



Board Meeting  
&  
Workshop

Clearwater Underground Water Conservation District  
700 Kennedy Court  
Belton, Texas

Wednesday  
February 16, 2022  
1:30 p.m.

## Clearwater Underground Water Conservation District Board Members

### **Leland Gersbach, Director Pct. 1 President**

7872 Hackberry  
Holland, TX 76534  
Phone: 254-657-2679  
E-mail: [lgersbach@cuwcd.org](mailto:lgersbach@cuwcd.org)

Work: Brockway, Gersbach, Franklin  
& Niemeier P.C.  
3520 SW H.K. Dodgen Loop  
Temple, TX 76504  
Phone: 254-773-9907  
Fax: 254-773-1570

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### **Gary Young, Director Pct. 2 Secretary**

1314 Creek View  
Salado, TX 76571  
Cell Phone: 972-571-3118  
E-mail: [gyoung@cuwcd.org](mailto:gyoung@cuwcd.org)

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### **Jody Williams, Director Pct. 3**

15098 FM 437 South  
P.O. Box 780  
Rogers, TX 76569  
Cell Phone: 254-493-4705  
E-mail: [jwilliams@cuwcd.org](mailto:jwilliams@cuwcd.org)

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### **Scott Brooks, Director Pct. 4**

425 Mercy Ranch Rd.  
Florence, TX 76527  
Phone: 254-226-4000  
E-mail: [sbrooks@cuwcd.org](mailto:sbrooks@cuwcd.org)

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### **David Cole, Director At-Large Vice President**

2401 Brown Circle  
Killeen, TX 76543-2930  
Cell Phone: 254-289-1219  
E-mail: [dcole@cuwcd.org](mailto:dcole@cuwcd.org)

*Revised Dec. 26, 2018*

# Agenda

**NOTICE OF THE MEETING OF THE  
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT  
February 16, 2022**

Notice is hereby given that the above-named Board will hold a Workshop and Board meeting on Wednesday, February 16, 2022, beginning at 1:30 p.m., in the Clearwater UWCD Board Room located at 700 Kennedy Court, Belton, Texas. The following items of business will be discussed<sup>1</sup>.

**Workshop:**

1. Receive updates on the Bell-Cor RHCP.
2. Receive presentation concerning potential management areas within Bell County.
3. Receive annual presentation by Pete Diaz (USFWS) concerning the status of Salado Salamander.
4. Receive information related to Groundwater Management Area 8, per the Joint Planning and Development of the Round 3 Desired Future Conditions.

**Board Meeting:**

1. Invocation and Pledge of Allegiance.
2. Public comment<sup>2</sup>.
3. Approve minutes of January 12, 2022, Board meeting.
4. Discuss, consider, and take appropriate action if necessary, to accept the monthly financial report for January 2022 (FY22) as presented.
5. Discuss, consider, and take appropriate action if necessary, to accept the monthly investment fund account report for January 2022 (FY22) as presented.
6. Discuss, consider, and take appropriate action if necessary, to approve the FY22 line-item budget amendments as requested.
7. Hold a public hearing on the following application:
  - a) Discuss, consider, and take appropriate action if necessary, on a proposed combination drilling and operating permit not to exceed 0.389 ac/ft/yr. for Scott Gillman authorizing drilling and operating production from a new well (N1-21-004P) to be completed in the Middle Trinity aquifer at a rate not to exceed 17-gpm to produce groundwater for domestic use on a 6.704-acre tract located at 7573 Chaparral Road, Killeen, TX.
8. Discuss, consider, and take appropriate action if necessary, to accept the FY21 Financial Audit as presented by the District's contracted auditing firm.
9. Discuss, consider, and take appropriate action if necessary, to approve funding the 2022 USFW-TXF&W Conservation Office Annual (Pete Diaz) Salado Springs & Salamander Monitoring Program under the Reimbursable Task Order.
10. Discuss, consider, and take appropriate action if necessary, to authorize the General Manager to execute a contract with the City of Belton for the possible sale of approximately 1.2-acres of land owned by Clearwater UWCD located at 700 Kennedy Court, Belton, TX.
11. Discuss, consider, and take appropriate action if necessary, to approve the employment contract with District General Manager.
12. General Manager's report concerning office management and staffing related to District Management Plan<sup>3</sup>.
13. Receive monthly staff report and possible consideration and Board action on the following<sup>3</sup>:
  - a. Drought Status reports
  - b. Education Outreach update
  - c. Monitoring Well reports
  - d. Rainfall report
  - e. Well Registration update
  - f. Aquifer Status and Non-exempt Monthly Well Production reports
14. Director comments and reports<sup>3</sup>.
15. Discuss agenda items for the next meeting.
16. Set time and place for next meeting.
17. Adjourn.

2022 FEB 11 AM 10:32  
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

Dated the 11th day of February 2022

Leland Gersbach, Board President

By: Dirk Aaron  
Dirk Aaron, Asst. Secretary

Agenda items may be considered, deliberated and/or acted upon in a different order than set forth above.

The Clearwater Underground Water Conservation District is committed to compliance with the Americans with Disabilities Act (ADA). Reasonable accommodations and equal opportunity for effective communications will be provided upon request. Please contact the District office at 254-933-0120 at least 24 hours in advance if accommodation is needed.

<sup>1</sup>During the meeting, the Board reserves the right to go into executive session for any of the purposes authorized under Chapter 551 of the Texas Government Code, for any item on the above agenda or as otherwise authorized by law.

<sup>2</sup>Citizens who desire to address the Board on any matter may sign up to do so prior to this meeting. Public comments will be received during this portion of the meeting. Please limit comments to 3 minutes. No discussion or final action will be taken by the Board except as authorized by section 551.042 of the Government Code.

<sup>3</sup>No formal action will be taken by the Board on these agenda items. These items are on the agenda to provide the District's staff, Public Task Force Committees, and Directors with an opportunity to bring to the public's and each other's attention important activities and issues pertinent to the management of groundwater within the District, including, but not limited to, current events in the District involving groundwater, wells, or District permittees, state or regional developments related to water management, and activities of the staff, Public Advisory Committee, and Directors. Substantive deliberation and formal action on any of these issues will be conducted pursuant to a specific item on a future agenda.

## NOTICE OF PERMIT HEARINGS OF THE CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

Notice is hereby given that the Board of Directors for the Clearwater Underground Water Conservation District will conduct public hearings on the permits as described below at 1:30 p.m. on Wednesday, February 16, 2022, in the Clearwater UWCD Board Room located at 700 Kennedy Court, Belton, Texas, in compliance with the Texas Open Meetings Act.

The public hearings will be conducted on the following applications:

Applicant's File Number/Name	Permit Applicant/Holder and Landowner	Location of Well/Wells	Proposed Annual Groundwater Withdrawal Amount & Purpose of Use
<b>Continuance of Operating Permit Hearing related to:</b>  N2-20-008P Existing Well  N2-20-009P Existing Well	Whitley 20 Stillman Valley LLC  c/o Russell Spillers Texas Veterans Properties LLC 8127 Mesa Dr. #206-53 Austin, TX 78759  (512) 814-7357	The proposed permits are for two wells located at:  Well #1 (N2-20-008P): Latitude:30.928700° Longitude: -97.7168527°  Well #2 (N2-20-009P): Latitude 30.928214° Longitude -97.717865°  Completed to the Hosston Layer of the Trinity Aquifer. The wells are equipped with a maximum 2-inch column pipe with a submersible pump rate not to exceed 17 gallons per minute on the 43.435-acre tract located on the corner of Stillman Valley Road and Firefly Road, Florence, TX	Request for an Operating Permit on an existing well,  <b>Well #1: N2-20-008P</b> for an operating permit authorized to serve 7 homes and not to exceed 1.95 ac-feet/yr or 634,662 gallons per year.  <b>Well #2: N2-20-008P</b> for an operating permit of authorized to serve 7 homes and not to exceed 1.95 ac-feet/yr or 634,662 gallons per year.  Both wells are completed in the Hosston Layer (Lower Layer) of the Trinity aquifer to produce groundwater for domestic use in a shared well agreement.
<b>Combination Drilling &amp; Operating Permit Hearing related to:</b>  N1-21-004P	Scott Gillman 7573 Chaparral Rd. Killeen, TX 76542	6.704-acre tract located at 7573 Chaparral Road, Killen, Texas  1 Proposed well in the Middle Trinity Aquifer with a 1 ¼ inch column pipe and maximum 17gpm.  Latitude 31.024884° Longitude -97.667624°	.389 acre-feet per year or 127,020 gallons per year from the Middle Trinity Aquifer for domestic use.

The Applications for Permit and Permit Amendments, if granted, would authorize the permit holders to operate wells within the Clearwater Underground Water Conservation District according to the terms and conditions set forth in the permit. A person wishing to submit a Contested Case Hearing Request who is unable to appear at the hearing on the date and time set forth above must also file a motion for continuance with CUWCD demonstrating good cause for the inability to not appear.

For additional information about this application or the permitting process, or to request information on the legal requirements on what MUST be included for a Contested Case Hearing Request to be valid, please contact CUWCD at 700 Kennedy Court (PO Box 1989) Belton, Texas, 76513, 254-933-0120.

ISSUED this 2<sup>nd</sup> day of February 2022 in Belton, Texas, on the recommendation of the General Manager.

I, the undersigned authority, do hereby certify that the above NOTICE OF PERMIT HEARING of the Board of Directors of the Clearwater Underground Water Conservation District is a true and correct copy of said Notice. I have posted a true and correct copy of said Notice at the District office located in Belton, Texas, and said Notice was posted on February 2, 2022, and remained posted continuously for at least 10 (ten) days immediately preceding the day of the said hearing; a true and correct copy of said Notice was furnished to the Bell County Clerk, in which the above-named political subdivision is located.

Dated 2/2/2022

Clearwater Underground Water Conservation District

By: Dirk Aaron  
 Dirk Aaron, General Manager

FEB - 2 P 1:39  
 BELTON, TEXAS

**Minutes - Item #3**

**Clearwater Underground Water Conservation District Meeting**  
**700 Kennedy Court**  
**Belton, TX**  
**Wednesday, January 12, 2022**  
**Minutes**

The Clearwater Underground Water Conservation District (CUWCD) held a Board meeting on Wednesday, January 12, 2022, at 1:30 p.m. at the Clearwater UWCD Building, located at 700 Kennedy Court, Belton, Texas.

**Board Members Present:**

Leland Gersbach, President, Pct 1  
David Cole, Vice President, At Large  
Gary Young, Secretary, Pct 2  
Jody Williams, Director, Pct 3

**Absent:**

Scott Brooks, Pct 4

**Staff:**

Dirk Aaron, General Manager  
Shelly Chapman, Admin Manager

**Guest:**

Bill Schumann – Bell County  
Emma Canales – 4H Water Ambassador  
Jane Gauntt – 4H Water Ambassador  
John Gauntt – 4H Water Ambassador

David Smith  
Mike Keester – RWH  
Whitney Ingram – AgriLife  
Stephanie Wong - LRE

Sarah Wood – 4H Water Ambassador  
Kenton Moffett – City of Temple  
Cole Ruiz – Lloyd Gosselink

**Workshop convened with President, Leland Gersbach, at 1:30 p.m.**

**Workshop Item #1: Receive annual report from Texas 4-H Water Ambassador Program.**

Received presentation from David Smith and 4 of the Water Ambassador. They discussed events of the past year and David Smith laid out the plans moving forward.

**Workshop Item #2: Receive updates related to the Bell County Water Symposium.**

Whitney Ingram discussed the results of the survey related to the Water Symposium and mentioned ideas for next year. Shelly Chapman presented the financial report for the event.

**Workshop Item #3: Receive information related to the Bell/Coryell Karst Coalition RHCP.**

Dirk gave an update on the RHCP and the firm selected to do the work.

**Workshop Item #4: Receive information related to the 5 Year Strategic Plan**

Dirk presented information related to the 5-year strategic plan and the process moving forward.

**Workshop Item #5: Receive information related to TAGD GCD Boot Camp Feb 8, 2022.**

Dirk noted that the next TAGD meeting is Feb 8-9. Along with the meeting, TAGD is offering a Boot Camp training session. Dirk encouraged the Board members to attend. He told them to let Shelly know and she would get them signed up. Gary Young indicated he was interested in attending

**Workshop Item #6: Receive information related to Groundwater Management Area 8, per the Joint Planning and Development of the Round 3 Desired Future Conditions.**

Dirk indicated there was nothing new to report at this time.

**Workshop closed and Board meeting convened with President, Leland Gersbach, at 3:07 p.m.**

**1. Invocation and Pledge of Allegiance.**

Vice President, David Cole, gave the invocation.  
Secretary, Gary Young, led the Pledge of Allegiance.

**2. Public Comment.**

None.

**3. Approve minutes of the December 8, 2021, Board meeting.**

Board members received the minutes of the December 8, 2021, Board meeting and workshop in their Board packet to review prior to the meeting.

Secretary, Gary Young, moved to approve the minutes of the December 8, 2021, Board meeting and Workshop. Vice President, David Cole, seconded the motion.

**Motion carried 4-0 (1 absent).**

4. *Discuss, consider, and take appropriate action if necessary, to accept the monthly financial report for December 8, 2021 (FY22) as presented.*

Board members received the monthly financial report for December 2021 in their Board packet to review prior to the meeting.

Vice President, David Cole, moved to accept the monthly financial report for December 2021 as presented. Director, Jody Williams, seconded the motion.

**Motion carried 4-0 (1 absent).**

5. *Discuss, consider, and take appropriate action if necessary, to accept the monthly Investment Fund Account report for December 2021 (FY22) as presented.*

Board members received the monthly investment fund account report for December 2021 in their Board packet to review prior to the meeting.

Vice President, David Cole, moved to accept the monthly investment fund account report for December 2021 as presented. Secretary, Gary Young, seconded the motion.

**Motion carried 4-0 (1 absent).**

6. *Discuss, consider, and take appropriate action if necessary, to accept the Quarterly Deferred Compensation Employee Retirement Program account report as presented.*

Board members received the Quarterly Report in their Board packet to review prior to the meeting.

Director, Jody Williams, moved to accept the Quarterly Report as presented. Secretary, Gary Young, seconded the motion.

**Motion carried 4-0 (1 absent).**

7. *Discuss, consider, and take appropriate action if necessary, to approve the FY22 line-item budget amendments as requested.*

There were none.

8. *Discuss, consider, and take appropriate action if necessary, to extend the professional services agreement with Mike Keester, Principal Hydrogeologist, RW Harden & Associates.*

Dirk Aaron explained that Mike Keester recently left LRE and is now a principal partner with RW Harden & Associates. Mike submitted a letter expressing his desire to continue his role as one of the District's geoscience consultants. He also agrees that the District's relationship with LRE as data management systems provider should continue. Mike submitted information about RW Harden. That information was provided to the Board members in their packet to review.

Dirk recommended the Board allow him to sign a contract for services with RW Harden & Associates for geoscience consulting by Mike Keester.

Vice President, David Cole, moved to allow the General Manager to sign a contract for services with RW Harden & Associates and Mike Keester. Director, Jody Williams, seconded the motion.

**Motion carried 4-0 (1 absent).**

9. *Discuss, consider, and take appropriate action if necessary, to approve the sponsorship level of the Texas 4-H Water Ambassador program.*

Dirk noted that the District has been sponsoring at the "Legacy" level of \$2,500. This amount is in the budget. He recommended that the Board continue at that level. Jody Williams recommended keeping the Legacy sponsorship and also helping with the registration fees for Bell County kids accepted to the program.



Director, Jody Williams, moved to continue sponsoring the program at the \$2,500 level and to also reimburse AgriLife for the registration fees for the Bell County kids accepted to the program. Vice President, David Cole, seconded the motion.

**Motion carried 4-0 (1 absent).**

**10. Discuss, consider, and take appropriate action if necessary, to approve the CUWCD/Bell County ILA related to rural plats and groundwater availability studies.**

Dirk presented a copy of the ILA and a flow chart for the Board to see. He explained the steps taken to process an application and scenarios that the District encounters when processing the applications.

The ILA is to formalize the relationship with Bell County. Informally, the District has already been doing all aspects of the ILA.

Cole Ruiz (legal counsel) has reviewed the ILA and agrees with the agreement. He explained the legal aspects of the agreement and guidelines.

The Commissioner's Court has looked at this agreement and agrees. The County Judge will sign off on it once Clearwater approves the ILA.

Secretary, Gary Young, moved to approve the ILA between CUWCD and Bell County related to rural plats and groundwater availability studies. Director, Jody Williams, seconded the motion.

**Motion carried 4-0 (1 absent).**

**11. Discuss, consider, and take appropriate action if necessary, to authorize the General Manager to work with the Texas A&M School of Law Environmental and Natural Resources Systems Law Clinic.**

Dirk explained that the District has an opportunity to work with Texas A&M School of Law Environmental and Natural Resources Systems Clinic. Sara Thornton, a principal with Lloyd Gosselink, is an adjunct professor there and is coordinating a pro-bono project for her students to work on with the District. Dirk explained the project at hand and noted that this would be at no charge for the District. The students will be working under the guidance of Sara to assist in the participation and development of an HCP for Bell/Coryell counties evaluating matters the District identifies for the clinic to research and address.

Secretary, Gary Young, moved to authorize General Manager to work with Sara Thornton and Texas A&M School of Law Environmental and Natural Resources Systems Clinic. Director, Jody Williams, seconded the motion.

**Motion carried 4-0 (1 absent).**

**12. Discuss, consider, and take appropriate action if necessary, to review and adopt the District investment policy resolution for the calendar year 2022.**

Dirk presented the District investment policy to be reviewed and readopted for 2022.

Vice President, David Cole, moved to readopt the District investment policy for resolution for calendar year 2022. Secretary, Gary Young, seconded the motion.

**Motion carried 4-0 (1 absent).**

**13. Discuss, consider, and take appropriate action if necessary, to set the District calendar dates for 2022.**

Staff looked at the calendar to set dates for 2022 board meetings. The proposed dates include regular board meetings, tentative dates in August to approve FY23 budget/tax rate, and tentative date for Bell County water Symposium. Staff also looked at holiday dates for 2023.

Suggested calendar dates are as follows:

Board Meeting	Wednesday	1/12/2022	TAGD Water Summit	Tues-Thur	8/30/22-9/1/22
Board Meeting	Wednesday	2/16/2022	Water Symposium	Wednesday	11/16/2022
Board Meeting	Wednesday	3/9/2022			
Board Meeting	Wednesday	4/13/2022	New Year's Day	Monday	1/3/2022
Board Meeting	Wednesday	5/11/2022	Memorial Day	Monday	5/30/2022
Board Meeting	Wednesday	6/8/2022	Independence Day	Monday	7/4/2022
Board Meeting	Wednesday	7/13/2022	Labor Day	Monday	9/5/2022
Board Meeting	Wednesday	8/10/2022	Thanksgiving Day	Thursday	11/24/2022
Board Meeting	Wednesday	8/24/2022	Thanksgiving	Friday	11/25/2022
Board Meeting	Wednesday	9/14/2022	Christmas Holiday	Friday	12/23/2022
Board Meeting	Wednesday	10/12/2022	Christmas Holiday	Monday	12/26/2022
Board Meeting	Wednesday	11/9/2022			
Board Meeting	Wednesday	12/14/2022			

Director, Jody Williams, moved to accept the 2022 calendar and holiday dates as presented. Secretary, Gary Young, seconded the motion.

