



**NOTICE OF
REGULAR MEETING OF THE TOWN COUNCIL
REMOTE MEETING
1-888-475-4499 MEETING ID: 899 5644 0713
MONDAY, JANUARY 25, 2021, 6:00 PM**

AGENDA

DUE TO SOCIAL DISTANCING REQUIREMENTS – ATTENDANCE IN PERSON IS LIMITED TO TOWN COUNCIL MEMBERS AND STAFF

In response to the coronavirus pandemic, effective March 16, 2020, Texas Governor Abbott suspended certain Open Meeting rules to allow meetings of government bodies that are accessible to the public to decrease large groups of people from assembling. The suspension temporarily removes the requirement that government officials and members of the public be physically present at a meeting location. [Remote meeting participation information.](#)

Call to Order

Roll Call

Pledge of Allegiance to the U.S. And Texas Flags

Invocation

Items of Community Interest

Pursuant to Texas Government Code Section 551.0415 the Town Council may report on the following: expressions of thanks, congratulations, or condolence; an honorary or salutary recognition of an individual; a reminder about an upcoming event organized or sponsored by the governing body; and announcements involving an imminent threat to the public health and safety of people in the municipality or county that has arisen after the posting of the agenda.

Public Comment

This item allows the public an opportunity to address the Town Council. To comply with the provisions of the Open Meetings Act, the Town Council cannot discuss or take action on items brought before them not posted on the agenda. Please complete a request if you wish to address the Town Council. Comments will be limited to three minutes. Open Forum is for information only. No charges and/or complaints will be heard against any elected official, board member, the Town, or employee of the Town that are prohibited by law. Please submit a [Public Comment Form](#) at least five minutes prior to the meeting.

Consent Agenda

Items on the Consent Agenda are considered to be self-explanatory and will be enacted with one motion. No separate discussion of these items will occur unless so requested by at least one member of the Town Council.

1. December 2020 Council Meeting Minutes
2. December 2020 Financial Statements
3. Consider and act on allocating an additional \$10,000.00 for the secure parking area located at 1075 Ronald Reagan Avenue approved on December 28, 2020.
4. Consider and act on an ordinance of the Town Council of Hickory Creek, Texas ordering an election to be held on May 1, 2021 for the purpose of electing Town Council Members to Place 1, Place 3 and Place 5.

Regular Agenda

5. Presentation of the 2019-2020 Fiscal Year Audit from Carl Deaton of Hankins, Eastup, Deaton, Tonn & Seay.
6. Conduct a public hearing regarding an ordinance of the Town of Hickory Creek, Texas amending the Town's Code of Ordinances, Chapter 14: Zoning, Article XIV: C-2 Commercial District; Section 3 (2), Building Regulations and Chapter 14: Zoning, Article XV: LI-1 Industrial District, Section 4 (2), Building Regulations to alter the allowable height of fences within the districts and consider and act on an ordinance for the same.
7. Consider and act on an ordinance ordering a special election to be held on May 1, 2021 to submit a proposition on decreasing the sales and use tax of one-half (1/2) to one-fourth (1/4) of one percent for the benefit of the Type B Economic Development Corporation; increasing the local sales and use tax from the rate of one and one fourth (1 1/4) percent to a rate of one and one half (1 1/2) percent.
8. Discussion regarding future implementation of Pratt Property.

Executive Session

In accordance with Texas Local Government Code, Chapter 551, the Town Council will convene into executive session to discuss the following matters.

Section 551.074

Personnel matters, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

9. Review of individual employees' performance.

Reconvene into Open Session

10. Discussion and possible action regarding matters discussed in executive session.

Adjournment

The Town Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Chapter 551.

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact Town Hall at 940-497-2528 or by fax 940-497-3531 so that appropriate arrangements can be made.

I, Kristi Rogers, Town Secretary, for the Town of Hickory Creek certify that this meeting notice was posted on the bulletin board at Town Hall, 1075 Ronald Reagan Avenue, Hickory Creek, Texas on January 22, 2021 at 10:45 a.m.

A handwritten signature in cursive script, appearing to read "Kristi Rogers", written over a horizontal line.

Kristi Rogers, Town Secretary
Town of Hickory Creek

**REGULAR MEETING OF THE TOWN COUNCIL
REMOTE MEETING
MONDAY, DECEMBER 28, 2020**

MINUTES

In response to the coronavirus pandemic, effective March 16, 2020, Texas Governor Abbott suspended certain Open Meeting rules to allow meetings of government bodies that are accessible to the public to decrease large groups of people from assembling. The suspension temporarily removes the requirement that government officials and members of the public be physically present at a meeting location.

Call to Order

Mayor Clark called the meeting to order at 6:01 p.m.

Roll Call

The following members were present:

Mayor Lynn Clark
Councilmember Richard DuPree
Councilmember Chris Gordon
Mayor Pro Tem Paul Kenney
Councilmember Ian Theodore

The following member was absent:

Councilmember Tracee Elrod

Also in attendance:

John M. Smith, Jr., Town Administrator
Kristi K. Rogers, Town Secretary
Trey Sargent, Town Attorney

Pledge of Allegiance to the U.S. And Texas Flags

Councilmember Gordon led the Pledge of Allegiance to the U.S. and Texas Flags.

Invocation

Councilmember Theodore gave the invocation.

Items of Community Interest

Thanks to town staff for installing a new monument sign on Turbeville Road.

Sycamore Bend Road schematics are 30% complete.

Public Comment

There were no speakers for public comment.

Consent Agenda

1. October 2020 Council Meeting Minutes
2. October 2020 Financial Statements
3. November 2020 Financial Statements
4. Consider and act on an ordinance of the Town Council of the Town of Hickory Creek, Texas, amending the Town's Code of Ordinances, Chapter 8 Offenses and Nuisances; Article 8.02 Fireworks.
5. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, hereby authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement by and between the Town of Hickory Creek and Halff & Associates for professional planning services for Development Stimulus Plan and GIS Zoning Map.
6. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, hereby authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement by and between the Town of Hickory Creek, Texas and Joe Goddard Enterprises concerning siren maintenance.

Mayor Clark requested item 5 be pulled from the consent agenda for separate discussion.

Motion made by Councilmember DuPree to approve consent agenda items 1-4 and 6,
Seconded by Councilmember Gordon.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney,
Councilmember Theodore. Motion passed unanimously.

John Smith, Town Administrator, provided an overview of the services included in the proposal. Timothy May, Halff Associates, answered questions from the town council.

Motion made by Councilmember DuPree to approve consent agenda item 5 in an amount not to exceed \$45,000.00, Seconded by Councilmember Theodore.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney,
Councilmember Theodore. Motion passed unanimously.

Regular Agenda

7. Conduct a public hearing regarding an ordinance of the Town of Hickory Creek, Texas amending the Town's Code of Ordinances, Chapter 14: Zoning, Article XIII: C-1 Commercial District; Section 3 (2), Building Regulations to alter the allowable height of fences within the district and consider and act on an ordinance for the same.

Mayor Clark called the public hearing to order at 6:49 p.m. With no one wishing to speak, Mayor Clark closed the public hearing at 6:49 p.m.

Town of Hickory Creek
December 28, 2020
Page 3

Motion made by Councilmember Gordon to approve an ordinance requiring eight foot fences within the district as discussed, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

8. Consider and act on a site plan for 6060 S. Stemmons. The property is legally described as Lake Cities Polaris Addition, Block A, Lot 1.

Motion made by Councilmember Gordon to approve a site plan for 6060 S. Stemmons, Lake Cities Polaris Additions, Block A, Lot 1, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

9. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, hereby authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement by and between the Town of Hickory Creek and Texas Department of Transportation concerning landscape improvement and maintenance.

Motion made by Councilmember Theodore to approve agenda item 9, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

10. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, hereby authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement by and between the Town of Hickory Creek and Lakeview Pointe Vista Homeowners Association, Inc. concerning landscape improvement and maintenance.

Motion made by Councilmember Theodore to approve agenda item 10, adding language to the agreement, stating the Town of Hickory Creek will be the contact for the HOA, Seconded by Councilmember Gordon.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

11. Consider and act on an appointment to the Board of Adjustments.

Motion made by Councilmember Gordon to appoint Alexander Valderrey, Alternate 1, of the Board of Adjustments, Seconded by Councilmember DuPree.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

12. Consider and act on appointments to the Economic Development Corporation

Motion made by Councilmember Gordon to appoint the following to the Economic Development Board; Nate Prevost, Place 2, Lynn Clark, Place 4 and Christina Pierson, Place 6, Seconded by Councilmember Theodore.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

13. Consider and act on an appointment to the Planning and Zoning Commission.

Motion made by Mayor Pro Tem Kenney to appoint Tim May to Place 6 of the Planning and Zoning Commission, Seconded by Councilmember DuPree.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

14. Consider and act on allocating funds to provide a secure parking area with automated gates at 1075 Ronald Reagan Avenue.

Motion made by Councilmember Gordon to allocate funds in the amount of \$50,815.00 to provide a secure parking area with automated gates at 1075 Ronald Reagan Avenue, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

15. Discussion regarding placing additional street lighting on various roadways throughout the Town of Hickory Creek.

Discussions were held regarding various options and cost of additional street lighting throughout the Town of Hickory Creek.

Executive Session

In accordance with Texas Local Government Code, Chapter 551, the Town Council convened into executive session at 7:28 p.m. to discuss the following matters.

Section 551.071

Consultation with Attorney on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, or on matters pertaining to pending or contemplated litigation.

16. Contemplated litigation concerning construction work upon the roof of Town Hall.

Reconvene into Open Session

The Town Council reconvened into open session at 7:47 p.m.

17. Discussion and possible action regarding matters discussed in executive session.

Motion made by Mayor Pro Tem Kenney to authorize the town attorney to take action as discussed in executive session regarding Foam Tech, Seconded by Councilmember Theodore.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney,
Councilmember Theodore. Motion passed unanimously.

Adjournment

Motion made by Councilmember Theodore to adjourn the meeting, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney,
Councilmember Theodore. Motion passed unanimously

The meeting did then stand adjourned at 7:48 p.m.

Approved:

Attest:

Lynn C. Clark, Mayor
Town of Hickory Creek

Kristi K. Rogers, Town Secretary
Town of Hickory Creek

Town of Hickory Creek
Balance Sheet
As of December 31, 2020

	<u>Dec 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
BOA - Animal Shelter Fund	19,243.43
BOA - Drug Forfeiture	1,950.61
BOA - Drug Seizure	5,285.73
BOA - General Fund	366,221.67
BOA - Parks and Recreation	140,096.38
BOA - Payroll	260.00
BOA - Police State Training	5,182.89
Logic 2020 CO's	4,004,320.43
Logic Animal Shelter Facility	9,575.50
Logic Cares Relief Fund	47,631.60
Logic Harbor Ln-Sycamore Bend	80,352.01
Logic Investment Fund	5,574,695.90
Logic Street & Road Improvement	19.58
Logic Turbeville Road	94,848.92
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Total Checking/Savings	10,349,684.65
Accounts Receivable	
Municipal Court Payments	4,307.50
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Total Accounts Receivable	4,307.50
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Total Current Assets	10,353,992.15
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TOTAL ASSETS	10,353,992.15
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LIABILITIES & EQUITY	0.00

Town of Hickory Creek
Profit & Loss
December 2020

	<u>Dec 20</u>
Ordinary Income/Expense	
Income	
Ad Valorem Tax Revenue	
4002 M&O	706,785.10
4004 M&O Penalties & Interest	-199.27
4006 Delinquent M&O	-46.81
4008 I&S Debt Service	433,277.92
4010 I&S Penalties & Interest	-257.92
4012 Delinquent I&S	-324.94
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Total Ad Valorem Tax Revenue	1,139,234.08
Building Department Revenue	
4102 Building Permits	382,141.70
4104 Certificate of Occupancy	9,750.00
4106 Contractor Registration	2,450.00
4112 Health Inspections	920.00
4122 Septic Permits	425.00
4132 Alarm Permit Fees	125.00
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Total Building Department Revenue	395,811.70
Franchise Fee Revenue	
4210 Oncor Electric	11,782.36
4212 Republic Services	4,014.05
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Total Franchise Fee Revenue	15,796.41
Interest Revenue	
4302 Animal Shelter Interest	2.04
4308 Drug Forfeiture Interest	0.08
4310 Drug Seizure Interest	0.17
4314 Logic Investment Interest	1,097.46
4322 Logic Turbeville Road	12.11
4326 PD State Training Interest	0.22
4328 Logic Harbor/Sycamore Bend	10.28
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Total Interest Revenue	1,122.36
Miscellaneous Revenue	
4506 Animal Shelter Donations	40.00
4508 Annual Park Passes	809.00
4510 Arrowhead Park Fees	1,025.00
4520 Drug Seizure	3,904.00
4530 Other Receivables	41,622.12
4536 Point Vista Park Fees	335.00
4550 Sycamore Bend Fees	1,525.00
4558 Harbor Lane/Sycamore Bend	1,750.00
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Total Miscellaneous Revenue	51,010.12
Municipal Court Revenue	
4602 Building Security Fund	1,184.18
4604 Citations	34,124.95
4606 Court Technology Fund	861.80

Town of Hickory Creek
Profit & Loss
December 2020

	<u>Dec 20</u>
4608 Jury Fund	23.34
4610 Truancy Fund	1,167.48
4612 State Court Costs	<u>23,324.60</u>
Total Municipal Court Revenue	60,686.35
Sales Tax Revenue	
4702 Sales Tax General Fund	118,546.21
4706 Sales Tax 4B Corporation	<u>39,515.41</u>
Total Sales Tax Revenue	<u>158,061.62</u>
Total Income	<u>1,821,722.64</u>
Gross Profit	1,821,722.64
Expense	
Capital Outlay	
5010 Street Maintenance	1,168.82
5030 Sycamore Bend Construction	<u>63,100.00</u>
Total Capital Outlay	64,268.82
General Government	
5206 Computer Hardware/Software	7,519.69
5208 Copier Rental	329.22
5210 Dues & Memberships	200.00
5212 EDC Tax Payment	39,515.41
5216 Volunteer/Staff Events	1,401.57
5218 General Communications	249.96
5222 Office Supplies & Equip.	725.59
5224 Postage	586.77
5226 Community Cause	20.00
5230 Training & Education	<u>75.00</u>
Total General Government	50,623.21
Municipal Court	
5318 Merchant Fees/Credit Cards	-1,947.67
5332 Warrants Collected	<u>26.04</u>
Total Municipal Court	-1,921.63
Parks and Recreation	
5408 Tanglewood Park	170.51
Parks and Recreation - Other	<u>12.16</u>
Total Parks and Recreation	182.67
Parks Corps of Engineer	
5432 Arrowhead	1,063.72
5434 Harbor Grove	83.66
5436 Point Vista	162.31
5438 Sycamore Bend	<u>265.50</u>
Total Parks Corps of Engineer	1,575.19

Town of Hickory Creek
Profit & Loss
December 2020

	<u>Dec 20</u>
Personnel	
5502 Administration Wages	24,918.28
5504 Municipal Court Wages	9,207.06
5506 Police Wages	60,642.62
5507 Police Overtime Wages	1,179.98
5508 Public Works Wages	15,109.40
5509 Public Works Overtime Wage	247.65
5510 Health Insurance	19,998.92
5514 Payroll Expense	1,684.57
5518 Retirement (TMRS)	13,292.24
5520 Unemployment (TWC)	164.02
Total Personnel	<u>146,444.74</u>
Police Department	
5602 Auto Gas & Oil	1,583.16
5606 Auto Maintenance & Repair	3,118.17
5612 Computer Hardware/Software	521.65
5614 Crime Lab Analysis	333.89
5626 Office Supplies/Equipment	287.84
5636 Uniforms	402.00
5640 Training & Education	80.00
5648 K9 Unit	358.88
Total Police Department	<u>6,685.59</u>
Public Works Department	
5704 Animal Control Equipment	25.92
5706 Animal Control Supplies	171.08
5708 Animal Control Vet Fees	649.41
5710 Auto Gas & Oil	543.93
5714 Auto Maintenance/Repair	1,294.70
5716 Beautification	572.16
5724 Equipment Maintenance	347.50
5728 Equipment Supplies	2,090.43
5732 Office Supplies/Equipment	36.78
5734 Radios	376.98
5742 Uniforms	145.97
Total Public Works Department	<u>6,254.86</u>
Services	
5802 Appraisal District	3,074.59
5804 Attorney Fees	4,038.75
5814 Engineering	7,948.27
5818 Inspections	32,963.00
5820 Fire Service	153,408.25
5822 Legal Notices/Advertising	29.80
5824 Library Services	103.00
5826 Municipal Judge	2,040.00
5828 Printing	16.00
5830 Tax Collection	2,488.00
5832 Computer Technical Support	15.00

Town of Hickory Creek
Profit & Loss
December 2020

	<u>Dec 20</u>
Total Services	206,124.66
Special Events	
6008 Tree Lighting	1,221.27
Total Special Events	1,221.27
Utilities & Maintenance	
5902 Bldg Maintenance/Supplies	5,825.68
5904 Electric	2,094.85
5906 Gas	145.92
5908 Street Lighting	3,285.48
5910 Telephone	4,646.74
5912 Water	732.20
Total Utilities & Maintenance	16,730.87
Total Expense	498,190.25
Net Ordinary Income	1,323,532.39
Net Income	<u><u>1,323,532.39</u></u>

Town of Hickory Creek
Budget vs. Actual Year to Date 24.99%
 October through December 2020

	Oct - Dec 20	Budget	% of Budget
Ordinary Income/Expense			
Income			
Ad Valorem Tax Revenue			
4002 M&O	772,997.22	1,312,360.00	58.9%
4004 M&O Penalties & Interest	33.88	4,500.00	0.8%
4006 Delinquent M&O	1,040.02	5,000.00	20.8%
4008 I&S Debt Service	473,885.72	804,368.00	58.9%
4010 I&S Penalties & Interest	56.49	2,500.00	2.3%
4012 Delinquent I&S	238.48	4,000.00	6.0%
Total Ad Valorem Tax Revenue	1,248,251.81	2,132,728.00	58.5%
Building Department Revenue			
4102 Building Permits	737,369.20	350,000.00	210.7%
4104 Certificate of Occupancy	9,825.00	500.00	1,965.0%
4106 Contractor Registration	3,500.00	5,000.00	70.0%
4108 Preliminary/Final Plat	3,600.00	0.00	100.0%
4110 Prelim/Final Site Plan	600.00	0.00	100.0%
4112 Health Inspections	8,280.00	10,000.00	82.8%
4122 Septic Permits	1,700.00	0.00	100.0%
4124 Sign Permits	130.00	1,600.00	8.1%
4126 Special Use Permit	0.00	200.00	0.0%
4128 Variance Fee	1,000.00	500.00	200.0%
4130 Vendor Fee	0.00	75.00	0.0%
4132 Alarm Permit Fees	300.00	1,200.00	25.0%
Total Building Department Revenue	766,304.20	369,075.00	207.6%
Franchise Fee Revenue			
4202 Atmos Energy	0.00	40,500.00	0.0%
4204 Charter Communications	10,051.62	39,000.00	25.8%
4206 CenturyLink	160.38	1,500.00	10.7%
4208 CoServ	1,465.82	4,200.00	34.9%
4210 Oncor Electric	153,153.00	138,000.00	111.0%
4212 Republic Services	12,012.58	44,500.00	27.0%
Total Franchise Fee Revenue	176,843.40	267,700.00	66.1%
Interest Revenue			
4302 Animal Shelter Interest	6.39	0.00	100.0%
4308 Drug Forfeiture Interest	0.24	0.00	100.0%
4310 Drug Seizure Interest	0.29	0.00	100.0%
4314 Logic Investment Interest	2,479.14	45,600.00	5.4%
4320 Logic Street/Road Improv.	17.99	1,100.00	1.6%
4322 Logic Turbeville Road	69.24	950.00	7.3%
4326 PD State Training Interest	0.65	0.00	100.0%
4328 Logic Harbor/Sycamore Bend	14.79	0.00	100.0%
Total Interest Revenue	2,588.73	47,650.00	5.4%
Interlocal Revenue			
4402 Corp Contract Current Year	0.00	41,500.00	0.0%
Total Interlocal Revenue	0.00	41,500.00	0.0%
Miscellaneous Revenue			
4502 Animal Adoption & Impound	2,025.00	8,600.00	23.5%
4506 Animal Shelter Donations	640.00	500.00	128.0%
4508 Annual Park Passes	1,525.35	20,000.00	7.6%
4510 Arrowhead Park Fees	6,249.00	22,000.00	28.4%
4512 Beer & Wine Permit	0.00	150.00	0.0%
4516 Corp Parks Fund Reserve	0.00	36,500.00	0.0%

