



**NOTICE OF
REGULAR MEETING OF THE TOWN COUNCIL
HICKORY CREEK TOWN HALL
1075 RONALD REAGAN AVENUE, HICKORY CREEK, TEXAS 75065
MONDAY, JANUARY 24, 2022, 6:00 PM**

AGENDA

Call to Order

Roll Call

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

Invocation

Presentation of Awards

1. Salvation Army Mayors Red Kettle Challenge
2. Ceremonial Oath of Office and Presentation of Badge to Sergeant William Townsend

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.

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.

3. December 2021 Council Meeting Minutes
4. December 2021 Financial Statements
5. Consider and act on an ordinance of the Town Council of the Town of Hickory Creek, Texas ordering an election to be held on May 7, 2022 for the purpose of electing a Mayor and Town Council Members to Place 2 and Place 4.

Regular Agenda

6. Consider and act on bids submitted for BID# 2022-01, Sycamore Bend Road.
7. Consider and act on an ordinance of the Town Council of the Town of Hickory Creek, Texas, amending Chapter 1: General Provisions, Article 1.10, Parks and Recreation; Section 1.10.006, Fees for use; providing for incorporation of premises; providing findings; providing for amendment to the Code of Ordinances.
8. Consider and act on an ordinance of the Town Council of Hickory Creek, Texas, amending the Code of Ordinances of the Town of Hickory Creek, Texas, by creating Chapter 15, Short Term Rentals.
9. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, hereby adopting a master application and fee schedule; and providing an effective date.
10. Consider and act on an appeal from the decision of the designated representative for a variance of Section 13.03.075 of the Town's Code of Ordinances adopting Title 30 Texas Administrative Code Chapter 285 regarding residential lot sizing. The legal description of the property is Harbor Grove Estates 1 BLK C Lot 15.
11. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement between the Town of Hickory Creek, Texas, the City of Corinth, the City of Lake Dallas and the Town of Shady Shores, Texas concerning legal services in support of current broadband service provider evaluations.
12. Presentation of the 2020-2021 Fiscal Year Audit from Carl Deaton of Hankins, Eastup, Deaton, Tonn & Seay.
13. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, appointing members of the Building Standards Commission and providing an effective date.
14. Discussion and update regarding the Lake Cities Broadband Committee recommendation.
15. Discussion regarding annual awards.

Executive Session

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

Future Agenda Items

The purpose of this section is to allow each Council Member the opportunity to propose that an item be added as a business item to any future agenda. Any discussion of, or a decision about, the subject matter shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.

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 19, 2022 at 4:15 p.m.

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

Kristi Rogers, Town Secretary
Town of Hickory Creek

**SPECIAL MEETING OF THE TOWN COUNCIL
HICKORY CREEK TOWN HALL
1075 RONALD REAGAN, HICKORY CREEK, TEXAS
MONDAY, DECEMBER 20, 2021**

MINUTES

Call to Order

Mayor Clark called the meeting to order at 6:00 p.m.

Roll Call

The following members were present:

Mayor Lynn Clark

Councilmember Randy Gibbons

Councilmember Richard DuPree

Councilmember Chris Gordon

Mayor Pro Tem Paul Kenney

Councilmember Ian Theodore

Also in attendance:

John M. Smith, Jr., Town Administrator

Kristi K. Rogers, Town Secretary

Carey Dunn, Chief of Police

Trey Sargent, Town Attorney

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

Mayor Clark led the Pledge of Allegiance to the U.S. and Texas Flags.

Invocation

Councilmember Randy Gibbons gave the invocation.

Items of Community Interest

Thanks to town staff for planning and executing the 2021 Tree Lighting held on December 2, 2021.

Thanks to the following individuals who participated with Mayor Lynn Clark in the Salvation Army Mayors Red Kettle Challenge: Jan Bowman, Kyle Knop, Gwen McIntosh, Geoff McIntosh, Bruce Enriquez, Lisa Rowell, Jaycee Holston, Dr. Mike Rockwood, Ben De Boef, Dan Conrad, Matt Friess, Randy Gibbons, John Smith, Bob Clark, Sergeant Mike Miller, Officer Bob Theriault, Office Jim Zehetner and Cameron Gibbons. Mayor Clark and the volunteers raised \$3,047.

Public Comment

There were no speakers for public comment.

Town of Hickory Creek

December 20, 2021

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Executive Session

In accordance with Texas Local Government Code, Chapter 551, the Town Council convened into executive session at 6:06 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.

1. Concerning Town of Hickory Creek Personnel Policy Manual
2. Substandard Housing Policy
3. Regular Agenda Item 11- Consider and act on an ordinance of the Town Council of Hickory Creek, Texas, amending the Code of Ordinances of the Town of Hickory Creek, Texas, by creating Chapter 15, Short Term Rentals.

Section 551.087

Deliberation regarding Economic Development Negotiations, to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the government body seeks to have locate, stay or expand in or near the territory of the government body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

3. Economic development agreement related to property located at 1851 Turbeville Road

Reconvene into Open Session

The Town Council reconvened into open session at 7:51 p.m.

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

Consent Agenda

5. November 2021 Council Meeting Minutes
6. November 2021 Financial Statements
7. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas designating the Denton Record Chronicle as the official newspaper for the Town of Hickory Creek, Texas.

Town of Hickory Creek

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Motion made by Councilmember Gordon to approve consent agenda items 5-7, Seconded by Councilmember Theodore.

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

Regular Agenda

8. Conduct a public hearing regarding a request for a Special Use Permit from Drake & Hen LLC. on behalf of AWS Boats for a pro shop, showroom, dealership offices and service center for the display and sales of boats and accessories in the 700 block of Lake Dallas Drive and consider and act on the same. The property is legally described as A0284A Cobb, Tract 56, A0284A Cobb, Tract 55, 58, and A0284A Cobb, Tract 57(PT), Town of Hickory Creek, Denton County, Texas.

Jack Reichenstein, representing Drake and Hen LLC. and Lee Williams, representing AWS Boats, provided an overview of the development, the special use permit request and answered questions from the town council.

Mayor Clark called the public hearing to order at 8:13 p.m. With no one wishing to speak, the public hearing was closed at 8:13 p.m.

Motion made by Councilmember Gordon to approve the request for a Special Use Permit from Drake & Hen LLC. on behalf of AWS Boats for a pro shop, showroom, dealership offices and service center for the display and sales of boats and accessories in the 700 block of Lake Dallas Drive as discussed to include 80% masonry excluding glass, Seconded by Mayor Pro Tem Kenney.

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

9. Consider and act on granting an exception to Founders Classical Academy, 800 Point Vista Road, Hickory Creek, Texas 75065, from the Hickory Creek Code of Ordinances Chapter 3: Building Regulations, Article 3.08 Signs; Section 3.08.010(b).

Motion made by Mayor Pro Tem Kenney to approve granting an exception to Founders Classical Academy, 800 Point Vista Road, Hickory Creek, Texas 75065, from the Hickory Creek Code of Ordinances Chapter 3: Building Regulations, Article 3.08 Signs; Section 3.08.010(b), Seconded by Councilmember Theodore.