**Motion carried 4-0 (1 absent).**

**14. Discuss, consider, and take appropriate action if necessary, to approve the employment contract with District General Manager.**

Leland suggested the Board move to Executive session with legal counsel to discuss personnel and other staffing related matters. The Board agreed.

**Board convened to Executive session with President, Leland Gersbach, at 4:02 p.m.**

**Executive session closed and regular Board meeting reconvened with President, Leland Gersbach, at 5:02 p.m.**

Vice President, David Cole, moved to table this item until the next meeting. Director, Jody Williams, seconded the motion.

**Motion carried 4-0 (1 absent).**

**15. Discuss, consider, and take appropriate action if necessary, to elect officers to the Board for the calendar year 2022 per District Bylaws, Article VI (Sec. 1 & 2).**

Secretary, Gary Young, moved to keep the Board officers as they currently are. Vice President, David Cole, seconded the motion.

**Motion carried 4-0 (1 absent).**

**16. Continue Public Hearing on the following application:**

***a) Discuss, consider, and take appropriate action if necessary, on a proposed operating permit for 2 existing wells for Whitley 20 Stillman Valley, LLC. Well #1 (N2-20-008P) authorizing an operating permit to serve 8 homes not to exceed 2.6 ac-feet/yr. or 855,414 gallons per year and Well #2 (N2-20-009P) authorizing an operating permit to serve 7 homes not to exceed 2.3 ac-ft/yr. or 748,487 gallons per year. Wells are completed in the Hosston Layer of the Trinity Aquifer and equipped with a submersible pump rate not to exceed 17-gpm on a 43.435-acre tract located on the corner of Stillman Valley Road and Firefly Road, Florence Texas.***

Leland Gersbach called to order the public hearing at 5:04 p.m. He gave a brief description of the application.

He noted that this hearing is a continuation of the hearing on the applications, which were initially heard on December 8, 2021. There, the Board offered an opportunity to provide public comment on the application as non-party, members of the public. No comments were received by the Board.

At the December 8, 2021, hearing on the application, the Board as required by statute and by its rules, considered all requests for a contested case hearing, and in fact granted such a request to Mr. Eric Gulbranson and Ms.

Anna Thornton, after determining that the hearing request met the requirements of Rules 6.10.9 and 6.10.12 of the District's rules; that Mr. Gulbranson and Ms. Thornton qualify as affected persons,—each having a personal justiciable interest; and that it was appropriate to deem the hearing a contested case hearing. Mr. Gulbranson and Ms. Thornton's request for a contested case hearing was the only such request received by the Board, and therefore Mr. Gulbranson and Ms. Thornton are the only protestants to the application that have party status at this hearing.

Leland also noted that Dirk Aaron - the District's General Manager; Whitley 20 Stillman Valley LLC, represented by Russell Spillers - the Applicant, and Mr. Gulbranson and Ms. Thornton - the protestants, are the only parties to this contested case hearing.

On December 8, 2021, the Board heard testimony from Russell Spillers; our General Manger, Dirk Aaron; consulting hydrogeologist, Mike Keester, and from the protestants, Mr. Gulbranson and Ms. Thornton. Upon the request of the Board, the parties agreed to continue the hearing until February 16th in order to hear further testimony from the applicant's consultant concerning groundwater availability at the applicant's wells.

Leland explained that the Parties have agreed to request an additional continuance of this hearing until February 16, 2022, in order to allow additional time to conduct a second 24 hr. aquifer test.

Dirk explained the purpose of the continuation and that Russell Spiller has agreed to the continuance for the purpose of an additional pump test.

Leland commented that all parties agreed to continue the hearing, as presiding officer, he granted the request for a continuance. The hearing will reconvene on February 16, 2022, at 1:30 p.m.

**17. *General Manager's report concerning office management and staffing related to District Management Plan.***

- Staff is in the process of preparing the annual report.
- Permits are being renewed.
- LRE is continuing to work and the DMS.

**18. *Review monthly report and possible consideration and Board action on the following:***

- a) Drought Status Reports*
- b) Education Outreach Update*
- c) Monitoring Wells*
- d) Rainfall Reports*
- e) Well Registration Update*
- f) Aquifer Status Report & Non-exempt Monthly Well Production Reports*

(Copiers of the Monthly Staff Reports were given to the Board Members to review. No action required. Information items only.)

**19. *Director's comments and reports.***

- **Leland Gersbach:** None
- **Jody Williams:** None
- **Gary Young:** He appreciates all the work Dirk does.
- **Scott Brooks:** Absent
- **David Cole:** Agreed with Gary. Dirk and his staff are an asset to the District.

**20. *Discuss agenda items for the next meeting.***

- Audit presentation
- Permit hearing continuation
- GM contract
- Presentations by consultants

**21. *Set time and place of next meeting.***

Wednesday, February 16, 2022, at 1:30 p.m. CUWCD office

**22. *Adjourn.***

**Board Meeting closed with President, Leland Gersbach, at 5:23 p.m.**

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Leland Gersbach, President

**ATTEST:**

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Gary Young, Secretary or  
Dirk Aaron, Assistant Secretary

# Financial Report - Item #4

**Clearwater Underground Water Conservation**  
**Balance Sheet**  
As of January 31, 2022

	Jan 31, 22
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10005 · Cash-Reg Operating	9,851.98
10500 · Cash-TexPool Prime	654,554.05
10505 · Cash - TexPool	648,977.93
<b>Total Checking/Savings</b>	1,313,383.96
<b>Other Current Assets</b>	
11005 · Accounts Receivable - Taxes	22,425.93
<b>Total Other Current Assets</b>	22,425.93
<b>Total Current Assets</b>	1,335,809.89
<b>Fixed Assets</b>	
15005 · Land	59,981.29
15010 · Leasehold Improvements	19,000.00
15015 · Building	306,734.08
15016 · Storage Building	104,382.03
15018 · Monitor Wells	92,938.18
15019 · Mobile Classroom Trailer	90,688.85
15020 · Field Equipment	17,243.55
15023 · Vehicles	6,920.00
15025 · Office Equipment	71,574.04
15030 · Accumulated Depreciation	-208,221.30
<b>Total Fixed Assets</b>	561,240.72
<b>TOTAL ASSETS</b>	<b>1,897,050.61</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
21000 · Deferred Tax Revenue	22,425.93
21050 · Compensated Absences Accrued	13,352.88
24000 · Payroll Liabilities	
24010 · TWC	618.34
<b>Total 24000 · Payroll Liabilities</b>	618.34
<b>Total Other Current Liabilities</b>	36,397.15
<b>Total Current Liabilities</b>	36,397.15
<b>Total Liabilities</b>	36,397.15
<b>Equity</b>	
31000 · Unappropriated Fund Balance	863,207.26
32000 · *Retained Earnings	-20,994.84
33000 · Investment in Fixed Assets	592,189.66
Net Income	426,251.38
<b>Total Equity</b>	1,860,653.46
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,897,050.61</b>



**Clearwater Underground Water Conservation  
Profit & Loss Budget vs. Actual  
October 2021 through January 2022**

3:29 PM

02/03/2022

Accrual Basis

	Jan '22	Oct '21 thru Jan '22	FY22 Original Budget	FY22 Amended Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
40005 · Application Fee Income	0.00	3,200.00	50,000.00	50,000.00	-46,800.00
40010 · Bell CAD Current Year Tax	276,588.61	631,270.36	777,106.00	777,106.00	-145,835.64
40015 · Bell CAD Delinquent Tax	266.21	2,718.80	10,000.00	10,000.00	-7,281.20
40020 · Interest Income	71.19	208.94	1,000.00	1,000.00	-791.06
40030 · Transport Fee Income	0.00	0.00	1,500.00	1,500.00	-1,500.00
<b>Total Income</b>	<u>276,926.01</u>	<u>637,398.10</u>	<u>839,606.00</u>	<u>839,606.00</u>	<u>-202,207.90</u>
<b>Gross Profit</b>	276,926.01	637,398.10	839,606.00	839,606.00	-202,207.90
<b>Expense</b>					
50000 · Administrative Expenses					
50100 · Audit	0.00	0.00	8,500.00	8,500.00	-8,500.00
50200 · Conferences & Prof Development	125.00	125.00	4,000.00	4,000.00	-3,875.00
50250 · Contingency Fund	0.00	0.00	90,264.00	58,714.00	-58,714.00
50300 · Director Expenses					
50305 · At Large	0.00	0.00	1,500.00	1,500.00	-1,500.00
50310 · Pct. 1	0.00	0.00	1,500.00	1,500.00	-1,500.00
50315 · Pct. 2	0.00	0.00	1,500.00	1,500.00	-1,500.00
50320 · Pct. 3	0.00	0.00	1,500.00	1,500.00	-1,500.00
50325 · Pct. 4	0.00	0.00	1,500.00	1,500.00	-1,500.00
<b>Total 50300 · Director Expenses</b>	<u>0.00</u>	<u>0.00</u>	<u>7,500.00</u>	<u>7,500.00</u>	<u>-7,500.00</u>
50400 · Director Fees					
50405 · At Large	150.00	750.00	2,550.00	2,550.00	-1,800.00
50410 · Pct. 1	0.00	0.00	2,550.00	2,550.00	-2,550.00
50415 · Pct. 2	150.00	900.00	2,550.00	2,550.00	-1,650.00
50420 · Pct. 3	150.00	750.00	2,550.00	2,550.00	-1,800.00
50425 · Pct. 4	0.00	0.00	2,550.00	2,550.00	-2,550.00
<b>Total 50400 · Director Fees</b>	<u>450.00</u>	<u>2,400.00</u>	<u>12,750.00</u>	<u>12,750.00</u>	<u>-10,350.00</u>
50500 · Dues & Memberships	336.00	2,466.00	4,000.00	4,000.00	-1,534.00
50550 · Election Expense	0.00	0.00	500.00	500.00	-500.00
50600 · GMA 8 Expenses					
50605 · Technical Committee	0.00	0.00	5,000.00	5,000.00	-5,000.00
50610 · Administration	0.00	0.00	2,500.00	2,500.00	-2,500.00
<b>Total 50600 · GMA 8 Expenses</b>	<u>0.00</u>	<u>0.00</u>	<u>7,500.00</u>	<u>7,500.00</u>	<u>-7,500.00</u>
50700 · Meals	0.00	132.74	1,000.00	1,000.00	-867.26
50800 · Mileage Reimbursements	0.00	0.00	5,000.00	5,000.00	-5,000.00
50900 · Travel & Hotel	0.00	1,053.80	4,500.00	4,500.00	-3,446.20
<b>Total 50000 · Administrative Expenses</b>	<u>911.00</u>	<u>6,177.54</u>	<u>145,514.00</u>	<u>113,964.00</u>	<u>-107,786.46</u>



	Jan '22	Oct '21 thru Jan '22	FY22 Original Budget	FY22 Amended Budget	\$ Over Budget
<b>52000 · Salary Costs</b>					
52005 · Administrative Assistant	4,666.67	18,666.68	56,000.00	56,000.00	-37,333.32
52010 · Educational Coord/Support Tech	4,166.67	16,666.68	50,000.00	50,000.00	-33,333.32
52015 · Manager	8,333.33	33,333.32	100,000.00	100,000.00	-66,666.68
52020 · Part Time/Intern	0.00	0.00	4,500.00	4,500.00	-4,500.00
52025 · Office Assistant/Field Tech	3,916.67	15,666.68	47,000.00	47,000.00	-31,333.32
52040 · Health Insurance	2,876.93	13,939.31	34,525.00	34,525.00	-20,585.69
52045 · Payroll Taxes & Work Comp	2,265.27	7,221.90	25,300.00	25,300.00	-18,078.10
52050 · Retirement	861.25	3,445.00	11,385.00	11,385.00	-7,940.00
52055 · Payroll Expenses	33.66	92.32	125.00	425.00	-332.68
52060 · Freshbenies	36.00	144.00	432.00	432.00	-288.00
<b>Total 52000 · Salary Costs</b>	<b>27,156.45</b>	<b>109,175.89</b>	<b>329,267.00</b>	<b>329,567.00</b>	<b>-220,391.11</b>
<b>53000 · Operating Expenses</b>					
53010 · Bank Service Charges	0.00	0.00	50.00	50.00	-50.00
53020 · Advertisement	0.00	199.50	4,000.00	4,000.00	-3,800.50
53030 · Appraisal District	1,848.00	1,848.00	9,000.00	9,000.00	-7,152.00
<b>53100 · Clearwater Studies</b>					
<b>53105 · Trinity Studies</b>					
53105.1 · Pumping Distribution	0.00	0.00	3,750.00	3,750.00	-3,750.00
53105.2 · Pumping Test	0.00	0.00	0.00	0.00	0.00
53105.3 · Synoptic	0.00	0.00	0.00	0.00	0.00
53105.4 · GAM Run	0.00	0.00	7,000.00	7,000.00	-7,000.00
53105.5 · Mgmt Options	0.00	0.00	7,000.00	7,000.00	-7,000.00
53105.6 · Water Quality Studies	0.00	0.00	0.00	0.00	0.00
<b>Total 53105 · Trinity Studies</b>	<b>0.00</b>	<b>0.00</b>	<b>17,750.00</b>	<b>17,750.00</b>	<b>-17,750.00</b>
<b>53110 · Edwards BFZ Studies</b>					
53110.1 · Pumping Distribution	0.00	0.00	3,750.00	3,750.00	-3,750.00
53110.2 · Pumping Test	0.00	0.00	0.00	0.00	0.00
53110.3 · Synoptic	0.00	0.00	0.00	0.00	0.00
53110.4 · Spring Shed (Baylor)	0.00	0.00	0.00	0.00	0.00
53110.5 · Water Quality Studies	0.00	0.00	0.00	0.00	0.00
53110.6 · GAM Calibration	0.00	0.00	10,000.00	10,000.00	-10,000.00
<b>Total 53110 · Edwards BFZ Studies</b>	<b>0.00</b>	<b>0.00</b>	<b>13,750.00</b>	<b>13,750.00</b>	<b>-13,750.00</b>
53115 · Drought Contingency Plan	0.00	0.00	0.00	0.00	0.00
<b>53120 · Endangered Species</b>					
53120.1 · Coalition	7,312.50	7,312.50	0.00	31,250.00	-23,937.50
53120.2 · Reimburseable Order	0.00	0.00	22,500.00	22,500.00	-22,500.00
53120.3 · 4(d) rule	0.00	0.00	0.00	0.00	0.00
53120.4 · DPS Petition	0.00	0.00	0.00	0.00	0.00
53120 · Endangered Species - Other	0.00	0.00	0.00	0.00	0.00
<b>Total 53120 · Endangered Species</b>	<b>7,312.50</b>	<b>7,312.50</b>	<b>22,500.00</b>	<b>53,750.00</b>	<b>-46,437.50</b>

	Jan '22	Oct '21 thru Jan '22	FY22 Original Budget	FY22 Amended Budget	\$ Over Budget
53125 · Environmental Flows	0.00	0.00	0.00	0.00	0.00
<b>53130 · General Consulting</b>					
53130.1 · DFC Process	0.00	0.00	5,000.00	5,000.00	-5,000.00
53130.2 · Eval of Rules	1,495.00	1,836.00	5,000.00	5,000.00	-3,164.00
53130.3 · Eval. Hydrogeologic Report	0.00	0.00	0.00	0.00	0.00
53130.4 · Investigations	11.00	123.00	8,000.00	8,000.00	-7,877.00
53130.5 · Geo Logging	0.00	0.00	5,000.00	5,000.00	-5,000.00
53130.6 · Aquifer Monitor Well Tool	0.00	0.00	0.00	0.00	0.00
53130.7 · ASR Study	0.00	0.00	0.00	0.00	0.00
53130.8 · Data Release	0.00	0.00	0.00	0.00	0.00
<b>Total 53130 · General Consulting</b>	<b>1,506.00</b>	<b>1,959.00</b>	<b>23,000.00</b>	<b>23,000.00</b>	<b>-21,041.00</b>
53135 · Monitor Well Construction	0.00	0.00	0.00	0.00	0.00
53140 · Monitor Wells Expenses	0.00	0.00	5,000.00	5,000.00	-5,000.00
53141 · Weather Station Expense	0.00	0.00	2,000.00	2,000.00	-2,000.00
53145 · Spring Flow Gauge	0.00	0.00	0.00	0.00	0.00
53150 · Water Quality	0.00	0.00	3,500.00	3,500.00	-3,500.00
53155 · 3-D Visualization	0.00	0.00	5,000.00	5,000.00	-5,000.00
<b>Total 53100 · Clearwater Studies</b>	<b>8,818.50</b>	<b>9,271.50</b>	<b>92,500.00</b>	<b>123,750.00</b>	<b>-114,478.50</b>
<b>53200 · Spring Flow Gage System</b>					
53205 · Op. & Maintenance	0.00	0.00	15,900.00	15,900.00	-15,900.00
53210 · Installation	0.00	0.00	0.00	0.00	0.00
<b>Total 53200 · Spring Flow Gage System</b>	<b>0.00</b>	<b>0.00</b>	<b>15,900.00</b>	<b>15,900.00</b>	<b>-15,900.00</b>
<b>53300 · Computer Consulting</b>					
53305 · Enhancements - Data Base	0.00	30,323.00	38,500.00	38,500.00	-8,177.00
53306 · Hosting - Data Base	0.00	0.00	1,250.00	1,250.00	-1,250.00
53310 · Hosting - PDI	0.00	0.00	250.00	250.00	-250.00
53311 · Hosting - Website	0.00	0.00	0.00	0.00	0.00
53312 · Enhancements - Website	0.00	0.00	0.00	0.00	0.00
53315 · IT Network Sustainment	450.00	1,800.00	5,400.00	5,400.00	-3,600.00
53317 · Management Tool Sustainment	0.00	0.00	2,000.00	2,000.00	-2,000.00
<b>Total 53300 · Computer Consulting</b>	<b>450.00</b>	<b>32,123.00</b>	<b>47,400.00</b>	<b>47,400.00</b>	<b>-15,277.00</b>
53400 · Computer Licenses/Virus Prtctn	44.00	176.00	1,500.00	1,500.00	-1,324.00
53450 · Computer Repairs and Supplies	0.00	0.00	2,000.00	2,000.00	-2,000.00
53500 · Computer Software & Hardware	0.00	549.91	5,000.00	5,000.00	-4,450.09
53550 · Copier/Scanner/Plotter	486.56	1,946.24	6,000.00	6,000.00	-4,053.76
<b>53600 · Educational Outreach/Marketing</b>					
53603 · Event Sponsor/Income	0.00	-5,500.00	0.00	0.00	-5,500.00
53605 · Event Cost	786.88	7,331.64	10,000.00	10,000.00	-2,668.36
53615 · Promotional Items	387.98	2,044.36	5,000.00	5,000.00	-2,955.64
53620 · Supplies & Equipment	0.00	182.65	4,500.00	4,500.00	-4,317.35
53625 · Curriculum	0.00	0.00	0.00	0.00	0.00
<b>Total 53600 · Educational Outreach/Marketing</b>	<b>1,174.86</b>	<b>4,058.65</b>	<b>19,500.00</b>	<b>19,500.00</b>	<b>-15,441.35</b>