Budget vs. Actual Year to Date 24.99%

October through December 2020

	Oct - Dec 20	Budget	% of Budget
4518 Drug Forfeiture	0.00	0.00	0.0%
4520 Drug Seizure	3,904.00	0.00	100.0%
4522 EDCPayment/Ronald Reagan	0.00	45,778.00	0.0%
4524 Fund Balance Reserve	0.00	224,210.00	0.0%
4526 Mineral Rights	0.00	0.00	0.0%
4530 Other Receivables	187,936.66	48,000.00	391.5%
4534 PD State Training	0.00	0.00	0.0%
4536 Point Vista Park Fees	2,315.00	6,500.00	35.6%
4546 Street Bond Proceeds	0.00	650,000.00	0.0%
4550 Sycamore Bend Fees	8,288.00	15,000.00	55.3%
4554 Building Security Fund Res	0.00	5,000.00	0.0%
4556 Court Tech Fund Reserve	0.00	0.00	0.0%
4558 Harbor Lane/Sycamore Bend	1,750.00	0.00	100.0%
4560 2020 CO Proceeds	0.00	0.00	0.0%
Total Miscellaneous Revenue	214,633.01	1,082,238.00	19.8%
Municipal Court Revenue			
4602 Building Security Fund	3,343.28	9,270.00	36.1%
4604 Citations	96,525.75	450,000.00	21.5%
4606 Court Technology Fund	2,505.31	12,115.00	20.7%
4608 Jury Fund	64.72	150.00	43.1%
4610 Truancy Fund	3,237.46	5,000.00	64.7%
4612 State Court Costs	61,770.75	208,000.00	29.7%
4614 Child Safety Fee	25.00	750.00	3.3%
Total Municipal Court Revenue	167,472.27	685,285.00	24.4%
Sales Tax Revenue			
4702 Sales Tax General Fund	356,911.03	1,237,500.00	28.8%
4706 Sales Tax 4B Corporation	118,970.35	412,500.00	28.8%
4708 Sales Tax Mixed Beverage	3,366.22	7,000.00	48.1%
Total Sales Tax Revenue	479,247.60	1,657,000.00	28.9%
Total Income	3,055,341.02	6,283,176.00	48.6%
Gross Profit	3,055,341.02	6,283,176.00	48.6%
Expense			
Capital Outlay			
5010 Street Maintenance	1,432.66	25,000.00	5.7%
5012 Streets & Road Improvement	28,894.65	650,000.00	4.4%
5020 Main Street Reconstruction	0.00	0.00	0.0%
5022 Parks and Rec Improvements	0.00	0.00	0.0%
5024 Public Safety Improvements	0.00	0.00	0.0%
5026 Fleet Purchase/Replacement	0.00	52,000.00	0.0%
5030 Sycamore Bend Construction	114,820.00	0.00	100.0%
Total Capital Outlay	158,784.42	727,000.00	21.8%
Debt Service			
5106 2012 Refunding Bond Series	0.00	267,258.00	0.0%
5110 2015 Refunding Bond Series	0.00	314,550.00	0.0%
5112 2015 C.O. Series	0.00	276,150.00	0.0%
5114 2020 C.O. Series	0.00	207,575.00	0.0%
Total Debt Service	0.00	1,065,533.00	0.0%
General Government			
5202 Bank Service Charges	0.00	50.00	0.0%
5204 Books & Subscriptions	0.00	300.00	0.0%

Budget vs. Actual Year to Date 24.99%

October through December 2020

	Oct - Dec 20	Budget	% of Budget
5206 Computer Hardware/Software	13,311.81	108,000.00	12.3%
5208 Copier Rental	994.96	2,500.00	39.8%
5210 Dues & Memberships	400.00	2,000.00	20.0%
5212 EDC Tax Payment	118,970.35	412,500.00	28.8%
5214 Election Expenses	0.00	12,500.00	0.0%
5216 Volunteer/Staff Events	1,805.29	6,500.00	27.8%
5218 General Communications	2,915.94	16,000.00	18.2%
5222 Office Supplies & Equip.	1,136.16	2,500.00	45.4%
5224 Postage	2,022.75	4,000.00	50.6%
5226 Community Cause	20.00	3,000.00	0.7%
5228 Town Council/Board Expense	40.00	5,500.00	0.7%
5230 Training & Education	75.00	1,500.00	5.0%
5232 Travel Expense	0.00	1,500.00	0.0%
5234 Staff Uniforms	975.92	950.00	102.7%
Total General Government	142,668.18	579,300.00	24.6%
Municipal Court			
5302 Books & Subscriptions	0.00	75.00	0.0%
5304 Building Security	3,086.90	9,270.00	33.3%
5312 Court Technology	-79.95	12,115.00	-0.7%
5314 Dues & Memberships	0.00	200.00	0.0%
5318 Merchant Fees/Credit Cards	-1,970.20	0.00	100.0%
5322 Office Supplies/Equipment	331.45	1,200.00	27.6%
5324 State Court Costs	81,269.51	245,000.00	33.2%
5326 Training & Education	55.00	500.00	11.0%
5328 Travel Expense	0.00	500.00	0.0%
5332 Warrants Collected	-1,950.03	0.00	100.0%
Total Municipal Court	80,742.68	268,860.00	30.0%
Parks and Recreation			
5402 Events	0.00	1,000.00	0.0%
5408 Tanglewood Park	520.27	1,500.00	34.7%
5412 KHCB	0.00	500.00	0.0%
5414 Tree City USA	0.00	1,500.00	0.0%
5416 Town Hall Park	0.00	0.00	0.0%
Total Parks and Recreation	532.43	4,500.00	11.8%
Parks Corps of Engineer			
5432 Arrowhead	3,332.65	60,000.00	5.6%
5434 Harbor Grove	238.73	15,000.00	1.6%
5436 Point Vista	1,886.00	5,000.00	37.7%
5438 Sycamore Bend	6,732.18	20,000.00	33.7%
Total Parks Corps of Engineer	12,189.56	100,000.00	12.2%
Personnel			
5502 Administration Wages	87,149.02	314,055.00	27.7%
5504 Municipal Court Wages	31,371.06	122,640.00	25.6%
5506 Police Wages	205,559.19	797,635.00	25.8%
5507 Police Overtime Wages	1,179.98	8,000.00	14.7%
5508 Public Works Wages	52,845.59	205,748.00	25.7%
5509 Public Works Overtime Wage	352.55	1,600.00	22.0%
5510 Health Insurance	56,642.59	227,370.00	24.9%
5512 Longevity	11,796.00	12,225.00	96.5%
5514 Payroll Expense	5,868.00	20,000.00	29.3%
5516 Employment Exams	105.00	2,500.00	4.2%
5518 Retirement (TMRS)	59,385.70	191,225.00	31.1%
5520 Unemployment (TWC)	220.27	3,600.00	6.1%

Budget vs. Actual Year to Date 24.99%

October through December 2020

	Oct - Dec 20	Budget	% of Budget
5522 Workman's Compensation	22,636.00	25,500.00	88.8%
Total Personnel	535,110.95	1,932,098.00	27.7%
Police Department			
5602 Auto Gas & Oil	5,489.64	20,000.00	27.4%
5606 Auto Maintenance & Repair	5,319.20	25,000.00	21.3%
5610 Books & Subscriptions	330.00	500.00	66.0%
5612 Computer Hardware/Software	9,978.14	45,000.00	22.2%
5614 Crime Lab Analysis	2,296.99	2,000.00	114.8%
5616 Drug Forfeiture	0.00	0.00	0.0%
5618 Dues & Memberships	0.00	500.00	0.0%
5626 Office Supplies/Equipment	1,208.21	1,800.00	67.1%
5630 Personnel Equipment	17,889.94	25,000.00	71.6%
5634 Travel Expense	1,009.87	3,000.00	33.7%
5636 Uniforms	2,132.75	6,000.00	35.5%
5640 Training & Education	590.00	7,500.00	7.9%
5644 Citizens on Patrol	0.00	500.00	0.0%
5646 Community Outreach	368.27	1,000.00	36.8%
5648 K9 Unit	1,556.69	1,500.00	103.8%
Total Police Department	48,169.70	139,300.00	34.6%
Public Works Department			
5702 Animal Control Donation	0.00	500.00	0.0%
5704 Animal Control Equipment	111.42	600.00	18.6%
5706 Animal Control Supplies	171.08	1,000.00	17.1%
5708 Animal Control Vet Fees	1,095.16	7,500.00	14.6%
5710 Auto Gas & Oil	1,961.29	9,500.00	20.6%
5714 Auto Maintenance/Repair	4,489.31	5,000.00	89.8%
5716 Beautification	2,168.45	95,000.00	2.3%
5718 Computer Hardware/Software	0.00	1,000.00	0.0%
5720 Dues & Memberships	0.00	350.00	0.0%
5722 Equipment	4,795.62	5,000.00	95.9%
5724 Equipment Maintenance	903.30	6,000.00	15.1%
5726 Equipment Rental	0.00	4,500.00	0.0%
5728 Equipment Supplies	2,521.90	6,500.00	38.8%
5732 Office Supplies/Equipment	313.11	500.00	62.6%
5734 Radios	1,142.07	3,800.00	30.1%
5738 Training	500.00	800.00	62.5%
5740 Travel Expense	0.00	1,000.00	0.0%
5742 Uniforms	314.24	2,600.00	12.1%
5748 Landscaping Services	16,276.74	140,000.00	11.6%
Total Public Works Department	36,763.69	291,150.00	12.6%
Services			
5802 Appraisal District	6,166.19	12,400.00	49.7%
5804 Attorney Fees	4,207.50	60,000.00	7.0%
5806 Audit	0.00	14,500.00	0.0%
5808 Codification	0.00	2,400.00	0.0%
5812 Document Management	0.00	600.00	0.0%
5814 Engineering	25,470.52	115,000.00	22.1%
5816 General Insurance	35,426.64	34,681.00	102.2%
5818 Inspections	49,105.00	56,000.00	87.7%
5820 Fire Service	306,816.50	615,000.00	49.9%
5822 Legal Notices/Advertising	341.90	2,500.00	13.7%
5824 Library Services	282.25	500.00	56.5%
5826 Municipal Judge	4,080.00	13,000.00	31.4%
5828 Printing	16.00	1,500.00	1.1%

Town of Hickory Creek
Budget vs. Actual Year to Date 24.99%
 October through December 2020

	Oct - Dec 20	Budget	% of Budget
5830 Tax Collection	2,488.00	3,000.00	82.9%
5832 Computer Technical Support	63,537.00	41,750.00	152.2%
5838 DCCAC	0.00	2,172.00	0.0%
5840 Denton County Dispatch	0.00	29,632.00	0.0%
5844 Helping Hands	0.00	200.00	0.0%
5846 Span Transit Services	0.00	100.00	0.0%
Total Services	497,937.50	1,004,935.00	49.5%
Special Events			
6004 Fourth of July Celebration	0.00	7,000.00	0.0%
6008 Tree Lighting	2,356.24	6,000.00	39.3%
Total Special Events	2,356.24	13,000.00	18.1%
Utilities & Maintenance			
5902 Bldg Maintenance/Supplies	14,932.50	65,000.00	23.0%
5904 Electric	5,958.22	20,000.00	29.8%
5906 Gas	378.08	1,500.00	25.2%
5908 Street Lighting	9,679.44	33,000.00	29.3%
5910 Telephone	7,550.29	28,000.00	27.0%
5912 Water	2,377.07	10,000.00	23.8%
Total Utilities & Maintenance	40,875.60	157,500.00	26.0%
Total Expense	1,556,130.95	6,283,176.00	24.8%
Net Ordinary Income	1,499,210.07	0.00	100.0%
Net Income	1,499,210.07	0.00	100.0%

Town of Hickory Creek
Expenditures over \$1,000.00
 December 2020

Type	Date	Num	Name	Amount
Ordinary Income/Expense				
Expense				
General Government				
5206 Computer Hardware/Software				
Check	12/07/2020	4048	Eight20 Consulting LLC (dba Zactax)	3,000.00
Bill	12/21/2020	Invoi...	Municipal Code Corporation	3,400.00
Total 5206 Computer Hardware/Software				6,400.00
5212 EDC Tax Payment				
Check	12/09/2020	4050	Hickory Creek Economic Development	39,515.41
Total 5212 EDC Tax Payment				39,515.41
5216 Volunteer/Staff Events				
Check	12/21/2020	Debit	Costco	1,359.83
Total 5216 Volunteer/Staff Events				1,359.83
Total General Government				47,275.24
Municipal Court				
5332 Warrants Collected				
Bill	12/21/2020	Invoi...	McCreary, Veselka, Bragg and Allen, P.C.	2,427.27
Total 5332 Warrants Collected				2,427.27
Total Municipal Court				2,427.27
Police Department				
5602 Auto Gas & Oil				
Check	12/30/2020	Debit	WEX Bank	1,583.16
Total 5602 Auto Gas & Oil				1,583.16
5606 Auto Maintenance & Repair				
Bill	12/21/2020	R.O....	Christian Brothers Automotive	1,632.77
Total 5606 Auto Maintenance & Repair				1,632.77
Total Police Department				3,215.93
Public Works Department				
5714 Auto Maintenance/Repair				
Bill	12/21/2020	Invoi...	Discount Tire	1,125.00
Total 5714 Auto Maintenance/Repair				1,125.00
5728 Equipment Supplies				
Check	12/23/2020	Debit	CHECKCARD 1222 REMCOR INC	1,952.00
Total 5728 Equipment Supplies				1,952.00
Total Public Works Department				3,077.00
Services				
5802 Appraisal District				
Bill	12/21/2020	Invoi...	DCAD	3,074.59

Town of Hickory Creek
Expenditures over \$1,000.00
December 2020

Type	Date	Num	Name	Amount
Total 5802 Appraisal District				3,074.59
5804 Attorney Fees				
Bill	12/21/2020	Acct...	Hayes, Berry, White & Vanzant	1,000.00
Bill	12/21/2020	Acct...	Hayes, Berry, White & Vanzant	2,323.75
Total 5804 Attorney Fees				3,323.75
5814 Engineering				
Bill	12/28/2020	Invoi...	Half Associates, Inc.	1,800.10
Bill	12/28/2020	Invoi...	Half Associates, Inc.	5,702.39
Total 5814 Engineering				7,502.49
5818 Inspections				
Bill	12/21/2020	Invoi...	Vaughn Inspections Plus, LLC	32,963.00
Total 5818 Inspections				32,963.00
5820 Fire Service				
Check	12/15/2020	4052	City of Corinth	153,408.25
Total 5820 Fire Service				153,408.25
5826 Municipal Judge				
Check	12/01/2020	Debit	Alfons Kyle Knapp	1,020.00
Check	12/31/2020		Alfons Kyle Knapp	1,020.00
Total 5826 Municipal Judge				2,040.00
Total Services				202,312.08
Utilities & Maintenance				
5902 Bldg Maintenance/Supplies				
Bill	12/21/2020	Invoi...	Betsy Ross Flag Girls, Inc.	1,509.00
Bill	12/21/2020	Job ...	CertaPro Painters of Lewisville-Flower Mo	2,750.00
Total 5902 Bldg Maintenance/Supplies				4,259.00
5904 Electric				
Check	12/15/2020	Debit	HUDSON ENERGY SE DESDEBITDEBIT	2,094.85
Total 5904 Electric				2,094.85
5908 Street Lighting				
Check	12/15/2020	Debit	HUDSON ENERGY SE DESDEBITDEBIT	3,133.75
Total 5908 Street Lighting				3,133.75
5910 Telephone				
Check	12/02/2020	Debit	CenturyLink	1,326.79
Check	12/31/2020	Debit	CenturyLink	1,326.79
Total 5910 Telephone				2,653.58
Total Utilities & Maintenance				12,141.18
Total Expense				270,448.70

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01/20/21

Accrual Basis

Town of Hickory Creek
Expenditures over \$1,000.00
December 2020

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Net Ordinary Income				-270,448.70
Net Income				-270,448.70



TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276015

ACCOUNT NAME: 2020 CERTIFICATES OF OBLIGATIONS

STATEMENT PERIOD: 12/01/2020 - 12/31/2020

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.1504%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 55 DAYS AND THE NET ASSET VALUE FOR 12/31/20 WAS 1.000085.

MONTHLY ACTIVITY DETAIL				
TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			4,003,809.09
12/31/2020	MONTHLY POSTING	9999888	511.34	4,004,320.43
	ENDING BALANCE			4,004,320.43

MONTHLY ACCOUNT SUMMARY	
BEGINNING BALANCE	4,003,809.09
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	511.34
ENDING BALANCE	4,004,320.43
AVERAGE BALANCE	4,003,809.09

ACTIVITY SUMMARY (YEAR-TO-DATE)			
ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
2020 CERTIFICATES OF OBLIGATIONS	4,003,593.07	0.00	727.36



TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276007

ACCOUNT NAME: ANIMAL SHELTER FACILITY

STATEMENT PERIOD: 12/01/2020 - 12/31/2020

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.1504%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 55 DAYS AND THE NET ASSET VALUE FOR 12/31/20 WAS 1.000085.

MONTHLY ACTIVITY DETAIL				
TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			9,574.27
12/31/2020	MONTHLY POSTING	9999888	1.23	9,575.50
	ENDING BALANCE			9,575.50

MONTHLY ACCOUNT SUMMARY	
BEGINNING BALANCE	9,574.27
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	1.23
ENDING BALANCE	9,575.50
AVERAGE BALANCE	9,574.27

ACTIVITY SUMMARY (YEAR-TO-DATE)			
ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
ANIMAL SHELTER FACILITY	0.00	0.00	71.11



TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276014

ACCOUNT NAME: CARES RELIEF FUND

STATEMENT PERIOD: 12/01/2020 - 12/31/2020

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.1504%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 55 DAYS AND THE NET ASSET VALUE FOR 12/31/20 WAS 1.000085.

MONTHLY ACTIVITY DETAIL				
TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			47,625.52
12/31/2020	MONTHLY POSTING	9999888	6.08	47,631.60
	ENDING BALANCE			47,631.60

MONTHLY ACCOUNT SUMMARY	
BEGINNING BALANCE	47,625.52
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	6.08
ENDING BALANCE	47,631.60
AVERAGE BALANCE	47,625.52

ACTIVITY SUMMARY (YEAR-TO-DATE)			
ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
CARES RELIEF FUND	260,425.00	212,976.00	182.60



TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276009

ACCOUNT NAME: HARBOR LANE - SYCAMORE BEND

STATEMENT PERIOD: 12/01/2020 - 12/31/2020

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.1504%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 55 DAYS AND THE NET ASSET VALUE FOR 12/31/20 WAS 1.000085.

MONTHLY ACTIVITY DETAIL				
TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			80,341.73
12/31/2020	MONTHLY POSTING	9999888	10.28	80,352.01
	ENDING BALANCE			80,352.01

MONTHLY ACCOUNT SUMMARY	
BEGINNING BALANCE	80,341.73
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	10.28
ENDING BALANCE	80,352.01
AVERAGE BALANCE	80,341.73

ACTIVITY SUMMARY (YEAR-TO-DATE)			
ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
HARBOR LANE - SYCAMORE BEND	77,000.00	0.00	38.16



TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276001

ACCOUNT NAME: INVESTMENT FUND

STATEMENT PERIOD: 12/01/2020 - 12/31/2020

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.1504%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 55 DAYS AND THE NET ASSET VALUE FOR 12/31/20 WAS 1.000085.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			4,324,109.78
12/07/2020	ACH DEPOSIT	6123785	200,000.00	4,524,109.78
12/29/2020	ACH DEPOSIT	6124386	850,000.00	5,374,109.78
12/30/2020	ACH DEPOSIT	6124443	200,000.00	5,574,109.78
12/31/2020	MONTHLY POSTING	9999888	586.12	5,574,695.90
	ENDING BALANCE			5,574,695.90

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	4,324,109.78
TOTAL DEPOSITS	1,250,000.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	586.12
ENDING BALANCE	5,574,695.90
AVERAGE BALANCE	4,580,561.39

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
INVESTMENT FUND	3,182,912.06	2,179,192.27	37,215.05



TOWN OF HICKORY CREEK
ATTN KRISTI K ROGERS
1075 RONALD REAGAN AVE
HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276005

ACCOUNT NAME: RESIDENTIAL STREET & RD IMPROV

STATEMENT PERIOD: 12/01/2020 - 12/31/2020

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.1504%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 55 DAYS AND THE NET ASSET VALUE FOR 12/31/20 WAS 1.000085.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			19.58
	ENDING BALANCE			19.58

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	19.58
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	0.00
ENDING BALANCE	19.58
AVERAGE BALANCE	19.58

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
RESIDENTIAL STREET & RD IMPROV	0.00	163,860.00	1,167.77



TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276002

ACCOUNT NAME: TURBEVILLE RD IMPROVEMENT FUND

STATEMENT PERIOD: 12/01/2020 - 12/31/2020

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.1504%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 55 DAYS AND THE NET ASSET VALUE FOR 12/31/20 WAS 1.000085.