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

10. Consider and act on an ordinance of the Town Council of the Town of Hickory Creek, Texas, amending Chapter 1: General Provisions, Article 1.07, Boards and Commissions; providing for incorporation of premises; providing findings; providing for amendment to the Code of Ordinances.

Town of Hickory Creek

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Motion made by Councilmember Gibbons to approve an ordinance of the Town Council of the Town of Hickory Creek, Texas, amending Chapter 1: General Provisions, Article 1.07, Boards and Commissions; providing for incorporation of premises with the modification of Section 1.07.057 to exclude the word personal from the paragraph, Seconded by Councilmember Gordon.

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

11. Consider and act on an ordinance of the Town Council of Hickory Creek, Texas, amending the Code of Ordinances of the Town of Hickory Creek, Texas, by creating Chapter 15, Short Term Rentals.

Item 11 was discussed during Executive Session and discussed further during open session.

No action taken.

12. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, adopting a master application and fee schedule; and providing an effective date.

No action taken.

13. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement between the Town of Hickory Creek, Texas, the City of Corinth, the City of Lake Dallas and the Town of Shady Shores, Texas concerning consulting services to evaluate broadband service providers.

Motion made by Councilmember Theodore to approve a resolution authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement between the Town of Hickory Creek, Texas, the City of Corinth, the City of Lake Dallas and the Town of Shady Shores, Texas concerning consulting services to evaluate broadband service providers, Seconded by Mayor Pro Tem Kenney.

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

14. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, authorizing the Mayor to execute an agreement between the Town of Hickory Creek and the Kandutsch Law Office concerning legal services.

Motion made by Councilmember Gordon to approve a a resolution of the Town Council of the Town of Hickory Creek, Texas, authorizing the Mayor to execute an agreement between the Town of Hickory Creek and the Kandutsch Law Office concerning legal services, Seconded by Councilmember Theodore.

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

Town of Hickory Creek

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15. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement concerning citizen notification systems.

John Smith, Town Administrator, provided an overview of various citizen notification systems and answered questions from the town council.

Motion made by Councilmember Theodore to approve a resolution of the Town Council of the Town of Hickory Creek, Texas, authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement concerning citizen notification systems with GoGov for 12 months in an amount not to exceed \$4,800.00, Seconded by Councilmember DuPree. Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

16. Consider and act on an appointment to the Economic Development Corporation

Motion made by Councilmember Gibbons to appoint Bruce Enriquez to the Economic Development Board, Place 2 with a term expiring December 2022, Seconded by Councilmember Gordon.

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

17. Consider and act on appointing councilmembers as liaisons for various boards and commissions.

Councilmember Gibbons, Planning and Zoning; Mayor Pro Tem Kenney, EDC and Councilmember Theodore, Board of Adjustments.

Motion made by Councilmember Gordon to appoint councilmembers as liaisons for various boards and commissions as discussed in item 17, Seconded by Councilmember DuPree.

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

18. Presentation and discussion regarding emergency preparedness.

John Smith, Town Administrator, provided an overview to council regarding plans in place and equipment purchased to prepare for future emergencies.

Future Agenda Items

The following item was requested: Golf cart paths.

Adjournment

Motion made by Councilmember Theodore to adjourn the meeting, Seconded by Councilmember Gibbons.

Town of Hickory Creek

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

The meeting did then stand adjourned at 9:30 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, 2021

	<u>Dec 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
BOA - Animal Shelter Fund	20,485.67
BOA - Drug Forfeiture	420.57
BOA - Drug Seizure	3,936.00
BOA - General Fund	1,244,595.10
BOA - Parks and Recreation	70,236.02
BOA - Payroll	260.00
BOA - Police State Training	5,185.34
Logic 2020 CO's	4,007,057.49
Logic Animal Shelter Facility	9,582.07
Logic Coronavirus Recovery Fund	594,163.44
Logic Harbor Ln-Sycamore Bend	80,406.94
Logic Investment Fund	4,541,772.09
Logic Turbeville Road	94,913.79
Total Checking/Savings	<u>10,673,014.52</u>
Accounts Receivable	
Municipal Court Payments	3,642.17
Total Accounts Receivable	<u>3,642.17</u>
Total Current Assets	<u>10,676,656.69</u>
TOTAL ASSETS	<u>10,676,656.69</u>
LIABILITIES & EQUITY	0.00

Town of Hickory Creek
Profit & Loss
December 2021

	<u>Dec 21</u>
Ordinary Income/Expense	
Income	
Ad Valorem Tax Revenue	
4002 M&O	700,162.15
4004 M&O Penalties & Interest	48.87
4006 Delinquent M&O	-355.45
4008 I&S Debt Service	381,604.67
4010 I&S Penalties & Interest	29.96
4012 Delinquent I&S	-217.86
Total Ad Valorem Tax Revenue	<u>1,081,272.34</u>
Building Department Revenue	
4102 Building Permits	22,690.80
4104 Certificate of Occupancy	750.00
4106 Contractor Registration	900.00
4108 Preliminary/Final Plat	700.00
4110 Prelim/Final Site Plan	600.00
4122 Septic Permits	1,000.00
4124 Sign Permits	150.00
4128 Variance Fee	1,500.00
4132 Alarm Permit Fees	275.00
Total Building Department Revenue	<u>28,565.80</u>
Franchise Fee Revenue	
4212 Republic Services	4,320.54
Total Franchise Fee Revenue	<u>4,320.54</u>
Interest Revenue	
4330 General Fund Interest	1.02
4332 Investment Interest	583.55
Total Interest Revenue	<u>584.57</u>
Miscellaneous Revenue	
4502 Animal Adoption & Impound	895.00
4506 Animal Shelter Donations	150.00
4508 Annual Park Passes	575.00
4510 Arrowhead Park Fees	1,045.00
4526 Mineral Rights	333.50
4530 Other Receivables	122,067.50
4536 Point Vista Park Fees	450.00
4550 Sycamore Bend Fees	565.00
Total Miscellaneous Revenue	<u>126,081.00</u>
Municipal Court Revenue	
4602 Building Security Fund	1,085.71
4604 Citations	36,348.56
4606 Court Technology Fund	903.09
4608 Jury Fund	19.78
4610 Truancy Fund	1,043.49
4612 State Court Costs	18,885.85
4614 Child Safety Fee	75.00
Municipal Court Revenue - Other	1.10
Total Municipal Court Revenue	<u>58,362.58</u>
Sales Tax Revenue	
4702 Sales Tax General Fund	145,376.23
4706 Sales Tax 4B Corporation	20,768.03
4708 Sales Tax Mixed Beverage	3,349.56
Total Sales Tax Revenue	<u>169,493.82</u>
Total Income	<u>1,468,680.65</u>

