 2020

LAKESIDE WCID NO 2B

Juris: 9H

Entity 1135

Tax Rate Worksheet Information (numbering based on form 50-856)

1. 2019 total taxable value	144,328,711
2. 2019 tax ceiling	
4. 2019 total adopted tax rate	0.9700
5. 2019 taxable value lost because of court appeals of ARB decisions reduced 2019 appraised value	
A. Original 2019 ARB Values	
B. 2019 values resulting from final court decisions	
6. 2019 taxable value subject to an appeal under Chapter 42, as of July 25.	
A. 2019 ARB Certified Value	
B. 2019 disputed value	
9. 2019 taxable value of property in territory the taxing unit deannexation after Jan 1, 2019	
10. 2019 taxable value lost because a property first qualified for exemption in 2020	
A. Absolute exemptions	0
B. Partial exemptions and amount exempt due to an increased exemption	36,000
11. 2019 taxable value lost because property first qualified for agricultural appraisal in 2020	
A. 2019 market value	
B. 2020 productivity value	
18. Total 2020 taxable value on certified appraisal roll today	
A. Certified taxable	120,796,209
C. Pollution control and energy storage system exemption	
D. Tax increment financing	
19. Total value of properties under protest or not on certified appraisal roll	
A. 2020 taxable value of properties under protest	22,417,285
B. 2020 value of properties not under protest or included on certified appraisal roll	
20. 2020 tax ceiling	
22. Total 2020 taxable value of properties in territory annexed after Jan 1, 2019	
23. Total 2020 taxable value of new improvements and new personal property located in new improvements	455,711

Notice of Public Hearing - Budget/Tax Rate Information

2019 Average appraised value of properties with a homestead exemption	310,842
2019 Total appraised value of all property	147,143,296
2019 Total appraised value of all new property	3,106,317
2019 Average taxable value of properties with a homestead exemption	309,194
2019 Total taxable value of all property	144,328,711
2019 Total taxable value of all new property	3,106,317
2020 Average appraised value of properties with a homestead exemption	310,258
2020 Total appraised value of all property	148,033,362
2020 Total appraised value of all new property	455,711
2020 Average taxable value of properties with a homestead exemption	310,246
2020 Total taxable value of all property	143,213,494
2020 Total taxable value of all new property	455,711
2020 Tax base reduction due to frozen taxes	
2020 Over-65 collectible levy	

2020 I&S TAX RATE ANALYSIS

Lakeside Water Control & Improvement District No. 2B

Tax Year	Projected Assessed Valuation*	Projected I&S Tax Rate	Cldr Year	Beginning Fund Balance**	Tax Collections 98.0%	Interest Income 1.0%	Total Funds Available	Debt Service Payments	Ending Fund Balance	Percent of Next Year's Payments
2015	100,755,052	0.6700								
2016	115,637,604	0.6900								
2017	130,708,703	0.5600								
2018	136,991,684	0.5400								
2019	144,328,711	0.5000								
2020	143,213,494	0.4900	2021	504,570	687,711	5,046	1,197,327	735,066	462,261	63.51%
2021	143,213,494	0.4900	2022	462,261	687,711	4,623	1,154,594	727,826	426,768	58.47%
2022	143,213,494	0.4900	2023	426,768	687,711	4,268	1,118,747	729,856	388,891	53.23%
2023	143,213,494	0.4900	2024	388,891	687,711	3,889	1,080,491	730,589	349,902	48.27%
2024	143,213,494	0.4900	2025	349,902	687,711	3,499	1,041,112	724,954	316,159	43.71%
2025	143,213,494	0.4900	2026	316,159	687,711	3,162	1,007,031	723,244	283,788	39.72%
2026	143,213,494	0.4900	2027	283,788	687,711	2,838	974,337	714,506	259,831	39.11%
2027	143,213,494	0.4900	2028	259,831	687,711	2,598	950,140	664,431	285,709	44.14%
2028	143,213,494	0.4900	2029	285,709	687,711	2,857	976,277	647,269	329,008	51.85%
2029	143,213,494	0.4900	2030	329,008	687,711	3,290	1,020,010	634,594	385,416	62.00%
2030	143,213,494	0.4900	2031	385,416	687,711	3,854	1,076,981	621,594	455,387	75.47%
2031	143,213,494	0.4900	2032	455,387	687,711	4,554	1,147,653	603,394	544,259	99.05%
2032	143,213,494	0.4900	2033	544,259	687,711	5,443	1,237,413	549,469	687,944	140.70%
2033	143,213,494	0.4900	2034	687,944	687,711	6,879	1,382,534	488,944	893,591	209.24%
2034	143,213,494	0.4900	2035	893,591	687,711	8,936	1,590,238	427,069	1,163,169	376.43%
2035	143,213,494	0.4900	2036	1,163,169	687,711	11,632	1,862,512	309,000	1,553,512	
Total					11,003,379	77,367		10,031,804		

* Reflects certified value for 2020

** Beginning Debt Service Fund Balance:

Fund balance as of 7/13/20	1,024,161
Less: debt payments due on 9/1/20	(519,591)
Projected fund balance on 9/2/20	<u>504,570</u>