	Jan '22	Oct '21 thru Jan '22	FY22 Original Budget	FY22 Amended Budget	\$ Over Budget
53650 · Furniture & Equipment	0.00	0.00	2,500.00	2,500.00	-2,500.00
<b>53700 · Legal</b>					
53701 · Drought Contingency Plan	0.00	0.00	0.00	0.00	0.00
53702 · Endangered Species	594.00	5,595.00	15,000.00	15,000.00	-9,405.00
53703 · General (rules/accountability)	5,731.00	9,406.00	15,000.00	15,000.00	-5,594.00
53704 · Legislative Research/Analysis	704.00	704.00	2,500.00	2,500.00	-1,796.00
53705 · Legislative Services	0.00	0.00	0.00	0.00	0.00
53706 · GMA/DFC/MAG support	1,849.04	2,073.04	10,000.00	10,000.00	-7,926.96
<b>Total 53700 · Legal</b>	<b>8,878.04</b>	<b>17,778.04</b>	<b>42,500.00</b>	<b>42,500.00</b>	<b>-24,721.96</b>
53720 · Office Supplies	26.01	366.41	3,500.00	3,500.00	-3,133.59
<b>53730 · Permit Reviews</b>					
53731 · Geoscience	0.00	6,013.00	25,000.00	25,000.00	-18,987.00
53732 · Legal Evaluation	2,385.44	2,570.40	25,000.00	25,000.00	-22,429.60
<b>Total 53730 · Permit Reviews</b>	<b>2,385.44</b>	<b>8,583.40</b>	<b>50,000.00</b>	<b>50,000.00</b>	<b>-41,416.60</b>
53740 · Postage	310.46	1,752.24	2,500.00	2,500.00	-747.76
53750 · Printing	0.00	1,484.63	2,500.00	2,500.00	-1,015.37
53760 · Reserve for Uncollected Taxes	0.00	0.00	20,000.00	20,000.00	-20,000.00
53780 · Subscriptions	0.00	0.00	900.00	900.00	-900.00
53785 · Mobile Classroom Expense	0.00	0.00	2,000.00	2,000.00	-2,000.00
53790 · Vehicle Expense	171.83	635.75	4,000.00	4,000.00	-3,364.25
<b>Total 53000 · Operating Expenses</b>	<b>24,593.70</b>	<b>80,773.27</b>	<b>333,250.00</b>	<b>364,500.00</b>	<b>-283,726.73</b>
<b>54000 · Facility Costs</b>					
<b>54100 · Insurance</b>					
54101 · Liability	0.00	2,003.12	1,300.00	2,003.12	0.00
54102 · Property	0.00	1,849.26	1,800.00	1,849.26	0.00
54103 · Surety Bonds	0.00	200.00	1,200.00	1,100.26	-900.26
54104 · Worker's Comp	0.00	872.20	1,100.00	872.20	0.00
54105 · Liability - Vehicle	0.00	825.16	1,250.00	825.16	0.00
<b>Total 54100 · Insurance</b>	<b>0.00</b>	<b>5,749.74</b>	<b>6,650.00</b>	<b>6,650.00</b>	<b>-900.26</b>
54200 · Building Repairs/Maintenance	77.92	4,470.43	8,000.00	8,000.00	-3,529.57
54300 · Janitorial Service	300.00	1,200.00	3,600.00	3,600.00	-2,400.00
54400 · Janitorial Supplies	391.91	416.45	750.00	750.00	-333.55
54500 · Lawn Maintenance/Service	225.00	900.00	3,000.00	3,000.00	-2,100.00
54600 · Security	59.90	149.75	375.00	375.00	-225.25
<b>Total 54000 · Facility Costs</b>	<b>1,054.73</b>	<b>12,886.37</b>	<b>22,375.00</b>	<b>22,375.00</b>	<b>-9,488.63</b>
<b>55000 · Utilities</b>					
55200 · Electricity	110.25	531.15	2,500.00	2,500.00	-1,968.85
55300 · Internet	149.99	449.97	2,000.00	2,000.00	-1,550.03
55400 · Phone	168.07	511.66	2,400.00	2,400.00	-1,888.34
55500 · Water/Garbage	212.88	640.87	2,300.00	2,300.00	-1,659.13
<b>Total 55000 · Utilities</b>	<b>641.19</b>	<b>2,133.65</b>	<b>9,200.00</b>	<b>9,200.00</b>	<b>-7,066.35</b>

	<b>Jan '22</b>	<b>Oct '21 thru Jan '22</b>	<b>FY22 Original Budget</b>	<b>FY22 Amended Budget</b>	<b>\$ Over Budget</b>
<b>Total Expense</b>	54,357.07	211,146.72	839,606.00	839,606.00	-628,459.28
<b>Net Ordinary Income</b>	222,568.94	426,251.38	0.00	0.00	426,251.38
<b>Net Income</b>	<b>222,568.94</b>	<b>426,251.38</b>	<b>0.00</b>	<b>0.00</b>	<b>426,251.38</b>



## Clearwater Underground Water Conservation Profit & Loss Detail January 2022

02/10/22

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
<b>40010 · Bell CAD Current Year Tax</b>						
Deposit	01/06/2022			Deposit	253,453.27	253,453.27
Deposit	01/06/2022			Deposit	0.45	253,453.72
Deposit	01/06/2022			Deposit	-2,045.11	251,408.61
Deposit	01/06/2022			Deposit	98.11	251,506.72
Deposit	01/06/2022			Deposit	-18.15	251,488.57
Deposit	01/21/2022			Deposit	25,515.38	277,003.95
Deposit	01/21/2022			Deposit	2.21	277,006.16
Deposit	01/21/2022			Deposit	-417.55	276,588.61
Total 40010 · Bell CAD Current Year Tax					276,588.61	276,588.61
<b>40015 · Bell CAD Delinquent Tax</b>						
Deposit	01/06/2022			Deposit	467.73	467.73
Deposit	01/06/2022			Deposit	-68.30	399.43
Deposit	01/06/2022			Deposit	2.10	401.53
Deposit	01/06/2022			Deposit	-0.03	401.50
Deposit	01/21/2022			Deposit	248.18	649.68
Deposit	01/21/2022			Deposit	-383.47	266.21
Total 40015 · Bell CAD Delinquent Tax					266.21	266.21
<b>40020 · Interest Income</b>						
Deposit	01/31/2022			Deposit	51.39	51.39
Deposit	01/31/2022			Deposit	19.80	71.19
Total 40020 · Interest Income					71.19	71.19
Total Income					276,926.01	276,926.01
Gross Profit					276,926.01	276,926.01
<b>Expense</b>						
<b>50000 · Administrative Expenses</b>						
<b>50200 · Conferences &amp; Prof Development</b>						
Bill	01/12/2022		Card Service Center	TAGD - Dirk ...	125.00	125.00
Total 50200 · Conferences & Prof Development					125.00	125.00
<b>50400 · Director Fees</b>						
<b>50405 · At Large</b>						
Bill	01/18/2022	Jan2022	David Cole	Board Mtg Ja...	150.00	150.00
Total 50405 · At Large					150.00	150.00
<b>50415 · Pct. 2</b>						
Bill	01/18/2022	Jan2022	Gary Young	Board Mtg Ja...	150.00	150.00
Total 50415 · Pct. 2					150.00	150.00
<b>50420 · Pct. 3</b>						
Bill	01/18/2022	Jan2022	Jody Williams	Board Mtg Ja...	150.00	150.00
Total 50420 · Pct. 3					150.00	150.00
Total 50400 · Director Fees					450.00	450.00
<b>50500 · Dues &amp; Memberships</b>						
Bill	01/29/2022	9701215903	Tanglewood POA	Annual dues	336.00	336.00
Total 50500 · Dues & Memberships					336.00	336.00
Total 50000 · Administrative Expenses					911.00	911.00

## Clearwater Underground Water Conservation Profit & Loss Detail January 2022

02/10/22

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
<b>52000 · Salary Costs</b>						
<b>52005 · Administrative Assistant</b>						
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	3,555.56	3,555.56
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	222.22	3,777.78
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	888.89	4,666.67
Total 52005 · Administrative Assistant					4,666.67	4,666.67
<b>52010 · Educational Coord/Support Tech</b>						
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	4,166.67	4,166.67
Total 52010 · Educational Coord/Support Tech					4,166.67	4,166.67
<b>52015 · Manager</b>						
Paycheck	01/28/2022	DD1325	Richard E Aaron	Direct Deposit	8,333.33	8,333.33
Total 52015 · Manager					8,333.33	8,333.33
<b>52025 · Office Assistant/Field Tech</b>						
Paycheck	01/28/2022	DD1324	Corey C Dawson	Direct Deposit	3,916.67	3,916.67
Paycheck	01/28/2022	DD1324	Corey C Dawson	Direct Deposit	0.00	3,916.67
Paycheck	01/28/2022	DD1324	Corey C Dawson	Direct Deposit	0.00	3,916.67
Total 52025 · Office Assistant/Field Tech					3,916.67	3,916.67
<b>52040 · Health Insurance</b>						
Paycheck	01/28/2022	DD1324	Corey C Dawson	Direct Deposit	500.00	500.00
Paycheck	01/28/2022	DD1325	Richard E Aaron	Direct Deposit	500.00	1,000.00
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	-554.66	445.34
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	1,219.72	1,665.06
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	-1,219.72	445.34
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	0.00	445.34
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	657.00	1,102.34
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	-657.00	445.34
Check	01/28/2022	SWHP-Feb22	Scott & White Health Pl...		2,431.59	2,876.93
Total 52040 · Health Insurance					2,876.93	2,876.93
<b>52045 · Payroll Taxes &amp; Work Comp</b>						
Paycheck	01/28/2022	DD1324	Corey C Dawson	Direct Deposit	273.83	273.83
Paycheck	01/28/2022	DD1324	Corey C Dawson	Direct Deposit	64.04	337.87
Paycheck	01/28/2022	DD1324	Corey C Dawson	Direct Deposit	123.67	461.54
Paycheck	01/28/2022	DD1325	Richard E Aaron	Direct Deposit	547.67	1,009.21
Paycheck	01/28/2022	DD1325	Richard E Aaron	Direct Deposit	128.08	1,137.29
Paycheck	01/28/2022	DD1325	Richard E Aaron	Direct Deposit	247.33	1,384.62
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	254.94	1,639.56
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	59.62	1,699.18
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	130.67	1,829.85
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	258.33	2,088.18
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	60.42	2,148.60
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	116.67	2,265.27
Total 52045 · Payroll Taxes & Work Comp					2,265.27	2,265.27
<b>52050 · Retirement</b>						
Paycheck	01/28/2022	DD1324	Corey C Dawson	Direct Deposit	198.75	198.75
Paycheck	01/28/2022	DD1325	Richard E Aaron	Direct Deposit	397.50	596.25
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	140.00	736.25
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	125.00	861.25
Total 52050 · Retirement					861.25	861.25
<b>52055 · Payroll Expenses</b>						
Bill	01/12/2022		Card Service Center	intuit qb fee	8.66	8.66
Check	01/25/2022	HSAFeeJan22	Wex	Admin Fee fo...	25.00	33.66
Total 52055 · Payroll Expenses					33.66	33.66

## Clearwater Underground Water Conservation Profit & Loss Detail January 2022

02/10/22

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
<b>52060 · Freshbenies</b>						
Check	01/10/2022	Jan22-TS	New Benefits Ltd - Fres...	Freshbenies ...	18.00	18.00
Check	01/10/2022	Jan22-SC	New Benefits Ltd - Fres...	Freshbenies ...	18.00	36.00
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	18.00	54.00
Paycheck	01/28/2022	DD1326	Shelly Chapman	Direct Deposit	-18.00	36.00
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	18.00	54.00
Paycheck	01/28/2022	DD1327	Tristin S Smith	Direct Deposit	-18.00	36.00
Total 52060 · Freshbenies					36.00	36.00
Total 52000 · Salary Costs					27,156.45	27,156.45
<b>53000 · Operating Expenses</b>						
<b>53030 · Appraisal District</b>						
Bill	01/12/2022	2nd Qtr	Tax Appraisal District - ...	2nd Qtr	1,848.00	1,848.00
Total 53030 · Appraisal District					1,848.00	1,848.00
<b>53100 · Clearwater Studies</b>						
<b>53120 · Endangered Species</b>						
<b>53120.1 · Coalition</b>						
Bill	01/29/2022	Inv RHCP-0...	Bell County	RHCP-0002	7,312.50	7,312.50
Total 53120.1 · Coalition					7,312.50	7,312.50
Total 53120 · Endangered Species					7,312.50	7,312.50
<b>53130 · General Consulting</b>						
<b>53130.2 · Eval of Rules</b>						
Bill	01/12/2022	Inv 10499	Advanced Groundwater...	Inv 10499	1,495.00	1,495.00
Total 53130.2 · Eval of Rules					1,495.00	1,495.00
<b>53130.4 · Investigations</b>						
Bill	01/12/2022		Card Service Center	Warranty De...	11.00	11.00
Total 53130.4 · Investigations					11.00	11.00
Total 53130 · General Consulting					1,506.00	1,506.00
Total 53100 · Clearwater Studies					8,818.50	8,818.50
<b>53300 · Computer Consulting</b>						
<b>53315 · IT Network Sustainment</b>						
Bill	01/12/2022	Inv 18213	Engineer Austin, LLC	Inv 18213	450.00	450.00
Total 53315 · IT Network Sustainment					450.00	450.00
Total 53300 · Computer Consulting					450.00	450.00
<b>53400 · Computer Licenses/Virus Prtctn</b>						
Bill	01/12/2022	Inv 18213	Engineer Austin, LLC	Inv 18213	44.00	44.00
Total 53400 · Computer Licenses/Virus Prtctn					44.00	44.00
<b>53550 · Copier/Scanner/Plotter</b>						
Bill	01/18/2022	Inv 0152020...	Xerox	Inv 015202056	486.56	486.56
Total 53550 · Copier/Scanner/Plotter					486.56	486.56
<b>53600 · Educational Outreach/Marketing</b>						
<b>53605 · Event Cost</b>						
Bill	01/12/2022	Crop Conf-S...	Bell Crops Committee	Sponsorship ...	150.00	150.00
Bill	01/12/2022		Card Service Center	Hugh Shine ...	229.76	379.76
Bill	01/12/2022		Card Service Center	Christmas re...	401.73	781.49
Bill	01/12/2022		Card Service Center	GoToMeeting	5.39	786.88
Total 53605 · Event Cost					786.88	786.88



## Clearwater Underground Water Conservation Profit & Loss Detail January 2022

Type	Date	Num	Name	Memo	Amount	Balance
		<b>53615 · Promotional Items</b>				
Bill	01/12/2022		Card Service Center	Christmas gifts	387.98	387.98
		Total 53615 · Promotional Items			387.98	387.98
		Total 53600 · Educational Outreach/Marketing			1,174.86	1,174.86
		<b>53700 · Legal</b>				
		<b>53702 · Endangered Species</b>				
Bill	01/18/2022	Inv 97528627	Lloyd Gosselink Attorne...	Inv 97528627	594.00	594.00
		Total 53702 · Endangered Species			594.00	594.00
		<b>53703 · General (rules/accountability)</b>				
Bill	01/12/2022	Inv 97527352	Lloyd Gosselink Attorne...	Inv 97527352	5,731.00	5,731.00
		Total 53703 · General (rules/accountability)			5,731.00	5,731.00
		<b>53704 · Legislative Research/Analysis</b>				
Bill	01/12/2022	Inv 97527393	Lloyd Gosselink Attorne...	Inv 97527393	704.00	704.00
		Total 53704 · Legislative Research/Analysis			704.00	704.00
		<b>53706 · GMA/DFC/MAG support</b>				
Bill	01/12/2022	Inv 97527991	Lloyd Gosselink Attorne...	Inv 97527991	1,849.04	1,849.04
		Total 53706 · GMA/DFC/MAG support			1,849.04	1,849.04
		Total 53700 · Legal			8,878.04	8,878.04
		<b>53720 · Office Supplies</b>				
Bill	01/12/2022		Card Service Center		26.01	26.01
		Total 53720 · Office Supplies			26.01	26.01
		<b>53730 · Permit Reviews</b>				
		<b>53732 · Legal Evaluation</b>				
Bill	01/18/2022	inv 97528058	Lloyd Gosselink Attorne...	Inv 97528058...	2,385.44	2,385.44
		Total 53732 · Legal Evaluation			2,385.44	2,385.44
		Total 53730 · Permit Reviews			2,385.44	2,385.44
		<b>53740 · Postage</b>				
Bill	01/12/2022		Card Service Center		310.46	310.46
		Total 53740 · Postage			310.46	310.46
		<b>53790 · Vehicle Expense</b>				
Check	01/12/2022	Cefco-Dec21	CEFCO		171.83	171.83
		Total 53790 · Vehicle Expense			171.83	171.83
		Total 53000 · Operating Expenses			24,593.70	24,593.70
		<b>54000 · Facility Costs</b>				
		<b>54200 · Building Repairs/Maintenance</b>				
Bill	01/12/2022		Card Service Center		77.92	77.92
		Total 54200 · Building Repairs/Maintenance			77.92	77.92
		<b>54300 · Janitorial Service</b>				
Bill	01/29/2022	Jan2022	Andrea Matl	Jan 2022	300.00	300.00
		Total 54300 · Janitorial Service			300.00	300.00
		<b>54400 · Janitorial Supplies</b>				
Bill	01/12/2022		Card Service Center		205.17	205.17
Bill	01/12/2022		Card Service Center	Tristin to rei...	186.74	391.91
		Total 54400 · Janitorial Supplies			391.91	391.91