Town of Hickory Creek
Profit & Loss
 December 2021

	Dec 21
Gross Profit	1,468,680.65
Expense	
Capital Outlay	
5010 Street Maintenance	167.00
5026 Fleet Vehicles	8,195.51
5030 Sycamore Bend Construction	11,275.00
Total Capital Outlay	19,637.51
General Government	
5206 Computer Hardware/Software	3,682.30
5208 Copier Rental	332.35
5212 EDC Tax Payment	20,768.03
5216 Volunteer/Staff Events	1,237.79
5218 General Communications	472.00
5222 Office Supplies & Equip.	691.94
5224 Postage	500.00
5226 Community Cause	1,554.40
5228 Town Council/Board Expense	40.00
5234 Staff Uniforms	22.85
Total General Government	29,301.66
Municipal Court	
5318 Merchant Fees/Credit Cards	146.89
5322 Office Supplies/Equipment	43.99
5332 Warrants Collected	-1,263.13
Total Municipal Court	-1,072.25
Parks and Recreation	
5408 Tanglewood Park	284.31
Total Parks and Recreation	284.31
Parks Corps of Engineer	
5432 Arrowhead	400.30
5434 Harbor Grove	264.71
5436 Point Vista	381.99
5438 Sycamore Bend	2,468.96
Total Parks Corps of Engineer	3,515.96
Personnel	
5502 Administration Wages	36,507.97
5506 Police Wages	75,491.30
5507 Police Overtime Wages	2,136.36
5508 Public Works Wages	15,391.24
5509 Public Works Overtime Wage	863.25
5510 Health Insurance	23,504.99
5514 Payroll Expense	1,881.45
Total Personnel	155,776.56
Police Department	
5602 Auto Gas & Oil	3,232.61
5606 Auto Maintenance & Repair	1,057.51
5612 Computer Hardware/Software	739.10
5614 Crime Lab Analysis	67.98
5626 Office Supplies/Equipment	145.10
5630 Personnel Equipment	118.62
5634 Travel Expense	771.60
5636 Uniforms	4,319.05
5640 Training & Education	558.00
5648 K9 Unit	801.63
Total Police Department	11,811.20
Public Works Department	

Town of Hickory Creek
Profit & Loss
December 2021

	<u>Dec 21</u>
5708 Animal Control Vet Fees	899.40
5710 Auto Gas & Oil	1,026.85
5714 Auto Maintenance/Repair	311.70
5728 Equipment Supplies	434.35
5732 Office Supplies/Equipment	15.98
5734 Communications	321.11
5738 Training	100.00
5742 Uniforms	102.54
5748 Landscaping Services	3,169.07
Total Public Works Department	6,381.00
Services	
5802 Appraisal District	3,340.79
5804 Attorney Fees	2,557.33
5814 Engineering	3,813.68
5818 Inspections	2,970.00
5820 Fire Service	228,368.75
5822 Legal Notices/Advertising	31.90
5824 Library Services	91.80
5826 Municipal Judge	1,150.00
5828 Printing	261.99
Total Services	242,586.24
Special Events	
6008 Tree Lighting	2,373.32
Total Special Events	2,373.32
Utilities & Maintenance	
5902 Bldg Maintenance/Supplies	84,651.82
5904 Electric	2,040.09
5906 Gas	178.86
5908 Street Lighting	3,301.86
5910 Telephone	2,599.91
5912 Water	1,535.60
Total Utilities & Maintenance	94,308.14
Total Expense	564,903.65
Net Ordinary Income	903,777.00
Net Income	903,777.00

Town of Hickory Creek
Budget vs. Actual Year to Date 24.99%

October through December 2021

	Oct - Dec 21	Budget	% of Budget
Ordinary Income/Expense			
Income			
Ad Valorem Tax Revenue			
4002 M&O	778,904.77	1,484,251.00	52.5%
4004 M&O Penalties & Interest	310.35	2,500.00	12.4%
4006 Delinquent M&O	70.97	1,000.00	7.1%
4008 I&S Debt Service	424,362.99	805,976.00	52.7%
4010 I&S Penalties & Interest	192.17	1,500.00	12.8%
4012 Delinquent I&S	60.76	500.00	12.2%
Total Ad Valorem Tax Revenue	1,203,902.01	2,295,727.00	52.4%
Building Department Revenue			
4102 Building Permits	128,447.95	750,000.00	17.1%
4104 Certificate of Occupancy	2,750.00	25,000.00	11.0%
4106 Contractor Registration	2,700.00	6,500.00	41.5%
4108 Preliminary/Final Plat	700.00	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	1,850.00	1,000.00	185.0%
4124 Sign Permits	250.00	1,000.00	25.0%
4126 Special Use Permit	0.00	200.00	0.0%
4128 Variance Fee	1,500.00	2,000.00	75.0%
4130 Vendor Fee	0.00	75.00	0.0%
4132 Alarm Permit Fees	325.00	500.00	65.0%
Total Building Department Revenue	147,402.95	796,275.00	18.5%
Franchise Fee Revenue			
4202 Atmos Energy	0.00	46,000.00	0.0%
4204 Charter Communications	10,366.49	42,900.00	24.2%
4206 CenturyLink	0.00	1,500.00	0.0%
4208 CoServ	1,486.74	4,700.00	31.6%
4210 Oncor Electric	131,377.45	155,500.00	84.5%
4212 Republic Services	12,909.91	48,000.00	26.9%
Total Franchise Fee Revenue	156,140.59	298,600.00	52.3%
Interest Revenue			
4330 General Fund Interest	3.12	100.00	3.1%
4332 Investment Interest	1,177.10	7,500.00	15.7%
Total Interest Revenue	1,180.22	7,600.00	15.5%
Interlocal Revenue			
4402 Corp Contract Current Year	0.00	45,500.00	0.0%
Total Interlocal Revenue	0.00	45,500.00	0.0%
Miscellaneous Revenue			
4502 Animal Adoption & Impound	2,880.00	10,600.00	27.2%
4506 Animal Shelter Donations	210.00	1,500.00	14.0%
4508 Annual Park Passes	1,075.00	25,000.00	4.3%
4510 Arrowhead Park Fees	4,495.00	40,000.00	11.2%
4512 Beer & Wine Permit	30.00	150.00	20.0%
4516 Corp Parks Fund Reserve	0.00	0.00	0.0%
4518 Drug Forfeiture	0.00	0.00	0.0%
4520 Drug Seizure	0.00	0.00	0.0%
4522 EDCPayment/Ronald Reagan	0.00	45,778.00	0.0%
4524 Fund Balance Reserve	0.00	0.00	0.0%
4526 Mineral Rights	333.50	500.00	66.7%
4530 Other Receivables	127,666.66	152,000.00	84.0%
4534 PD State Training	0.00	0.00	0.0%
4536 Point Vista Park Fees	2,161.00	12,000.00	18.0%
4546 Street Improv Restricted	0.00	430,000.00	0.0%
4550 Sycamore Bend Fees	7,644.00	30,000.00	25.5%
4554 Building Security Fund Res	0.00	0.00	0.0%
4556 Court Tech Fund Reserve	0.00	0.00	0.0%
4558 Harbor Lane/Sycamore Bend	10,500.00	0.00	100.0%
4560 2020 CO Proceeds	0.00	0.00	0.0%
Total Miscellaneous Revenue	156,995.16	747,528.00	21.0%
Municipal Court Revenue			
4602 Building Security Fund	3,677.20	9,270.00	39.7%
4604 Citations	111,842.30	450,000.00	24.9%
4606 Court Technology Fund	3,075.75	12,115.00	25.4%
4608 Jury Fund	70.41	200.00	35.2%
4610 Truancy Fund	3,574.25	0.00	100.0%
4612 State Court Costs	60,390.07	250,000.00	24.2%
4614 Child Safety Fee	174.16	800.00	21.8%
Municipal Court Revenue - Other	1.10		
Total Municipal Court Revenue	182,805.24	722,385.00	25.3%
Sales Tax Revenue			
4702 Sales Tax General Fund	454,407.31	1,662,500.00	27.3%
4706 Sales Tax 4B Corporation	64,915.33	237,500.00	27.3%
4708 Sales Tax Mixed Beverage	8,410.86	30,000.00	28.0%
Total Sales Tax Revenue	527,733.50	1,930,000.00	27.3%