2019 Tax Rate:

Debt svc.	0.5000
M&O	<u>0.4700</u>
Total	<u>0.9700</u>

2020 Developed Water District Tax Rate Calculations

Lakeside WCID No. 2B

August 1, 2020

Data Entry Page

1. The Districts PROPOSED 2020 Total Tax Rate	\$	0.9700	/\$100
2. 2020 average appraised value of residence homestead. (TCAD Certification, page 2, Item N).	\$	310,258	
3. 2020 average taxable value of residence homestead. (TCAD Certification, page 2, Item O).	\$	310,246	
4. 2019 average appraised value of residence homestead. (TCAD Certification, page 2, Item P).	\$	310,842	
5. 2019 average taxable value of residence homestead. (TCAD Certification, page 2, Item Q).	\$	309,194	
6. The district's 2019 Total Tax Rate.	\$	0.9700	/\$100
7. The district's 2019 Maintenance & Operation Tax Rate.	\$	0.4700	/\$100

Complete lines 8 thru 14 ONLY if you have qualified debt or contract service.

8. 2020 Net Taxable Value (TCAD Certification, pg 1, bottom)	\$	143,213,494	
9. 2020 Total Qualified Contract Service	\$	0.00	
10. 2020 Total Qualified Debt Service	\$	735,066.00	
11. SEE NOTE2 BELOW. Total amount to be applied against above Debt and Contract Service from sources other than 2020 tax levy (e.g. from fund reserves).	\$	33,319.87	
12. Your Final Calculated Debt Rate is:	\$	0.4900	/\$100

NOTE1: If line 12 displays "NEG#", then the amount entered on line 11 is too high.

Use the following ONLY if you wish a specified debt rate.

NOTE2: If you have a specific TARGET DEBT RATE, enter that rate on line 13 and enter the amount that appears in line 14 into line 11. If you have done this correctly, line 12 will now equal line 13. If line 14 displays "NEG#", then your target debt rate is higher than the law permits; you may not use that target rate.

13. 2020 Target Debt Rate	\$	0.4900	/\$100
14. Amount you need to enter into line 11	\$	33,319.87	

2020 Developed Water District Tax Rate Calculations

Lakeside WCID No. 2B

August 1, 2020

NOTE: This worksheet provides the numbers you will need for your Notice, but it is not in the format required for publication. An example of the notice is provided on the Comptroller's website at <https://comptroller.texas.gov/taxes/property-tax/truth-in-taxation/notices.php>.

Notice of Public Hearing Notice Calculations

1. 2019 average appraised value of residence homestead	\$	310,842
2. homestead (excluding senior citizen's or disabled person's exemptions)	- \$	1,648
3. 2019 average taxable value of residence homestead (line 1 minus line 2)	= \$	309,194
4. 2019 adopted TOTAL tax rate (per \$100 of value)	x \$	0.9700 /\$100
5. 2019 Total tax on average residence homestead (multiply line 3 by line 4, divide by \$100)	= \$	2,999.18
6. 2020 average appraised value of residence homestead	\$	310,258
7. 2020 general exemptions available for the average homestead (excluding senior citizen's or disabled person's)	- \$	12
8. 2020 average taxable value of residence homestead (line 8 minus line 9)	= \$	310,246
9. 2020 proposed TOTAL tax rate (per \$100 of value)	x \$	0.9700 /\$100
10. 2020 Total tax on average residence homestead (multiply line 8 by line 9, divide by \$100)	= \$	3,009.39
11. Difference in Rates per \$100 value	\$	0.0000 /\$100
12. Percentage increase/decrease in rates (+/-)		0.00%
13. Annual increase/decrease in taxes if proposed tax rate is adopted	\$	10.21
14. percentage of increase		0.34%

2020 Developed Water District Tax Rate Calculations

Lakeside WCID No. 2B

August 1, 2020

Voter-Approval Tax Rate Worksheet

1. 2019 average appraised value of residence homestead	\$	310,842
2. 2019 general exemptions available for the average homestead (excluding senior citizen's or disabled person's exemptions)	- \$	1,648
3. 2019 average taxable value of residence homestead (line 1 minus line 2)	= \$	309,194
4. 2019 adopted M&O tax rate (per \$100 of value)	x \$	0.4700 /\$100
5. 2019 M&O tax on average residence homestead (multiply line 3 by line 4, divide by \$100)	= \$	1,453.21
6. Highest M&O tax on average residence homestead with increase (multiply line 5 by 1.035)	= \$	1,504.07
7. 2020 average appraised value of residence homestead	\$	310,258
8. 2020 general exemptions available for the average homestead (excluding senior citizen's or disabled person's exemptions)	- \$	12
9. 2020 average taxable value of residence homestead (line 7 minus line 8)	= \$	310,246
10. Highest 2020 M&O Tax Rate (line 6 divided by line 9, multiply by 100)	\$	0.4847 /\$100
11. 2020 Debt Tax Rate	+ \$	0.4900 /\$100
12. 2020 Contract Tax Rate	+ \$	0.0000 /\$100
13. 2019 unused increment rate (If the year is prior to 2020, enter zero)	= \$	0.0000 /\$100
14. 2018 unused increment rate (If the year is prior to 2020, enter zero)	= \$	0.0000 /\$100
15. 2017 unused increment rate (If the year is prior to 2020, enter zero)	= \$	0.0000 /\$100
16. 2020 total unused increment rate (add lines 13, 14, and 15)	= \$	0.0000 /\$100
17. 2020 Voter-Approval Tax Rate (add lines 10, 11, 12, and 16)	= \$	0.9747 /\$100