MONTHLY ACTIVITY DETAIL				
TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			94,836.81
12/31/2020	MONTHLY POSTING	9999888	12.11	94,848.92
	ENDING BALANCE			94,848.92

MONTHLY ACCOUNT SUMMARY	
BEGINNING BALANCE	94,836.81
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	12.11
ENDING BALANCE	94,848.92
AVERAGE BALANCE	94,836.81

ACTIVITY SUMMARY (YEAR-TO-DATE)			
ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
TURBEVILLE RD IMPROVEMENT FUND	0.00	119,936.06	1,575.83

Affordable Fencing

P.O.Box 2405

Decatur, TX 76234

Estimate

Date	Estimate #
01/20/2021	624

Name / Address
Hickory Creek John Smith 1075 Ronald Reagan Ave Hickory Creek, Texas 75065

Project

Description	Qty	Rate	Total
Install 315'- 8' press point 8' tall powder coated iron fence	1	31,815.00	31,815.00
Install 2 - 26' slide gates	2	7,200.00	14,400.00
install gate operator commercial unit	2	4,500.00	9,000.00
Install 2 tag readers	2	500.00	1,000.00
Install man gate with number pad and panic bar	1	1,000.00	1,000.00
Price increase due to material cost going up.			
Thank you for your business.		Total	\$57,215.00

Affordable Fencing

P.O.Box 2405

Decatur, TX 76234

Estimate

Date	Estimate #
11/2/2020	624

Name / Address
Hickory Creek John Smith 1075 Ronald Reagan Ave Hickory Creek, Texas 75065

Project

Description	Qty	Rate	Total
Install 315'- 8' press point 8' tall powder coated iron fence	1	31,815.00	31,815.00
Install 2 - 26' slide gates	2	4,000.00	8,000.00
install gate operator commercial unit	2	4,500.00	9,000.00
Install 2 tag readers	2	500.00	1,000.00
Install man gate with number pad and panic bar	1	1,000.00	1,000.00

Thank you for your business.	Total	\$50,815.00
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**TOWN OF HICKORY CREEK
ORDINANCE NO. 2021-01-____**

AN ORDINANCE OF THE TOWN COUNCIL OF HICKORY CREEK, TEXAS, ORDERING AN ELECTION TO BE HELD ON MAY 1, 2021 FOR THE PURPOSE OF ELECTING TOWN COUNCIL MEMBERS TO PLACE 1, PLACE 3 AND PLACE 5; AUTHORIZING A JOINT ELECTION WITH OTHER DENTON COUNTY POLITICAL SUBDIVISIONS; PROVIDING FOR A FILING PERIOD; PROVIDING FOR PRECINCTS; PROVIDING FOR APPOINTMENT OF AN EARLY VOTING CLERK; PROVIDING FOR EARLY VOTING LOCATIONS; PROVIDING FOR AN ELECTION DAY POLLING PLACE; PROVIDING FOR CANCELLATION OF ELECTION; PROVIDING FOR THE PUBLICATION AND POSTING OF NOTICE OF THIS ELECTION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Hickory Creek, Texas is a Type “A” General Law Municipality located in Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, the general election for the Town of Hickory Creek, as set forth by the Texas Election Code, is required to be held on May 1, 2021 for the purpose of electing Town Council Members to Place 1, Place 3 and Place 5; each term being for a period of (2) two years.

WHEREAS, in accordance with Section 271.002 of the Texas Election Code, the Town election will be conducted with other political subdivisions of Denton County Texas.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, THAT:

**SECTION 1
ELECTION ORDERED**

An election is hereby ordered to be held on Saturday, May 1, 2021 for the purpose of electing Town Council Members to Place 1, Place 3 and Place 5; each term being for a period of (2) years.

**SECTION 2
FILING PERIOD**

The filing period for an application on the ballot is January 13, 2021 - February 12, 2021.

**SECTION 3
PRECINCTS**

The election precinct for said election shall be the regular precinct of Denton County (Precinct 3001) to the extent that they are within the corporate limits of the Town of Hickory Creek.

SECTION 4
EARLY VOTING CLERK

In accordance with Sections 31.097 and 271.006 of the Texas Election Code, the following named person is hereby appointed as the Early Voting Clerk of the purposes of conducting said election:

Frank Phillips, Early Voting Clerk
Denton County Elections
P.O. Box 1720
Denton, Texas 76202
Elections@dentoncounty.com

SECTION 5
EARLY VOTING LOCATIONS

Early voting by personal appearance of Hickory Creek residents shall be conducted beginning April 19, 2021 and continue through April 27, 2021. The main early voting location shall be located at: Denton County Elections, 701 Kimberly Drive, Denton, Texas 76208. Additional early voting locations shall be determined per the Joint Election Agreement and Contract for Election Services with the Denton County Elections Administrator.

SECTION 6
ELECTION DAY POLLING PLACE

The polling place for all of Precinct 3001 within the corporate limits of the Town of Hickory Creek will be located at: Town of Hickory Creek Town Hall, 1075 Ronald Reagan Avenue, Hickory Creek, Texas 75065.

SECTION 7
CANCELLATION OF ELECTION

If only one person who has qualified to appear on the ballot for each office, and no write-in candidates have submitted their names to be placed on the list for write-in candidates, the Town Council may declare the candidates elected to office and cancel the election called herein.

SECTION 8
NOTICE AND PUBLICATION

Notice of the Election shall be given by posting a notice of election in both English and Spanish at Town of Hickory Creek located at 1075 Ronald Reagan Avenue, Hickory Creek Texas, on the bulletin board not later than twenty-one days prior to the date upon which the election is to be held, and by publication of said notice at least once in the official newspaper of the Town, being a newspaper of general circulation within the Town, the date of said publication to be not less than ten (10) days nor more than thirty (30) days prior to the date set for the elections. Upon publication of the election notice, the Town Secretary shall secure a publisher's affidavit.

SECTION 9
NECESSARY ACTIONS

The Mayor, Town Council, and Town Staff, in consultation with the Town Attorney, are hereby authorized and directed to take any and all actions necessary to comply with the provisions of the Code in carrying out and conducting the Election, whether or not expressly authorized herein.

SECTION 10
EFFECTIVE DATE

This Ordinance shall become effective immediately upon its passage and approval.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the Town Council of the Town of Hickory Creek, Texas, this the 25th day of January, 2021.

Lynn C. Clark., Mayor
Town of Hickory Creek

ATTEST:

Kristi K. Rogers, Town Secretary
Town of Hickory Creek

APPROVED AS TO LEGAL FORM

Dorwin L. Sargent, III, Town Attorney
Town of Hickory Creek

TOWN OF HICKORY CREEK

FINANCIAL STATEMENTS
AND
ACCOUNTANTS' OPINION

SEPTEMBER 30, 2020

TOWN OF HICKORY CREEK

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**HANKINS, EASTUP, DEATON,
TONN & SEAY**
A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
P.O. BOX 977
DENTON, TX 76202-0977

TEL (940) 387-8563
FAX (940) 383-4746

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Town Council
Town of Hickory Creek, Texas

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units and each major fund of the Town of Hickory Creek, Texas ("Town"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Town'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.

Auditor's 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 Standard* 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 Town'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, the discretely presented component units and each major fund of the Town of Hickory Creek, Texas as of September 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* on pages 5 through 11 and the Texas Municipal Retirement system schedules on pages 50 through 54 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 the Town of Hickory Creek, Texas's basic financial statements. The combining and individual fund statements and schedules listed in the table of contents are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2021 on our consideration of the Town of Hickory Creek, Texas's internal control over financial reporting and on our test 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 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 the Town of Hickory Creek, Texas's internal control over financial reporting and compliance.

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay, PC
Denton, Texas

January 15, 2021

MANAGEMENT'S DISCUSSION & ANALYSIS

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TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2020

As management of the Town of Hickory Creek, we offer readers of the Town of Hickory Creek's financial statements this narrative overview and analysis of the financial activities of the Town of Hickory Creek for the year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with the Town's basic financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the Town of Hickory Creek exceeded its liabilities and deferred inflows at September 30, 2020 by \$15,003,161. Of this amount, \$3,144,750 may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$517,485 during the fiscal year from the results of current year operations.
- As of September 30, 2020, the Town of Hickory Creek's governmental funds reported combined ending fund balances of \$4,844,240, a decrease of \$125,829 in comparison with the beginning of the period. Approximately 70 percent of this total amount, \$3,398,946, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current period, unassigned fund balance for the general fund of \$3,398,946 was 68.25 percent of total general fund expenditures.

Overview of the Financial Statements

The management discussion and analysis are intended to serve as an introduction to the Town of Hickory Creek's basic financial statements. The Town of Hickory Creek's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Also included as a discretely presented component unit are the Hickory Creek Economic Development Corporation, which was formed on July 1, 2003 as the result of a successful 4B sales tax election, the Hickory Creek Public Improvement District No. 1, which was created on March 31, 2012 to finance certain public improvements within the District, the Hickory Creek Public Improvement District No. 2, which was created on September 18, 2012, to finance certain public improvements within the District, and the Hickory Creek Public Improvement District No. 3, which was created May 21, 2019, to finance certain public improvements within the District.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town of Hickory Creek's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town of Hickory Creek's assets, deferred outflows of resources, deferred inflows of resources and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Hickory Creek is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent period. All of the current period's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in prior reporting models.

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2020

In the Statement of Net Position and the Statement of Activities, the Town is divided between two kinds of activities:

- **Governmental activities.** All of the Town's basic services are reported here, including the police, fire, library, community development, public works, park services, municipal court, and general administration. Property taxes, sales taxes, and franchise fees finance most of these activities.
- **Business-type activities.** The Town may charge a fee to customers to help it cover all or most of the cost of certain services it provides. The Town had no business-type activities during the current period.

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. Fund financial statements provide detailed information about the most significant funds, not the Town as a whole. Some funds are required to be established by state law or bond covenants. However, the Town Council may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. All of the funds of the Town of Hickory Creek are considered governmental funds.

Governmental Funds. All of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at period-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are detailed in a reconciliation following the fund financial statements.

The Town of Hickory Creek maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, each of which are considered to be major funds.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town of Hickory Creek's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Town of Hickory Creek does not currently have any fiduciary funds.

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 funds financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information highlighting budgetary information for the general fund.

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

Government-wide Financial Analysis

The Town's combined net position was \$15,003,161 as of September 30, 2020. The Town first implemented GASB Statement No. 34, *Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments*, in fiscal year 2004. The following analysis presents both current and prior year data and discusses significant changes in the accounts. This analysis focuses on the net position (Table 1) and general revenues (Table 2) and changes in net position (Table 3) of the Town's governmental activities.

The largest portion of the Town's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1
Net Position

	Governmental Activities	
	2019	2020
Current and other assets	\$ 5,348,658	\$ 5,558,104
Capital assets	17,503,873	17,529,085
Total assets	<u>22,852,531</u>	<u>23,087,189</u>
Deferred outflows of resources	520,087	710,239
Long-term liabilities outstanding	8,388,726	7,825,346
Other liabilities	333,854	680,914
Total liabilities	<u>8,722,580</u>	<u>8,506,260</u>
Deferred inflows of resources	164,362	288,007
Net Position:		
Net investment in capital assets	9,953,024	10,511,190
Restricted for:		
Debt Service	114,423	122,437
Street improvements/maintenance	1,514,986	991,436
Court security and technology	90,299	103,160
Parks	196,008	130,188
Unrestricted	<u>2,616,936</u>	<u>3,144,750</u>
Total net position	<u>\$ 14,485,676</u>	<u>\$ 15,003,161</u>

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

The following table provides a summary of the Town's operations for the years ended September 30, 2019 and 2020.

Table 2
Changes in Net Position

	Governmental Activities	
	2019	2020
Revenues:		
Program Revenues:		
Charges for services	\$ 1,294,545	\$ 1,842,427
Operating grants and contributions	49,267	314,159
Capital grants and contributions	2,108,475	104,400
General Revenues:		
Property taxes	2,005,794	2,042,937
Sales taxes	1,232,469	1,361,064
Other taxes	275,392	280,283
Investment earnings	116,735	57,499
Miscellaneous	6,501	8,251
	<u>7,089,178</u>	<u>6,011,020</u>
Expenses:		
Administration	811,726	825,715
Police	1,113,897	1,251,924
Fire	613,633	613,633
Municipal court	445,291	463,935
Public works	1,451,978	2,112,852
Debt service - interest and fees	236,965	225,476
	<u>4,673,490</u>	<u>5,493,535</u>
Special items	13,543	-
Transfers in	38,025	-
Change in net position	2,467,256	517,485
Prior period adjustment	(32,338)	-
Net position - October 1 (beginning)	<u>12,050,758</u>	<u>14,485,676</u>
Net position - September 30 (ending)	<u>\$ 14,485,676</u>	<u>\$ 15,003,161</u>

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2020

Financial Analysis of the Government's Funds

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

As of the end of the current period, the Town's governmental funds reported combined ending fund balances of \$4,844,240, a decrease of \$125,829 in comparison with the beginning of the period. Approximately 70.16 percent of this total amount (\$3,398,946) constitutes unassigned and assigned fund balance, which is available for spending at the Town's discretion. The remainder of fund balance is not available for new spending because it has already been committed or assigned 1) to pay for capital improvements (\$991,436), 2) to pay for court security and technology costs (\$103,160), 3) to pay for debt retirement (\$122,437), 4) to liquidate prepaid items (\$50,476), and 5) to pay for park maintenance (\$130,188).

The general fund is the chief operating fund of the Town. At the end of the current period, unassigned fund balance of the general fund totaled \$3,398,946, while total fund balance was \$4,674,206. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 68.25 percent of total general fund expenditures, while total fund balance represents 93.86 percent of that same amount.

The fund balance of the Town's general fund decreased by \$86,420 during the current year compared to a \$105,769 increase in the prior year. Key factors in this increase are as follows:

- Revenues increased \$811,981 or 19.89% from the previous year, primarily due to increases in building permits and sales tax revenues.
- Expenditures increased \$952,602 or 23.65% from the previous year, primarily due to increased street maintenance and capital outlay expenditures.

The fund balance of the Town's debt service fund increased \$8,014 compared to a \$10,522 increase in the prior year. Both revenues and expenditures were comparable to the prior year.

The fund balance of the capital projects decreased \$102,090 during the current year due to street and road expenditures.

General Fund Budgetary Highlights

During the current year, the Town Council of the Town of Hickory Creek amended the budget for the General Fund on one occasion. The majority of the appropriation related to actions taken to fund unbudgeted items during the period.

The Town administration reviewed each supplemental appropriation throughout the year and determined that increased revenues or beginning fund balance provided sufficient reserves to recommend the increase.

The original budget reflected that the activity for the year would cause a \$712,047 decrease in available fund balance. The available fund balance for the general fund actually decreased in the amount of \$86,420, due primarily to increases in building permits, sales tax and other permits and fees, and public donations, and lower than anticipated police expenditures due to the receipt of Coronavirus relief funds.

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental activities as of September 30, 2020, amount to \$17,529,085 (net of accumulated depreciation). This amount represents a net increase of \$25,212, or 0.14 percent, above the beginning of the year. The investment in capital assets includes land, buildings, equipment, vehicles, roads and construction in progress.

Major capital asset additions during the current year included the following:

<u>Description</u>	<u>Amount</u>
Work on various street and sidewalk improvements	\$ 576,533
Peterbilt dump truck	131,500
Rooftop HVAC units	62,073
Meadowlake fire protection system	120,474
Total	<u>\$ 890,580</u>

Table 4
Capital Assets at Year-end
(Net of Depreciation)

	<u>Governmental Activities</u>
Land	\$ 757,710
Buildings	2,780,294
Equipment and Vehicles	589,859
Street and Road Infrastructure	12,616,935
Construction in Progress	784,287
Totals	<u>\$ 17,529,085</u>

Additional information on the Town's capital assets can be found in Note 6 of this report.

Long-term Debt. At the end of the current period, the Town had general obligation bonds outstanding of \$3,545,000, certificates of obligation outstanding of \$3,070,000, and accrued compensated absences of \$100,692, for a total of \$6,715,692.

The Town's total debt decreased by \$623,542 during the current year. No new debt was incurred during the year. Information on the Town's long-term debt can be found in Note 7 of this report.

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2020

Economic Factors and Next Year's Budgets and Rates

The Town of Hickory Creek continued to see monumental growth despite the COVID pandemic. The Mayor and Town Council adopted an ad valorem tax rate of 0.319943 per \$100 of assessed values for 2020 as compared to a 2019 rate of .0330402.

The Town council capitalized on low interest rates with the issuance of certificates of obligation for roads, sidewalks, parks, street lighting and additional fire hydrants. The Town has the ability to complete the projects now with a minimal economic impact on future budgets.

Hickory Creek worked with landowners to annex property into the Town limits which was located in the Extra Territorial Jurisdiction for a high-end multi-family development to begin construction in 2021.

Residential development continues to be strong. D.R. Horton to date has 46 home sites under contract with approximately 86 remaining. An additional 212 home sites will be developed by Beazer Homes (93) and Trendmaker Homes (119) with construction set to begin in the first quarter of 2021.

Angelina's Mexican Restaurant opened in December 2020 and Don Camillo's is set to open in January 2021 providing excellent continued commercial growth.

Roads continue to be a top of the priority for the Town. All asphalt roads were treated for preservation with a high density mineral bond surface treatment which significantly extends pavement life. County Commissioner Bobbie Mitchell and the Denton County Commissioner's Court has once again provided funds to reconstruct Sycamore Bend Road which will include sidewalks. 30% of the engineering/surveying has been completed with construction anticipated to begin in the summer of 2021. An access road off Turbeville Road was completed giving ingress/egress to future commercial development. In addition, the Town worked with Denton County to upgrade the surfaces of Highland Road and the primitive camping road from gravel, with chip seal providing citizens improved access to Harbor Grove Park and the Sycamore Bend Park primitive camping area.

The Town completed and adopted the Master Parks Plan in February 2020. The Town will focus on parks projects in 2021.

The Town worked with LCMUA on the installation of fire hydrants on the east side of town providing accessibility to water in case of fire. New protection will help reduce insurance rates for citizens.

The COVID pandemic did not affect the Town financially, due to the dedication of  the town staff, Mayor and Town Council.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Town of Hickory Creek, P.O. Box 1717, Lake Dallas, Texas 75065.