**Town of Hickory Creek
Budget vs. Actual Year to Date 24.99%**

October through December 2021

	Oct - Dec 21	Budget	% of Budget
Total Income	2,376,159.67	6,843,615.00	34.7%
Gross Profit	2,376,159.67	6,843,615.00	34.7%
Expense			
Capital Outlay			
5010 Street Maintenance	3,217.34	25,000.00	12.9%
5012 Streets & Road Improvement	131,431.45	430,000.00	30.6%
5022 Parks and Rec Improvements	0.00	0.00	0.0%
5024 Public Safety Improvements	250.00	42,500.00	0.6%
5026 Fleet Vehicles	17,663.09	82,000.00	21.5%
5030 Sycamore Bend Construction	11,275.00	0.00	100.0%
Total Capital Outlay	163,836.88	579,500.00	28.3%
Debt Service			
5106 2012 Refunding Bond Series	0.00	267,004.00	0.0%
5110 2015 Refunding Bond Series	400.00	308,400.00	0.1%
5112 2015 C.O. Series	400.00	276,350.00	0.1%
5114 2020 C.O. Series	0.00	204,950.00	0.0%
Total Debt Service	800.00	1,056,704.00	0.1%
General Government			
5202 Bank Service Charges	0.00	25.00	0.0%
5204 Books & Subscriptions	0.00	300.00	0.0%
5206 Computer Hardware/Software	12,739.16	106,222.00	12.0%
5208 Copier Rental	1,070.34	3,000.00	35.7%
5210 Dues & Memberships	792.90	3,000.00	26.4%
5212 EDC Tax Payment	64,916.33	237,500.00	27.3%
5214 Election Expenses	0.00	7,500.00	0.0%
5216 Volunteer/Staff Events	2,672.58	10,500.00	25.5%
5218 General Communications	4,947.03	28,000.00	17.7%
5222 Office Supplies & Equip.	1,376.33	5,000.00	27.5%
5224 Postage	1,749.58	5,800.00	30.2%
5226 Community Cause	24,954.15	3,000.00	831.8%
5228 Town Council/Board Expense	1,782.02	3,500.00	50.9%
5230 Training & Education	0.00	1,500.00	0.0%
5232 Travel Expense	0.00	1,500.00	0.0%
5234 Staff Uniforms	22.85	1,000.00	2.3%
Total General Government	117,023.27	417,347.00	28.0%
Municipal Court			
5302 Books & Subscriptions	0.00	75.00	0.0%
5304 Building Security	0.00	9,270.00	0.0%
5312 Court Technology	987.60	12,115.00	8.2%
5314 Dues & Memberships	0.00	120.00	0.0%
5318 Merchant Fees/Credit Cards	-88.34	0.00	100.0%
5322 Office Supplies/Equipment	184.87	1,200.00	15.4%
5324 State Court Costs	75,017.47	250,000.00	30.0%
5326 Training & Education	55.00	100.00	55.0%
5328 Travel Expense	0.00	500.00	0.0%
5332 Warrants Collected	-3,911.17	0.00	100.0%
Total Municipal Court	72,245.43	273,380.00	26.4%
Parks and Recreation			
5402 Events	1,320.84	2,000.00	66.0%
5408 Tanglewood Park	372.93	2,000.00	18.6%
5412 KHCB	0.00	500.00	0.0%
5414 Tree City USA	0.00	500.00	0.0%
5416 Town Hall Park	0.00	75,000.00	0.0%
Total Parks and Recreation	1,693.77	80,000.00	2.1%
Parks Corps of Engineer			
5432 Arrowhead	72,199.63	47,250.00	152.8%
5434 Harbor Grove	613.57	5,000.00	12.3%
5436 Point Vista	1,690.63	7,500.00	22.5%
5438 Sycamore Bend	8,015.69	47,250.00	17.0%
Total Parks Corps of Engineer	82,519.52	107,000.00	77.1%
Personnel			
5502 Administration Wages	110,063.94	474,280.00	23.2%
5506 Police Wages	214,052.15	983,721.00	21.8%
5507 Police Overtime Wages	3,222.33	10,000.00	32.2%
5508 Public Works Wages	47,160.21	204,506.00	23.1%
5509 Public Works Overtime Wage	967.00	1,200.00	80.6%
5510 Health Insurance	64,861.18	261,200.00	24.8%
5512 Longevity	12,910.00	13,076.00	98.7%
5514 Payroll Expense	5,713.47	22,000.00	26.0%
5516 Employment Exams	600.00	2,500.00	24.0%
5518 Retirement (TMRS)	58,436.06	239,305.00	24.4%
5520 Unemployment (TWC)	452.51	6,048.00	7.5%
5522 Workman's Compensation	25,019.40	27,000.00	92.7%
Total Personnel	543,458.25	2,244,836.00	24.2%
Police Department			
5602 Auto Gas & Oil	8,484.25	22,000.00	38.6%