Water District Notice of Public Hearing on Tax Rate

The _____ (name of the district) will hold a public hearing on a proposed tax rate for the tax year _____ (year of tax levy) on _____ (date and time) at _____ (meeting place).

Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property. The change in the taxable value of your property in relation to the change in the taxable value of all other property determines the distribution of the tax burden among all property owners.

FOR the proposal: _____ (names of all members of the governing body and how each
AGAINST the proposal: _____
PRESENT and not voting: _____ (voted on the proposed tax rate)
ABSENT: _____

The following table compares taxes on an average residence homestead in this taxing unit last year to taxes proposed on the average residence homestead this year.

	Last Year	This Year
Total tax rate (per \$100 of value)	_____ /\$100 Adopted	_____ /\$100 Proposed
Difference in rates per \$100 of value	\$ _____	/\$100
Percentage increase/decrease in rates(+/-)	_____ %	
Average appraised residence homestead value	\$ _____	\$ _____
General homestead exemptions available (excluding 65 years of age or older or disabled person's exemptions)	\$ _____	\$ _____
Average residence homestead taxable value	\$ _____	\$ _____
Tax on average residence homestead	\$ _____	\$ _____
Annual increase/decrease in taxes if proposed tax rate is adopted (+/-)	\$ _____	
and percentage of increase (+/-)	_____ %	

If the proposed combined debt service, operation and maintenance, and contract tax rate requires or authorizes an election to approve or reduce the tax rate the _____ (governing body of the water district) proposes to use the tax increase for the purpose of _____ (description of purpose of increase).

If the district is a district described by Section 49.23601:

NOTICE OF VOTE ON TAX RATE

If the district adopts a combined debt service, operation and maintenance and contract tax rate that would result in the taxes on the average residence homestead increasing by more than eight percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23601, Water Code.

If the district is a district described by Section 49.23602:

NOTICE OF VOTE ON TAX RATE

If the district adopts a combined debt service, operation and maintenance and contract tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code.

If the district is a district described in by Section 49.23603

NOTICE OF TAXPAYERS' RIGHT TO ELECTION TO REDUCE TAX RATE

If the district adopts a combined debt service, operation and maintenance, and contract tax rate that would result in the taxes on the average residence homestead increasing by more than eight percent, the qualified voters of the district by petition may require that an election be held to determine whether to reduce the operation and maintenance tax rate to the voter-approval tax rate under Section 49.23603, Water Code.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

Agenda Item No. 9

Discuss, consider, and take action as necessary concerning engagement of West, Davis & Company to conduct audit of the District's financial records for the period ending September 30, 2020.

WEST, DAVIS & COMPANY

A LIMITED LIABILITY PARTNERSHIP

July 31, 2020

Board of Directors

Lakeside Water Control and Improvement District No. 2B

Lloyd Gosselink Rochelle & Townsend, c/o David Klein

816 Congress Ave, Suite 1900

Austin, Texas 78701

We are pleased to confirm our understanding of the services we are to provide the Lakeside Water Control and Improvement District No. 2B (the "District") for the year ended September 30, 2020. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the District's basic financial statements, as of and for the year ended September 30, 2020. Accounting standards generally accepted in the United States 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 auditing standards generally accepted in the United States of America. 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 and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. General Fund Budget Comparison.

We have also been engaged to report on supplementary information other than RSI that accompanies the District's basic 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 auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

1. TCEQ required schedules.

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the Board of Directors of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. 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 government.

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 a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. 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 comes 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.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected

individuals, 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. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. 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.

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. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Other Services

We will also prepare the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement 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.

Management Responsibilities

Management is responsible for designing, implementing, 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 monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. 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, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

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 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, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. 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 representation letter that (1) you are responsible for 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.

You agree to assume all management responsibilities for financial statement preparation services and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Audit Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service provider.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of West, Davis and Company 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 TCEQ or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of West, Davis and Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to TCEQ or its designee. TCEQ or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on approximately October 1, 2020 and to issue our reports no later than December 31, 2020. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs except that we agree that our gross fee, including expenses, will be approximately \$10,500. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoice for these fees will be rendered upon completion of our work and are payable on presentation. The above fee 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 discuss it with you and arrive at a new fee estimate before we incur the additional costs.

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 below and return a copy to us.

Sincerely,



Bob West, CPA
Partner

RESPONSE:

This letter correctly sets forth the understanding of Lakeside WCID No 2B.

By: _____

Date: _____

Title: _____