**Clearwater Underground Water Conservation  
 Profit & Loss Detail  
 January 2022**

Type	Date	Num	Name	Memo	Amount	Balance
		<b>54500 · Lawn Maintenance/Service</b>				
Bill	01/29/2022	Inv 20850	Greeson Lawn Services...	Inv 20850	225.00	225.00
		Total 54500 · Lawn Maintenance/Service			225.00	225.00
		<b>54600 · Security</b>				
Bill	01/12/2022	Inv 108825	Progressive Protection	Inv 108825	29.95	29.95
Bill	01/29/2022	Inv 109204	Progressive Protection	Inv 109204	29.95	59.90
		Total 54600 · Security			59.90	59.90
		Total 54000 · Facility Costs			1,054.73	1,054.73
		<b>55000 · Utilities</b>				
		<b>55200 · Electricity</b>				
Bill	01/12/2022	Inv B220111...	AmeriPower	Inv B221110...	110.25	110.25
		Total 55200 · Electricity			110.25	110.25
		<b>55300 · Internet</b>				
Check	01/12/2022	Spect-Dec21	Spectrum		149.99	149.99
		Total 55300 · Internet			149.99	149.99
		<b>55400 · Phone</b>				
Check	01/12/2022	Spect-Dec21	Spectrum		168.07	168.07
		Total 55400 · Phone			168.07	168.07
		<b>55500 · Water/Garbage</b>				
Bill	01/12/2022		City of Belton		212.88	212.88
		Total 55500 · Water/Garbage			212.88	212.88
		Total 55000 · Utilities			641.19	641.19
		Total Expense			54,357.07	54,357.07
		Net Ordinary Income			222,568.94	222,568.94
		<b>Net Income</b>			<b>222,568.94</b>	<b>222,568.94</b>



**Clearwater Underground Water Conservation**  
**A/P Aging Detail**  
As of February 2, 2022

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Due Date</u>	<u>Aging</u>	<u>Open Balance</u>
<b>Current</b>						
Total Current						
<b>1 - 30</b>						
Total 1 - 30						
<b>31 - 60</b>						
Total 31 - 60						
<b>61 - 90</b>						
Total 61 - 90						
<b>&gt; 90</b>						
Total > 90						
<b>TOTAL</b>						

Investment Fund - Item #5

TexPool Participant Services  
 1001 Texas Avenue, Suite 1150  
 Houston, TX 77022



## Summary Statement

CLEARWATER UNDERGROUND WCD  
 ATTN DIRK AARON  
 PO BOX 1989  
 BELTON TX 76513-5989

Statement Period 01/01/2022 - 01/31/2022  
 Customer Service 1-866-TEX-POOL  
 Location ID 000079358

### GENERAL FUND - 07935800001

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance	Average Balance
TexPool	\$538,958.13	\$115,000.00	-\$5,000.00	\$19.80	\$648,977.93	\$616,216.83
TexPool Prime	\$544,502.66	\$115,000.00	-\$5,000.00	\$51.39	\$654,554.05	\$621,762.38
Total Dollar Value	\$1,083,460.79	\$230,000.00	-\$10,000.00	\$71.19	\$1,303,531.98	

### ACCOUNT TOTALS

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance
TexPool	\$538,958.13 ✓	\$115,000.00 ✓	-\$5,000.00 ✓	\$19.80	\$648,977.93 ✓
TexPool Prime	\$544,502.66 ✓	\$115,000.00 ✓	-\$5,000.00 ✓	\$51.39	\$654,554.05 ✓
Total Dollar Value	\$1,083,460.79	\$230,000.00	-\$10,000.00	\$71.19	\$1,303,531.98

*2/10/2022  
 SEC.*

**Clearwater Underground Water Conservation  
Reconciliation Summary  
10505 · Cash - TexPool, Period Ending 01/31/2022**

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	<u>Jan 31, 22</u>
<b>Beginning Balance</b>	538,958.13
<b>Cleared Transactions</b>	
<b>Checks and Payments - 1 Item</b>	-5,000.00
<b>Deposits and Credits - 2 items</b>	115,019.80
	<u>110,019.80</u>
<b>Total Cleared Transactions</b>	
<b>Cleared Balance</b>	<u><b>648,977.93</b></u>
<b>Register Balance as of 01/31/2022</b>	648,977.93
<b>Ending Balance</b>	648,977.93

2:16 PM

02/10/22

**Clearwater Underground Water Conservation**  
**Reconciliation Summary**  
10500 - Cash-TexPool Prime, Period Ending 01/31/2022

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	<u>Jan 31, 22</u>
Beginning Balance	544,502.66
Cleared Transactions	
Checks and Payments - 1 item	-5,000.00
Deposits and Credits - 2 items	115,051.39
Total Cleared Transactions	<u>110,051.39</u>
Cleared Balance	<u><b>654,554.05</b></u>
Register Balance as of 01/31/2022	654,554.05
Ending Balance	654,554.05



Permit Hearing

Gillman

Item #7

# APPLICATION FOR PERMIT NON-EXEMPT WELLS Classification 1

A NON-EXEMPT WELL, CLASSIFICATION 1, is a well that satisfies the following conditions:

A water well used for **domestic purposes or for watering livestock or poultry** that is drilled, equipped or completed so that it is incapable of producing more than 25,000 gallons per day, and is located on a tract of land consisting of less than 10 acres and great than or equal to 2 acres as of March 1, 2004.

Any water well used for other purposes or that is capable of producing more than 25,000 gallons per day, is a Non-Exempt Well, Classification 2. Applicant must complete a different form—*Application for Permit, Non-Exempt Wells, Classification 2.*

Check one of the following:

**COMBINATION DRILLING / OPERATING PERMIT**  
 (Complete Sections all sections)  
 New Well N1-21-004P  
 Replacement Well

**PERMIT AMENDMENT**

Modify Drilling Permit  
 (Complete Sections 1, 2, 3, 4 & 6)  
 Modify Operating Permit  
 (Complete Sections 1, 5 & 6)  
 Change in Well Ownership  
 (Complete Sections 1 & 6)  
 Other  
 Explain: \_\_\_\_\_

**\*\* Per Rule District Rule 9.3** and State Law TDLR all *State of Texas Well Reports* are due to the District within **60 days** of well completion.

**\*\*\* NEW Per District Rule 9.3.3** at completion of all wells Water Quality Assessment is required by the Pump Installer and/or Well Driller. District Staff will provide screen test, sample bottles, and coordinate with Pump Installer or Driller to retrieve the sample within **45 days** of the well completion. Temporary pump to purge the well is required should the well not have pump permanently installed in first 45 days

See Permit Terms, Spacing/Acreage Requirements, and Notice Requirements on the back side of this form.

**1. Owner Information**

Note: If well owner is different from property owner, provide documentation from property owner authorizing well construction and operation.

Well Owner: SCOTT A. GILLMAN Telephone No.: (254) 535-0160  
 Address: 7573 CHAPARRAL RD. KILLEEN TX 76542  
 (Street or P.O. Box) (City) (State) (Zip Code)  
 Contact Person (if other than owner): SAME Telephone No.: \_\_\_\_\_  
 If ownership of well has changed, name of previous owner \_\_\_\_\_ State Well No. \_\_\_\_\_

**2. Property Location and Proposed Well Location**

Owner of property (if different from well owner): \_\_\_\_\_  
 Property is located .75 miles S of KILLEEN on CHAPARRAL RD.  
 (Number) (N, S, E, W) (Nearest City or Town) (Name of Road)  
 Acreage: 6.7 Bell CAD Property ID#: 97212 Latitude: 31.024884 Longitude: -97.667624

**3. Well Description**

a. Proposed use of well and estimated amount of water to be used for each purpose:  
 \*Domestic; \_\_\_\_\_ Livestock; \_\_\_\_\_ Poultry.  
 \*Total number of houses to be serviced by the well 1.

b. Estimated distance from nearest:  
55 N / S Property Line; 602 E / W Property Line; \_\_\_\_\_ Existing Septic Leach Field;  
 \_\_\_\_\_ River, Stream or Lake; \_\_\_\_\_ Existing Water Well; \_\_\_\_\_ Livestock Enclosure;  
 \_\_\_\_\_ Other Source of Contamination (cemetery, pesticide mixing/loading, petroleum storage tank, etc.)

c. Estimated rate of withdrawal 106 gpm d. Is property subject to flooding: Yes /  No

e. Is there another well on the property? Yes /  No f. Is the well part of a multi-well aggregate system? Yes /  No  
 If yes, how many wells? \_\_\_\_\_ List State Well No.: \_\_\_\_\_

g. Attach the following:

- tax plat map indicating the location of the proposed well or the existing well to be modified, the subject property, and adjacent owners' physical addresses and mailing addresses. (BellCAD maps are sufficient if current and accurate)
- Indicate the location of the proposed well or the existing well to be modified with a circle and dot, and the distance to the well from property lines.

**NOTE:** If this is a replacement well, indicate location of well that is being replaced and distance from the proposed well. Abandoned well must be properly capped or plugged in accordance with state law and the rules of the District.

**Required: Pump Installer / Well Driller Information (Required by Law)**

Name: TOM LOUCE (LOUCE WATER WELL) TDLR Pump Installer License Number: 4920

Address: 4997 Elm Grove Rd. TDLR Well Driller License Number: \_\_\_\_\_

(Subsequent Use)

BERTON, TX 76513 (City) (Zip Code)

(254) 939-5073 (Phone #) (254) 939-3513 (Fax #) LOUCE WATERWELL CO. APT. NET (Email Address)

**4. Completion Information**

Provide the following information to the extent known and available at the time of application.  
**NOTE: Provide the complete driller's log and any mechanical log, or chemical analysis, within 60 days of completion of well. Well must be drilled within 30 feet of the location specified and not closer to any existing well or authorized well site than the District's minimum spacing rule requires.**

If amending existing permit, explain requested amendment and reason for amendment: \_\_\_\_\_

Latitude: 31.024884 N; Longitude: 97.667624 W; Elevation: \_\_\_\_\_ feet (ft) above msl.

Completion Date: \_\_\_\_\_; Driller: Tom Louce; License No.: 4920

Total Depth of Well: 600 ft; Borehole Diameter (Dia) 12 inches (in) from 0 to 20; Dia. (2) 8 in. from 20 to 600

Casing: Material PVC; Inside Diameter (ID) 4.5 inches (in); Welded / Threaded / Bell Joint; Depth 540 ft.

Screen Yes/No; Screen Type mill slot; Screen Dia. 4.5 in from 540 to 600 ft; Packing Yes No; Type \_\_\_\_\_

Pump Type: Submersible ; Other \_\_\_\_\_; Power: Electric ; Other \_\_\_\_\_

Pump: Horsepower Rating 3; Diameter 4 in; Depth: 540 ft; Discharge Rate: 10 gpm;

Column Pipe ID: 1.25 in; Discharge Pipe ID: 1.25 in.

Water Level: \_\_\_\_\_ ft; Measured from \_\_\_\_\_ ft above ground level (GL); Date \_\_\_\_\_

Pumping Level \_\_\_\_\_ ft; Measured from \_\_\_\_\_ ft above GL; after pumping \_\_\_\_\_ hours/minutes; Date \_\_\_\_\_

Water Bearing Formation: Middle Trinity; Water Quality Analysis? Yes / No Date: \_\_\_\_\_

**5. Annual Production**

**NOTE: If requesting operating permits or permit renewals for multiple wells, please attach a separate sheet with the information requested below for each well.**

Current permitted annual production: \_\_\_\_\_ Requested increase/decrease: \_\_\_\_\_

Include statement/documentation explaining requested production: \_\_\_\_\_

Number of contiguous acres owned or leased on which water is to be produced: 6.704 acres

Total annual production requested: 0.389 acre-feet or 127,020 gallons

(Note: 1 acre-foot = 325.851 gallons)

**6. Certification**

*I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief. I certify to abide by the terms of the District Rules, the District Management Plan, and orders of the Board of Directors. I agree to comply with all District well plugging and capping guidelines as stated in the District Rules.*

[Signature]  
 Owner Signature

12-9-21  
 Date

**PERMIT TERMS:** *Drilling Permits*—effective for **365** days from the date the permit application is approved by the Board. *Combination Drilling / Operating Permits*—effective until the end of the calendar year in which it is issued. Permits may be renewed by the General Manager, subject to any changes necessary under proportional adjustment regulations, District Rules, or the District Management Plan.

**SPACING/ACREAGE REQUIREMENTS:** Refer to District Rules, Section 9.5. For a well with a column pipe size of 2" or less, a minimum tract size of 2 acres is required, with a 100' setback from other well sites, and a 50' setback from property lines. Acreage and setbacks increase with larger column pipe size.

**NOTICE REQUIREMENTS:** Permit applicants must provide notice of filing as follows: 1) publication in a newspaper of general circulation in the District; and 2) certified mail, return receipt requested, to all adjacent property owners and owners of wells located within ¼ mile radius of the existing well or proposed well that is the subject of the application. The District will provide the appropriate forms for notification. Applicant must provide 1) proof of publication of public notice; and 2) proof of receipt by certified mail of the public notice to property owners as described above 12 days prior to the proposed public hearing date.

## Estimate of Water Use/Needs:

Applicant name: Proposed CUWCD Well #: Scott Gillman N1-21-004P

### Declare Usage Needs: Determined for each proposed non-exempt well

1) \*Domestic: 3 # of people per household x 1 home x 116 g/day/person = 348 x 365 days/325851 = 0.389 ac-ft/yr

2) \*\*Landscape Use (suggest that landscape watering be limited to 1500 square feet)

\_\_\_\_\_ gpm/zone x \_\_\_\_\_ minutes each zone runs = \_\_\_\_\_ gallons/zone

\_\_\_\_\_ gallons/zone X \_\_\_\_\_ number of zones = \_\_\_\_\_ gallons/day

\_\_\_\_\_ gallons/day x \_\_\_\_\_ days/wk system runs = \_\_\_\_\_ gallons/wk

\_\_\_\_\_ gallons/wk x \_\_\_\_\_ number of wks/year = \_\_\_\_\_ gallons/year

\_\_\_\_\_ gallons per year / 325851 = \_\_\_\_\_ acre feet per year requested.

Total needs: Household: 127,020 gallons per year

Landscape: \_\_\_\_\_ gallons per year

Proposed Annual Production Amount: 127,020 gallons and/or 0.389 ac-ft/year

The above estimate is for groundwater needs for a well on a tract of land less than 10 acres and greater than 2 acres subdivided after March 1<sup>st</sup> 2004.

*\*includes average household use for indoors and lawn irrigation.*

*\*\* is estimate of groundwater needs (annually) for just outside landscape use for an N1 well when the home is provided public water supply.*

# CUWCD Executive Summary

**Staff Report**  
**Application for Combination Drilling/Operating Permit**  
**N1-21-004P**



*Every drop counts!*

<b>Applicant/Owner:</b> Scott Gillman 7573 Chaparral Rd. Killeen, TX 76542			
<b>Location of Well:</b> 6.704 acre tract Located at 7573 Chaparral Rd, Killeen, TX Latitude 31.024884° /Longitude -97.667624°			
<b>Proposed Annual Withdrawal;</b> 0.389 ac-ft per year per well; 127,020 gallons /year	<b>Aquifer:</b> Middle Trinity	<b>Proposed Use:</b> Domestic	<b>Nearest Existing Well:</b> 5 wells within ¼ mile; 1 wells within ½ mile.
<b>Rate of Withdrawal:</b> @ 10 gpm			

**General Information**

The applicant is requesting a combination drilling and operating permit to allow construction of a well to produce water for domestic use on a tract of land 6.704 acres in size. The proposed home site is less than 10 acres and more than 2 acres. The applicant is required to obtain a drilling/operating permit for the proposed site having been subdivided after March 1, 2004 resulting in acreage less than 10. This well is considered as *Non-Exempt Well, Classification N1 per the application*, thus this well is not required to have a meter and reporting of monthly production is not required if classified as such.

Special Provisions will be discussed with the board should the permit be approved, to ensure compliance and conservation. The permit will be renewed annually by CUWCD staff, unless the applicant's circumstances change, and/or special provisions are not complied with, and/or conditions of the Middle Trinity Aquifer (Hensell Layer) merit curtailment of all permit holders in accordance with District Rules and Chapter 36 necessary to meet the DFC under statutory requirements.

CUWCD consulting hydrogeologist, Mike Keester R W Harden & Associates, has reviewed the application and has conducted the required drawdown analysis per district rules.

The applicant's permit request is for 0.389 ac-ft/year per well. The well will be producing from the Middle Trinity Layer of the Trinity aquifer at a maximum rate of 10 gallons per minute (gpm). Estimated annual production was calculated based on household usage of approximately 116 gallons/person/day average, thus 127,020 gallons per year per well. In comparison to the exempt wells

privileges of 17 gpm or maximum 25,000 gallons per day is approximately 28 acre feet, the well is requesting substantially less groundwater.

This property lies within West Bell County WSC CCN # 10045 (certificate of convenience and necessity); and the applicant has investigated with West Bell County WSC for the possibility of public water supply delivery and will testify why they have chosen to pursue groundwater rather than public water supply. Verification of on-site septic system has been conducted by Bell County Public Health District – Environmental Health Division. Applicant agrees to the required setback dimensions from the existing on-site septic system and the well will be more than 100 feet from the on-site septic system and will be approximately 55 feet from the property line. The proposed location of the well will not be closer than the required 50 feet from all adjacent properties. Owner has declared Tom Lovelace as the contracted driller and pump installer.

**Per Rules 6.9 and 6.10**

In deciding whether or not to issue a permit, the Board must consider the following:

- 1) **Does the application contain all the information requested, is the application accurate? Does it meet spacing and production limitations identified by District Rules, and does it conformed to all application requirements which include public notification and accompanied by the prescribed fees? (Rule 6.10.24(a)(b), TWC 36.116(a)(1), TWC 36.113(d)(1) and Rule 6.9.1(b)(1)(2)**  
The application is complete—all requested information has been provided. The application conforms to said rules with all required application fees. In addition, the applicant has met all notification requirements in a proper manner per District Rules.
- 2) **Is the proposed use of water dedicated to a beneficial use? (TWC 36.113(d)(3) and District Rule 6.10.24 (d).**  
The water produced from this well will be used for domestic purposes (household) which is a beneficial use.
- 3) **Has the applicant agreed to avoid waste and achieve water conservation? (TWC 36.113(d)(6) and Rule 6.10.24(f)**  
The applicant has agreed to avoid waste and achieve water conservation by signing the application form stating compliance with the District’s Management Plan. Applicant understands the importance of water conservation measures in the home and options for outside water conservation are vital to the rural experience. Rainwater Harvest catchment systems are encouraged for each of the future home sites needs for landscape. The District acknowledges that the applicant has stated they do not intend to utilize the groundwater for extensive landscape purposes.
- 4) **Has the applicant agreed that reasonable diligence will be used to protect groundwater quality and that the applicant will follow well plugging guidelines at the time of well closure? (TWC 36.113(d)(7) and Rule 6.10.24(g))**  
The applicant has agreed (by signing the application form) should a well deteriorate over time that state law and district rules require such wells to be plugged before a replacement well can be drilled.

5) **Will the proposed water well comply with spacing and production limitations identified in our rules? (TWC 36.116(a)(1) and Rule 6.10.24(b) and Rule 9.5.2)**

The proposed well will have a column pipe with an inside diameter of 1 1/4 inch. Based on this column pipe size, a minimum size tract of 2 acres is required, with a 100 foot spacing requirement from other wells, the 50 foot setback requirement from adjacent property lines is met on all sides. District Rule 9.5.2 all property line setbacks have been agreed to.