Town of Hickory Creek Budget vs. Actual Year to Date 24.99%

October through December 2021

	Oct - Dec 21	Budget	% of Budget
5606 Auto Maintenance & Repair	3,668.07	15,000.00	24.5%
5610 Books & Subscriptions	575.63	500.00	115.1%
5612 Computer Hardware/Software	13,906.64	35,000.00	39.7%
5614 Crime Lab Analysis	1,843.78	3,000.00	61.5%
5616 Drug Forfeiture	0.00	0.00	0.0%
5618 Dues & Memberships	0.00	500.00	0.0%
5626 Office Supplies/Equipment	421.94	1,800.00	23.4%
5630 Personnel Equipment	24,644.00	22,000.00	112.0%
5634 Travel Expense	841.93	2,500.00	33.7%
5636 Uniforms	5,011.45	6,000.00	83.5%
5640 Training & Education	4,148.00	7,500.00	55.3%
5644 Citizens on Patrol	0.00	500.00	0.0%
5646 Community Outreach	15.68	700.00	2.2%
5648 K9 Unit	930.79	2,000.00	46.5%
Total Police Department	64,492.16	119,000.00	54.2%
Public Works Department			
5702 Animal Control Donation	0.00	1,500.00	0.0%
5704 Animal Control Equipment	0.00	500.00	0.0%
5706 Animal Control Supplies	323.87	900.00	36.0%
5708 Animal Control Vet Fees	5,620.98	6,000.00	93.7%
5710 Auto Gas & Oil	3,958.23	20,000.00	19.8%
5714 Auto Maintenance/Repair	726.86	5,000.00	14.5%
5716 Beautification	5.34	25,000.00	0.0%
5718 Computer Hardware/Software	0.00	1,000.00	0.0%
5720 Dues & Memberships	0.00	350.00	0.0%
5722 Equipment	25,426.58	25,000.00	101.7%
5724 Equipment Maintenance	982.28	6,000.00	16.4%
5726 Equipment Rental	0.00	2,500.00	0.0%
5728 Equipment Supplies	1,548.60	5,000.00	31.0%
5732 Office Supplies/Equipment	127.00	500.00	25.4%
5734 Communications	963.34	3,800.00	25.4%
5738 Training	100.00	800.00	12.5%
5740 Travel Expense	0.00	1,000.00	0.0%
5742 Uniforms	536.37	2,200.00	24.4%
5748 Landscaping Services	9,093.40	110,000.00	8.3%
Total Public Works Department	49,412.85	217,050.00	22.8%
Services			
5802 Appraisal District	3,340.79	12,400.00	26.9%
5804 Attorney Fees	11,276.58	66,000.00	17.1%
5806 Audit	0.00	13,500.00	0.0%
5808 Codification	0.00	2,000.00	0.0%
5812 Document Management	0.00	0.00	0.0%
5814 Engineering	15,491.51	145,000.00	10.7%
5816 General Insurance	38,410.12	37,250.00	103.1%
5818 Inspections	7,235.00	108,800.00	6.6%
5820 Fire Service	456,737.50	970,692.00	47.1%
5822 Legal Notices/Advertising	94.30	2,500.00	3.8%
5824 Library Services	456.30	600.00	76.1%
5826 Municipal Judge	3,450.00	13,800.00	25.0%
5828 Printing	444.34	1,500.00	29.6%
5830 Tax Collection	0.00	2,700.00	0.0%
5832 Computer Technical Support	42,081.20	41,525.00	101.3%
5838 DCCAC	0.00	1,000.00	0.0%
5840 Denton County Dispatch	0.00	30,808.00	0.0%
5844 Helping Hands	0.00	200.00	0.0%
5846 Span Transit Services	200.00	100.00	200.0%
Total Services	579,217.64	1,450,375.00	39.9%
Special Events			
6004 Fourth of July Celebration	0.00	7,000.00	0.0%
6008 Tree Lighting	5,832.24	6,000.00	97.2%
6010 Arts and Cultural Events	0.00	5,000.00	0.0%
Total Special Events	5,832.24	18,000.00	32.4%
Utilities & Maintenance			
5902 Bldg Maintenance/Supplies	104,570.13	168,223.00	62.2%
5904 Electric	6,293.09	27,000.00	23.3%
5906 Gas	338.63	1,700.00	19.9%
5908 Street Lighting	9,882.86	38,000.00	26.0%
5910 Telephone	7,668.00	35,000.00	21.9%
5912 Water	6,326.54	10,500.00	60.3%
Total Utilities & Maintenance	135,079.25	280,423.00	48.2%
Total Expense	1,815,611.26	6,843,615.00	26.5%
Net Ordinary Income	560,548.41	0.00	100.0%
Net Income	560,548.41	0.00	100.0%

Town of Hickory Creek Expenditures over \$1,000.00

December 2021

Type	Date	Num	Name	Amount
Ordinary Income/Expense				
Expense				
Capital Outlay				
5026 Fleet Vehicles				
Check	12/20/2021	Debit	CHECKCARD 1217 BLACKBEARD MARIN	1,394.48
Check	12/20/2021	Debit	ENTERPRISE FM TR DESDIRECT PAY	6,801.03
Total 5026 Fleet Vehicles				8,195.51
5030 Sycamore Bend Construction				
Bill	12/20/2021	Invoice...	Half Associates, Inc.	11,275.00
Total 5030 Sycamore Bend Construction				11,275.00
Total Capital Outlay				19,470.51
General Government				
5206 Computer Hardware/Software				
Bill	12/15/2021	Invoice...	Municipal Code Corporation	3,400.00
Total 5206 Computer Hardware/Software				3,400.00
5212 EDC Tax Payment				
Check	12/09/2021	Debit	Hickory Creek Economic Development	20,768.03
Total 5212 EDC Tax Payment				20,768.03
5216 Volunteer/Staff Events				
Check	12/21/2021	Debit	COSTCO WHSE #0 12/21 #000227096	1,199.85
Total 5216 Volunteer/Staff Events				1,199.85
5226 Community Cause				
Check	12/06/2021	Debit	CHECKCARD 1203 UNITED WAY OF DE	1,554.40
Total 5226 Community Cause				1,554.40
Total General Government				26,922.28
Parks Corps of Engineer				
5438 Sycamore Bend				
Bill	12/08/2021	Invoice...	3H Concrete, Inc.	2,000.00
Total 5438 Sycamore Bend				2,000.00
Total Parks Corps of Engineer				2,000.00
Personnel				
5510 Health Insurance				
Check	12/01/2021	Debit	DearbornLife DESPayment	1,406.19
Check	12/10/2021	Debit	TML0111 DESCONS COLL	21,265.44
Total 5510 Health Insurance				22,671.63
Total Personnel				22,671.63
Police Department				
5602 Auto Gas & Oil				
Check	12/28/2021	Debit	WEX INC DESFLEET DEBI	3,232.61
Total 5602 Auto Gas & Oil				3,232.61
5636 Uniforms				
Bill	12/20/2021	Invoice...	Angel Armor	4,059.05
Total 5636 Uniforms				4,059.05
Total Police Department				7,291.66
Public Works Department				
5710 Auto Gas & Oil				
Check	12/28/2021	Debit	WEX INC DESFLEET DEBI	1,026.85
Total 5710 Auto Gas & Oil				1,026.85
5748 Landscaping Services				
Bill	12/08/2021	Invoice...	D & D Commercial Landscape Management	3,169.07
Total 5748 Landscaping Services				3,169.07
Total Public Works Department				4,195.92
Services				
5802 Appraisal District				
Bill	12/08/2021	Invoice...	DCAD	3,340.79
Total 5802 Appraisal District				3,340.79
5804 Attorney Fees				
Check	12/22/2021	4221	Ross Gannaway, PLLC	2,557.33
Total 5804 Attorney Fees				2,557.33
5814 Engineering				
Bill	12/20/2021	Invoice...	Half Associates, Inc.	1,152.81
Bill	12/20/2021	Invoice...	Half Associates, Inc.	2,660.87

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Accrual Basis

Town of Hickory Creek Expenditures over \$1,000.00

December 2021

Type	Date	Num	Name	Amount
Total 5814 Engineering				3,813.68
5818 Inspections				
Bill	12/08/2021	Inv No...	Larry Finney	1,050.00
Bill	12/29/2021	Invoice...	Build by I-Codes	1,720.00
Total 5818 Inspections				2,770.00
5820 Fire Service				
Check	12/20/2021	4220	City of Corinth	228,368.75
Total 5820 Fire Service				228,368.75
5826 Municipal Judge				
Check	12/02/2021	Debit	Cynthia Burkett	1,050.00
Total 5826 Municipal Judge				1,050.00
Total Services				241,900.55
Utilities & Maintenance				
5902 Bldg Maintenance/Supplies				
Check	12/14/2021	Debit	CHECKCARD 1214 ULINE *SHIP SUP	1,186.00
Check	12/21/2021	Debit	CHECKCARD 1217 CHEAPER THAN DIR	1,324.30
Bill	12/23/2021	Invoice...	Titan Fence & Supply Company	8,000.00
Bill	12/23/2021	Invoice...	Titan Fence & Supply Company	73,441.00
Total 5902 Bldg Maintenance/Supplies				83,951.30
5904 Electric				
Check	12/22/2021	Debit	HUDSON ENERGY SE DESDEBITDEBIT	2,040.09
Total 5904 Electric				2,040.09
5908 Street Lighting				
Check	12/22/2021	Debit	HUDSON ENERGY SE DESDEBITDEBIT	3,120.94
Total 5908 Street Lighting				3,120.94
5910 Telephone				
Check	12/30/2021	Debit	Level 3 Communic DESAUTO PAY	1,323.41
Total 5910 Telephone				1,323.41
Total Utilities & Maintenance				90,435.74
Total Expense				414,888.29
Net Ordinary Income				-414,888.29
Net Income				-414,888.29