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BASIC FINANCIAL STATEMENTS

TOWN OF HICKORY CREEK

STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	<u>Primary Government</u>	<u>Component Units</u>	
	<u>Governmental Activities</u>	<u>Economic Development Corporation</u>	<u>Public Improvement District No. 1</u>
ASSETS			
Cash and Investments	\$ 5,027,795	\$ 1,671,415	\$ 275,526
Receivables (net of allowance for uncollectibles):			
Taxes – Ad Valorem	62,695	-	-
Taxes – Sales	317,820	-	-
Taxes - Mixed Beverage	3,366	-	-
Other	210,532	-	-
Due from Denton County	-		
Due from City of Lake Dallas	-		
Internal Balances	(114,580)	80,038	-
Prepaid Costs	50,476	-	-
Capital Assets:			
Land	757,710	1,479,983	-
Buildings, net	2,780,294	-	-
Equipment and Vehicles, net	589,859	-	-
Street, Road, Park Infrastructure, net	12,616,935	26,818	3,594,792
Construction in Progress	784,287	-	-
Total Assets	<u>23,087,189</u>	<u>3,258,254</u>	<u>3,870,318</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflow Related to TMRS	585,198	-	-
Deferred Outflow Related to OPEB	7,946	-	-
Deferred Charge on Bond Refunding	117,095	-	-
Total Deferred Outflows of Resources	<u>710,239</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Accounts Payable	504,342	51,564	-
Accrued Wages	65,557	-	-
Accrued Interest	29,745	-	12,008
Developer Escrow	-	-	-
Due to State Agencies	81,270	-	-
Unearned Assessments	-	-	49,861
Long-term Liabilities:			
Due within one year	659,563	-	90,545
Due in more than one year	6,576,119	-	3,764,165
Net Pension Liability	544,502	-	-
Net OPEB Liability	45,162	-	-
Total Liabilities	<u>8,506,260</u>	<u>51,564</u>	<u>3,916,579</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflow Related to TMRS	288,007	-	-
Deferred Inflow Related to OPEB	-	-	-
Total Deferred Inflows of Resources	<u>288,007</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	10,511,190	1,506,801	(259,918)
Restricted for:			
Debt Retirement	122,437	-	249,352
Economic Development	-	1,699,889	-
Street Improvements/Maintenance	991,436	-	-
Court Security/Technology	103,160	-	-
Parks	130,188	-	-
Unrestricted Net Position	3,144,750	-	(35,695)
Total Net Position	<u>\$ 15,003,161</u>	<u>\$ 3,206,690</u>	<u>\$ (46,261)</u>

Public Improvement District No. 2	Public Improvement District No. 3
\$ 375,410	\$ 1,106,869
-	-
-	-
-	-
-	-
34,542	-
-	-
-	-
-	-
3,646,953	-
-	2,930,000
<u>4,056,905</u>	<u>4,036,869</u>
-	-
-	-
-	-
-	-
-	-
18,822	15,561
24,474	25,000
-	-
-	-
65,000	-
4,065,000	4,185,000
-	-
-	-
<u>4,173,296</u>	<u>4,225,561</u>
-	-
-	-
-	-
(483,047)	(457,377)
329,769	276,250
-	-
-	-
-	-
36,887	(7,565)
<u>\$ (116,391)</u>	<u>\$ (188,692)</u>

TOWN OF HICKORY CREEK

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 825,715	\$ 9,617	\$ 7,270	\$ -
Police	1,251,924	368,270	260,425	-
Fire	613,633	-	-	-
Municipal Court	463,935	463,935	-	-
Public Works	2,112,852	1,000,605	686	104,400
Debt Service – Interest and Fees	225,476	-	45,778	-
Total Governmental Activities	<u>5,493,535</u>	<u>1,842,427</u>	<u>314,159</u>	<u>104,400</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 5,493,535</u>	<u>\$ 1,842,427</u>	<u>\$ 314,159</u>	<u>\$ 104,400</u>
COMPONENT UNITS:				
Economic Development Corporation	\$ 364,461	\$ -	\$ -	\$ -
Public Improvement District No. 1	299,583	-	-	-
Public Improvement District No. 2	392,023	-	-	-
Public Improvement District No. 3	238,020	-	-	-
TOTAL COMPONENT UNITS	<u>\$ 1,294,087</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GENERAL REVENUES:

Taxes:

- Property taxes – maintenance and operation
- Property taxes – debt service
- Sales taxes
- Franchise taxes
- Mixed beverage taxes

Special Assessments

Investment Earnings

Lease Income

Miscellaneous

Total General Revenues and Special Items

Change in Net Position

NET POSITION, October 1 (beginning)

NET POSITION, September 30 (ending)

The accompanying Notes are an integral part of this statement.

Governmental Activities	Component Units			
	Economic Development Corp	Public Improvement District No. 1	Public Improvement District No. 2	Public Improvement District No. 3
\$ (808,828)	\$ -	\$ -	\$ -	\$ -
(623,229)	-	-	-	-
(613,633)	-	-	-	-
-	-	-	-	-
(1,007,161)	-	-	-	-
(179,698)	-	-	-	-
<u>(3,232,549)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(3,232,549)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(364,461)	-	-	-
-	-	(299,583)	-	-
-	-	-	(392,023)	-
-	-	-	-	(238,020)
<u>-</u>	<u>(364,461)</u>	<u>(299,583)</u>	<u>(392,023)</u>	<u>(238,020)</u>
1,227,462	-	-	-	-
815,475	-	-	-	-
1,361,064	453,688	-	-	-
268,617	-	-	-	-
11,666	-	-	-	-
-	-	257,725	342,897	51,525
57,499	17,052	3,881	4,521	33,698
-	9,500	-	-	-
8,251	-	-	-	-
<u>3,750,034</u>	<u>480,240</u>	<u>261,606</u>	<u>347,418</u>	<u>85,223</u>
517,485	115,779	(37,977)	(44,605)	(152,797)
<u>14,485,676</u>	<u>3,090,911</u>	<u>(8,284)</u>	<u>(71,786)</u>	<u>(35,895)</u>
<u>\$ 15,003,161</u>	<u>\$ 3,206,690</u>	<u>\$ (46,261)</u>	<u>\$ (116,391)</u>	<u>\$ (188,692)</u>

TOWN OF HICKORY CREEK

**BALANCE SHEET-GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	<u>General Fund</u>	<u>Debt Service Fund</u>
ASSETS		
Cash and Investments	\$ 4,980,198	\$ -
Receivables (net of allowances for uncollectibles):		
Taxes –Ad Valorem	36,033	26,662
Taxes - Sales	317,820	-
Taxes - Mixed Beverage	3,366	-
Other	210,532	-
Due from Other Funds	-	122,437
Prepaid Costs	50,476	-
Total Assets	<u>\$ 5,598,425</u>	<u>\$ 149,099</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Current Liabilities:		
Accounts Payable	\$ 504,342	\$ -
Accrued Wages	65,557	-
Due to State Agencies	81,270	-
Due to EDC	80,038	-
Due to Hickory Creek PID #2	34,542	-
Due to Other Funds	122,437	-
Total Liabilities	<u>888,186</u>	<u>-</u>
Deferred Inflows of Resources:		
Unavailable Revenue-Property Taxes	36,033	26,662
Total Deferred Inflows of Resources	<u>36,033</u>	<u>26,662</u>
Fund Equity:		
Nonspendable Fund Balance:		
Prepaid Costs	50,476	-
Restricted Fund Balance:		
Court Security and Technology	103,160	-
Street Improvements/Maintenance	991,436	-
Retirement of Long-term Debt	-	122,437
Parks	130,188	-
COVID-19 Costs	-	-
Unassigned Fund Balance	3,398,946	-
Total Fund Equity	<u>4,674,206</u>	<u>122,437</u>
Total Liabilities, Deferred Inflows and Fund Equity	<u>\$ 5,598,425</u>	<u>\$ 149,099</u>

The accompanying Notes are an integral part of this statement.

<u>Capital Project Funds</u>	<u>Special Revenue (CRF Funds)</u>	<u>Total Governmental Funds</u>
-	\$ 47,597	\$ 5,027,795
-	-	-
-	-	62,695
-	-	317,820
-	-	3,366
-	-	210,532
-	-	122,437
-	-	50,476
<u>\$ -</u>	<u>\$ 47,597</u>	<u>\$ 5,795,121</u>
-	-	-
-	-	504,342
-	-	65,557
-	-	81,270
-	-	80,038
-	-	34,542
-	-	122,437
<u>-</u>	<u>-</u>	<u>888,186</u>
-	-	-
-	-	62,695
<u>-</u>	<u>-</u>	<u>62,695</u>
-	-	-
-	-	50,476
-	-	-
-	-	103,160
-	-	991,436
-	-	122,437
-	-	130,188
-	47,597	47,597
-	-	3,398,946
<u>-</u>	<u>47,597</u>	<u>4,844,240</u>
<u>\$ -</u>	<u>\$ 47,597</u>	<u>\$ 5,795,121</u>

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TOWN OF HICKORY CREEK

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

Total Fund Balances – Governmental Funds	\$ 4,844,240
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements.	24,524,569
Accumulated depreciation is not reported in the fund financial statements.	(6,995,484)
General obligation bonds, certificates of obligation and compensated absences are not reported in the fund financial statements.	(6,715,692)
Property tax revenue reported as unavailable revenues in the fund financial statements was recognized as revenue in the government-wide financial statements.	62,695
Bond premiums are not recognized in the fund financial statements.	(519,990)
Deferred charge on bond refunding is not recognized in the fund financial statements.	117,095
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	(29,745)
Included in the items related to debt is the recognition of the Town’s net TMRS pension liability required by GASB 68 in the amount of \$544,502, a Deferred Resource Inflow related to TMRS in the amount of \$288,007 and a Deferred Resource Outflow related to TMRS in the amount of \$585,198. This amounted to a decrease in Net Position in the amount of \$247,311.	(247,311)
Included in the items related to debt is the recognition of the Town’s net TMRS OPEB liability required by GASB 75 in the amount of \$45,162 and a Deferred Resource Outflow related to OPEB in the amount of \$7,946. This amounted to a decrease in Net Position in the amount of \$37,216.	<u>(37,216)</u>
Net Position of Governmental Activities	<u>\$ 15,003,161</u>

The accompanying Notes are an integral part of this statement.

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND
Revenues:			
Taxes - Ad Valorem	\$ 1,233,895	\$ 822,262	\$ -
- Franchise	268,617	-	-
- Sales	1,361,064	-	-
- Mixed Beverage	11,666	-	-
Court Citations	734,533	-	-
Corp of Engineers	41,505	-	-
Building Permits	688,815	-	-
Interest Income	55,422	-	1,929
Other Permits and Fees	243,172	-	-
Parks and Recreation	117,438	-	-
Coronavirus Relief Funds	-	-	-
Insurance Proceeds	16,964	-	-
Donations from EDC	-	45,778	-
Public Donations	112,356	-	-
Other	8,251	-	-
Total Revenues	<u>4,893,698</u>	<u>868,040</u>	<u>1,929</u>
Expenditures:			
Current:			
General Governments	768,185	-	-
Police	949,337	-	-
Fire	613,633	-	-
Municipal Court	447,118	-	-
Public Works	1,322,808	-	-
Debt Service:			
Principal	-	600,000	-
Interest and Fees	-	254,885	-
Capital Outlay	879,037	-	102,090
Total Expenditures	<u>4,980,118</u>	<u>854,885</u>	<u>102,090</u>
Excess (Deficit) of Revenues over Expenditures	<u>(86,420)</u>	<u>13,155</u>	<u>(100,161)</u>
Other Financing Resources (Uses):			
Transfers in	-	-	5,141
Transfers out	-	(5,141)	-
Total Other Financing Resources (Uses)	<u>-</u>	<u>(5,141)</u>	<u>5,141</u>
Net Change in Fund Balance	(86,420)	8,014	(95,020)
Fund Balance - October 1 (beginning)	4,760,626	114,423	95,020
Fund Balance - September 30 (ending)	<u>\$ 4,674,206</u>	<u>\$ 122,437</u>	<u>\$ -</u>

The accompanying Notes are an integral part of this statement.

SPECIAL REVENUE (CRF FUNDS)	TOTAL GOVERNMENTAL FUNDS
\$ -	\$ 2,056,157
-	268,617
-	1,361,064
-	11,666
-	734,533
-	41,505
-	688,815
148	57,499
-	243,172
-	117,438
260,425	260,425
-	16,964
-	45,778
-	112,356
-	8,251
260,573	6,024,240
4,109	772,294
208,867	1,158,204
-	613,633
-	447,118
-	1,322,808
-	-
-	600,000
-	254,885
-	981,127
212,976	6,150,069
47,597	(125,829)
-	5,141
-	(5,141)
-	-
47,597	(125,829)
-	4,970,069
\$ 47,597	\$ 4,844,240

TOWN OF HICKORY CREEK

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Total Net Change in Fund Balances – Governmental Funds	\$ (125,829)
Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of reclassifying the current year capital asset additions is to increase net position.	981,127
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year’s depreciation is to decrease net position in the government-wide financial statements.	(955,915)
Revenues from property taxes are shown as unavailable in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectable amounts, in the government-wide financial statements.	(13,220)
Current year compensated absences earned but not used is not recorded in the fund financial statements, but is shown as an increase in long-term debt in the government-wide financial statements.	(16,021)
Current year principal payments on tax notes, capital leases and general obligation bonds are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.	600,000
Current year amortization of the premium on bond issuance is not recorded in the fund financial statements, but is shown as a reduction in long-term debt in the government-wide financial statements.	39,563
Current year amortization of the deferred loss on bond refunding is not recorded in the fund financial statements, but is shown as a reduction of net position in the government-wide financial statements.	(11,589)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	1,435
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. The contributions made after the measurement date of 12/31/19 caused the change in ending net position to increase in the amount of \$117,953. Contributions made before the measurement date but during the 2019 FY were also de-expended and recorded as a reduction in the net position liability for the Town. This also caused an increase in the change in net position in the amount of \$43,415. These contributions were replaced with the Town’s pension expense for the year of \$184,113, which caused a decrease in the change in net position. The impact of all of these is to increase the change in net position by \$22,745.	22,745
The implementation of GASB 75 required that certain expenditures be de-expended and recorded as deferred resource outflows. The contributions made after the measurement date of 12/31/19 caused net position to increase in the amount of \$96. Contributions made before the measurement date but during the 2019 FY were also de-expended and recorded as a reduction in the net position liability for the Town. This also caused an increase in the in the amount of \$32. These contributions were replaced with the Town’s OPEB expense for the year of \$4,939, which caused a decrease in the change in net position. The impact of all of these is to decrease net position by \$4,811.	<u>(4,811)</u>
Change in Net Position of Governmental Activities	<u>\$ 517,485</u>

The accompanying Notes are an integral part of this statement.

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual Amounts (GAAP BASIS)	Variance With Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - Ad Valorem	\$ 1,225,588	\$ 1,224,088	\$ 1,233,895	\$ 9,807
- Franchise	282,700	270,528	268,617	(1,911)
- Sales	1,237,500	1,237,500	1,361,064	123,564
- Mixed Beverage	500	7,000	11,666	4,666
Court Citations	917,150	658,000	734,533	76,533
Corp of Engineers	34,000	34,000	41,505	7,505
Building Permits	275,000	502,000	688,815	186,815
Interest Income	35,000	42,154	55,422	13,268
Other Permits and Fees	57,200	60,910	243,172	182,262
Parks and Recreation	58,000	58,000	117,438	59,438
Insurance Proceeds	-	-	16,964	16,964
Public Donations	1,000	1,000	112,356	111,356
Other	12,100	46,297	8,251	(38,046)
Total Revenues	<u>4,135,738</u>	<u>4,141,477</u>	<u>4,893,698</u>	<u>752,221</u>
Expenditures:				
Current:				
General Government	781,297	789,370	768,185	21,185
Police	1,169,216	1,176,057	949,337	226,720
Fire	615,000	615,000	613,633	1,367
Municipal Court	453,522	457,477	447,118	10,359
Public Works	949,713	959,502	1,322,808	(363,306)
Capital Outlay	879,037	879,037	879,037	-
Total Expenditures	<u>4,847,785</u>	<u>4,876,443</u>	<u>4,980,118</u>	<u>(103,675)</u>
Net Change in Fund Balance	(712,047)	(734,966)	(86,420)	648,546
Fund Balance – October 1 (beginning)	<u>4,760,626</u>	<u>4,760,626</u>	<u>4,760,626</u>	-
Fund Balance – September 30 (ending)	<u>\$ 4,048,579</u>	<u>\$ 4,025,660</u>	<u>\$ 4,674,206</u>	<u>\$ 648,546</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Hickory Creek (the "Town") are presented in accordance with generally accepted accounting principles applicable to state and local governmental units as set forth by the Governmental Accounting Standards Board ("GASB").

In fiscal year 2004, the Town implemented GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for the State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus* which provides additional guidance for the implementation of GASB Statement 34, GASB Statement No. 38, *Certain Financial Statement Disclosures*, which changes note disclosures requirements for governmental entities, and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, which clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where difference have arisen, or potentially could arise, in interpretation and practice of GASB Statement No. 34.

GASB Statements No. 34 established a new financial reporting model for state and local governments that included the addition of management's discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the use of account groups to the already required fund financial statements and notes. GASB Statement No. 37 provides additional guidance in reporting infrastructure, program revenues and major criteria.

The GASB determined that fund accounting has and will continue to be essential in helping governments to achieve fiscal accountability and should, therefore, be retained. The GASB also determined that the government-wide financial statements are needed to allow users of financial reports to assess a government's operational accountability. The new GASB model integrates fund-based financial reporting and government-wide financial reporting as complementary components of a single comprehensive financial reporting model.

The following is a summary of the more significant accounting policies.

A. Reporting Entity

The Town of Hickory Creek (Town) is a municipal corporation governed by an elected mayor and five-member council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Town holds the corporate powers of the organization
- the Town appoints a voting majority of the organization's board
- the Town is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Town
- there is fiscal dependency by the organization on the Town

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Blended component units, although legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Town.

The Town had four discretely presented component units at September 30, 2020, the Hickory Creek Economic Development Corporation, which was created in fiscal year 2003 as the result of a successful 4B sales tax election, the Hickory Creek Public Improvement District No. 1, which was created on March 31, 2012 to finance certain public improvements benefiting property owners within the public improvement district, the Hickory Creek Public Improvement District No. 2, which was created on September 18, 2012 to finance certain public improvements benefiting property owners within the public improvement district, and the Hickory Creek Public Improvement District No. 3, which was created on May 21, 2019 to finance certain public improvements benefiting property owners within the public improvement district.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Town and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Town had no business-type activities during the period.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for government funds, proprietary funds, and fiduciary funds, even though the latter are excluded for the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The Town had no proprietary funds or fiduciary funds during the period.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. There are no investments as this is a pay-as-you-go plan.

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the Town.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first when appropriate, then unrestricted resources as they are needed.

The Town reports the following major governmental funds:

General Fund – The General fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – This fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund. Any unused sinking fund balances are transferred to the General Fund after all of the related debt obligations have been met.

Capital Projects Fund – The Capital Projects Funds accounts for proceeds from the sale of Certificates of Obligation and Tax Notes to be used for authorized acquisition, construction, or renovation projects. Upon completion of a project, any unused debt proceeds, if any, are used to retire related debt principal.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Special Revenue Funds – These funds are established to account for federally financed or expenditures legally restricted for specified purposes. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

D. Cash and Investments

The Town's cash and investments are considered to be cash on hand, demand deposits and short-term investments in State investment pools.

E. Receivable and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the period are referred to as "due to/from other funds" or "advances to/from other funds." Property tax receivables are shown net of an allowance for uncollectibles, if applicable.

F. Property Taxes

Ad valorem taxes are levied from valuations assessed as of January 1 and recognized as revenue on the date of levy, on October 1. Property tax receivables are recognized when the Town has an enforceable claim against the property owner. In the governmental funds, property tax revenue is recognized in the fiscal period for which the taxes are levied, provided that they become available. Available means collected within the current period, or expected to be collected soon enough thereafter, to be used to pay current liabilities. The Town's availability period is sixty days. Taxes collected prior to the levy date to which they apply are recorded as deferred revenues and recognized as revenue of the period to which they apply.

Current taxes are due on October 1 and become delinquent if unpaid on February 1. Taxes unpaid as of February 1 are subject to penalty and interest as the Town Council provides by ordinance. On January 1 of each year, a tax lien attaches to property to secure all taxes, penalties and interest ultimately imposed.

For fiscal year 2020, the assessed values were established at 100% of estimated market value. The assessed value for the roll of January 1, 2019, upon which the fiscal year 2020 levy was based, was \$613,243,867. The tax rate to finance general governmental services and road maintenance for the year ended September 30, 2020, was \$.330402 per \$100.

G. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid in the government-wide and fund financial statements. These items consist primarily of prepaid insurance.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements. The Town defines capital assets as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the time received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest incurred during the construction phase of capital assets of governmental activities is not included as part of the capitalized value of the assets constructed.