The District rules do not impose production limitations other than those determined applicable in the review of the today's permit request or to prevent unacceptable level of decline in water quality of the aquifer, or as may be necessary to prevent waste and achieve water conservation, minimize as far as practicable the drawdown of the water table or the reduction of artesian pressure, lessen interference between wells, or control and prevent subsidence. These issues are considered in Items 6 & 7 below and with staff recommendations to address potential concerns of adjacent property owners.

6) **Will the proposed use of water unreasonably affect existing groundwater and surface water resources or existing permit holders?**

Based upon available information, there are 5 wells within 1/4 mile of the well site, and all 5 of these wells are reported as active and completed in the Middle Trinity aquifer, with the nearest well being approximately 280 feet away. There is 1 additional well within 1/2 mile listed as active and completed in the Middle Trinity.

Mike Keester, Hydrogeologist, R W Harden & Associates, has reviewed this application and has determined anticipated drawdown and has provided the attached report. He will offer testimony as needed.

Potential drawdown concern is present due to the proposed well being in the proposed Southwest Area Management Zone (see attached). It is recommended the well be completed with a 1 1/4 inch column pipe and a discharge rate of 5 gpm to help diminish the drawdown concerns.

7) **The proposed use of water is consistent with the District's water management plan.**

The District's Management Plan reflects a groundwater availability figure in the Middle Trinity Aquifer of **1099 ac-ft/year Model Available Groundwater**. The District has reserved 548 ac-ft/year for exempt well use thus **551 ac-ft/year** is technically available for permitting. Currently the district has permitted out **470.55 ac-ft/year**.

The board, per the district management plan, has evaluated groundwater available for permitting the three Layers of the Trinity Aquifer and most recently evaluated the available groundwater for permitting (*consistent with the management plan as stated on pages 9-11*).

The requested permit amount relative to the modeled available groundwater MAG determined by the Texas Water Development Board (TWDB) based on the desired future conditions (DFCs) established by the District for the Middle Layer of the Trinity Aquifer was set by CUWCD based on drawdown of 137 feet for the next 60 years.



This drawdown was approved by the board in January 2019. To achieve this DFC, the TWDB used a model that indicated the MAG was equal to 1099 ac-ft/year for the Hensell Layer (Middle) Trinity Aquifer.

A summary of YTD 2021 permit production, HEUP & OP Permit Analysis, pending applications and Exempt Well Reservations for the Trinity Aquifer, per District Report (*see attached Trinity Aquifer Status Report, January 2022*).

- 8) **The Modeled Available Groundwater calculations determined by the Executive Administrator of the Texas Water Development Board.**  
Refer to #7 above. The modeled available groundwater will not be exceeded by granting this permit.  
(*see attached District Trinity Aquifer Status Report*).
- 9) **The Executive Administrator of the Texas Water Development Board's estimate of the current and projected amount of groundwater produced under the exemptions in District Rule 8.3.**  
Refer to #7 above. Reservation of Modeled available groundwater for exempt well use will not be exceeded by granting this permit. 548 ac-ft is reserved vs 524 ac-ft estimated being used.
- 10) **The amount of groundwater authorized under permits previously issued by the District.**  
Refer to #7 above. Existing permits do not exceed the managed available groundwater (*modeled available groundwater – exempt well use = Managed available groundwater*) for the Middle Trinity aquifer is 1099 ac-ft per year.
- 11) **A reasonable estimate of the amount of groundwater that is actually produced under permits issued by the District.**  
The actual production from all permitted wells in the Middle Trinity Aquifer in 2020 was 93.69 acre-feet (19.9%) and ytd in 2021 is 66.99 acre-feet (14.24%) of permitted amount. (*Figures are based upon monthly production reports submitted to Clearwater by the permit holders in 2020 and 2021*).
- 12) **Yearly precipitation and production patterns.**  
Clearwater is currently in no drought management stage based on the PDI system (average running total annual rainfall) over the Aquifer in the District, is currently at 35.558 inches rain received in the last 365 days (2/10/22) thus 107.75% of annual expected rainfall of 33 inches. Currently the permit holders in the first 1 month of 2022 have used only 2% of total permitted amounts. Permit holders did not exceed their total permitted amounts in 2021. The gravity of the drought of 2011-2015 necessitated the need for all permit applications to be evaluated based on conservative needs and usage that is not contradicted by the current drought contingency plan stage.

## Conclusions:

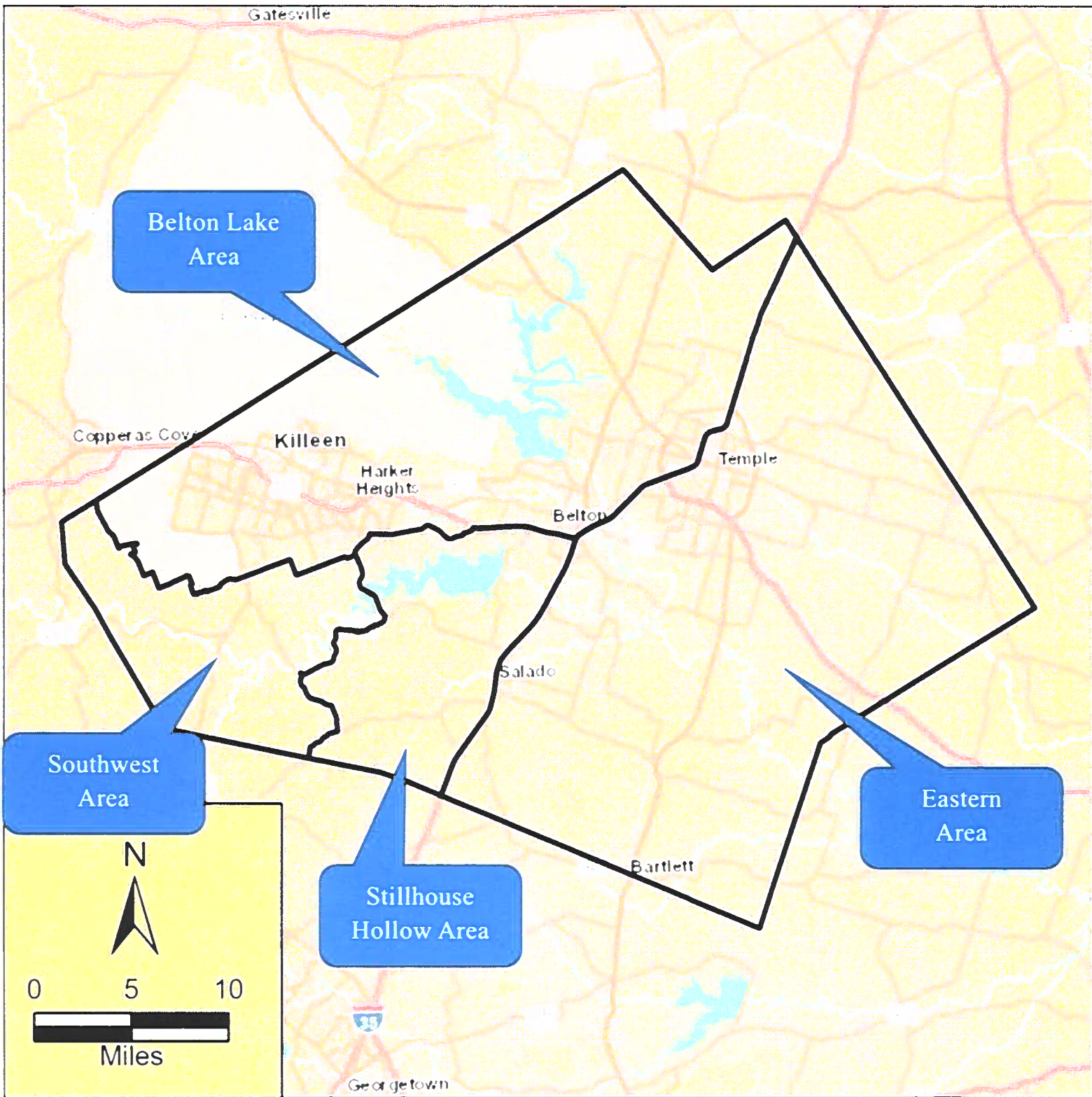
- CUWCD well records indicate that 5 Middle Trinity wells are located within a ¼-mile radius and 1 additional Middle Trinity well is located within a ½-mile radius of the

proposed well site. The wells listed as grandfathered exempt often times have declared depths by the original registrant at incorrect depths based on limited information at the time.

- The producing interval of the Middle Trinity aquifer based on adjacent property well driller's reports and our virtual bore (see attached) is estimated to be 521 feet bls.
- Keester also stated that at the proposed pumping rate, the projected water level decline is negligible in nearby wells being less than one foot after a year of pumping.
- Proposed annual permit amount of 0.389 acre-feet (127,020 gallons/year) is substantially less than the allowed production of an exempt well under Chapter 36 and District rules to produce at a rate of 17 gallons per minute (or 25,000 gallons per day) for 365 days equaling 28 acre feet/year. The long-term pumping effects from the proposed well at the requested pumping amount are negligible and the combined effects from many wells with relatively small pumping rates can have a noticeable long-term effect on aquifer water levels per Keester's review, thus the drawdown will not diminish the ability of other aquifer users to produce water for a beneficial use. (see Keester's Report)

### **Recommendations:**

- 1) Approve the application for Scott Gillman well with the following special conditions:
  - a. Require the well owner to have the driller/pump installer complete with the required sanitary seal if the proposed well will be closer than 100 feet and greater than 50 feet from the proposed on-site septic system.
  - b. Require that the well be equipped with a removable plug to allow clear access into the well for water level measurement by the district.
  - c. Require that the pump installer install a measuring tube alongside the column pipe to allow for measurement of the water level using an e-line or other direct measurement method.
  - d. Require that the well be measured by District Staff for the purpose including this additional data in the well monitoring program as a part of the DFC management effort by the district.
  - e. Require the pump installer to install a temporary pump at completion of the well so the district can conduct a prescribed pumping/aquifer test for the purpose of determining the accuracy of the groundwater availability model (NTWGAM). District will contract for obtaining a geophysical log of the borehole prior to well completion and will provide a generator for the purpose of the pumping test.
  - f. Require the well to be completed with a 1 ¼ inch column pipe and a pumping rate of 5 gpm.
  - g. Require the pump installer to install a metering device for monthly on-line reporting of production necessary to assure the district that production limit of the permit is not exceeded.



R W Harden Summary  
(Mike Keester, P.G.)



**Proposed Well ID:** N1-21-004P

**Well Owner Name:** Scott Gillman

**Tract Size:** 6.704 Acres

**Column Pipe Size:** 1 ¼ Inches

**Aquifer:** Middle Trinity

**Proposed Annual Production:** 0.389 Acre-Feet per Year

**Proposed Instantaneous Pumping Rate:** 10 Gallons per Minute

The potential effects of the proposed production on local water levels in the aquifer are calculated using the Theis equation<sup>1</sup> which relates water level decline (that is, drawdown) to the pumping rate of a well and properties of the aquifer. While the equation does not account for aquifer conditions which may affect the calculation of long-term water level declines (for example: aquifer recharge, faulting, or changes in aquifer structure), it does provide a very good, reliable, and straightforward method for estimating relatively short-term drawdown in and near a well due to pumping. As the duration of pumping and distance from the well increase, the uncertainty in the calculated drawdown also increases. To assess the potential effects from the proposed production, the equation uses values from the groundwater availability model datasets<sup>2</sup>.

The following table presents the calculated drawdown at the proposed well and at other nearby wells completed in the same aquifer. For *1-Day Drawdown*, we applied the proposed instantaneous pumping rate for a period of 24 hours. For *30-Day Drawdown*, we assumed peak pumping during the summer of about 15 percent more than the average monthly amount (that is, the proposed annual production rate divided by 12 then multiplied by 1.15). For *1-Year Drawdown*, we used the proposed annual production amount.

Well Name	Distance from Proposed Well (feet)	1-Day Drawdown (feet)	30-Day Drawdown (feet)	1-Year Drawdown (feet)
N1-21-004P Scott Gillman	1	12.59	Negligible	Negligible
E-11-082P	281	3.65	Negligible	Negligible
N1-16-005P	318	3.46	Negligible	Negligible
N1-16-004P	367	3.23	Negligible	Negligible
E-02-450G	464	2.86	Negligible	Negligible
E-11-019P	939	1.78	Negligible	Negligible
E-08-004P	1466	1.15	Negligible	Negligible
N1-17-001P	1864	Negligible	Negligible	Negligible

The predicted drawdown presented above is based on our current understanding of the aquifer hydraulic properties and the estimated production from the proposed well. The predicted drawdown values presented do not include the effects from other wells pumping near the proposed well. Predicted

<sup>1</sup> Theis, C.V., 1935, The Relation Between the Lowering of the Piezometric Surface and the Rate and Duration of Discharge of a Well Using Ground-Water Storage: American Geophysical Union Transactions, v. 16, p. 519-524.

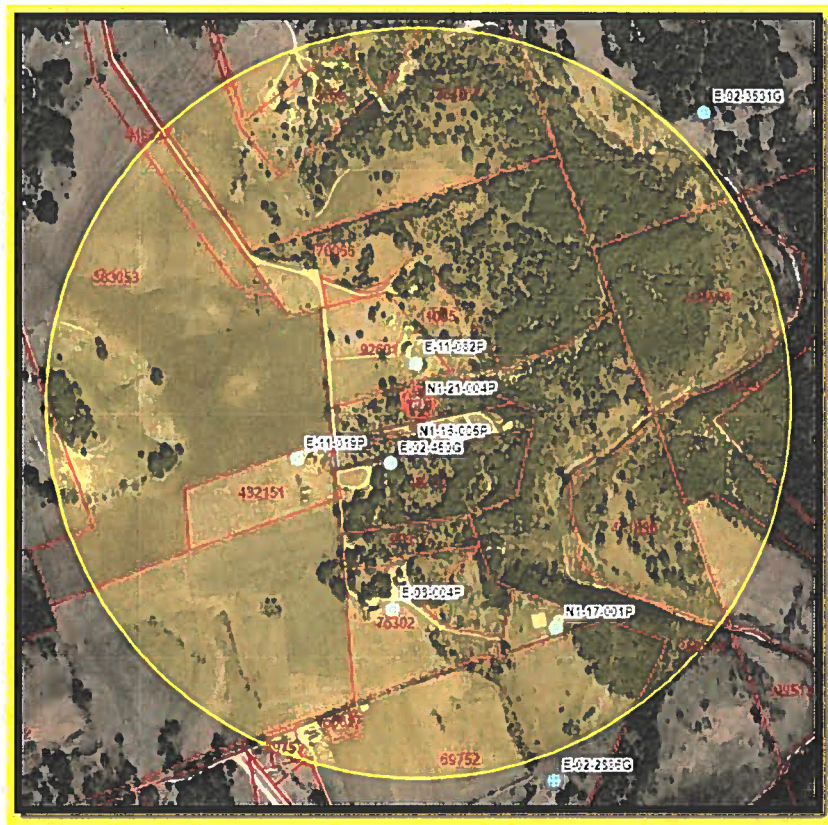
<sup>2</sup> Groundwater availability model (GAM) datasets include the Northern Edwards GAM, the Northern Trinity/Woodbine GAM (for the Upper and Middle Trinity aquifers), and the modified Northern Trinity/Woodbine GAM (for the Lower Trinity Aquifer).



drawdown of less than one (1) foot is considered negligible for analysis purposes due to inherent uncertainty in the aquifer hydraulic characteristics.

As shown above, the impacts from the proposed production are primarily associated with the designed pumping rate of 10 gallons per minute. The annual production from the well is anticipated to have a negligible impact on the nearest existing well completed in the same aquifer. However, the proposed annual production will contribute to some extent to the cumulative effects of production identified in nearby wells.

Wells located within one-half (½) mile of the proposed well are shown on Figure A. The current calculated rate of water-level decline in the nearby existing well N1-16-005P is about seven (7) feet per year. The top of the Middle Trinity Aquifer is about 540 feet below ground level and the most recent depth to water measurement is about 415 feet below ground level. At the current rate of water-level decline, the Middle Trinity Aquifer will become unconfined in less than 20 years at the proposed well location.



**Figure A:** Wells located within ½ mile of the proposed lat/long in the application



## Conclusions and Recommendations

Nearby wells will primarily be impacted by the short-term production from the proposed well. The proposed well meets the current spacing requirements, but the aquifer conditions are such that measurable water-level decline may occur in the nearest existing well when the proposed well is pumping at the design rate of 10 gallons per minute. Nonetheless, we anticipate a negligible impact on the existing wells due to the long-term production.

We recommend the following conditions for the well and permit:

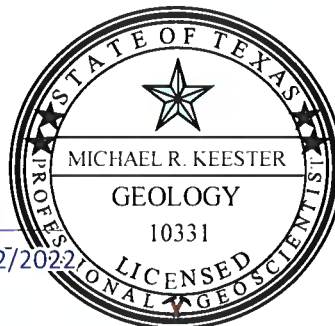
- The pump installer shall install a temporary pump at completion of the well in order that the District can conduct a prescribed pumping/aquifer test for the purpose of determining the accuracy of the groundwater availability model (NTWGAM). District will contract for obtaining a geophysical log of the borehole prior to well completion and will provide a generator for the purpose of the pumping test.
- To assess actual changes in water levels due to pumping from the proposed well and regional water level declines, the pump installer shall install a measuring tube alongside the column pipe to allow for measurement of the water level using an e-line or other direct measurement method.
- In addition, the pump installer should install a metering device for monthly on-line reporting of production necessary assure the district that the production limit of the permit is not exceeded.

## Geoscientist Seal

The following licensed professional geoscientist(s) have reviewed the results of the potential effects due to production from the proposed well and the permit recommendations presented in this report.

  
Michael Keester, P.G.

02/02/2022



Notification



January 6, 2022

**NOTICE OF APPLICATION FOR DRILLING AND OPERATING PERMIT**

*Name*  
*Address*  
*City, TX Zip*

**VIA CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

RE: Application for an Operating Permit

To Whom It May Concern:

I, Scott Gillman, have submitted an application to the Clearwater Underground Water Conservation District (CUWCD) on December 9, 2021 for a combination drilling and operating permit on a new well (N1-21-004P) for 0.389 acre-feet or 127,020 gallons per year.