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: 12/01/2021 - 12/31/2021

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0737%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 56 DAYS AND THE NET ASSET VALUE FOR 12/31/21 WAS 0.999893.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			4,006,806.82
12/31/2021	MONTHLY POSTING	9999888	250.67	4,007,057.49
	ENDING BALANCE			4,007,057.49

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	4,006,806.82
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	250.67
ENDING BALANCE	4,007,057.49
AVERAGE BALANCE	4,006,806.82

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
2020 CERTIFICATES OF OBLIGATIONS	0.00	0.00	2,737.06



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: 12/01/2021 - 12/31/2021

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0737%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 56 DAYS AND THE NET ASSET VALUE FOR 12/31/21 WAS 0.999893.

MONTHLY ACTIVITY DETAIL				
TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			9,581.49
12/31/2021	MONTHLY POSTING	9999888	0.58	9,582.07
	ENDING BALANCE			9,582.07

MONTHLY ACCOUNT SUMMARY	
BEGINNING BALANCE	9,581.49
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	0.58
ENDING BALANCE	9,582.07
AVERAGE BALANCE	9,581.49

ACTIVITY SUMMARY (YEAR-TO-DATE)			
ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
ANIMAL SHELTER FACILITY	0.00	0.00	6.57



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

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276016

ACCOUNT NAME: CORONAVIRUS LOCAL RECOVERY FUNDS

STATEMENT PERIOD: 12/01/2021 - 12/31/2021

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0737%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 56 DAYS AND THE NET ASSET VALUE FOR 12/31/21 WAS 0.999893.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			594,126.24
12/31/2021	MONTHLY POSTING	9999888	37.20	594,163.44
	ENDING BALANCE			594,163.44

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	594,126.24
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	37.20
ENDING BALANCE	594,163.44
AVERAGE BALANCE	594,126.24

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
CORONAVIRUS LOCAL RECOVERY FUNDS	594,066.81	0.00	96.63



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: 12/01/2021 - 12/31/2021

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0737%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 56 DAYS AND THE NET ASSET VALUE FOR 12/31/21 WAS 0.999893.

MONTHLY ACTIVITY DETAIL				
TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			80,401.92
12/31/2021	MONTHLY POSTING	9999888	5.02	80,406.94
	ENDING BALANCE			80,406.94

MONTHLY ACCOUNT SUMMARY	
BEGINNING BALANCE	80,401.92
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	5.02
ENDING BALANCE	80,406.94
AVERAGE BALANCE	80,401.92

ACTIVITY SUMMARY (YEAR-TO-DATE)			
ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
HARBOR LANE - SYCAMORE BEND	0.00	0.00	54.93



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: 12/01/2021 - 12/31/2021

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0737%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 56 DAYS AND THE NET ASSET VALUE FOR 12/31/21 WAS 0.999893.

MONTHLY ACTIVITY DETAIL				
TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			4,541,487.95
12/31/2021	MONTHLY POSTING	9999888	284.14	4,541,772.09
	ENDING BALANCE			4,541,772.09

MONTHLY ACCOUNT SUMMARY	
BEGINNING BALANCE	4,541,487.95
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	284.14
ENDING BALANCE	4,541,772.09
AVERAGE BALANCE	4,541,487.95

ACTIVITY SUMMARY (YEAR-TO-DATE)			
ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
INVESTMENT FUND	2,016,732.47	3,053,613.52	3,957.24



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: 12/01/2021 - 12/31/2021

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0737%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 56 DAYS AND THE NET ASSET VALUE FOR 12/31/21 WAS 0.999893.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			94,907.85
12/31/2021	MONTHLY POSTING	9999888	5.94	94,913.79
	ENDING BALANCE			94,913.79

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	94,907.85
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	5.94
ENDING BALANCE	94,913.79
AVERAGE BALANCE	94,907.85

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
TURBEVILLE RD IMPROVEMENT FUND	0.00	0.00	64.87

**TOWN OF HICKORY CREEK
ORDINANCE NO. 2022-01-___**

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, ORDERING AN ELECTION TO BE HELD ON MAY 7, 2022 FOR THE PURPOSE OF ELECTING A MAYOR AND TOWN COUNCIL MEMBERS TO PLACE 2 AND PLACE 4; 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 7, 2022 for the purpose of electing a Mayor and Town Council Members to 2 and Place 4; 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 7, 2022 for the purpose of electing a Mayor and Town Council Members to Place 2 and Place 4; each term being for a period of (2) years.

**SECTION 2
FILING PERIOD**

The filing period for an application on the ballot is January 19, 2022 - February 18, 2022.

**SECTION 3
PRECINCTS**

The election precinct for said election shall be the regular precinct of Denton County (Precinct 3158) 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 25, 2022 and continue through May 3, 2022. 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 3158 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 24th day of January, 2022.

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 - Sycamore Bend Road - Turbeville Road to Sycamore Bend Park Gate

Bid Opening: January 13, 2022

Town of Hickory Creek Town Administrator: John Smith
 Town of Hickory Creek Director of Public Works: Jeffrey McSpedden
 Town of Hickory Creek Town Engineer: Lee Williams, PE
 Half Associates, Inc. Project Manager: Kevin Gronwaldt, PE

Low Bidder

BID SUMMARY

	DDM Construction Corporation	McMahon Contracting, LP	Tiseo Paving Co.
BASE BID	\$2,354,679.99	\$2,337,335.53	\$2,510,360.15
TOTAL BID	\$3,488,395.98	\$3,519,260.60	\$3,670,061.71
Addenda	Yes	Yes	Yes
Bid Bond	Yes	Yes	Yes
	Ed Bell Construction Co.	XIT Paving & Construction Inc.	HQS Construction
BASE BID	\$2,667,003.25	\$2,824,858.15	\$2,649,895.00
TOTAL BID	\$3,879,326.25	\$4,078,656.40	\$4,112,484.00
Addenda	Yes	Yes	Yes
Bid Bond	Yes	Yes	Yes
	Quality Excavation, LLC		
BASE BID	\$2,750,993.00		
TOTAL BID	\$4,198,299.00		
Addenda	Yes		
Bid Bond	Yes		