Depreciation expense is calculated on the straight-line method. Depreciation methods are designed to amortize the cost of the assets over their estimated useful lives. Estimated useful lives of major categories of property are as follows:

<u>Category</u>	<u>Estimated Life</u>
Street and Road Infrastructure	15 years
Buildings	40 years
Leasehold improvements	40 years
Machinery and equipment	7-10 years
Vehicles	7 years

I. Compensated Absences

It is the Town's policy to permit employees to accumulate certain earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Town does not have a policy to pay any amounts when employees separate from service with the Town. All vacation pay is accrued when incurred in the government-wide financial statements.

J. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. Net Position

Net position represents the difference between assets, deferred outflows, deferred inflows and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

TOWN OF HICKORY CREEK

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L. Budgets and Budgetary Accounting

Prior to September 1, the Town administration submits to the Town Council a proposed budget for the ensuing fiscal year. At the meeting of the Town Council at which the budget is submitted, the Town Council fixes the time and place of the public hearing on the budget and causes to be published a notice of the budget hearing. After the budget hearing the budget may be adopted by a favorable vote of the majority vote of the Council. Upon adoption the budget is filed with the Town Secretary and the County Clerk of Denton County.

The Town administration is authorized to transfer budgeted amounts between departments with any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Town Council. Expenditures should not exceed appropriations at the department level, the classification level as reported in the combined financial statements. Unused appropriations lapse at the end of each fiscal year.

The budgets for the general fund and debt service fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). The budgets are amended at times during the year by the Town Council. Such amendments are reflected in the official minutes of the Council.

2. DEPOSITS AND INVESTMENTS

The Town's funds are required to be deposited and invested under the terms of a depository agreement. The depository bank deposits for safekeeping and trust with the Town's agent bank approved pledged securities in an amount sufficient to protect Town funds on a day-to-day basis during the period of the agreement. 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.

1. Cash Deposits:

At September 30, 2020, the carrying amount of the Town's deposits in checking accounts and interest-bearing savings accounts was \$333,704 and the bank balance was \$601,252. The Town's cash deposits at September 30, 2020 were entirely covered by FDIC insurance or by pledged collateral held by the Town's agent bank in the Town's name.

2. Investments:

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Town 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, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the Town to invest in (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 acceptance, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the Town to have independent auditors perform test procedures related to investment practices as provided by the Act. The Town is in substantial compliance with the requirements of the Act and with local policies.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
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In compliance with the Public Funds Investment Act, the Town has adopted a deposit and investment policy. That policy addresses the following risks:

- a. Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. As of September 30, 2020, the Town's cash balances totaled \$601,252. This entire amount was either collateralized with securities held by the Town's financial institution's agent in the Town's name or covered by FDIC insurance. Thus, the Town's deposits are not exposed to custodial credit risk.
- b. Custodial Credit Risk – Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2020, the Town held all of its investments in the LOGIC public funds investment pool. Investments in external investment pools are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.
- c. Credit Risk: This is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The credit quality rating for LOGIC at year-end was AAA (Standard & Poor's).
- d. Interest Rate Risk: This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for the LOGIC investment pool is less than 60 days.
- e. Foreign Currency Risk: This is the risk that exchange rates will adversely affect the fair value of an investment. At September 30, 2020, the Town was not exposed to foreign currency risk.
- f. Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of the Town's investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. Investment pools are excluded from the 5 percent disclosure requirement.

The Town's investment at September 30, 2020 is shown below:

<u>Name</u>	<u>Carrying Amount</u>	<u>Market Value</u>
LOGIC Investment Pool	\$ 4,694,091	\$ 4,694,091
Total	<u>\$ 4,694,091</u>	<u>\$ 4,694,091</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
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Fair Value Measurements

The Town categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based in the lowest level input that is significantly to the valuation. The Town’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Town’s investments in the LOGIC investment pools (statewide 2a7-like external investment pools) are not required to be measured at fair value but are measured at amortized cost.

3. FUND BALANCE

The Town has implemented GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent.

Fund Balance Classification: The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Town has classified prepaid items as being nonspendable as these items are not expected to be converted to cash.

- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Court security and technology fees and park fees are being restricted because their use is restricted pursuant to the regulations that allow the collection of those fees. Debt service resources are to be used for future servicing of the Town’s bonded debt and are restricted through debt covenants. Capital projects fund resources are to be used for future construction and renovation projects and are restricted through bond orders and constitutional law.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS SEPTEMBER 30, 2020

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town Council. The Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This can also be done through adoption and amendment of the budget. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town has no committed fund balance as of September 30, 2020.
- Assigned: This classification includes amounts that are constrained by the Town's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Council or through the Council delegating this responsibility to other individuals in the Town. Under the Town's policy, only the Council may assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The Town has no assigned fund balance as of September 30, 2020.
- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance for the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Council has provided otherwise in its commitment or assignment actions.

The fund balance policy of the Town expresses an intent to maintain a level of assigned and unassigned fund balance in the general fund equal to 25 percent of the fund's operating expenditures.

Beginning fund balances for the Town's governmental funds have been restated to reflect the above classifications. The details of the fund balances are included in the Governmental Funds Balance Sheet (pages 18 and 19) and are described below:

General Fund

The General Fund has unassigned fund balance of \$3,398,946 at September 30, 2020. Prepaid expenditures (prepaid items) of \$50,476 are considered nonspendable fund balance. Court security and technology fees of \$103,160 and park fees of \$130,188 are shown as restricted for those purposes. Street improvement/maintenance funds of \$991,436 are shown as restricted because the source of such funds are sales taxes, special assessments and developer contributions earmarked for street maintenance.

Other Major Funds

The Debt Service Fund has restricted funds of \$122,437 at September 30, 2020 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Coronavirus Relief Fund special revenue fund has \$47,597 of CRF funds restricted for needs related to the COVID-19 pandemic.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

4. RECEIVABLES

Government-wide receivables as of September 30, 2020, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Receivables:			
Property Taxes	\$ 36,033	\$ 26,662	\$ 62,695
Sales Taxes	317,820	-	317,820
Mixed Beverage Taxes	3,366	-	3,366
TCEQ (VW mitigation grant)	104,400	-	104,400
Corp of Engineers	10,453	-	10,453
Lake Cities MUA	23,257	-	23,257
Other	72,422	-	72,422
Gross Receivables	<u>567,751</u>	<u>26,662</u>	<u>594,413</u>
Less: Uncollectible allowance	-	-	-
Net Total Receivables	<u>\$567,751</u>	<u>\$ 26,662</u>	<u>\$594,413</u>

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the unavailable revenue reported in the governmental funds relates to delinquent property taxes.

5. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at September 30, 2020 consist of the following:

	<u>Due From</u>	<u>Due To</u>
General Fund:		
Debt Service Fund	\$ -	\$ 122,437
Debt Service Fund:		
General Fund	122,437	-
Total	<u>\$ 122,437</u>	<u>\$ 122,437</u>

Internal balances between the primary government and component units at September 30, 2020 consist of the following:

	<u>Due From</u>	<u>Due To</u>
General Fund:		
Economic Development Corporation	\$ -	\$ 80,038
Hickory Creek PID #2	-	34,542
Economic Development Corporation:		
General Fund	80,038	-
Hickory Creek PID #2:		
General Fund	34,542	-
Total	<u>\$ 114,580</u>	<u>\$ 114,580</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
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These balances resulted from the time lag between the date that payments between the two entities are made.

The following is a summary of transfers:

	<u>Transfer In:</u>	
	Economic Development Corporation	<u>Total</u>
Transfer Out: General Fund	<u>\$ 453,688</u>	<u>\$ 453,688</u>

Transfers from the general fund to the Economic Development Corporation represent remittance of sales taxes deposited initially in the general fund bank account.

6. CAPITAL ASSETS

Capital asset activity of the Town for the year ended September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 757,710	\$ -	\$ -	\$ 757,710
Construction in Progress	309,844	474,443	-	784,287
Total capital assets, not being depreciated	<u>1,067,554</u>	<u>474,443</u>	<u>-</u>	<u>1,541,997</u>
Capital assets, being depreciated:				
Buildings and Improvements	4,135,165	-	-	4,135,165
Street, Road, Park Infrastructure	16,748,508	222,564	-	16,971,072
Furniture, Equipment and Vehicles	1,595,915	284,120	(3,700)	1,876,335
Total Capital assets, being depreciated	<u>22,479,588</u>	<u>506,684</u>	<u>(3,700)</u>	<u>22,982,572</u>
Less accumulated depreciation for:				
Buildings and Improvements	(1,244,053)	(110,818)	-	(1,354,871)
Street, Road, Park Infrastructure	(3,676,383)	(677,754)	-	(4,354,137)
Furniture, Equipment and Vehicles	(1,122,833)	(167,343)	3,700	(1,286,476)
Total accumulated depreciation	<u>(6,043,269)</u>	<u>(955,915)</u>	<u>3,700</u>	<u>(6,995,484)</u>
Total capital assets, being depreciated, net	<u>16,436,319</u>	<u>(449,231)</u>	<u>-</u>	<u>15,987,088</u>
Governmental activities capital assets, net	<u>\$ 17,503,873</u>	<u>\$ 25,212</u>	<u>\$ -</u>	<u>\$ 17,529,085</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 47,692
Police	101,362
Municipal court	16,817
Public works	790,044
Total depreciation expense -- Governmental activities	<u>\$ 955,915</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
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Capital asset activity of the Hickory Creek Economic Development Corporation for the year ended September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Land	\$ 1,479,983	\$ -	\$ -	\$ 1,479,983
Street and Road Infrastructure	150,854	-	-	150,854
Totals at historic cost	<u>1,630,837</u>	<u>-</u>	<u>-</u>	<u>1,630,837</u>
Less accumulated depreciation for:				
Street and Road Infrastructure	<u>(113,979)</u>	<u>(10,057)</u>	<u>-</u>	<u>(124,036)</u>
Total accumulated depreciation	<u>(113,979)</u>	<u>(10,057)</u>	<u>-</u>	<u>(124,036)</u>
Capital Assets, net	<u>\$ 1,516,858</u>	<u>\$ (10,057)</u>	<u>\$ -</u>	<u>\$ 1,506,801</u>

Capital asset activity of the Hickory Creek Public Improvement District No. 1 for the year ended September 30, 2020 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Street and Road Infrastructure	\$ 3,994,215	\$ -	\$ -	\$ 3,994,215
Totals at historic cost	<u>3,994,215</u>	<u>-</u>	<u>-</u>	<u>3,994,215</u>
Less accumulated depreciation for:				
Street and Road Infrastructure	<u>(266,282)</u>	<u>(133,141)</u>	<u>-</u>	<u>(399,423)</u>
Total accumulated depreciation	<u>(266,282)</u>	<u>(133,141)</u>	<u>-</u>	<u>(399,423)</u>
Capital Assets, net	<u>\$ 3,727,933</u>	<u>\$ (133,141)</u>	<u>\$ -</u>	<u>\$ 3,594,792</u>

Capital asset activity of the Hickory Creek Public Improvement District No. 2 for the year ended September 30, 2020 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Street and Road Infrastructure	\$3,907,449	\$ -	\$ -	\$ 3,907,449
Totals at historic cost	<u>3,907,449</u>	<u>-</u>	<u>-</u>	<u>3,907,449</u>
Less accumulated depreciation for:				
Street and Road Infrastructure	<u>(130,248)</u>	<u>(130,248)</u>	<u>-</u>	<u>(260,496)</u>
Total accumulated depreciation	<u>(130,248)</u>	<u>(130,248)</u>	<u>-</u>	<u>(260,496)</u>
Capital Assets, net	<u>\$3,777,201</u>	<u>\$ (130,248)</u>	<u>\$ -</u>	<u>\$ 3,646,953</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
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Capital asset activity of the Hickory Creek Public Improvement District No. 3 for the year ended September 30, 2020 is as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Street and Road Infrastructure (in progress)	\$ 434,547	\$ 2,495,453	\$ -	\$ 2,930,000
Totals at historic cost	<u>434,547</u>	<u>2,495,453</u>	<u>-</u>	<u>2,930,000</u>
Less accumulated depreciation for:				
Street and Road Infrastructure	-	-	-	-
Total accumulated depreciation	-	-	-	-
Capital Assets, net	<u>\$ 434,547</u>	<u>\$ 2,495,453</u>	<u>\$ -</u>	<u>\$ 2,930,000</u>

7. LONG TERM DEBT

Long term debt of the Town at September 30, 2020 consists of two general obligation bond series, one certificates of obligation series, and accrued compensated absences. All long-term debt represents transactions in the Town's governmental activities.

The following is a summary of the changes in the Town's Long-term Debt for the year ended September 30, 2020:

<u>Description</u>	<u>Interest Rate Payable</u>	<u>Amounts Outstanding 10/01/19</u>	<u>Additions</u>	<u>Refunded/ Retired</u>	<u>Amounts Outstanding 9/30/20</u>	<u>Due Within One Year</u>
General Obligation Bonds:						
Series 2012 Refunding	2.06%	845,000	-	250,000	595,000	255,000
Series 2015 Refunding	2.0 - 4.0 %	<u>3,145,000</u>	-	<u>195,000</u>	<u>2,950,000</u>	<u>205,000</u>
		<u>3,990,000</u>	-	<u>445,000</u>	<u>3,545,000</u>	<u>460,000</u>
Certificates of Obligation:						
Series 2015	2.0 - 4.0%	<u>3,225,000</u>	-	<u>155,000</u>	<u>3,070,000</u>	<u>160,000</u>
Premiums on Bond Issuance		559,553	-	39,563	519,990	39,563
Compensated Absences		<u>84,671</u>	<u>16,021</u>	-	<u>100,692</u>	-
Total Long-Term Debt		<u>\$7,859,224</u>	<u>\$ 16,021</u>	<u>\$ 639,563</u>	<u>\$7,235,682</u>	<u>\$ 659,563</u>

Long-term debt of the Hickory Creek Public Improvement District No. 1 consists of \$4,140,000 special assessment revenue bonds that were issued in September, 2017 to finance public improvements benefiting property owners within the public improvement district. The Town is not obligated in any manner for the debt service payments on the special assessment debt. A summary of the change in the long-term debt for the year ended September 30, 2020 is as follows:

TOWN OF HICKORY CREEK

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<u>Description</u>	<u>Interest Rate Payable</u>	<u>Amounts Outstanding 10/01/19</u>	<u>Additions</u>	<u>Refunded/ Retired</u>	<u>Amounts Outstanding 9/30/20</u>	<u>Due Within One Year</u>
Special Assessment Revenue Bonds: Series 2017	3.0 – 4.0%	\$3,975,000	\$ -	\$ 135,000	\$3,840,000	\$ 90,000
Premiums on Bond Issuance		<u>15,255</u>	<u>-</u>	<u>545</u>	<u>14,710</u>	<u>545</u>
Total Long-Term Debt		<u>\$3,990,255</u>	<u>\$ -</u>	<u>\$ 135,545</u>	<u>\$3,854,710</u>	<u>\$ 90,545</u>

Long-term debt of the Hickory Creek Public Improvement District No. 2 consists of \$4,220,000 special assessment revenue bonds that were issued in July, 2018 to finance public improvements benefiting property owners within the public improvement district. The Town is not obligated in any manner for the debt service payments on the special assessment debt. A summary of the change in the long-term debt for the year ended September 30, 2020 is as follows:

<u>Description</u>	<u>Interest Rate Payable</u>	<u>Amounts Outstanding 10/01/19</u>	<u>Additions</u>	<u>Refunded/ Retired</u>	<u>Amounts Outstanding 9/30/20</u>	<u>Due Within One Year</u>
Special Assessment Revenue Bonds: Series 2018	5.125-5.65%	\$4,195,000	\$ -	\$ 65,000	\$4,130,000	\$ 65,000
Total Long-Term Debt		<u>\$4,195,000</u>	<u>\$ -</u>	<u>\$ 65,000</u>	<u>\$4,130,000</u>	<u>\$ 65,000</u>

Long-term debt of the Hickory Creek Public Improvement District No. 3 consists of \$4,185,000 special assessment revenue bonds that were issued in July, 2019 to finance public improvements benefiting property owners within the public improvement district. The Town is not obligated in any manner for the debt service payments on the special assessment debt. A summary of the change in the long-term debt for the year ended September 30, 2020 is as follows:

<u>Description</u>	<u>Interest Rate Payable</u>	<u>Amounts Outstanding 10/01/19</u>	<u>Additions</u>	<u>Refunded/ Retired</u>	<u>Amounts Outstanding 9/30/20</u>	<u>Due Within One Year</u>
Special Assessment Revenue Bonds: Series 2019	5.125-5.65%	\$ 4,185,000	\$ -	\$ -	\$4,185,000	\$ -
Total Long-Term Debt		<u>\$ 4,185,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$4,185,000</u>	<u>\$ -</u>

8. DEBT SERVICE REQUIREMENTS TO MATURITY

Presented below is a summary of general obligation bond requirements to maturity:

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2021	\$ 460,000	\$ 121,808	\$ 581,808
2022	465,000	110,404	575,404
2023	290,000	98,898	388,898
2024	225,000	90,950	315,950
2025	230,000	84,200	314,200
2026-2030	1,285,000	276,400	1,561,400
2031-2032	<u>590,000</u>	<u>35,600</u>	<u>625,600</u>
	<u>\$3,545,000</u>	<u>\$818,260</u>	<u>\$4,363,260</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Presented below is a summary of certificates of obligation requirements to maturity:

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2021	\$ 160,000	\$ 116,150	\$ 276,150
2022	165,000	111,350	276,350
2023	170,000	106,400	276,400
2024	170,000	101,300	271,300
2025	180,000	96,200	276,200
2026-2030	1,000,000	368,200	1,368,200
2031-2035	<u>1,225,000</u>	<u>151,000</u>	<u>1,376,000</u>
	<u>\$3,070,000</u>	<u>\$1,050,600</u>	<u>\$4,120,600</u>

Presented below is a summary of the Hickory Creek Public Improvement District No. 1 special assessment revenue bonds to maturity:

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2021	\$ 90,000	\$ 146,000	\$ 236,000
2022	90,000	143,300	233,300
2023	95,000	140,600	235,600
2024	95,000	137,750	232,750
2025	100,000	134,900	234,900
2026-2030	550,000	619,412	1,169,412
2031-2035	655,000	508,319	1,163,319
2036-2040	800,000	370,425	1,170,425
2041-2045	970,000	198,400	1,168,400
2046-2047	<u>395,000</u>	<u>22,800</u>	<u>417,800</u>
	<u>\$3,840,000</u>	<u>\$2,421,906</u>	<u>\$6,261,906</u>

Presented below is a summary of the Hickory Creek Public Improvement District No. 2 special assessment revenue bonds to maturity:

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2021	\$ 65,000	\$ 229,013	\$ 294,013
2022	70,000	225,681	295,681
2023	75,000	222,094	297,094
2024	80,000	218,250	298,250
2025	85,000	214,150	299,150
2026-2030	505,000	999,756	1,504,756
2031-2035	670,000	842,906	1,512,906
2036-2040	875,000	632,813	1,507,813
2041-2045	1,150,000	357,469	1,507,469
2046-2047	<u>555,000</u>	<u>47,250</u>	<u>602,250</u>
	<u>\$4,130,000</u>	<u>\$3,989,382</u>	<u>\$8,119,382</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Presented below is a summary of the Hickory Creek Public Improvement District No. 3 special assessment revenue bonds to maturity:

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2021	\$ -	\$ 189,850	\$ 189,850
2022	80,000	189,850	269,850
2023	85,000	186,650	271,650
2024	90,000	183,250	273,250
2025	90,000	179,650	269,650
2026-2030	510,000	840,850	1,350,850
2031-2035	625,000	721,500	1,346,500
2036-2040	775,000	568,275	1,343,275
2041-2045	970,000	370,500	1,340,500
2046-2049	<u>960,000</u>	<u>116,375</u>	<u>1,076,375</u>
	<u>\$4,185,000</u>	<u>\$3,546,750</u>	<u>\$7,731,750</u>

9. DEFEASED BONDS OUTSTANDING

In prior years, the Town issued refunding bonds to defease outstanding bonds for the purpose of consolidation and to achieve debt service savings. The Town has placed the proceeds from the refunding issues in irrevocable escrow accounts with a trust agent to ensure payment of debt service on the refunded bonds.

Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the Town’s financial statements. Although defeased, the refunded debt from those earlier issues will not be actually retired until the call dates have come due or until maturity if they are not callable issues. At September 30, 2020, \$3,070,000 of bonds outstanding are considered defeased.

10. DEFINED BENEFIT PENSION PLANS

Plan Description

The Town of Hickory Creek participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS’s defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmr.com.

All eligible employees of the Town are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the town, within the options available in the state statutes governing TMRS.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

At retirement, the benefit is calculated as if the sum of the employee’s contributions, with interest, and the town-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member’s deposits and interest.

The plan provisions are adopted by the governing body of the Town, within the options available in the state statutes governing TMRS. Plan provisions for the Town were as follows:

	Plan Year 2019	Plan Year 2020
Employee deposit rate	7.0%	7.0%
Employer deposit rate	12.16%	12.06%
Matching ratio (Town to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5,0/20	60/5,0/20
Updated Service Credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity Increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating

Employees covered by benefit terms.

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to buy not yet receiving benefits	16
Active employees	<u>21</u>
	49

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the town matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the town. Under the state law governing TMRS, the contribution rate for each town is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the Town of Hickory Creek were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Town of Hickory Creek were 12.16% and 12.06% in calendar years 2019 and 2020, respectively. The Town’s contributions to TMRS for the year ended September 30, 2020 were \$161,368, and were equal to the required contributions.

Net Pension Liability

The Town’s Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Actuarial assumptions:

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2104 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of arithmetic real rates of return for each major asset class in fiscal year 2020 are summarized in the following table:

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Asset Class	Target Allocation	Long-Term Expected Portfolio Real Rate of Return*
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2018	\$3,414,770	\$2,918,383	\$496,387
Changes for the year:			
Service Cost	217,722	-	217,722
Interest	233,183	-	233,183
Change in benefit terms	-	-	-
Difference between expected and actual experience	333,103	-	333,103
Changes of assumptions	29,386	-	29,386
Contributions – employer	-	170,812	(170,812)
Contributions – employee	-	144,563	(144,563)
Net investment income	-	452,530	(452,530)
Benefit payments, including refunds of employee contributions	(138,131)	(138,131)	-
Administrative expense	-	(2,549)	2,549
Other changes	-	(77)	77
Net changes	\$ 675,263	\$ 627,148	\$ 48,115
Balance at 12/31/2019	\$4,090,033	\$3,545,531	\$544,502

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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

The following presents the net pension liability of the Town, calculated using the discount rate of 6.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Town's net pension liability (asset)	\$1,320,246	\$544,502	\$(75,118)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

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

For the year ended September 30, 2020, the Town recognized pension expense of \$154,157.

At September 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 276,325	\$ 15,260
Changes in actuarial assumptions	23,147	-
Difference between projected and actual investment earnings	167,773	272,747
Contributions subsequent to the measurement date	117,953	-
Total	\$ 585,198	\$ 288,007

\$117,953 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2021	\$ 53,537
2022	\$ 40,690
2023	\$ 81,529
2024	\$ 3,482
2025	\$ -
Thereafter	\$ -

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

11. OTHER POST EMPLOYMENT BENEFITS

Plan Description

The Town also participates in a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage (Supplemental Death Benefits) for their active members, including or not including retirees.

Benefits Provided

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of \$7,500. As the SDBF covers both active and retiree employees, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan. Texas Local Government Code Section 177.001 assigns the authority to establish and amend benefit provisions to the Town Council. At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	6
Inactive employees entitled to but not yet receiving benefits	2
Active employees	<u>21</u>
Total	29

Contributions

The Town contributes to the SDBF program at a contractually required rate. An annual actuarial valuation is performed, and the contractual rate is equal to the cost of providing one-year term life insurance. The premium rate is expressed as a percentage of the covered payroll of members employed by the participating employer. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect.

The SDBF program is voluntary and employers can cease participation by adopting an ordinance before November 1 of any year to be effective the following January 1. Therefore, the funding policy of the program is to ensure that adequate resources are available to meet all insurance benefit payments for the upcoming year. It is not the intent of the funding policy to pre-fund retiree term life insurance during employees' entire careers. The Town's contribution, which equaled the required contribution, was as follows for the year ended September 30:

	<u>2020</u>
Employer rate	0.10%
Employer contributions	\$ 128

Actuarial Assumptions

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5%
Salary increases	3.50% to 11.5%, including inflation
Discount rate	2.75%

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Mortality rates for service retirees were based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with Scale UMP.

Mortality rates for disabled retirees were based on the 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Actuarial assumptions used in the December 31, 2019 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2014 through December 31, 2018.

The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. A discount rate of 2.75% was based on the 20-Year Municipal GO AA Index as of December 31, 2019.

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2020, the Town reported a total OPEB liability of \$45,162 measured at December 31, 2019. For the year ended September 30, 2020, the Town recognized OPEB expense of \$4,255.

There were no changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

Changes in the total OPEB liability for the measurement year ended December 31, 2019 are as follows:

	<u>Total OPEB Liability</u>
Changes in Total OPEB Liability	
Balance at December 31, 2018	\$33,115
Changes for the year:	
Service cost	1,788
Interest on total OPEB liability	1,259
Changes of benefit terms	-
Effect of economic/demographic experience	1,103
Effect of assumption changes or inputs	8,025
Benefit payments*	<u>(128)</u>
Balance as of December 31, 2019	<u>\$45,162</u>

*Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the Town, calculated using the discount rate of 2.75%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.75%) or 1 percentage point higher (3.75%) than the current rate.

	1% Decrease in Discount Rate (1.75%)	Discount Rate (2.75%)	1% Increase in Discount Rate (3.75%)
Total OPEB liability	\$56,258	\$45,162	\$36,540

At December 31, 2019, the Town reported its deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,028	\$ -
Changes in actuarial assumptions	6,822	-
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	96	-
Total	\$ 7,946	\$ -

Deferred outflows of resources related to OPEB resulting from contribution subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ended September 30, 2021 in the amount of \$96. The other net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB, excluding contributions made subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year ended September 30:	
2021	\$ 1,208
2022	1,208
2023	1,208
2024	1,208
2025	1,208
Thereafter	1,810

12. LITIGATION AND CONTINGENCIES

The Town participates in some state and Federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Town has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at September 30, 2020 may be impaired. In the opinion of the Town, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

13. RISK MANAGEMENT

Liability and property insurance coverage is provided by TML Intergovernmental Risk Pool. The Town retains, as a risk only, the deductible amounts for each declaration of coverage. There were no reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage in each of the past three fiscal years.

The Town is a member of the Texas Municipal League Intergovernmental Risk Pool. Insurance coverage of the Town is divided into the following types: property, crime, general liability, public official's liability, auto liability, auto physical damage, auto catastrophic, inland marine (mobile equipment), law enforcement liability, and boiler and machinery.

14. COMMITMENT

The donation from the Hickory Creek Economic Development Corporation to the Debt Service Fund of \$45,778 represents a commitment by the EDC toward the debt service payments on the Series 2004 Certificates of Obligation, based on the use of a portion of the proceeds for the construction of Ronald Reagan Avenue.

15. SUBSEQUENT EVENTS

On November 15, 2020 the Town sold \$3,720,000 certificates of obligation. The proceeds will be used for street and road construction including drainage and lighting, fire hydrants and public park improvements.

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REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF HICKORY CREEK

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
YEAR ENDED SEPTEMBER 30, 2020

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability			
Service Cost	\$ 217,722	\$ 198,358	\$ 182,790
Interest (on the Total Pension Liability)	233,183	212,443	193,825
Changes of benefit terms	-	-	-
Difference between expected and actual experience	333,103	(1,302)	(36,475)
Change of assumptions	29,386	-	-
Benefit payments, including refunds of employee contributions	<u>(138,131)</u>	<u>(85,694)</u>	<u>(58,520)</u>
Net Change in Total Pension Liability	675,263	323,805	281,620
Total Pension Liability – Beginning	<u>3,414,770</u>	<u>3,090,965</u>	<u>2,809,345</u>
Total Pension Liability – Ending (a)	<u><u>\$ 4,090,033</u></u>	<u><u>\$ 3,414,770</u></u>	<u><u>\$ 3,090,965</u></u>
Plan Fiduciary Net Position			
Contributions – Employer	\$ 170,812	\$ 140,364	\$ 124,509
Contributions – Employee	144,563	84,497	75,891
Net Investment Income (Loss)	452,530	(86,094)	332,276
Benefit payments, including refunds of employee contributions	(138,131)	(85,694)	(58,520)
Administrative Expense	(2,549)	(1,660)	(1,720)
Other	<u>(77)</u>	<u>(87)</u>	<u>(87)</u>
Net Change in Plan Fiduciary Net Position	627,148	51,326	472,349
Plan Fiduciary Net Position – Beginning	<u>2,918,383</u>	<u>2,867,057</u>	<u>2,394,708</u>
Plan Fiduciary Net Position – Ending (b)	<u><u>\$ 3,545,531</u></u>	<u><u>\$ 2,918,383</u></u>	<u><u>\$ 2,867,057</u></u>
Net Pension Liability – Ending (a) – (b)	<u><u>\$ 544,502</u></u>	<u><u>\$ 496,387</u></u>	<u><u>\$ 223,908</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.69%	85.46%	92.76%
Covered Employee Payroll	\$ 1,276,958	\$ 1,155,932	\$ 1,084,165
Net Pension Liability as a Percentage of Covered Employee Payroll	42.64%	42.94%	20.65%

Note: The information from this schedule corresponds with the period covered as of the Plan's measurement dates of December 31. Plan information was unavailable prior to 2014. Ten years will ultimately be displayed.

<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 177,160	\$ 165,653	\$ 174,809
168,939	160,830	165,468
-	-	-
68,097	(69,632)	(311,100)
-	1,125	-
<u>(38,143)</u>	<u>(78,847)</u>	<u>(102,884)</u>
376,053	179,129	(73,707)
<u>2,433,292</u>	<u>2,254,163</u>	<u>2,327,870</u>
<u><u>\$ 2,809,345</u></u>	<u><u>\$ 2,433,292</u></u>	<u><u>\$ 2,254,163</u></u>
\$ 112,899	\$ 116,879	\$ 107,208
73,250	72,248	73,630
142,458	2,945	103,811
(38,143)	(78,847)	(102,884)
(1,607)	(1,793)	(1,083)
<u>(87)</u>	<u>(89)</u>	<u>(89)</u>
288,770	111,343	180,593
<u>2,105,938</u>	<u>1,994,595</u>	<u>1,814,002</u>
<u><u>\$ 2,394,708</u></u>	<u><u>\$ 2,105,938</u></u>	<u><u>\$ 1,994,595</u></u>
<u><u>\$ 414,637</u></u>	<u><u>\$ 327,354</u></u>	<u><u>\$ 259,568</u></u>
85.24%	86.55%	88.48%
\$ 1,046,424	\$ 1,032,109	\$ 1,055,218
39.62%	31.75%	24.60%

TOWN OF HICKORY CREEK

SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM
FOR FISCAL YEAR 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 161,368	\$ 150,388	\$ 136,996
Contribution in Relation to the Contractually Required Contribution	<u>(161,368)</u>	<u>(150,388)</u>	<u>(136,996)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered-Employee Payroll	\$ 1,355,083	\$ 1,240,701	\$ 1,151,205
Contributions as a Percentage of Covered-Employee Payroll	11.91%	12.12%	11.90%

Note: The information from this schedule corresponds with the Town's fiscal years ended September 30. Plan information was unavailable prior to 2014. Ten years will ultimately be displayed.

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 121,089	\$ 114,731	\$ 114,451
<u>(121,089)</u>	<u>(114,731)</u>	<u>(114,451)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,060,603	\$ 1,036,338	\$ 1,023,296
11.42%	11.07%	11.18%

TOWN OF HICKORY CREEK

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SEPTEMBER 30, 2020

	<u>2020</u>	<u>2019</u>
Total OPEB Liability		
Service cost	\$ 1,788	\$ 1,849
Interest on total OPEB liability	1,259	1,125
Changes of benefit terms	-	-
Differences between expected and actual experience	1,103	88
Change of assumptions	8,025	(2,949)
Benefit payments/refunds of contributions	<u>(128)</u>	<u>(116)</u>
Net change in total OPEB liability	12,047	(3)
Total OPEB liability, beginning	<u>33,115</u>	<u>33,118</u>
Total OPEB liability, ending	<u>\$ 45,162</u>	<u>\$ 33,115</u>
Covered employee payroll	1,276,960	\$1,155,932
Net OPEB liability as a percentage of covered payroll	3.54%	2.86%

Note: The information from this schedule corresponds with the period covered as of the Plan's measurement dates of December 31. Plan information was unavailable prior to 2018. Ten years will ultimately be displayed.

No assets are accumulated in a trust as defined by GASB 75. Benefits are on a pay as you go basis.

TOWN OF HICKORY CREEK

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Note A – Net Pension Liability – Texas Municipal Retirement System

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	24 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.5%, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the Town’s plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with Scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with Scale UMP.

Changes of Benefit Terms

There were no benefit changes during the year.

Changes in the Size or Composition of the Population Covered by the Benefit Terms

There were no changes in the size or composition of the population covered by the benefit terms during the measurement period.

Changes of Assumptions

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

TOWN OF HICKORY CREEK

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Note B – Total OPEB Liability – Texas Municipal Retirement System

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Inflation	2.5%
Salary Increases	3.50% to 11.5%, including inflation
Discount Rate	2.75%
Retirement Age	Experience-based table of rates that are specific to the Town's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018
Mortality	2019 Municipal Retirees of Texas Mortality Tables with 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

**COMBINING & INDIVIDUAL FUND
STATEMENTS & SCHEDULE**

TOWN OF HICKORY CREEK

STATEMENT OF GENERAL FUND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020
PLUS COMPARATIVE AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2019

	2020		Variance Favorable (Unfavorable)	2019 Actual
	Budget	Actual		
Expenditures:				
General Government:				
Salaries and Wages	\$ 309,781	\$ 308,840	\$ 941	\$ 287,410
Insurance, Taxes and Retirement	94,539	92,961	1,578	88,133
Dues and Memberships	2,500	1,971	529	1,850
Training and Education	1,500	1,005	495	1,783
Office Supplies and Postage	6,500	7,565	(1,065)	7,681
Printing	1,500	925	575	5,779
Copier Rental	3,500	3,682	(182)	4,381
Computer Support and Maintenance	54,750	56,428	(1,678)	48,484
Advertising/Legal Notices	2,500	4,624	(2,124)	4,206
Public Relations	22,000	19,998	2,002	17,538
Telephone	28,000	37,533	(9,533)	29,218
Utilities	37,000	30,171	6,829	44,888
Legal Fees	60,000	44,345	15,655	51,174
Audit Fees	13,500	13,500	-	13,500
General Insurance	34,680	34,680	-	33,733
Building Maintenance and Supplies	67,928	68,779	(851)	86,029
Library Services	500	429	71	1,506
Travel	1,000	921	79	561
Tax Collection/Appraisal Costs	15,400	14,672	728	13,572
Ordinance Codification	2,000	94	1,906	1,867
Town Council Costs	5,500	5,732	(232)	4,125
Volunteer/Staff Events	6,500	6,663	(163)	7,126
Children's Advocacy Center	2,792	2,792	-	-
Special Events	12,250	7,469	4,781	10,219
Other Expenditures	3,250	2,406	844	2,270
Total General Government Expenditures	<u>789,370</u>	<u>768,185</u>	<u>21,185</u>	<u>767,033</u>
Police Department:				
Salaries and Wages	767,650	592,351	175,299	654,108
Insurance, Taxes and Retirement	231,982	179,853	52,129	203,268
Office Supplies and Postage	1,800	1,911	(111)	1,910
Dues and Memberships	400	337	63	234
Personnel Equipment	35,000	33,286	1,714	10,138
Crime Lab Analysis	2,000	2,204	(204)	(136)
Auto Expense - Gas	20,000	20,941	(941)	28,046
Auto Expense - Repairs	30,000	39,464	(9,464)	36,987
Uniforms	9,000	8,012	988	12,796
Books and Subscriptions	500	504	(4)	477
Computer Support and Maintenance	33,557	33,554	3	44,422
Citizens on Patrol	500	-	500	864
Community Outreach	750	423	327	702
Denton County Dispatch	29,387	29,387	-	29,301
Drug Forfeiture/Seizure	1,531	1,531	-	-
K-9 Unit	2,500	673	1,827	3,885
Training and Travel	9,500	4,906	4,594	11,976
Total Police Department Expenditures	<u>1,176,057</u>	<u>949,337</u>	<u>226,720</u>	<u>1,038,978</u>

TOWN OF HICKORY CREEK

STATEMENT OF GENERAL FUND EXPENDITURES
 BUDGET (GAAP BASIS) AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2020
 PLUS COMPARATIVE AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2019

	2020		Variance Favorable (Unfavorable)	2019 Actual
	Budget	Actual		
Expenditures:				
Fire Department:				
Contract Services	\$615,000	\$ 613,633	\$ 1,367	\$613,633
Total Fire Department Expenditures	<u>615,000</u>	<u>613,633</u>	<u>1,367</u>	<u>613,633</u>
Municipal Court:				
Salaries and Wages	116,800	112,598	4,202	136,259
Insurance, Taxes and Retirement	34,467	33,892	575	41,783
Office Supplies and Postage	1,200	1,431	(231)	1,877
Dues and Memberships	200	230	(30)	75
Travel	500	-	500	112
Training and Education	500	200	300	500
Municipal Judge	12,700	12,240	460	11,520
State Court Costs	242,150	272,708	(30,558)	228,051
Warrant Service Fees	-	-	-	3,504
Building Security/Court Technology Costs	48,885	13,819	35,066	8,972
Books and Subscriptions	75	-	75	150
Total Municipal Court	<u>457,477</u>	<u>447,118</u>	<u>10,359</u>	<u>432,803</u>
Public Works:				
Salaries and Wages	197,550	197,062	488	182,419
Insurance, Taxes and Retirement	60,323	59,316	1,007	55,938
Dues and Memberships	350	531	(181)	337
Office Supplies and Postage	500	956	(456)	415
Computer Support and Maintenance	1,000	696	304	629
Animal Control	10,100	11,139	(1,039)	9,611
Auto Expense - Gas	9,500	12,934	(3,434)	15,295
Auto Expense - Repairs	10,000	12,952	(2,952)	21,662
Supplies	6,500	8,531	(2,031)	7,123
Equipment Repairs and Maintenance	12,300	13,521	(1,221)	13,106
Uniforms	2,600	2,457	143	3,253
Training	800	370	430	339
Travel	1,000	551	449	225
Street Lighting	30,000	37,606	(7,606)	33,764
Street Repairs and Maintenance	62,279	481,508	(419,229)	114,021
Engineering	50,000	56,908	(6,908)	56,917
Inspection Fees	100,000	122,544	(22,544)	52,760
Landscaping Services	140,000	70,179	69,821	84,071
Parks and Recreation	251,500	227,802	23,698	88,272
Beautification	10,000	707	9,293	18,541
Radios	3,200	4,538	(1,338)	4,649
Total Public Works	<u>959,502</u>	<u>1,322,808</u>	<u>(363,306)</u>	<u>763,347</u>

TOWN OF HICKORY CREEK

STATEMENT OF GENERAL FUND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2020
PLUS COMPARATIVE AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2019

	2020		Variance Favorable (Unfavorable)	2019 Actual
	Budget	Actual		
Expenditures:				
Capital Outlay:				
Equipment and Vehicles	\$ 284,120	\$ 284,120	\$ -	\$ 411,722
Streets	594,917	594,917	-	-
Total Capital Outlay	<u>879,037</u>	<u>879,037</u>	<u>-</u>	<u>411,722</u>
 Total Expenditures	<u>\$4,876,443</u>	<u>\$4,980,118</u>	<u>\$ (103,675)</u>	<u>\$4,027,516</u>