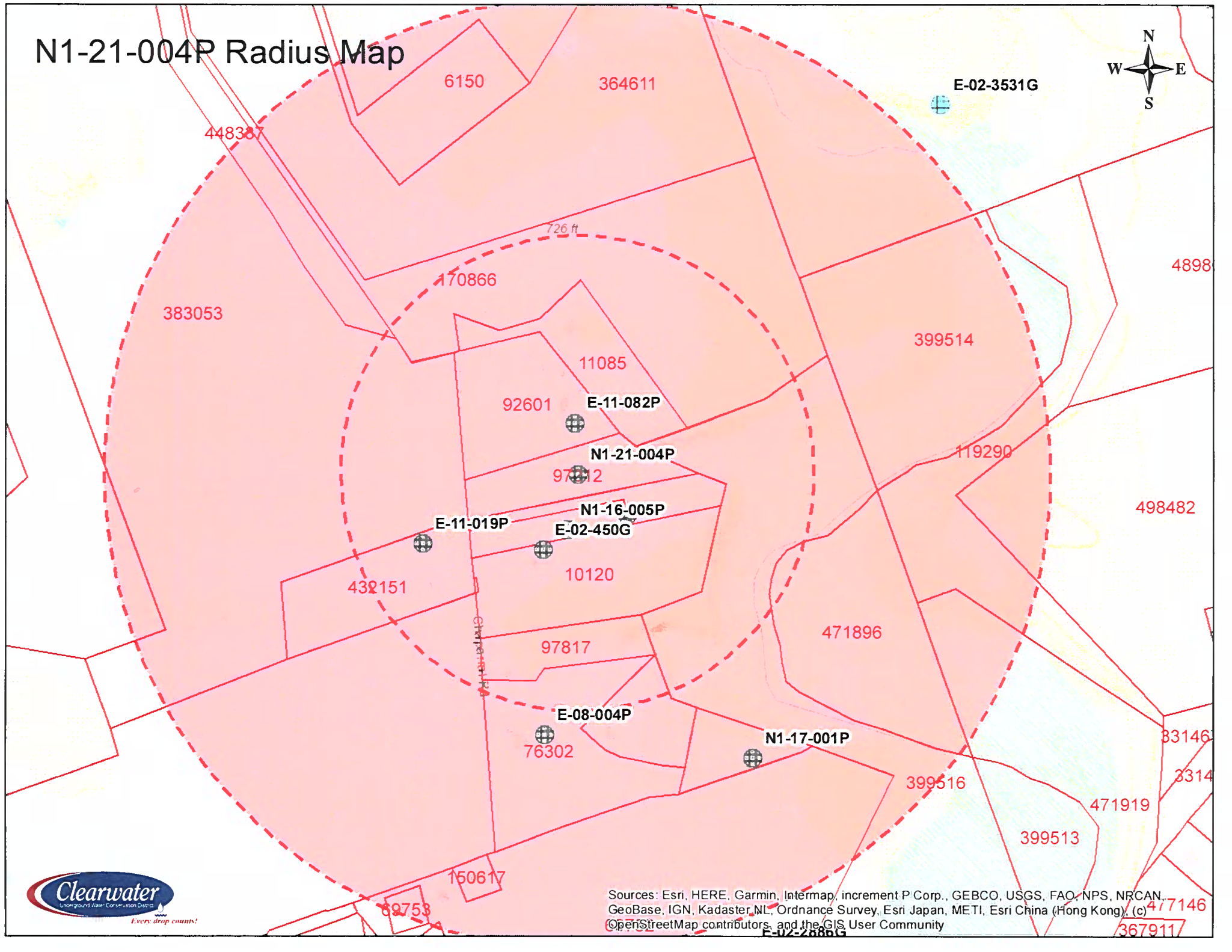
This permit will authorize the withdrawal from a well completed in the Middle Trinity Aquifer with a 1 ¼ inch column pipe on a 6.704 acre tract located at 7573 Chaparral Rd., Killeen, Texas, Latitude 31.024884°/Longitude -97.667624° (well# N1-21-004P), to produce water for domestic use in a proposed annual quantity not to exceed 0.389 acre-feet or 127,020 gallons per year total.

This application will be set for hearing before the CUWCD Board upon notice posted at the Bell County Clerk's Office and at the CUWCD Office. If you would like to support, protest, or provide comments on this application, you must appear at the hearing and comply with District Rule 6.10. For additional information about this application or the permitting process, please contact the CUWCD at 700 Kennedy Court, Belton, Texas 76513, 254-933-0120. The applicant may be contacted at 7573 Chaparral Rd., Killeen, TX 76542, or by phone at 254-535-0160.

Sincerely,

Scott Gillman

# N1-21-004P Radius Map



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster\_NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) 2011-2012 OpenStreetMap contributors, and the GIS User Community

## N1-21-004P Contact List

### Wells 1/4 Mile

<u>Prop ID</u>	<u>Name</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Well #</u>	<u>Status</u>	<u>Depth</u>	<u>Aquifer</u>	<u>Use</u>	<u>Distance</u>
92601	Olive Chenowith	PO Box 10386	Killeen	TX	76547	E-11-082P	Active	580	Middle Trinity	Domestic	280 ft
471405	Michael Maples	7569 Chaparral Rd	Killeen	TX	76542	N1-16-004P	Active	595	Middle Trinity	Domestic	361 ft
471404	David & Julie Cole	7567 Chaparral Rd	Killeen	TX	76542	N1-16-005P	Active	595	Middle Trinity	Domestic	317 ft
432151	Easter & Cora Timo	7565 Chaparral Rd	Killeen	TX	76542	E-11-019P	Active	590	Middle Trinity	Domestic	943 ft
10120	Barry & Pamela Birchard	7563 Chaparral Rd	Killeen	TX	76542	E-02-450G	Active	600	Middle Trinity	Domestic	466 ft

### Wells 1/2 Mile

76302	Robert & Victoria Lewis	3819 Quail Hollow Rd	Harker Heights	TX	76548	E-08-004P	Active	600	Middle Trinity	Domestic	1,466 ft
478523	Robert & Victoria Lewis	3819 Quail Hollow Rd	Harker Heights	TX	76548	N1-17-001P	Proposed	600	Middle Trinity	Domestic	1,864 ft

### Adjacent Property

92601	Olive Chenowith	PO Box 10386	Killeen	TX	76547
11085	Deborah & Halford Dudley	7579 Chaparral Rd	Killeen	TX	76542
471405	Michael Maples	7569 Chaparral Rd	Killeen	TX	76542
432151	Easter & Cora Timo	7565 Chaparral Rd	Killeen	TX	76542
383053	David & Delaine Curb	6699 Chaparral Rd	Killeen	TX	76542
399516	US Government	Bureau of Land Management	Washington	DC	20013

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<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.58
Total Postage and Fees	\$7.38

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01/22/2022

Sent To: Michael Maples  
 Street and Apt. No.: 7569 Chaparral Rd  
 City, State, ZIP+4: Killeen, TX 76542

**NOTICE OF APPLICATION FOR A COMBINATION DRILLING AND  
OPERATING PERMIT FROM CLEARWATER UNDERGROUND WATER  
CONSERVATION DISTRICT**

Scott Gillman has submitted an application to the Clearwater Underground Water Conservation District (CUWCD) on December 9, 2021 for a combination drilling and operating permit to authorize drilling and withdrawal from a proposed new well.

This permit will authorize the withdrawal from a new well completed in the Middle Trinity Aquifer with a 1 1/4 inch column pipe on a 6.704 acre tract located at 7573 Chaparral Rd., Killeen, Texas, Latitude 31.024884°/Longitude -97.667624° (well# N1-21-004P), to produce water for domestic use in a proposed annual quantity not to exceed 0.389 acre-feet or 127,020 gallons per year total.

This application will be set for hearing before the CUWCD Board upon notice posted at the Bell County Clerk's Office and at the CUWCD Office. If you would like to support, protest, or provide comments on this application, you must appear at the hearing and comply with District Rule 6.10. For additional information about this application or the permitting process, please contact the CUWCD at 700 Kennedy Court, Belton, Texas 76513, 254-933-0120. The applicant may be contacted at 7573 Chaparral Rd., Killeen, TX 76542, or by phone at 254-535-0160.

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### 12 Notices

#### Legal Notices

Application has been made with the Texas Alcoholic Beverage Commission for a Liquor Store License/permit by Robert Dale Kerbow and David Lynn Kerbow dba Stand Alone Liquor Store LLC, to be located at 204 N Fort Hood St, Ste E, Killeen, Bell, Texas. The Owners of this Corporation are Robert Dale Kerbow and David Lynn Kerbow are Managed by Managers

(Legal notice published in the Killeen Daily Herald on February 1 & 2, 2022.)

**Legal Notice**  
Application is being made for a change of location for Mixed Beverage Permit w/ Late Hours License by Killeen 2007 LLC dba V.I.P.s to be located at 3300 S. Fort Hood St, Bldg 1, Suite C, Killeen, Bell County, TX. Manager of said LLC is Basel Maaz

(Legal notice published in the Killeen Daily Herald on February 1 & 2, 2022.)

### 12 Notices

#### Legal Notices

**NOTICE OF APPLICATION FOR A COMBINATION DRILLING AND OPERATING PERMIT FOR WATER UNDERGROUND WATER CONSERVATION DISTRICT**

Scott Gilman has submitted an application to the Clearwater Underground Water Conservation District (CUWCD) on December 9, 2021 for a combination drilling and operating permit to authorize drilling and withdrawal from a proposed new well

This permit will authorize the withdrawal from a new well completed in the Middle Trinity Aquifer with a 1 1/4 inch collar pipe on a 6.704 acre tract located at 7573 Chaparral Rd. Killeen, Texas. Latitude 31 02484 / Longitude 97 557524 (well N-12-0049) to produce water for domestic use in a proposed annual quantity not to exceed 0.389 acre-feet or 127,020 gallons per year total

This application will be set for hearing before the CUWCD Board upon notice posted at the Bell County Clerk's Office and at the CUWCD Office. If you would like to support, protest or provide comments on this application, you must appear at the hearing and comply with District Rule 6.10 For additional information about this application or the permitting process, please contact the CUWCD at 710 Kennedy Court, Belton, Texas 76513, 254-933-0120. The applicant may be contacted at 7573 Chaparral Rd. Killeen, TX 76942, or by phone at 254-535-0150

(Legal notice published in the Killeen Daily Herald on February 2, 2022.)

### 17 Employment

#### Industrial/Trades

**NOW HIRING**  
OPERATORS FOR LONG TERM WORK IN THE KILLEEN/FORT HOOD, WACO, TEMPLE AND AUSTIN AREAS.

Experienced Operator  
Starting pay \$19/hr

Benefits include: ESOP (employee ownership), one week paid vacation after one year, paid sick leave, individual medical insurance via wage rate/fridge benefits/and company subsidies

Opportunity for advancement Drug-free workplace Equal Opportunity Employer

Please send your resume to: [rig@htr.com](mailto:rig@htr.com) and/or come in to our office to fill out an application located at 6001 Old Copperas Cove Rd Killeen, Texas 76549

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### 17 Employment

#### Industrial/Trades

**DIESEL/ FARM MECHANIC NEEDED**  
Knowledge of farm equipment a plus. Great benefits. Apply in person 4651 E. FM 487, Schenwerter, TX. Call 254-527-3342

**LET'S DO BUSINESS!**  
ADVERTISE NOW! (254) 501-7500

### 17 Employment

#### Industrial/Trades

**Journeyman Electricians & Electrician Apprentices**  
TTC is currently accepting applications for long term work in the Austin area. Licensed Journeyman starting pay is \$30/hr. Benefits include: ESOP (Employee Ownership), 1-week paid vacation after one year, paid sick leave, Christmas bonus, individual medical insurance via wage rate/fridge benefits/and company subsidies

Opportunity for advancement Drug free workplace Equal Opportunity Employer

Please contact us for further information. Must apply in person.

**TTC ELECTRIC**  
8001 OLD COPPERAS COVE RD  
KILLEEN, TX 7654  
254-526-7284

### 17 Employment

#### Industrial/Trades

**Applications are online at gatesvilletx.com, under the Employment Tab and at the Gatesville Police Department, 200 N. 8th Street, Gatesville, TX. 76528. EOE.**

**Applicants should be in good physical and mental health, possess good communication skills, problem solving skills, and be able to work 10hr rotating shifts.**

Benefits include: competitive salary based upon qualifications and experience (starting at \$46,592), certification/incentive pay, health insurance, life insurance, TMRs retirement (2 to 1 match), paid holiday/vacation sick time.

### 17 Employment

#### Industrial/Trades

**King Size Bed with nightstand, mattress & boxsprings incl. plus 4 sets of bed sheets, \$500 cash. Call: (254) 690-3354**

### 19 Pets

**Black Pug Puppies for sale. Very playful! \$W. 254-988-2603.**

### 17 Employment

#### Industrial/Trades

**JEAN Construction Company**  
Residential & Commercial Remodeling & Foundation Repairs  
**526-3223**

**RUDY'S REPAIR & REMODEL**  
Interior & Exterior Repairs, Painting Remodeling, Add Ons, House leveling, Sidra, Doors & Windows, Decks, Patio Covers, Concrete, etc. etc.

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Call 254-791-0999  
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### 17 Employment

#### Industrial/Trades

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EVERY WEDNESDAY 9AM TO 3PM!**

**We're hiring all shifts!  
Production 1st and 2nd shift  
New rate of pay starts at \$14 / hr.**

**EXCELLENT BENEFIT PACKAGE INCLUDING:**  
Health & Insurance benefits effective upon date of hire.  
**Referral bonuses:** \$500 for 1st & 3rd shifts and \$800 for 2nd shift.  
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Full Time - Over Time - Full Benefits Day 1

**WE ARE HIRING FOR PRODUCTION!**  
• IMMEDIATE START •  
• ON SITE HIRING EVENT EVERY WEDNESDAY 9AM-12PM  
• No experience necessary, WE WILL TRAIN YOU!  
• Must be able to work in cold temperatures!  
• Benefits available DAY 1!

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**INSTANT CASH! Top \$\$\$ For Vehicles, Running or Not. With or Without Title. Also Catalytic Converters. Call: (254) 624-1729.**

FY21 Financial Audit  
Item #8



**Board Meeting  
February 16, 2021**

**Agenda Item: #8  
FY21 Financial Audit**

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**Agenda Item: #8**

Discuss, consider and take appropriate action if necessary, to accept the FY21 Financial Audit as presented by the District's contracted auditing firm.

**Narrative:**

The District contracted with Ludwick, Montgomery & Stapp, P.C. to conduct the annual financial audit for FY21. They have submitted a preliminary/draft audit report for review. The District GM and Board President have had an opportunity to review the report prior to the Board meeting.

Shelly Chapman worked directly with the auditing firm to provided a copy of the District's QuickBooks and all documentation necessary to conduct the audit.

**Staff Recommendation:**

GM recommends accepting the FY21 Financial Audit as presented by the District's auditing firm.

# Auditor's Report (Draft)

**DRAFT**

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**

**Audited Financial Statements**

**For the Year Ended September 30, 2021**

**and Independent Auditors' Report**

DRAFT

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Clearwater Underground Water Conservation District

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clearwater Underground Water Conservation District as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Clearwater Underground Water Conservation District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Clearwater Underground Water Conservation District, as of September 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-7 and 19 be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clearwater Underground Water Conservation District's basic financial statements. The introductory section and supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements

The supplemental information section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2022, on our consideration of Clearwater Underground Water Conservation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Clearwater Underground Water Conservation District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clearwater Underground Water Conservation District's internal control over financial reporting and compliance.

Temple, Texas  
January 31, 2022

In this section of the annual financial report, we, the managers of Clearwater Underground Water Conservation District (the District), discuss and analyze the District's financial performance. Please read it in conjunction with the independent auditors' report on page 1 and the District's basic financial statements, which begin on page 8.

### **FINANCIAL HIGHLIGHTS**

- The District's net position increased by \$20,462 as a result of this year's operations.
- The ending net position was \$1,420,597.
- During the year, the District had expenses that were \$20,462 less than the \$749,221 generated in revenues.
- Total costs of all the District's programs were \$728,759.
- The resources available for appropriation were \$56,693 more than budgeted due to an over budgeting of compensation and benefits and other operating expenses offset by an over budgeting of revenues.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: (1) Management's Discussion and Analysis (this section), (2) government-wide and fund financial statements, and (3) notes to the financial statements. The government-wide and fund financial statements include the statement of net position and governmental fund balance sheet and the statement of activities and governmental fund revenues, expenditures, and changes in fund balance (on pages 8 and 9). The government-wide and fund financial statements are presented together because the District has only one fund. These provide information about the activities of the District as a whole. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

The notes to the financial statements, starting on page 10, provide narrative explanations or additional data needed for full disclosure in the government-wide statements and fund financial statements. This report also contains the budgetary comparison schedule as required supplementary information in addition to the government-wide and fund financial statements themselves.

### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The government-wide financial statements use the economic resources measurement and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flow.

The statement of net position presents information on all of the District's position and liabilities, with the difference between the two reported as net position. The District's net position (the difference between assets and liabilities) provide one measure of the District's financial health or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well. The analysis of the District's overall financial condition and operations begins on page 8.

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
Management's Discussion and Analysis  
For the Year Ended September 30, 2021

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)**

The statement of activities presents information showing how the District's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

These two statements report the District's net position and changes in them.

**FUND FINANCIAL STATEMENTS**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one fund, namely the general fund.

The general fund is a governmental fund used to account for essentially the same function reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

The District maintains one general fund in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance.

Because the focus of the general fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the general fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the general fund balance sheets and the general fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between the general fund and governmental activities. The general fund financial statements are shown in conjunction with the government-wide financial statements on pages 8 and 9.

**NOTES TO THE FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10 through 18 of this report.

**REQUIRED SUPPLEMENTARY INFORMATION**

The budgetary comparison schedule is presented for purposes of additional analysis as required by accounting principles generally accepted in the United States of America. The schedule can be found on page 19 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The District implemented GASB 34 during the fiscal year ended September 30, 2004. The following analysis focuses on the Net Position (Table I) and Changes in Net Position (Table II) of the District's governmental fund activities.



**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

Net position of the District's governmental activities increased from \$1,400,135 to \$1,420,597. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements was \$890,305 at September 30, 2021.

The District's total revenues increased by \$7,220. The cost of all governmental activities this year was \$728,759 compared to \$819,438. Therefore, revenues increased while expenses decreased.

**Table I**  
**Clearwater Underground Water Conservation District**

<b>Net Position</b>		
	Governmental Activities 2021	Governmental Activities 2020
<b>Assets:</b>		
Cash	\$ 902,467	\$ 829,822
Taxes receivable	21,208	22,425
Capital assets - net of depreciation	530,292	561,241
<b>Total Assets</b>	<b>1,453,967</b>	<b>1,413,488</b>
<b>Liabilities:</b>		
Current	33,370	13,353
<b>Total Liabilities</b>	<b>33,370</b>	<b>13,353</b>
<b>Net Position</b>		
Unrestricted	890,305	838,894
Net investment in capital assets	530,292	561,241
<b>Total Net Position</b>	<b>1,420,597</b>	<b>1,400,135</b>

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Table II**  
**Clearwater Underground Water Conservation District**  
**Changes in Net Position**

	Governmental Activities 2021	Governmental Activities 2020
<b>Revenues</b>		
Property taxes	\$ 723,678	\$ 716,199
Permits and other fees	24,736	13,865
Interest income	807	11,937
Total Revenues	<u>749,221</u>	<u>742,001</u>
<b>Expenses</b>		
Operating expenses	<u>728,759</u>	<u>819,438</u>
Total Expenses	<u>728,759</u>	<u>819,438</u>
Increase (decrease) in net position	20,462	(77,437)
Net position - beginning of the year	<u>1,400,135</u>	<u>1,477,572</u>
Net position - end of the year	<u>\$ 1,420,597</u>	<u>\$ 1,400,135</u>

**FUND FINANCIAL ANALYSIS**

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the year.