Bids Certified by: 
 Kevin J. Gronwaldt, PE

SYCAMORE BEND ROAD - TURBEVILLE ROAD TO SYCAMORE BEND PARK GATE				COMPANY				COMPANY				COMPANY				COMPANY				COMPANY											
BID OPENS: 2:00 P.M., THURSDAY, JANUARY 13, 2022				DDM Construction Corp. 4006 Belt Line Road, Ste. 230 Addison, TX 75001				McMahon Contracting, LP 3019 Roy Orr Blvd. Grand Prairie, TX 75050				Tiseo Paving Co. P.O. Box 270040 Dallas, TX 75227				Ed Bell Construction Co. P.O. Box 540787 Dallas, TX 75354				XIT Paving & Construction Inc. 3934 S. Hwy. 287 Waxahachie, TX 75165				HQS Construction, LLC P.O. Box 250771 Plano, TX 75025				Quality Excavation, LLC 5580 US Hwy. 377 Aubrey, TX 76227			
ITEM #	DESCRIPTION	U/M	QTY	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$												
3	4-inch Thick, 3,600 PSI Portland Cement Concrete Barrier Free Curb Ramp (Type 1)	EA	2	1,900.00	3,800.00	2,398.50	4,797.00	2,299.00	4,598.00	2,000.00	4,000.00	1,275.00	2,550.00	2,200.00	4,400.00	3,600.00	7,200.00														
4	4-inch Thick, 3,600 PSI Portland Cement Concrete Barrier Free Curb Ramp (Type 2)	EA	1	2,200.00	2,200.00	2,398.50	2,398.50	2,299.00	2,299.00	2,000.00	2,000.00	1,580.00	1,580.00	2,200.00	2,200.00	3,600.00	3,600.00														
5	4-inch Thick, 3,600 PSI Portland Cement Concrete Barrier Free Curb Ramp (Modified Type 10)	EA	1	2,000.00	2,000.00	2,398.50	2,398.50	2,299.00	2,299.00	2,000.00	2,000.00	1,670.00	1,670.00	2,200.00	2,200.00	4,700.00	4,700.00														
6	Concrete Scupper	EA	2	5,000.00	10,000.00	924.41	1,848.82	2,530.00	5,060.00	5,000.00	10,000.00	2,100.00	4,200.00	2,500.00	5,000.00	9,000.00	18,000.00														
Subtotal - Base Bid - Sycamore Bend Park Gate to STA 36+00.00 - Section II - Sidewalks					137,053.00		145,283.95		117,442.07		131,860.00		120,360.00		102,695.00		162,284.00														
Added Alternate - STA 36+00.00 to Turbeville Road - Section III - Paving and Drainage																															
1	Mobilization and General Site Preparation (5% max)	LS	1	55,000.49	55,000.49	59,000.00	59,000.00	36,200.00	36,200.00	56,322.00	56,322.00	25,000.00	25,000.00	66,000.00	66,000.00	72,000.00	72,000.00														
2	Joint Stormwater Pollution Prevention Plan	LS	1	1,500.00	1,500.00	14,806.35	14,806.35	3,000.00	3,000.00	4,000.00	4,000.00	1,460.00	1,460.00	5,000.00	5,000.00	5,400.00	5,400.00														
3	Project Signs	EA	2	1,000.00	2,000.00	499.68	999.36	750.00	1,500.00	500.00	1,000.00	605.00	1,210.00	1,000.00	2,000.00	1,000.00	2,000.00														
4	Traffic Control	LS	1	41,500.00	41,500.00	63,383.02	63,383.02	18,000.00	18,000.00	43,677.00	43,677.00	25,000.00	25,000.00	10,000.00	10,000.00	35,000.00	35,000.00														
5	Construction Staking	STA	24	850.00	20,400.00	1,755.00	42,120.00	550.00	13,200.00	1,000.00	24,000.00	1,355.00	32,520.00	1,200.00	28,800.00	2,500.00	60,000.00														
6	Erosion Control	LS	1	6,000.00	6,000.00	14,806.35	14,806.35	4,000.00	4,000.00	10,000.00	10,000.00	3,500.00	3,500.00	20,000.00	20,000.00	6,000.00	6,000.00														
7	4-inch Thick Topsoil and Sodding	SY	5,334	8.00	42,672.00	6.04	32,217.36	10.01	53,393.34	6.50	34,671.00	12.10	64,541.40	10.00	53,340.00	13.00	69,342.00														
8	Remove and Dispose of Concrete Pavement and Flatwork	SF	4,100	1.40	5,740.00	1.77	7,257.00	2.20	9,020.00	2.50	10,250.00	3.10	12,710.00	3.00	12,300.00	4.00	16,400.00														
9	Remove and Dispose of Asphalt Pavement	SF	54,404	0.50	27,202.00	0.94	51,139.76	0.64	34,818.56	0.35	19,041.40	0.40	21,761.60	3.00	163,212.00	1.00	54,404.00														
10	Remove and Dispose of Gravel Pavement	SF	676	1.50	1,014.00	1.48	1,000.48	0.39	263.64	0.10	67.60	1.25	845.00	3.00	2,028.00	2.00	1,352.00														
11	Remove and Dispose of Existing Headwall	EA	8	400.00	3,200.00	830.83	6,646.64	960.30	7,682.40	500.00	4,000.00	230.00	1,840.00	1,250.00	10,000.00	800.00	6,400.00														
12	Remove and Dispose of Existing Storm Drain Pipe (various sizes)	LF	256	17.00	4,352.00	22.72	5,816.32	35.20	9,011.20	20.00	5,120.00	16.00	4,096.00	25.00	6,400.00	40.00	10,240.00														
13	Remove and Relocate Existing Mailbox (various types)	EA	6	700.00	4,200.00	758.54	4,551.24	1,000.00	6,000.00	1,000.00	6,000.00	1,310.00	7,860.00	150.00	900.00	700.00	4,200.00														
14	Tree Removal (Greater than 12")	EA	1	2,600.00	2,600.00	1,159.61	1,159.61	2,000.00	2,000.00	2,000.00	2,000.00	2,725.00	2,725.00	1,500.00	1,500.00	2,500.00	2,500.00														
15	6-inch Cement Treated Subgrade	SY	9,036	4.50	40,662.00	4.45	40,210.20	5.70	51,505.20	3.00	27,108.00	5.00	45,180.00	10.00	90,360.00	9.00	81,324.00														
16	Cement Slurry (20 LBS/SY)	TON	90	330.00	29,700.00	274.63	24,716.70	269.00	24,210.00	260.00	23,400.00	308.00	27,720.00	255.00	22,950.00	300.00	27,000.00														
17	7-inch Thick, 4,000 PSI Reinforced Concrete Pavement	SY	8,208	63.00	517,104.00	56.19	461,207.52	69.75	572,508.00	75.00	615,600.00	65.00	533,520.00	77.00	632,016.00	71.00	582,768.00														
18	6-inch Thick, 3,600 PSI Reinforced Concrete Driveway Pavement	SY	294	84.00	24,696.00	62.77	18,454.38	72.71	21,376.74	90.00	26,460.00	77.00	22,638.00	72.00	21,168.00	63.00	18,522.00														
19	6-inch Integral Concrete Curb	LF	85	3.00	255.00	2.36	200.60	2.00	170.00	5.00	425.00	3.00	255.00	20.00	1,700.00	3.00	255.00														
20	Trench Safety for Storm Drain Lines	LF	553	2.00	1,106.00	1.48	818.44	1.20	663.60	1.00	553.00	1.25	691.25	5.00	2,765.00	4.00	2,212.00														
21	18-inch Class III Reinforced Concrete Pipe	LF	509	75.00	38,175.00	99.55	50,670.95	108.90	55,430.10	75.00	38,175.00	119.00	60,571.00	85.00	43,265.00	90.00	45,810.00														
22	24-inch Class III Reinforced Concrete Pipe	LF	44	110.00	4,840.00	114.32	5,030.08	129.80	5,711.20	115.00	5,060.00	145.00	6,380.00	100.00	4,400.00	140.00	6,160.00														
23	12-inch Thick Rock Riprap	SY	28	95.00	2,660.00	71.03	1,988.84	205.70	5,759.60	80.00	2,240.00	87.00	2,436.00	100.00	2,800.00	210.00	5,880.00														
24	3'x3' Wye Inlet	EA	1	5,000.00	5,000.00	5,265.00	5,265.00	7,744.00	7,744.00	5,000.00	5,000.00	5,515.00	5,515.00	3,500.00	3,500.00	5,500.00	5,500.00														
25	4'x4' Wye Inlet	EA	1	5,900.00	5,900.00	6,259.50	6,259.50	8,448.00	8,448.00	6,000.00	6,000.00	5,530.00	5,530.00	4,000.00	4,000.00	7,200.00	7,200.00														
26	18-inch TxDOT PSET-SC (6:1)	EA	16	1,300.00	20,800.00	2,196.80	35,148.80	1,312.30	20,996.80	1,000.00	16,000.00	1,625.00	26,000.00	1,300.00	20,800.00	1,700.00	27,200.00														
27	18-inch TxDOT PSET-SC (4:1)	EA	1	1,300.00	1,300.00	2,196.81	2,196.81	330.00	330.00	1,500.00	1,500.00	1,365.00	1,365.00	1,100.00	1,100.00	1,600.00	1,600.00														
28	Remove and Relocate Fire Hydrant	EA	2	2,200.00	4,400.00	5,178.01	10,356.02	2,750.00	5,500.00	6,600.00	13,200.00	645.00	1,290.00	5,000.00	10,000.00	1,700.00	3,400.00														
29	Adjust Water Valve to Grade	EA	2	900.00	1,800.00	198.39	396.78	412.50	825.00	400.00	800.00	1,000.00	2,000.00	850.00	1,700.00	250.00	500.00														
30	Adjust Sanitary Sewer Manhole to Grade	EA	1	1,800.00	1,800.00	3,158.49	3,158.49	935.00	2,500.00	2,500.00	2,500.00	660.00	660.00	1,000.00	1,000.00	1,300.00	1,300.00														
31	Pavement Markings and Signage	LS	1	21,000.00	21,000.00	33,293.52	33,293.52	23,375.00	23,375.00	25,000.00	25,000.00	31,300.00	31,300.00	24,000.00	24,000.00	19,000.00	19,000.00														
32	Landscape Adjustments Allowance	LS	1	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00														
33	Irrigation Repair Allowance	LS	1	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00														
34	6-inch Cement Treated Subgrade (For Transition Deduction)	SY	(139)	4.50	(625.50)	23.13	(3,215.07)	5.70	(792.30)	3.00	(417.00)	6.00	(834.00)	10.00	(1,390.00)	23.00	(3,197.00)														
35	Cement Slurry (20 LBS/SY) (For Transition Deduction)	TON	(1)	330.00	(330.00)	274.63	(274.63)	269.00	(269.00)	260.00	(260.00)	308.00	(308.00)	255.00	(255.00)	700.00	(700.00)														
36	2-inch Asphalt Type "D" HMAC (For Transition Deduction)	SY	(126)	24.00	(3,024.00)	34.22	(4,311.72)	26.00	(3,276.00)	40.00	(5,040.00)	33.00	(4,158.00)	65.00	(8,190.00)	31.00	(3,906.00)														
37	4-inch Asphalt Type "B" HMAC (For Transition Deduction)	SY	(126)	47.00	(5,922.00)	61.13	(7,702.38)	52.00	(6,552.00)	60.00	(7,560.00)	59.00	(7,434.00)	100.00	(12,600.00)	41.00	(5,166.00)														
38	Construction Contingency	LS	1	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00														
39	Unclassified Excavation	CY	479	80.00	38,320.00	15.83	7,582.57	9.03	4,325.37	20.00	9,580.00	148.00	70,892.00	30.00	14,370.00	25.00	11,975.00														
40	Embankment (TxDOT Type D)	CY	3,347	5.00	16,735.00	5.12	17,136.64	5.15	17,237.05	10.00	33,470.00	20.00	66,940.00	20.00	66,940.00	31.00	103,757.00														
Subtotal - Added Alternate - STA 36+00.00 to Turbeville Road - Section III - Paving and Drainage					1,051,231.99		1,080,991.53		1,081,750.50		1,126,443.00		1,170,718.25		1,395,379.00		1,351,132.00														
Added Alternate - STA 36+00.00 to Turbeville Road - Section IV - Sidewalks																															
1	4-inch Thick, 3,600 PSI Portland Cement Concrete Sidewalk	SY	1,298	58.00	75,284.00	70.73	91,807.54	52.97	68,755.06	60.00	77,880.00	60.00	77,880.00	45.00	58,410.00	63.00	81,774.00														
2	4-inch Thick, 3,600 PSI Portland Cement Concrete Barrier Free Curb Ramp (Type 7)	EA	4	1,800.00	7,200.00	2,281.50	9,126.00	2,299.00	9,196.00	2,000.00	8,000.00	1,300.00	5,200.00	2,200.00	8,800.00	3,600.00	14,400.00														
Subtotal - Added Alternate - STA 36+00.00 to Turbeville Road - Section IV - Sidewalks					82,484.00	</																									