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts (GAAP BASIS)</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - Ad Valorem	\$ 813,329	\$ 813,329	\$ 822,262	\$ 8,933
Donations from EDC	45,778	45,778	45,778	-
Total Revenues	<u>859,107</u>	<u>859,107</u>	<u>868,040</u>	<u>8,933</u>
Expenditures:				
Principal	600,000	600,000	600,000	-
Interest	253,608	253,608	254,885	(1,277)
Total Expenditures	<u>853,608</u>	<u>853,608</u>	<u>854,885</u>	<u>(1,277)</u>
Excess of Revenue over Expenditures	<u>5,499</u>	<u>5,499</u>	<u>13,155</u>	<u>7,656</u>
Other Financing Resources (Uses):				
Transfers Out	-	-	(5,141)	(5,141)
Total Other Financing Resources (Uses)	<u>-</u>	<u>-</u>	<u>(5,141)</u>	<u>(5,141)</u>
Net Change in Fund Balance	5,499	5,499	8,014	2,515
Fund Balance – October 1 (beginning)	<u>114,423</u>	<u>114,423</u>	<u>114,423</u>	<u>-</u>
Fund Balance – September 30 (ending)	<u>\$ 119,922</u>	<u>\$ 119,922</u>	<u>\$ 122,437</u>	<u>\$ 2,515</u>

TOWN OF HICKORY CREEK

SCHEDULE OF DELINQUENT TAXES RECEIVABLE
SEPTEMBER 30, 2020

Tax Year	Tax Rates		Assessed Valuation	Balance September 30, 2019
	Maintenance	Debt Service		
1998	\$.33374	\$.08303	\$ 90,399,261	\$ 3
1999	.34055	.07316	98,120,181	3
2000	.30236	.06763	122,433,850	2
2001	.29716	.05261	156,884,810	3
2002	.29934	.00	197,999,265	2
2003	.31939	.00	218,034,378	2
2004	.34020	.00	241,570,253	361
2005	.34020	.00	259,282,187	432
2006	.34020	.00	287,603,175	423
2007	.27824	.16738	318,990,395	567
2008	.27442	.17120	319,262,600	627
2009	.249409	.174878	317,875,400	1,120
2010	.245426	.178861	308,348,595	3,361
2011	.242609	.181678	307,337,200	3,324
2012	.244716	.179571	309,243,743	4,105
2013	.235848	.181034	317,095,245	9,256
2014	.238121	.163246	352,265,383	8,998
2015	.194116	.207251	385,206,806	10,326
2016	.197559	.189760	426,423,955	10,173
2017	.197067	.169866	464,507,144	10,797
2018	.204169	.143366	561,813,918	12,030
2019	.198590	.131812	613,243,867	-
Total				<u>\$ 75,915</u>

<u>Current Year Levy</u>	<u>Collections</u>	<u>Supplements/ Adjustments</u>	<u>Balance September 30, 2020</u>
	\$ -	\$ -	\$ 3
	-	-	3
	-	-	2
	-	-	3
	-	-	2
	-	-	2
	-	-	361
	-	-	432
	-	-	423
	-	-	567
	-	(40)	587
	599	-	521
	607	-	2,754
	657	-	2,667
	464	-	3,641
	4,582	-	4,674
	4,388	-	4,610
	4,517	-	5,809
	4,868	450	5,755
	4,673	426	6,550
	4,092	(383)	7,555
<u>\$ 2,026,170</u>	<u>2,010,396</u>	<u>-</u>	<u>15,774</u>
<u>\$ 2,026,170</u>	<u>\$ 2,039,843</u>	<u>\$ 453</u>	62,695
Less allowance for uncollectible accounts			<u>-</u>
			<u>\$ 62,695</u>

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
ECONOMIC DEVELOPMENT CORPORATION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Revenues:	
Taxes – Sales	\$ 453,688
Interest Income	17,052
Lease Income	9,500
Total Revenues	<u>480,240</u>
Expenditures:	
Administration:	
Incentives	271,317
Legal and Professional	4,980
Marketing	16,322
Administrative Fees	7,483
Contribution to Town for Debt Service	45,778
Mowing	2,410
Property Taxes	6,114
Total Expenditures	<u>354,404</u>
Change in Fund Balance	125,836
Fund Balance – October 1 (beginning)	<u>1,574,053</u>
Fund Balance – September 30 (ending)	<u><u>\$ 1,699,889</u></u>

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
PUBLIC IMPROVEMENT DISTRICT NO. 1
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Revenues:	
Special Assessment Fees	\$ 257,725
Interest Income	<u>3,881</u>
Total Revenues	<u>261,606</u>
Expenditures:	
Current:	
Administrator Costs	8,865
Continuing Disclosure Fees	7,000
Audit Fee	1,000
Tax Statements Fee	160
Debt Service:	
Principal	135,000
Interest and Fees	<u>150,294</u>
Total Expenditures	<u>302,319</u>
Change in Fund Balance	(40,713)
Fund Balance – October 1 (beginning)	<u>304,147</u>
Fund Balance – September 30 (ending)	<u><u>\$ 263,434</u></u>

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
PUBLIC IMPROVEMENT DISTRICT NO. 2
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Revenues:	
Special Assessment Fees	\$ 342,897
Interest Income	4,521
Total Revenues	<u>347,418</u>
Expenditures:	
Current:	
Administrator Costs	21,536
Continuing Disclosure Fees	7,000
Audit Fee	1,000
Tax Statement Fees	118
Debt Service:	
Principal	65,000
Interest and Fees	232,344
Total Expenditures	<u>326,998</u>
Change in Fund Balance	20,420
Fund Balance – October 1 (beginning)	<u>415,057</u>
Fund Balance – September 30 (ending)	<u><u>\$ 435,477</u></u>

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
PUBLIC IMPROVEMENT DISTRICT NO. 3
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Revenues:	
Special Assessment Fees	\$ 51,525
Interest Income	33,698
Total Revenues	<u>85,223</u>
Expenditures:	
Current:	
Administrator Costs	43,419
Continuing Disclosure Fee	3,500
Audit Fee	1,250
Tax Statement Fee	1
Debt Service:	
Interest	189,850
Capital Outlay	2,495,453
Total Expenditures	<u>2,733,473</u>
Change in Fund Balance	(2,648,250)
Fund Balance – October 1 (beginning)	<u>3,730,120</u>
Fund Balance – September 30 (ending)	<u>\$1,081,870</u>

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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*

Honorable Mayor and Town Council
Town of Hickory Creek, Texas

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, the discretely presented component unit and each major fund of the Town of Hickory Creek, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise The Town of Hickory Creek, Texas's basic financial statements, and have issued our report dated January 15, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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 the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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 Town's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Hankins, Eastup, Deaton, Tonn & Seay, PC
Denton, Texas

January 15, 2021

TOWN OF HICKORY CREEK, TEXAS
ORDINANCE NO. 2021-01-_____

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, AMENDING CHAPTER 14 ZONING, ARTICLE XIV C-2 COMMERCIAL DISTRICT, SECTION 3 BUILDING REGULATIONS; AMENDING CHAPTER 14 ZONING ARTICLE XV LI-1 INDUSTRIAL DISTRICT, SECTION 4 BUILDING REGULATIONS; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT TO THE CODE OF ORDINANCES; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PENALTY; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AND EFFECTIVE DATE.

WHEREAS, the Town of Hickory Creek, Texas, is A Type A General Law municipality located in Denton County, Texas created in accordance with the provisions of the Texas Local Government Code and the Texas Constitution and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, the Town Council is empowered under section 51.012 of the Local Government Code to adopt ordinances necessary for the government, interest, welfare, or good order of the municipality, and under Chapter 211 of the Local Government Code to regulate land use within the Town; and

WHEREAS, the Town Council does hereby find and determine that the adoption of this Ordinance is necessary for the government, interest, welfare and good order of the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS:

SECTION 1.
INCORPORATION OF PREMISES

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2.
FINDINGS

After due deliberations the Town Council has concluded that the adoption of this Ordinance is in the best interest of the Town of Hickory Creek, Texas and necessary for the government, interest, welfare, and good order of the Town.

SECTION 3.
AMENDMENTS

3.01 That the Town of Hickory Creek Code of Ordinances, Chapter 14: Zoning, Article XIV C-2 Commercial District, Section 3 Building Regulations subsection (2) is hereby amended to read:

“All commercial areas adjacent to residential areas shall be separated from the residential area by the erection of a sight barrier fence which must be a minimum of eight feet in height, fully opaque, and constructed of 100 percent masonry materials.”

3.02 That the Town of Hickory Creek Code of Ordinances, Chapter 14: Zoning, Article XV LI-1 Industrial District, Section 4 Building Regulations subsection (2) is hereby amended to read:

“All industrial areas adjacent to residential areas shall be separated from the residential area by the erection of a sight barrier fence which must be a minimum of eight feet in height, fully opaque and constructed of 100 percent masonry materials.”

3.03 All other articles, chapters, sections, paragraphs, sentences, phrases and words are not amended but are hereby ratified and affirmed.

SECTION 4.
CUMULATIVE REPEALER CLAUSE

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided, however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 5.
SAVINGS CLAUSE

All rights and remedies of the Town of Hickory Creek, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting utility rates and fees which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 6.
SEVERABILITY

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole or in part, the remaining and lawful provisions shall be of full force and effect and the Town shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 7.
PENALTY

If the governing body of the Town of Hickory Creek determines that a violation of this Ordinance has occurred, the Town of Hickory Creek may bring suit in a court of competent jurisdiction to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

Any person violating any of the provisions of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined, except as otherwise provided herein, in a sum not to exceed Five Hundred Dollars (\$500.00) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 8.
PUBLICATION CLAUSE

The Town Secretary of the Town of Hickory Creek is hereby directed to publish in the Official newspaper of the Town of Hickory Creek, the Caption, Penalty Clause, and Effective Date clause of this Ordinance for two (2) days as required by Section 52.011 of the Texas Local Government Code.

SECTION 9.
ENGROSSMENT AND ENROLLMENT

The Town Secretary of the Town of Hickory Creek is hereby directed to engross and enroll this Ordinance by copying the exact Caption, Penalty Clause, and Effective Date clause in the minutes of the Town Council of the Town of Hickory Creek and by filing this Ordinance in the Ordinance records of the Town.

SECTION 10.
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication in accordance with law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the Town Council of the Town of Hickory Creek, Texas this 25th day of January, 2021.

Lynn Clark, Mayor
Town of Hickory Creek, Texas

ATTEST:

Kristi Rogers, Town Secretary
Town of Hickory Creek, Texas

APPROVED AS TO FORM:

Dorwin L. Sargent, III, Town Attorney
Town of Hickory Creek, Texas

**TOWN OF HICKORY CREEK, TEXAS
ORDINANCE 2021- 01-___**

AN ORDINANCE OF THE TOWN COUNCIL OF HICKORY CREEK, TEXAS, ORDERING A SPECIAL ELECTION TO BE HELD ON MAY 1, 2021, TO SUBMIT A PROPOSITION ON DECREASING THE SALES AND USE TAX OF ONE-HALF (1/2) OF ONE PERCENT TO ONE-FOURTH (1/4) OF ONE PERCENT FOR THE BENEFIT OF THE TYPE B ECONOMIC DEVELOPMENT CORPORATION; INCREASING THE LOCAL SALES AND USE TAX FROM THE RATE OF ONE (1 1/4) PERCENT TO A RATE OF ONE AND ONE HALF (1 1/2) PERCENT; AUTHORIZING A JOINT ELECTION WITH OTHER DENTON COUNTY POLITICAL SUBDIVISIONS; PROVIDING FOR PRECINCTS; PROVIDING FOR APPOINTMENT OF AN EARLY VOTING CLERK; PROVIDING FOR EARLY VOTING LOCATIONS; PROVIDING FOR AN ELECTION DAY POLLING PLACE; PROVIDING FOR THE PUBLICATION AND POSTING OF NOTICE OF THIS ELECTION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Hickory Creek is a Type A General Law Municipality located in Denton County, Texas created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, the Town Council of the Town of Hickory Creek, Texas hereby finds and determines that an election should be held under the provisions of Chapter 321, as amended, of the Texas Tax Code, to decrease the collection of the sales and use tax under the provisions of Chapter 327, as amended, Texas Tax Code, for the benefit of the Type B Economic Development Corporation from one half (1/2) percent to (1/4) percent and to adopt a sales and use tax with the town of one and one half (1 1/2) percent; and

WHEREAS, the town will hold a special election on May 1, 2021; and

WHEREAS, in accordance with Section 271.002 of the Texas Election Code, the town election will be conducted with other political subdivisions of Denton County Texas; and

WHEREAS, in accordance with the requirements of Chapter 321, as amended, of the Texas Tax Code, the combined rate of all local sales and use taxes imposed by the town and other political subdivisions having territory in the town will not exceed two (2) percent.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS:

**SECTION 1
ELECTION ORDER**

An election is hereby ordered to be held on Saturday, May 1, 2021 to submit the following proposition to the qualified voters of the town:

“DECREASING THE LOCAL SALES AND USE TAX RATE IN HICKORY CREEK FOR THE TYPE B ECONOMIC DEVELOPMENT CORPORATION FROM ONE HALF PERCENT TO ONE FOURTH PERCENT; AND THE ADOPTION OF A LOCAL SALES

AND USE TAX IN HICKORY CREEK AT THE RATE OF ONE AND ONE HALF PERCENT.”

SECTION 2
PRECINCTS

The election precinct for said election shall be the regular precinct of Denton County (Precinct 3001) to the extent that they are within the corporate limits of the Town of Hickory Creek.

SECTION 3
EARLY VOTING CLERK

In accordance with Sections 31.097 and 271.006 of the Texas Election Code, the following named person is hereby appointed as the Early Voting Clerk of the purposes of conducting said election:

Frank Phillips, Early Voting Clerk
Denton County Elections
P.O. Box 1720
Denton, Texas 76202
Elections@dentoncounty.com

SECTION 4
EARLY VOTING LOCATIONS

Early voting by personal appearance of Hickory Creek residents shall be conducted beginning April 19, 2021 and continue through April 27, 2021. The main early voting location shall be located at: Denton County Elections, 701 Kimberly Drive, Denton, Texas 76208. Additional early voting locations shall be determined per the Joint Election Agreement and Contract for Election Services with the Denton County Elections Administrator.

SECTION 5
ELECTION DAY POLLING PLACE

The polling place for all of Precinct 3001 within the corporate limits of the Town of Hickory Creek will be located at: Town of Hickory Creek Town Hall, 1075 Ronald Reagan Avenue, Hickory Creek, Texas 75065.

SECTION 6
NOTICE AND PUBLICATION

Notice of the Election shall be given by posting a notice of election in both English and Spanish at Town of Hickory Creek located at 1075 Ronald Reagan Avenue, Hickory Creek Texas, on the bulletin board not later than twenty-one days prior to the date upon which the election is to be held, and by publication of said notice at least once in the official newspaper of the Town, being a newspaper of general circulation within the Town, the date of said publication to be not less than ten (10) days nor more than thirty (30) days prior to the date set for the elections. Upon publication of the election notice, the Town Secretary shall secure a publisher’s affidavit.

SECTION 7
NECESSARY ACTIONS

The Mayor, Town Council, and Town Staff, in consultation with the Town Attorney, are hereby authorized and directed to take any and all actions necessary to comply with the provisions of the Code in carrying out and conducting the Election, whether or not expressly authorized herein.

SECTION 8
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage in accordance with law.

AND IT IS SO ORDAINED

PASSED AND APPROVED by the Town Council of the Town of Hickory Creek, Texas, this 25th day of January, 2021.

Lynn C. Clark, Mayor
Town of Hickory Creek

ATTEST:

Kristi Rogers, Town Secretary
Town of Hickory Creek

APPROVED AS TO LEGAL FORM

Dorwin L. Sargent, III, Town Attorney
Town of Hickory Creek



LEGEND			
[Symbol]	CONCRETE	FOUNDATION	CONCRETE
[Symbol]	WOOD	FOUNDATION	WOOD
[Symbol]	BRICK	FOUNDATION	BRICK
[Symbol]	ASPHALT	ROADWAY	ASPHALT
[Symbol]	GRAVEL	ROADWAY	GRAVEL
[Symbol]	CONCRETE	SLAB	CONCRETE
[Symbol]	WOOD	SLAB	WOOD
[Symbol]	BRICK	SLAB	BRICK
[Symbol]	PAVED	PARKING	PAVED
[Symbol]	GRAVEL	PARKING	GRAVEL
[Symbol]	CONCRETE	WALKWAY	CONCRETE
[Symbol]	WOOD	WALKWAY	WOOD
[Symbol]	BRICK	WALKWAY	BRICK
[Symbol]	GRAVEL	WALKWAY	GRAVEL
[Symbol]	CONCRETE	DRIVEWAY	CONCRETE
[Symbol]	WOOD	DRIVEWAY	WOOD
[Symbol]	BRICK	DRIVEWAY	BRICK
[Symbol]	GRAVEL	DRIVEWAY	GRAVEL
[Symbol]	CONCRETE	WALL	CONCRETE
[Symbol]	WOOD	WALL	WOOD
[Symbol]	BRICK	WALL	BRICK
[Symbol]	GRAVEL	WALL	GRAVEL
[Symbol]	CONCRETE	POST	CONCRETE
[Symbol]	WOOD	POST	WOOD
[Symbol]	BRICK	POST	BRICK
[Symbol]	GRAVEL	POST	GRAVEL
[Symbol]	CONCRETE	FOUNDATION	CONCRETE
[Symbol]	WOOD	FOUNDATION	WOOD
[Symbol]	BRICK	FOUNDATION	BRICK
[Symbol]	GRAVEL	FOUNDATION	GRAVEL
[Symbol]	CONCRETE	FOUNDATION	CONCRETE
[Symbol]	WOOD	FOUNDATION	WOOD
[Symbol]	BRICK	FOUNDATION	BRICK
[Symbol]	GRAVEL	FOUNDATION	GRAVEL

United States Army
Corps of Engineers
"Lake Lewisville"

APPROXIMATE LOCATION OF
FLOOD PLAIN LINE AS SCALED
PER F.E.M.A. MAP

7.742 Acres

J. W. Hicks Survey, Abstract No. 567

United States Army
Corps of Engineers
"Lake Lewisville"

APPROXIMATE LOCATION OF
FLOOD PLAIN LINE AS SCALED
PER F.E.M.A. MAP

Linda Pratt
Volume 2387, Page 841
R.P.R.D.C.T.

Hidden Hill, Inc.,
a Texas business corporation
Volume 2891, Page 951
R.P.R.D.C.T.

called "TRACT II"
Linda Lee Pratt
Volume 2387, Page 850
R.P.R.D.C.T.

called "TRACT I"
Linda Lee Pratt
Volume 2387, Page 850
R.P.R.D.C.T.

Hidden Hill, Inc.,
a Texas business corporation
Volume 2891, Page 951
R.P.R.D.C.T.

FIELD NOTE DESCRIPTION:

BEING a 7.742 acre tract of land situated in the J. Maloney Survey, Abstract No. 819 and the J. W. Hicks Survey, Abstract No. 567, in the Town of Hickory Creek, Denton County, Texas, and being that same tract of land described by deed to Linda Pratt, as recorded in Volume 2387, Page 841 of the Real Property Records of Denton County, Texas (J.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING a 5/16 inch iron rod found for the northwest corner of that certain called "TRACT II" of said two (2) tracts, same being the southeast corner of that certain tract of land described by deed to Linda Pratt, as recorded in Volume 2387, Page 841, R.P.R.D.C.T., same being an iron-rod corner of that certain tract of land described by deed to Hidden Hill, Inc., a Texas business corporation, as recorded in Volume 2891, Page 951, R.P.R.D.C.T.

THENCE South 31 degrees 01 minutes 56 seconds West, with the southeast line of said "TRACT I", a distance of 219.25 feet to a United States Army Corps of Engineers monument (C.D.E. mon.) found for an iron-rod corner of a United States Army Corps of Engineers tract commonly known as "Lake Lewisville";

THENCE with a northerly, easterly and westerly line of said Lake Lewisville tract, the following five (5) courses and distances:

- 1) South 89 degrees 02 minutes 56 seconds West, a distance of 822.66 feet to a C.D.E. mon. found for corner;
- 2) South 89 degrees 02 minutes 56 seconds East, a distance of 190.67 feet to a C.D.E. mon. found for corner;
- 3) North 02 degrees 02 minutes 29 seconds East, a distance of 309.32 feet to a C.D.E. mon. found for corner;
- 4) North 02 degrees 39 minutes 30 seconds West, a distance of 173.66 feet to a C.D.E. mon. found for corner;
- 5) North 89 degrees 04 minutes 34 seconds East, a distance of 175.80 feet to a C.D.E. mon. found for corner in the west line of said Hidden Hill, Inc. tract;

THENCE South 24 degrees 35 minutes 00 seconds East, with a west line of said Hidden Hill, Inc. tract, a distance of 195.43 feet to a 1/4 inch iron rod found for an iron-rod corner thereof;

THENCE South 09 degrees 37 minutes 51 seconds West, continuing with a west line of said Hidden Hill, Inc. tract, a distance of 192.67 feet to the POINT OF BEGINNING and containing a total of 7.742 acres of land, more or less, and being subject to any and all encumbrances that may affect.