As the District completed the current year, its governmental fund, which consists of one general fund, as presented in the governmental fund balance sheet on page 8 reported an ending fund balance of \$886,514, which is \$56,693 higher than last year's total of \$829,821. The District's major source of revenue is property taxes. The fund balance represents funds available for operations.

The District's general fund balance of \$886,514 reported on page 19 differs from the General Fund's budgetary fund balance of \$829,821 reported on the same schedule. This is principally due to expenses being under budget offset by revenues being over budgeted.

**CAPITAL ASSETS**

At the end of fiscal year 2021, the District had \$530,292 invested in building, land and equipment, net of accumulated depreciation. During the year ended September 30, 2021, there were no additions or disposals of capital assets.

**DEBT**

The District had no debt during the year or at year end.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The District's board considered many factors when setting the 2021 budget. One of the factors was the appraisal value of property. Additionally, the economy and population growth were considered.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens and taxpayers with a general overview of the District's finances and to show the District's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the District's business office, Clearwater Underground Water Conservation District, 700 Kennedy Ct., P.O. Box 1989, Belton, TX 76513.

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**September 30, 2021**

**DRAFT**

	General Fund	Adjustments (Note 11)	Statement of Net Position
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 17,144	\$ -	\$ 17,144
Temporary investments	885,323	-	885,323
Taxes receivable, net of allowance of \$-0-	21,208	-	21,208
<b>Total Current Assets</b>	<b>923,675</b>	<b>-</b>	<b>923,675</b>
<b>Noncurrent Assets:</b>			
Capital assets not being depreciated			
Land	-	59,981	59,981
Capital assets being depreciated			
Building and equipment, net of accumulated depreciation	-	470,311	470,311
<b>Total Capital Assets, net</b>	<b>-</b>	<b>530,292</b>	<b>530,292</b>
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>530,292</b>	<b>530,292</b>
<b>Total Assets</b>	<b>\$ 923,675</b>	<b>530,292</b>	<b>1,453,967</b>
<b>Liabilities</b>			
Accounts payable	\$ 15,953	-	15,953
Compensated absences	-	17,417	17,417
<b>Total Liabilities</b>	<b>15,953</b>	<b>17,417</b>	<b>33,370</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - property taxes	21,208	(21,208)	-
<b>Total Deferred Inflows of Resources</b>	<b>21,208</b>	<b>(21,208)</b>	<b>-</b>
<b>Fund Balance</b>			
Unassigned	886,514	(886,514)	-
<b>Total Fund Balance</b>	<b>886,514</b>	<b>(886,514)</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balance</b>	<b>\$ 923,675</b>		
<b>Net Position</b>			
Unrestricted		890,305	890,305
Net investment in capital assets		530,292	530,292
<b>Total Net Position</b>		<b>\$ 1,420,597</b>	<b>\$ 1,420,597</b>

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

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
**Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance**  
**For the Year Ended September 30, 2021**

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	General Fund	Adjustments (Note 11)	Statement of Activities
<b>Revenues</b>			
Property taxes	\$ 724,896	\$ (1,218)	\$ 723,678
Permits and other fees	24,736	-	24,736
Interest and other income	807	-	807
<b>Total Revenues</b>	<b>750,439</b>	<b>(1,218)</b>	<b>749,221</b>
<b>Expenditures</b>			
Administrative	23,918	-	23,918
Clearwater studies	171,082	-	171,082
Compensation and benefits	262,678	4,064	266,742
Depreciation	-	30,949	30,949
Directors fees	6,150	-	6,150
Educational outreach	11,319	-	11,319
Facility costs	17,524	-	17,524
Legal and professional	69,403	-	69,403
Other operating expenses	90,091	-	90,091
Payroll taxes	18,110	-	18,110
Spring flow gauge system	15,900	-	15,900
Utilities	7,571	-	7,571
<b>Total Expenditures</b>	<b>693,746</b>	<b>35,013</b>	<b>728,759</b>
Excess of revenues over expenditures	56,693	(56,693)	-
Change in net position	-	20,462	20,462
Fund balance/net position:			
Beginning of year	829,821	570,314	1,400,135
End of year	<u>\$ 886,514</u>	<u>\$ 534,083</u>	<u>\$ 1,420,597</u>

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

**1. Nature of Activities**

The Clearwater Underground Water Conservation District (the "District") was created in 1989 by the Texas State Legislature and resolution of the Commissioners Court of Bell County, Texas, in order to carry out groundwater management in Bell County. The purpose of the District is to develop and implement an efficient, economical and environmentally sound groundwater management program to protect and enhance the water resources of the District. The District is governed by a five member Board of Directors ("the Board") elected by the qualified voters within the boundaries of the District.

**2. Summary of Significant Accounting Policies**

The following is a summary of certain significant accounting policies followed in the preparation of the financial statements of Clearwater Underground Water Conservation District.

The District is a governmental entity with its principal office in Belton, Texas from which it oversees groundwater management in Bell County. Principal revenues are property taxes and permit fees. The board of directors constitutes an on-going entity and is the level of government which has governance responsibilities over all activities.

*Reporting Entity*

The District has developed criteria to determine if the activities of any outside agencies or organizations should be included within its financial statements. The criteria includes the amount of oversight responsibility exercised by the District over the activities of an agency or organization, the scope of public service of an agency or organization, and the nature of any special financing relationships which may exist between the District and an agency or organization. Oversight responsibility includes financial interdependency, selection of the governing authority, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The District's financial statements include all funds over which the District exercises oversight responsibility. The District does not exercise oversight responsibility over any other reporting entity. Also, the District is not included as a part of any other reporting entity.

*Government-wide and Fund Financial Statements*

The statement of net position and the statement of activities are government-wide financial statements. They report information on all of Clearwater Underground Water Conservation District. The fund financial statements provide reports on the financial condition and results of operations for one fund category - governmental.

*Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

**2. Summary of Significant Accounting Policies (Continued)**

*Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)*

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. Clearwater Underground Water Conservation District considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of permit and other fees and property taxes. These revenues are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

*Cash and Cash Equivalents*

Cash and cash equivalents includes all short-term liquid investments convertible into cash and includes cash and money market accounts with an original maturity of less than three months.

*Taxes Receivable*

Taxes receivable are the amount of ad-valorem taxes which have been collected for the District by the various county tax assessor-collectors which were remitted to the District during the ensuing sixty day period. The assessment and collection of these taxes has been handled solely by the counties involved.

*Capital Assets*

Capital assets, which include office equipment and furniture, are reported in the government-wide financial statements. Assets are recorded at historical cost or estimated historical cost. Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Equipment	5-15 years
Building and Improvements	10 – 40 years

## 2. Summary of Significant Accounting Policies (Continued)

### *Revenue Recognition*

The District adopted Accounting Standards Update (ASU) 2014-09, "Revenue from Contracts with Customers (Topic 606)" as of October 1, 2019, which related to revenue recognition. In general, for revenue not associated with financial instruments, guarantees, and lease contracts, management applies the following steps when recognizing revenue from contracts with customers: (I) identify the contract, (II) identify the performance obligation, (III) determine the transaction price, (IV) allocate the transaction price to the performance obligation and (V) recognize revenue when a performance obligation is satisfied.

### *Budget*

The Board of Directors prepared and formally adopted an annual budget prior to the disbursement of funds.

### *Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

### *Fund Accounting*

The District reports the following major governmental funds:

General Fund - This is the District's primary operating fund. It accounts for all financial resources of the District.

Clearwater Underground Water Conservation District does not have any long-term debt for the year ended September 30, 2021.

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This statement, known as the "Reporting Model" statement, affects the way the District prepares and presents financial information in addition to requiring the presentation of the Clearwater Underground Water Conservation District's Management's Discussion and Analysis (MD&A). MD&A is considered to be required supplementary data and precedes the financial statements.



## 2. Summary of Significant Accounting Policies (Continued)

### *Fund Accounting (Continued)*

To conform to the requirements of GASB 34, the following changes have been made to the Clearwater Underground Water Conservation District's financial statements:

- Fund balance has been reclassified into the following category of net position: Unrestricted and Net Investment in Capital Assets.
- The balance sheet has been modified to report a statement of net position.
- The balance sheet was adjusted for net capital assets of \$530,292 and compensated absences of \$17,417 on the statement of net position.
- The statement of revenues, expenditures, and changes in fund balance -has been modified to report a statement of activities with operating and non-operating revenues and expenses.
- The statement of revenues, expenditures, and changes in fund balance was adjusted by \$30,949 for depreciation, \$4,064 for increases in compensated absences and \$1,218 for decreases in taxes receivable.

### *Deferred Outflows/Inflows*

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time. A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

## 3. Deposits and Investments

The District is required by Government Code Chapter 2256, *The Public Funds Investment Act*, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act ("the Act") requires an annual audit of investment policies. Audit procedures in this area conducted as a part of the audit of the financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

### 3. Deposits and Investments (Continued)

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

Additional Contractual Provisions governing deposits and investments are as follows:

The funds of Clearwater Underground Water Conservation District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

At September 30, 2021, the bank balance of the District was \$78,964 with \$-0- of deposits in excess of FDIC coverage.

#### Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and, if so, the reporting of certain related disclosures:

- a. **Credit Risk** - Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District's investments, other than those which are obligations of or guaranteed by the U.S. Government, are related as to credit quality.

The Clearwater Underground Water Conservation District does not invest in debt securities.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. TexPool is rated AAA by Standard and Poor's. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as the office of the Comptroller of Public Accounts for review. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

- b. **Custodial Credit Risk** - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

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**3. Deposits and Investments (Continued)**

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agency but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

- c. Concentration of Credit Risk - This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District had no positions of 5% or more in the securities of a single issuer.

The District's undesignated temporary investments at September 30, 2021, are shown below:

	<u>Carrying Amount</u>	<u>Fair Value</u>
TexPool	\$ 885,323	\$ 885,323
	<u>\$ 885,323</u>	<u>\$ 885,323</u>

- d. Interest Rate Risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.
- e. Foreign Currency Risk - This is the risk that exchange rates will adversely affect the fair value of an instrument. At year end, the District was not exposed to foreign currency risk.

**4. Capital Assets**

Capital asset activity for the period ended September 30, 2021 was as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Balance - October 1, 2020	\$ 769,462	\$ (208,221)	\$ 561,241
Additions	-	(30,949)	(30,949)
Balance - September 30, 2021	<u>\$ 769,462</u>	<u>\$ (239,170)</u>	<u>\$ 530,292</u>

**5. Long-Term Debt**

The District has no long-term debt.

**6. Risk Management**

The District is exposed to various risks of loss related to torts, thefts, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past year and there were no settlements exceeding insurance coverage.

**7. Property Taxes**

Clearwater Underground Water Conservation District has contracted with the Tax Appraisal District of Bell County for the assessment and collection of taxes. By September 1 of each year, the rate of taxation is set by the board of directors based upon the valuation of property within the District as of January 1. Taxes are due October 1, and become delinquent after January 31 of the following year.

**8. Employee Benefits**

**a. Annual Leave**

Annual leave (vacation) is a benefit provided to eligible, full-time, employees of the District. A full-time employee is one who is regularly scheduled to work thirty to forty hours per week. Annual leave is accrued at eight hours per pay period immediately upon employment but cannot be taken until the employee has reached the one hundred eighty (180) day probationary period. The accrual maximum is twelve days for an employee with up to five years of continuous service. After five years, an employee is entitled to accrue an additional three days for a total of fifteen days per year. An employee may carry-over leave up to a maximum of twenty-four days per fiscal year. Remaining accrued leave is payable up separation. Accrued compensated absences for September 30, 2021 was \$17,417.

**b. Sick Leave**

A full-time employee, as previously defined, is entitled to six days per year. Accrual of sick leave is at four hours per pay period and a full-time employee can accumulate up to twelve days with carry-over. Upon termination of employment, no accumulated sick leave will be paid and therefore, no accrual is recorded.

**c. Retirement Plan**

The District has established a Governmental 457 Deferred Compensation Plan as their retirement plan for full-time eligible employees. UMB Bank, N.A. is designated as trustee and Security Financial Resources, Inc. is the plan service provider. The District agrees to match employee contributions at 100% of the first 3% and 50% of the next 3% for a maximum match of up to 4.5% depending on the contribution of the employee. As of September 30, 2021, the employer match was \$8,879.

**9. Litigation**

At September 30, 2021, the District was not involved in any litigation.

**10. Management Review of Subsequent Events**

Management has evaluated subsequent events through January 31, 2022, the date on which the financial statements were available to be issued.

**11. Reconciliation to Government-Wide Statements**

Total fund balance - total governmental funds	\$ 886,514
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in government activities are not financial resources; therefore, they are not reported in the funds.	530,292
Compensated absences are not a current requirement of resources and therefore are not accrued in the general fund.	(17,417)
Deferred inflows of resources are potential revenue that do not meet the "measurable" and "available" criteria; therefore, it is reported in the funds.	<u>21,208</u>
Total net position	<u>\$1,420,597</u>

**11. Reconciliation to Government-Wide Statements (Continued)**

Net change in fund balance - total governmental funds	\$ 56,693
Amounts reported for governmental activities in the statement are different because:	
Adjustment made on tax receivable	(1,218)
Adjustment made to compensated absences	(4,064)
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of \$30,949 was more than capital outlays of \$-0-.	<u>(30,949)</u>
Change in net position	<u>\$ 20,462</u>

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**Budgetary Comparison Schedule**

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended September 30, 2021**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 748,703	\$ 748,703	\$ 724,896	\$ (23,807)
Permits and other fees	31,500	31,500	24,736	(6,764)
Interest and other income	15,000	50,000	807	(49,193)
Total Revenues	<u>795,203</u>	<u>830,203</u>	<u>750,439</u>	<u>(79,764)</u>
<b>Expenditures</b>				
Administrative	42,876	37,569	23,918	13,651
Compensation and benefits	269,807	270,167	171,082	99,085
Clearwater studies	205,860	227,638	262,678	(35,040)
Director's fees	12,750	12,750	6,150	6,600
Educational outreach	19,500	16,890	11,319	5,571
Facility costs	18,875	19,740	17,524	2,216
Legal and professional	76,500	76,500	69,403	7,097
Other operating expenses	104,290	124,204	90,091	34,113
Payroll taxes	19,645	19,645	18,110	1,535
Spring flow gauge system	15,900	15,900	15,900	-
Utilities	9,200	9,200	7,571	1,629
Total Expenditures	<u>795,203</u>	<u>830,203</u>	<u>693,746</u>	<u>136,457</u>
<b>Excess Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>56,693</u>	<u>56,693</u>
<b>Net Changes in Fund Balance</b>	<u>-</u>	<u>-</u>	<u>56,693</u>	<u>56,693</u>
<b>Fund Balance - Beginning of the Year</b>	<u>829,821</u>	<u>829,821</u>	<u>829,821</u>	<u>-</u>
<b>Fund Balance - End of the Year</b>	<u>\$ 829,821</u>	<u>\$ 829,821</u>	<u>\$ 886,514</u>	<u>\$ 56,693</u>

See independent auditors' report.



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**TEXAS SUPPLEMENTARY INFORMATION**

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TSI – 2

**CLEARWATER CONSERVATION UNDERGROUND WATER CONSERVATION DISTRICT**  
TSI - 2: General Fund Expenditures  
For the Year Ended September 30, 2021

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Personnel expenditures (including benefits)	\$ 262,678
Professional fees:	
Auditing	7,200
Legal	62,203
Utilities	7,571
Clearwater studies	171,082
Facility costs	17,524
Administrative expenditures	23,918
Directors fees	6,150
Educational outreach	11,319
Spring flow gauge system	15,900
Other expenditures	<u>108,201</u>
Total Expenditures	<u>\$ 693,746</u>

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TSI - 3

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
**TSI - 3: Temporary Investments**  
**For the Year Ended September 30, 2021**

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General Fund	ID or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
Tex Pool - Investment Pool	449/7935800001	0.0374%	-	\$ 439,913	\$ -
Tex Pool Prime - Investment Pool	590/7935800001	0.0685%	-	445,410	-
Total - All Funds				<u>\$ 885,323</u>	<u>\$ -</u>

See independent auditors' report.

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TSI - 4

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
**TSI - 4: Taxes Levied and Receivable**  
**For the Year Ended September 30, 2021**

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	<u>Maintenance Taxes</u>
Taxes receivable, beginning of year	\$ 22,426
2020 original tax levy	740,538
Less abatements	-
Total to be accounted for	<u>762,964</u>
Tax collections	
Current year	730,081
Prior years	11,675
Total collections:	<u>741,756</u>
Taxes receivable, end of year	<u>\$ 21,208</u>
Taxes receivable, by year	
2020	\$ 6,791
2019	3,526
2018	2,219
2017	1,697
2016 and prior	6,975
Taxes receivable, end of year	<u>\$ 21,208</u>

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Property valuations				
Property valuations, net taxable	\$ 22,630,374,553	\$ 20,531,428,738	\$ 18,670,513,065	\$ 18,057,233,710
Tax rates per \$100 valuation	\$0.00327	\$0.00357	\$0.00383	\$0.00385
Maintenance tax rates				
Total tax rates per \$100 valuation	\$0.00327	\$0.00357	\$0.00383	\$0.00385
Original tax levy:	740,538	732,972	715,081	695,203
Percent of taxes collected to taxes levied	98.59%	96.60%	96.75%	97.22%

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TSI - 7



**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
**TSI - 7: Comparative Schedule of Revenues and Expenditures**  
**General Fund - Five Years Ended**  
**For the Year Ended September 30, 2021**

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	Amounts				
	2021	2020	2019	2018	2017
<b>General Fund</b>					
<b>Revenues</b>					
Property taxes	\$ 724,896	\$ 716,887	\$ 684,759	\$ 660,854	\$ 640,702
Permits and other fees	24,736	13,866	6,689	7,767	9,120
Interest and other income	807	11,935	15,580	13,964	3,266
<b>Total revenues</b>	<b>750,439</b>	<b>742,688</b>	<b>707,028</b>	<b>682,585</b>	<b>653,088</b>
<b>Expenditures</b>					
Personnel	280,788	278,509	264,480	233,264	219,219
Professional fees	69,403	41,025	41,330	62,950	54,614
Clearwater studies	171,082	287,509	123,472	84,620	141,401
Administrative expenditures	23,918	36,110	25,528	28,126	19,897
Other expenditures	148,555	141,412	170,707	315,528	115,597
<b>Total expenditures</b>	<b>693,746</b>	<b>784,565</b>	<b>625,517</b>	<b>724,488</b>	<b>550,728</b>
<b>Excess (Deficient) revenues over expenditures</b>	<b>\$ 56,693</b>	<b>\$ (41,877)</b>	<b>\$ 81,511</b>	<b>\$ (41,903)</b>	<b>\$ 102,360</b>

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Percent of Total Fund Revenues

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
96.6%	96.5%	96.9%	96.8%	98.1%
3.3%	1.9%	0.9%	1.1%	1.4%
<u>0.1%</u>	<u>1.6%</u>	<u>2.2%</u>	<u>2.0%</u>	<u>0.5%</u>
<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
37.4%	37.5%	37.4%	34.2%	33.6%
9.2%	5.5%	5.8%	9.2%	8.4%
22.8%	38.7%	17.5%	12.4%	21.7%
3.2%	4.9%	3.6%	4.1%	3.0%
<u>19.8%</u>	<u>19.0%</u>	<u>24.1%</u>	<u>46.2%</u>	<u>17.7%</u>
<u>92.4%</u>	<u>105.6%</u>	<u>88.5%</u>	<u>106.1%</u>	<u>84.3%</u>
<u>7.6%</u>	<u>-5.6%</u>	<u>11.5%</u>	<u>-6.1%</u>	<u>15.7%</u>

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TSI - 8

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
**TSI - 8: Board Members, Key Personnel, and Consultants**  
**For the Year Ended September 30, 2021**

Complete District Mailing Address: P.O. Box 1989, Belton, TX 76513

District Business Telephone Number: (254) 933-0120

Submission Date of the Most Recent District Registration Form:  
(TWC Sections 36.054 and 49.054) December 8, 2020

Limit on Fees of Office That a Director may Receive During a Fiscal Year:  
(TWC Section 49.060) \$7,200

<u>Names:</u>	<u>Term of Office (Elected or Appointed) or Date Hired</u>	<u>Fees of Office Paid for the Year Ended 9/30/2021</u>	<u>Title at Year End</u>
<b>Board Members</b>			
Leland Gersbach	Elected Nov. 2020-2024	\$ -	President
Gary Young	Elected Nov. 2018-2022	\$ 2,100	Secretary
Jody Williams	Elected Nov. 2020-2024	\$ 2,250	Director
Scott Brooks	Elected Nov. 2018-2022	\$ -	Director
David Cole	Elected Nov. 2018-2022	\$ 1,800	Vice President
<b>Key Administrative Personnel</b>			
Dirk Aaron	June 2011	\$ 89,888	General Manager
Shelly Chapman	October 2011	\$ 49,124	Office Manager
<b>Consultants</b>			
Ludwick, Montgomery, & Stapp, P.C.	July 14, 2021	\$ -	Auditor
Lloyd Gosselink, Attorneys at law	2012	\$ 91,848	Attorney
Bell County Tax Appraisal District	1989	\$ 7,692	Tax appraiser/collector

See independent auditors' report.

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors  
Clearwater Underground Water Conservation District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clearwater Underground Water Conservation District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Clearwater Underground Water Conservation District's basic financial statements, and have issued our report thereon dated January 31, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Clearwater Underground Water Conservation District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Clearwater Underground Water Conservation District's internal control. Accordingly, we do not express an opinion on the effectiveness of Clearwater Underground Water Conservation District's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

DRAFT

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Clearwater Underground Water Conservation District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our 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. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Temple, Texas  
January 31, 2022

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
Schedule of Findings, Responses, and Corrective Action Plan  
For the Year Ended September 30, 2021

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DRAFT

**FINANCIAL STATEMENT FINDINGS**

There were no findings in the current year.

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**  
Schedule of Prior Year Findings and Corrective Action Plan  
For the Year Ended September 30, 2021

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DRAFT

There were no prior year findings.



# Governance Letter (Draft)

**DRAFT**

January 31, 2022

To the Board of Directors

Clearwater Underground Water Conservation District  
P.O. Box 1989  
Belton, TX 76513

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clearwater Underground Water Conservation District for the year ended September 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 30, 2021. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Clearwater Underground Water Conservation District, are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Organization's financial statements was:

Management's estimate that all of accounts receivable is deemed collectible is based on historical performance and analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

DRAFT

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has been provided and corrected the attached misstatements.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated January 31, 2022.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Clearwater Underground Water Conservation District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issue*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Clearwater Underground Water Conservation District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to budgetary comparison information, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on other supplemental information (outlined in the table of contents of the financial statements), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the other supplementary information, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the board of directors and management of Clearwater Underground Water Conservation District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Ludwick, Montgomery & Stapp, P.C.

**Clearwater Underground Water Conservation District  
Adjusting Journal Entries**

**DRAFT**

October 1, 2020 - September 30, 2021

Date	Reference	Account	Description	WP Ref	Debit	Credit	Net Income Effect
<b>Adjusting Journal Entries</b>							
09/30/21	1		To adjust taxes receivables per confirmation	1202			(1,217.88)
		40015	Bell CAD Deliquent Tax		1,217.88		
		11005	Accounts Receivable - Taxes			1,217.88	
		21000	Deferred Tax Revenue		1,217.88		
		31000	Unappropriated Fund Balance			1,217.88	
09/30/21	2		To record annual depreciation	1503			(30,948.96)
		51000	Depreciation and Amortization		30,948.96		
		15030	Accumulated Depreciation			30,948.96	
09/30/21	3		To adjust compensated absences to actual	2005			(4,063.92)
		21050	Compensated Absences Accrued			4,063.92	
		52005	Salary Costs:52005 · Administrative Assistant		1,015.98		
		52010	Salary Costs:52010 · Educational Coord/Support Tech		609.59		
		52015	Salary Costs:52015 · Manager		1,666.21		
		52025	Salary Costs:52025 · Office Assistant/Field Tech		772.14		
09/30/21	4		To adjust investment in fixed assets to actual and roll prior year loss	3004			0.00
		33000	Investment in Fixed Assets		61,897.90		
		31000	Unappropriated Fund Balance		15,789.54		
		32000	*Retained Earnings			77,687.44	
<b>Totals for Adjusting Journal Entries</b>					<u>115,136.08</u>	<u>115,136.08</u>	<u>(36,230.76)</u>
<b>Report Totals</b>					<u>115,136.08</u>	<u>115,136.08</u>	<u>(36,230.76)</u>

Journal Entry count = 4

# Mgmt Representation Letter

# Clearwater Underground Water Conservation District

P.O. Box 1989  
Belton, TX 76513

January 31, 2022

Ludwick, Montgomery & Stapp, P.C.  
1949 Scott Blvd.  
Temple, TX 76504

This representation letter is provided in connection with your audit of the financial statements of Clearwater Underground Water Conservation District, which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of September 30, 2021, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of January 31, 2022, the following representations made to you during your audit.

## Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 30, 2021 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 10) Guarantees, whether written or oral, under which the Organization is contingently liable, if any, have been properly recorded or disclosed.
- 11) In regard to the financial statement preparation services performed by you, we have-
  - a) Assumed all management responsibilities.
  - b) Designated Leland Gersbach and Dirk Aaron , who have suitable skill, knowledge or experience to oversee the services.
  - c) Evaluated the adequacy and results of the services performed
  - d) Accepted responsibility for the results of the services.
  - e) Revenue from contracts with customers has been appropriately accounted for in accordance with FASB ASC 606, *Revenue from Contracts with Customers*. All contracts underlying revenue recognized in the financial statements have commercial substance and have been approved by appropriate parties. We have considered side agreements, implied promises, and unstated customary business practices in identifying performance obligations in the contracts. We have sufficient and appropriate documentation supporting all estimates and judgements underlying the amount and timing of revenue recognized in the financial statements. We used the ratio of percentage of costs incurred to date to the estimated total costs for each contract as the input method to measure progress toward completion. We believe this to be an acceptable method in accordance with FASB ASC 606.

#### **Information Provided**

- 12) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.



- d) Minutes of the meetings of board of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have no knowledge of any fraud or suspected fraud that affects the Organization and involves—
- Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, regulators, or others.
- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 18) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 19) We have disclosed to you the identity of the Organization's related parties and all the related party relationships and transactions of which we are aware.

**Government-specific**

- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) The Organization has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

- 25) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 26) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 27) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 28) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 29) The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) The Organization has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 32) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
- 33) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 34) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 35) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 36) Provisions for uncollectible receivables have been properly identified and recorded.
- 37) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 38) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 39) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

- 40) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 41) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 42) The government meets the GASB-established requirements for accounting for eligible infrastructure assets using the modified approach.
- 43) We have appropriately disclosed the Organization's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 44) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 45) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 46) With respect to the supplemental information:
  - a) We acknowledge our responsibility for presenting the supplemental information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplemental information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplemental information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
  - b) If the supplemental information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Salado Springs/Salamander Program  
Item #9

**Board Meeting  
February 16, 2021**

**Agenda Item: #9  
USFWS, Pete Diaz, Reimbursable Task Order**

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**Agenda Item: #9**

Discuss, consider and take appropriate action if necessary, to approve funding the 2022 USFWS-TXF&W Conservation Office Annual (Pete Diaz) Salado Springs & Salamander Monitoring Program under the Reimbursable Task Order.

**Narrative:**

Pete Diaz has completed and provided the District his 2021 annual report in workshop item 2. We have funded his work since 2015 collectively with the Bell Adaptive Management Coalition, yet funds are not available this fiscal year due to the coalition being only CUWCD and Bell County in a focused effort to participate in the SSA Development with USFWS.

Pete's continued monitoring of the "springs" and the associated "spring shed" for population and the relationship of the groundwater flow and water quality is needed even though the future of the Coalition's efforts to produce science is coming to an end. CUWCD has been the repository of all the scientific data as well as been the local entity navigating access to both springs and wells in the defined area since 2011.

Historically the District anticipated an end to the shared desire of other entities to collectively develop science. It is in the best interest of the District that we fund the scientific efforts each year coupled with our commitment to fund the maintenance and operation of the spring flow gage with USGS. Both efforts allow the district to responsibly manage the Edwards BFZ to the Desired Future Condition as well as our Drought Management Plan for the Edwards BFZ Aquifer.

**Staff Recommendation:**

We reaffirm the reimbursable task order for another five years and fund the 2022 work at \$22,054.70 per the attached scope of work.

# Salado Salamander Monitoring Plan

Fiscal Year 2022



Submitted to Dirk Aaron of Clearwater Underground Water Conservation District

By: Peter Diaz  
United States Fish and Wildlife Service  
Texas Fish and Wildlife Conservation Office  
500 East McCarty Lane  
San Marcos, TX 78666  
(512) 353-0011, ext. 235  
Fax (512) 392-0270  
[Pete\\_diaz@fws.gov](mailto:Pete_diaz@fws.gov)

## Background

The Texas Fish and Wildlife Conservation Office (TXFWCO) began monitoring for the Salado salamander in 2015. With closure of the 7<sup>th</sup> year of monitoring data more information about the salamander is known than in previous years. Based on the data collected from these monitoring events over the course of the last five years, we know that the salamanders:

- are reliably present at most localities although hard to detect
- are at Anderson Spring
- have surface populations that are low ( $N < 200$ ) even at prime sites highlighted by the mark and recapture study at Solana Ranch Spring #1
- can be tracked individually using the head photos based on work from Solana
- associate with cobble and gravel substrates occasionally with *Nasturtium* sp. (watercress) when present
- have a large prey base within the aquifer
- appear to have similar reproduction cycle to the Georgetown and Jollyville salamanders
- tend to maintain fidelity to areas close to the spring origin
- exhibit homogenous genetic diversity among the northern population

For continuing efforts at the springs for Salado salamanders we propose quarterly sampling at the Downtown Complex, Robertson, Solana Ranch, Gault and other locations as they arise. Sampling will consist of active timed searches at the springs, comparable to previous years. Following the active search drift nets should be deployed to passively sample for salamanders and document the aquifer community. Using these two types of sampling techniques maximized the opportunity to document the salamanders at these locations given the small surface populations.

The one caveat to this sampling regime would be if there is a draw-down of the aquifer to where the springs go dry. If this were to occur, then sampling should occur post cessation of flows.

## Scope of Work

The TXFWCO proposes to continue monitoring of the salamander populations at the Solana Ranch and within the Salado Springs Complex in Bell County, Texas. Sampling in 2021 will be done **quarterly**. Goals of the monitoring include:

- examine other locations within the complex that salamanders may inhabit
- continuing gathering data on population size
- log habitat association data
- continue work at the Gault site and other locations
- sample wells using pull nets

Photographic identification of individuals will continue along with injecting captured juvenile salamanders with visible implant elastomer. The TXFWCO has all required permits for monitoring.

Habitat data will include:

- Characterization of the substrate for each site according to a modified Wentworth scale
- Basic water chemistry measurements, including dissolved oxygen, specific conductance, pH, and temperature.
- A measure of water quantity such as spring discharge, stream/pool depth, stream/pool width, and/or flow rate.

### **Products**

Data collected from this sampling will provide:

- Habitat associations within each site
- Data on where salamander are within the springs
- Data on population shifts over the course of the year and collections for long term dataset
- midterm report
- End of year report
- The duration of the project is from January 1, 2022 to December 31, 2022, to be amended as necessary.



Hours	Daily Cost	Sampling Events	Days	Total			
GS 11	\$410	30					\$12,300.00
Analysis/Write ups	\$410		12.68				\$5,199.03
<b>Total Salaries</b>							<b>\$17,499</b>
Fuel	Miles	MPG	Gallons	Cost/gal	Cost Per Trip	Number of Trips	
Truck	160	10	16	\$3.50	\$56.00	13	
							\$728.00
<b>Sub-Total</b>							<b>\$18,227.03</b>
<b>FWS Overhead @ 21%</b>							<b>\$3,827.68</b>
<b>Total</b>							<b>\$22,054.70</b>

CUWCD/City of Belton Contract  
Item #10

**Board Meeting  
February 16, 2021**

**Agenda Item: #10  
Possible sale of Property**

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**Agenda Item: #10**

Discuss, consider and take appropriate action if necessary, to authorize the General Manager to execute a contract with the City of Belton for the possible sale of approximately 1.2-acres of land owned by Clearwater UWCD located at 700 Kennedy Court, Belton, TX.

**Narrative:**

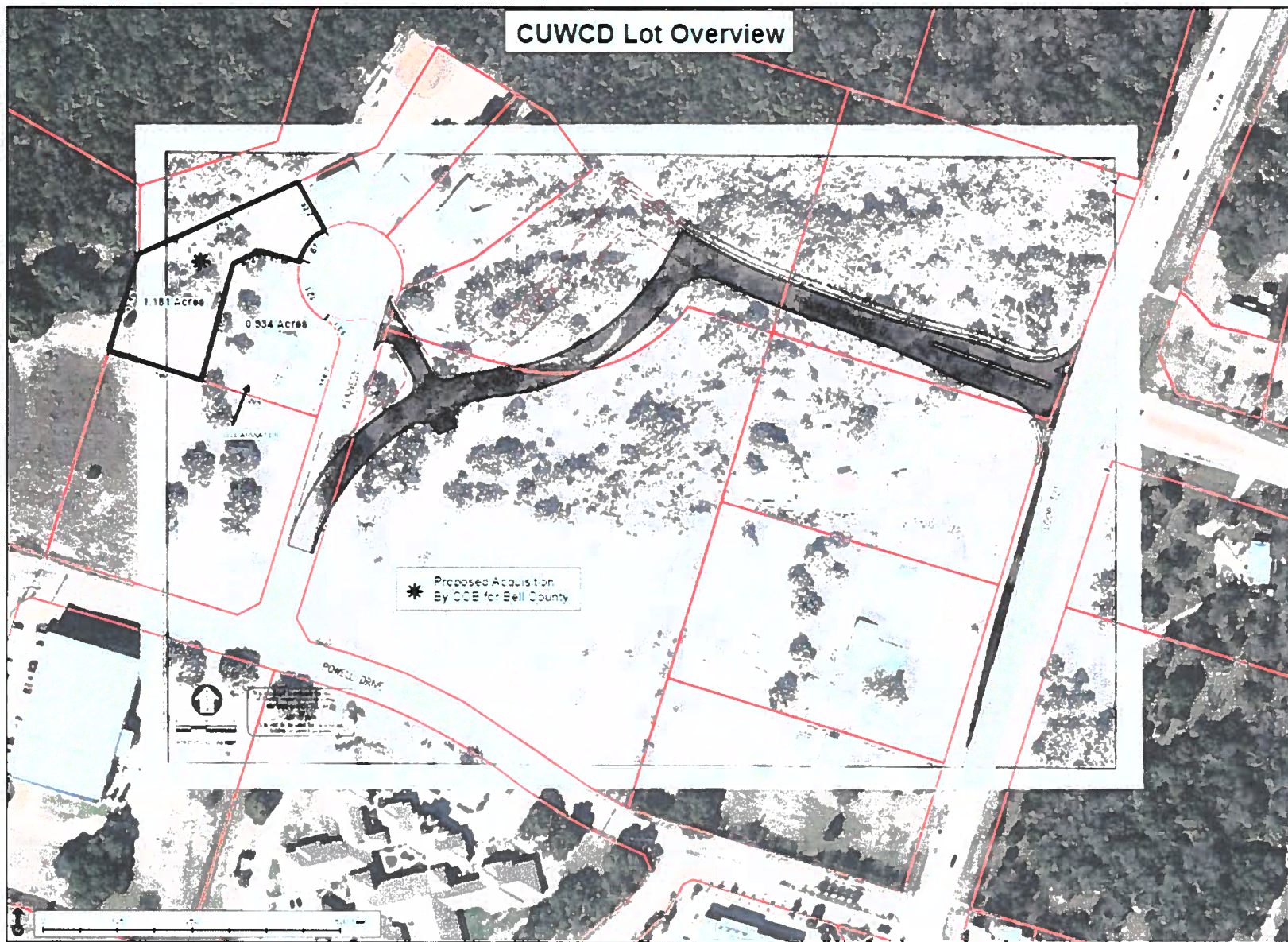
- Clearwater purchased 2.11 acres of land from the BEDC in 2010 for \$0.60 a square foot. The Clearwater office was built on the south side of the tract soon thereafter.
- The City of Belton has committed to locating and acquiring property for Bell County in order to relocate some of the County facilities out of the downtown area. These public sites will then have the potential to be returned to the property tax rolls.
- The City of Belton proposes to purchase property from Clearwater and convey the property to Bell County.
- The proposed purchase price for approximately 51,500 square feet of land is \$50,000.
- If approved, Clearwater would divide the property into 2 tracts. Tract 1 would be an estimated 0.09-acre tract owned by Clearwater and tract 2 would be an estimated 1.18-acre tract acquired by the City of Belton for a Bell County records storage facility. County Judge David Blackburn has indicated the site is suitable for Bell County records storage.
- If approved, the City of Belton will replat the tract into 2 lots and will pay all closing costs. Replatting and closing costs are estimated to be \$10,000. These expenses, along with the purchase price of \$50,000, will come from the City's General Fund Contingency account.

**Staff Recommendation:**

If approved, GM recommends a reversionary clause in the deed conveying the property from the City to the County. Such a clause provides that, in the unlikely event that the County does not construct a county building within 5 years of closing, the land would revert back to the City and Clearwater would have the right to purchase it back at the original sale price. Judge Blackburn is comfortable with the reversionary clause being added to the deed as suggested.

GM will work out additional specifics with Bell County as discussed.

# CUWCD Lot Overview



Every drop counts!