BOUNDARY SURVEY

7.742 acre tract out of the
J. Maloney Survey, Abstract No. 819 and the
J. W. Hicks Survey, Abstract No. 567
Town of Hickory Creek, Denton County, Texas

DRAWN BY: DWL DATE: 06/12/14 SCALE: 1"=20' CHECKED BY: ACH: NO: 1404164



Hickory Creek, Texas

The undersigned heretofore reviewed and reviewed a copy of this survey.

Date: _____

stewart title

1405 Lind Park Road
Ft. Worth, Texas 76105
Tel: 817.339.2401
Fax: 817.339.2402

NOTE:

- 1) Accres to accretion (specifiable for this tract, more specifically, At the time of survey, accretion was done via "Hidden Hill Road" as shown graphically herein. Accretion for this tract currently is accretion to USA, City of Engineers tract to Syntarone Road. There is no direct accretion to a dedicated open right-of-way at this time that I was aware of.
- 2) Survey shown lines shown herein are approximations.

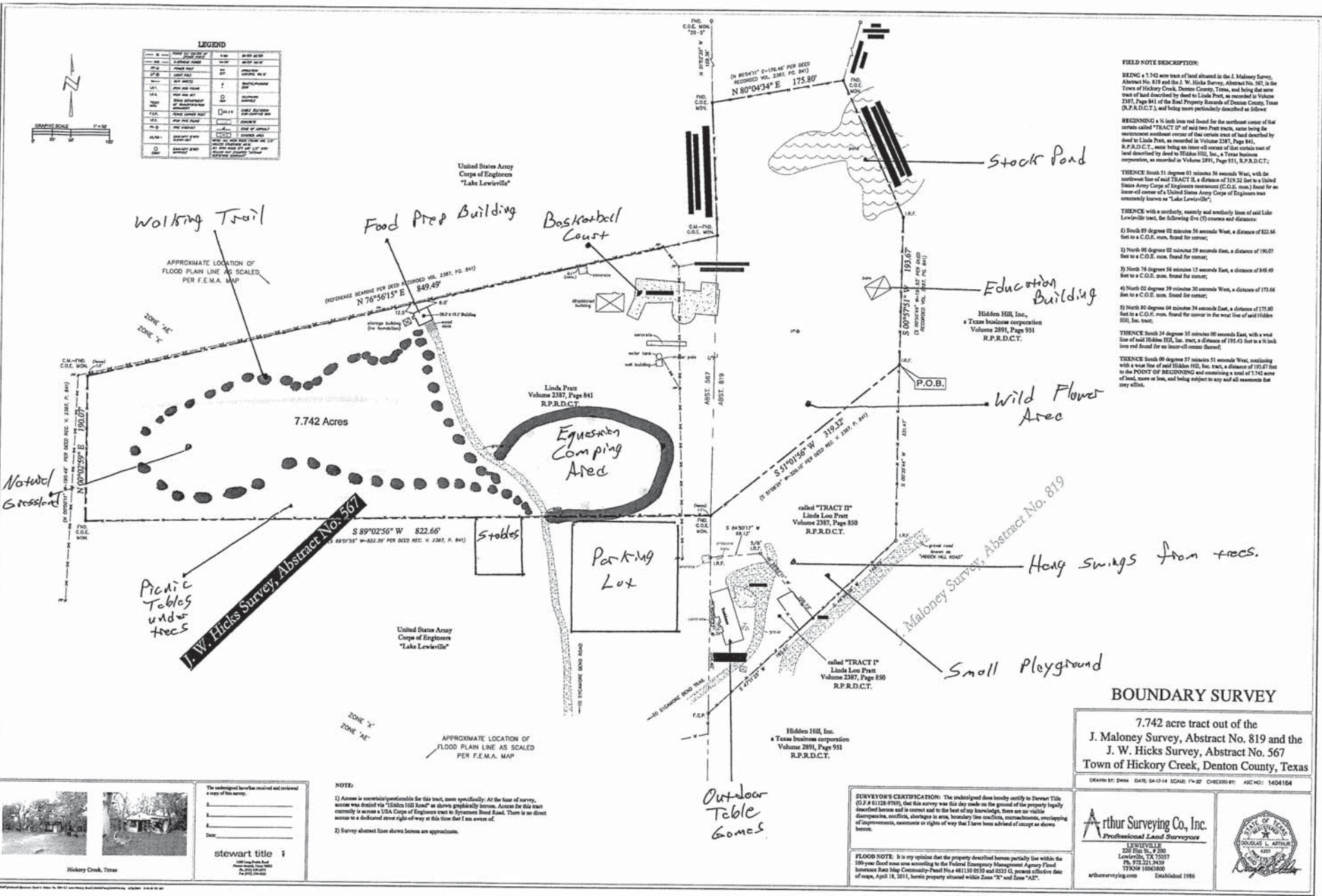
SURVEYOR'S CERTIFICATION: The undersigned does hereby certify to Stewart Title (G.P.# 41128-9789), that this survey was this day made on the ground of the property legally described herein and is correct and to the best of my knowledge, there are no visible discrepancies, conflicts, shortages in area, boundary line conditions, encroachments, overlapping of improvements, easements or rights of way that I have been advised of except as shown herein.

FLOOD NOTE: It is my opinion that the property described herein partially lies within the 100-year flood zone area according to the Federal Emergency Management Agency Flood Insurance Rate Map Community-Panel No. 481199 0539 and 0535 O, present effective date of maps, April 18, 2011, herein property situated within Zone "X" and Zone "AE".

Arthur Surveying Co., Inc.
Professional Land Surveyors

LEWISVILLE
220 Elm St., P. 200
Lewisville, TX 75057
Ph. 972.221.9439
T/Fax 1008388000
arthursurveying.com Established 1986





LEGEND

Symbol	Description
(Symbol)	...
(Symbol)	...
(Symbol)	...
(Symbol)	...
(Symbol)	...
(Symbol)	...
(Symbol)	...
(Symbol)	...
(Symbol)	...
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(Symbol)	...

FIELD NOTE DESCRIPTION:

BEING a 7.742 acre tract of land situated in the J. Maloney Survey, Abstract No. 819 and the J. W. Hicks Survey, Abstract No. 567, in the Town of Hickory Creek, Denton County, Texas, and being that same tract of land described by deed to Linda Pratt, as recorded in Volume 2387, Page 841 of the Real Property Records of Denton County, Texas (R.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING a 1/4 inch iron rod found for the southeast corner of that certain called "TRACT I" of said two 1/2 acre tracts, same being the northeast southeast corner of that certain tract of land described by deed to Linda Pratt, as recorded in Volume 2387, Page 841, R.P.R.D.C.T., same being an inner-ell corner of that certain tract of land described by deed to Hidden Hill, Inc., a Texas business corporation, as recorded in Volume 2891, Page 951, R.P.R.D.C.T.;

THENCE South 51 degrees 01 minutes 56 seconds West, with the northern line of said TRACT II, a distance of 219.32 feet to a United States Army Corps of Engineers measurement (C.O.E. man) found for an inner-ell corner of a United States Army Corps of Engineers tract commonly known as "Lake Lewisville";

THENCE with a westerly, nearly and exactly line of said Lake Lewisville tract, the following five (5) courses and distances:

- 1) South 89 degrees 02 minutes 56 seconds West, a distance of 822.66 feet to a C.O.E. man, found for corner;
- 2) North 09 degrees 02 minutes 59 seconds East, a distance of 190.07 feet to a C.O.E. man, found for corner;
- 3) North 78 degrees 56 minutes 15 seconds East, a distance of 849.49 feet to a C.O.E. man, found for corner;
- 4) North 02 degrees 39 minutes 30 seconds West, a distance of 177.66 feet to a C.O.E. man, found for corner;
- 5) North 80 degrees 04 minutes 34 seconds East, a distance of 175.80 feet to a C.O.E. man, found for corner in the west line of said Hidden Hill, Inc. tract;

THENCE South 24 degrees 15 minutes 00 seconds East, with a west line of said Hidden Hill, Inc. tract, a distance of 795.03 feet to a 1/4 inch iron rod found for an inner-ell corner;

THENCE South 09 degrees 57 minutes 21 seconds West, continuing with a west line of said Hidden Hill, Inc. tract, a distance of 107.07 feet to the POINT OF BEGINNING and containing a total of 7.742 acres of land, more or less, and being subject to any and all easements that may exist.

BOUNDARY SURVEY

7.742 acre tract out of the
 J. Maloney Survey, Abstract No. 819 and the
 J. W. Hicks Survey, Abstract No. 567
 Town of Hickory Creek, Denton County, Texas

DRAWN BY: DATE: 04-27-14 SCALE: 1"=50' CHECKED BY: ASC NO: 1404164

Arthur Surveying Co., Inc.
 Professional Land Surveyors



NOTE:

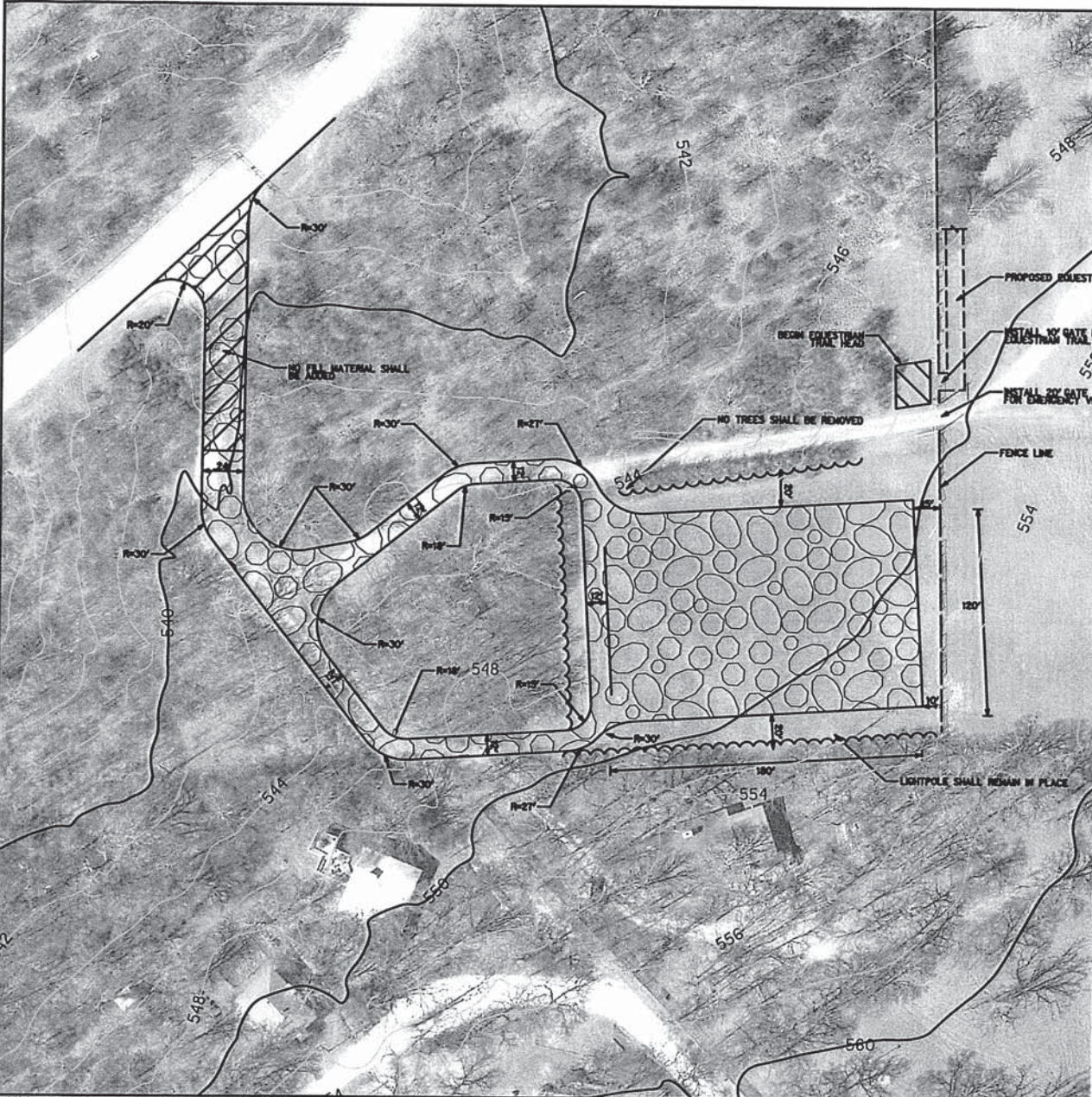
- 1) Access is shown throughout this tract, same specifically: At the front corner, access was gained via "5666th Hill Road" as shown graphically herein. Access for this tract currently is access a USA Corps of Engineers tract to Symmons Bend Road. There is no direct access via a dedicated road right-of-way at this time that I am aware of.
- 2) Survey shown lines shown herein are approximations.

SURVEYOR'S CERTIFICATION: The undersigned does hereby certify to Thomas Tills (T.P.# 01128-9757), that this survey was this day made on the ground of the property legally described herein and to the best of my knowledge, there are no visible discrepancies, omissions, shortages in area, boundary line conflicts, encroachments, overlapping of improvements, easements or rights of way that I have been advised of except as shown herein.

FLOOD NOTE: It is my opinion that the property described herein partially lies within the 100-year flood zone area according to the Federal Emergency Management Agency Flood Insurance Rate Map Community-Profile No. 481150 0530 and 0535 G, passed effective date of map, April 18, 2011, herein property situated within Zone "X" and Zone "AE".



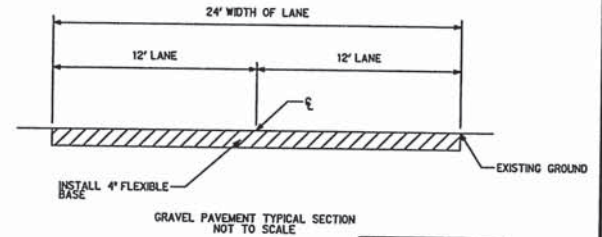
The underlying land has been examined and reviewed a copy of this survey.
 I, _____
 Date: _____
 Stewart Title
 1501 Long Beach Blvd
 Houston, Texas 77060
 TX License No. 23408



0 15 30 45 60
SCALE: 1"=30'

EARTHWORK CALCS.	
4" FLEX BASE	
FLOWAGE EASEMENT ELEVATION = 537FT	
CY	
CUT=	46.19
FILL=	46.19
NET=	0.00
TOTAL	0.00

TYPICAL SECTION:



GRAVEL PAVEMENT TYPICAL SECTION
NOT TO SCALE

- LEGEND:
- TREE LINE
 - FENCE LINE
 - 4 INCH FLEXIBLE BASE
 - NO FILL MATERIAL SHALL BE ADDED

- NOTES:
1. CUT AND FILL WITHIN FLOWAGE EASEMENT WILL RESULT IN A ZERO INCREASE IN VOLUME.
 2. TREES SHALL NOT BE REMOVED ONLY TRIMMING.
 3. CONTOURS SHOWN ARE 2' CONTOURS FROM THE TINRIS CONTOUR MAP.
 4. AERIAL IMAGE IS FROM THE NCTCOG 2013 AERIAL IMAGE FOR THE NORTH TEXAS REGION

PRELIMINARY
FOR INTERIM REVIEW ONLY
THESE DOCUMENTS ARE FOR INTERIM REVIEW AND NOT INTENDED FOR REGULATORY APPROVAL, PERMIT ISSUANCE OR CONSTRUCTION PURPOSES. THEY WERE PREPARED BY OR UNDER THE SUPERVISION OF:
BRIAN HAYNES
TYPE #P-312 P.E. NO.
DATE 01/13/2018

NO.	REVISIONS	DATE

PARKING LOT LAYOUT
SYCAMORE BEND CONSTRUCTION
TOWN OF HICKORY CREEK
DENTON COUNTY, TEXAS



DESIGN	DRAWN	DATE	SCALE	AVD	FILE	NO.
ARA	SEPT. 2015	1" = 30'	3000			PL-1

HALFF 443582 800P. 900. 800N. 800W. 800E.

Town of Hickory Creek Pratt Property Quick Facts

- Decision made by town council to purchase land back in 2014.
- Approximately 7.7 acres
- Only accessible via Sycamore Bend Road through Sycamore Bend Park.
- Originally purchased for recreational sport fields.
- Determined project would be too costly because of the topography of the property.
- Property abounds private development east of the property, remainder Corp of Engineers.
- Tore down original home because of water and fire damage.
- Parking lot approved by Corp of Engineers.
- Sycamore Bend Road to be completed by the end of 2021.
- Water well/tank located on property.

PRIORITY RANKINGS

Establishing clear priorities for a park system is essential for guiding any successful Master Plan. This allows Town leaders to understand the importance of annual budgeting and strategies that will meet the needs throughout the Hickory Creek community. The priorities in this section are a result of incorporating the inventory of the current resources and the citizen survey results into a ranking of priority needs.

Process for Rankings

At the completion of the citizen survey during the needs assessment phase, a method of ranking priorities was implemented. This method included using specific input from the citizen survey results, Town Staff, Steering Committee, and the Dunaway team. The following weighted values were assigned to each:

Citizen Input / Survey Results (60%)

The specific needs and requests by the Hickory Creek community as tabulated from the citizen survey

Steering Committee (20%)

The specific parks and recreation needs in Hickory Creek as identified by the appointed Steering Committee members

Town Staff (10%)

The specific needs as identified by Town staff based upon recreation programs and demands upon resources

Dunaway Team (10%)

The specific recommendations by the Dunaway planning team based upon assessing the unique needs of the Hickory Creek community, current park resources, demographic profile, and future demands for recreational resources

The results of the priority ranking were tabulated into three categories: High Priority, Moderate Priority, and Low Priority. The table on the following page provides a summary of the priorities for Hickory Creek.



Priority Rankings

Rank	Action Plan	High	Moderate	Low
1	Trails Along the Lake	◆		
2	Trails Connected Through the Town	◆		
3	Expand Amenities Along the Lake	◆		
4	Trails Connected to Neighboring Communities	◆		
5	Benches / Seating Areas	◆		
6	Fishing Pier	◆		
7	Playgrounds for Children	◆		
8	Additional Lighting in Parks	◆		
9	Wildlife, Plant & Bird Education Stations Along Trail	◆		
10	Sandy Beach Area		◆	
11	Picnic Areas with Grilling Stations		◆	
12	Spraygrounds		◆	
13	Open Spaces / Natural Areas		◆	
14	Sand Volleyball		◆	
15	Dog Park		◆	
16	Disc Golf		◆	
17	Mountain Bike / BMX Trails		◆	
18	Community Garden			◆
19	Exercise Stations Along Trails			◆
20	Additional Large Pavilions			◆
21	RV Park and Camping Areas			◆
22	Multipurpose Sports Fields For Practice and Play			◆
23	Food Truck Park Area			◆
24	Tennis Courts			◆
25	Amphitheater			◆



Town of Hickory Creek Pratt Property **Discussion Items**

- Plan as presented.
- Lighting?
- Name for property?
- Install additional restroom facility?
- Hours of operation?
- Plan would achieve 6 items on the town's master parks plan. Any others?

Next Steps:

- Work with LCFD on doing a burn of the land.
- Place on council agenda to move forward.

Park Board Feedback from January 11, 2021 Onsite Meeting

- **Eliminate basketball court.**
- **Naming should involve “Pratt” name**
- **Build a small fishing dock.**
- **Proceed with the burn**
- **Install gaga ball pit.**
- **Covered playground**
- **Park benches installed on old Pratt house foundation for school classes**
- **Install signage indicating flowers, grasses, etc.**
- **Scatter wildflower seeds this year.**
- **Stock pond.**
- **Install observation tower on original house slab.**