January 19, 2022
AVO 42236

Mr. John Smith
Town Administrator
Town of Hickory Creek
1075 Ronald Reagan Ave.
Hickory Creek, TX 75065

Re: Sycamore Bend Road – DDM Construction References

Dear Mr. Smith:

Bids for the Sycamore Bend Road reconstruction project were opened on Thursday, January 13, 2022, at the Town of Hickory Creek. Bids were received from Seven (7) different bidders and ranged from high bid of \$4,198,299.00 to a low bid of \$3,488,395.98. DDM Construction Corporation (DDM) is the low bidder. The Town of Hickory Creek (Town) asked Halff Associates, Inc. (Halff) to review the qualifications and references of the two apparent low bidders. In response to this request, Halff personnel reached out to eight (8) municipality references that had similar project scope, scale and contract price to the Sycamore Bend Road project and received responses back from the City of Carrollton, City of Lewisville, City of The Colony, City of Coppell and the City of Frisco about the projects performed by DDM, the quality of the construction services, safety compliance and overall satisfaction. It should be noted that DDM had previously completed or is currently working on infrastructure construction projects for each of these cities.

In a conversation with Andrew Combs, Capital Improvements Plan Division Manager for the City of Carrollton, Halff personnel discussed DDM's performance on Carrollton's paving and drainage improvements project. The scope of work was a residential paving and drainage replacement. When asked about the overall approval of work completed by DDM, Mr. Combs stated that from the beginning there was a lot of tension and attorneys were eventually involved, but no litigation was taken. Mr. Combs stated that he can't provide a good recommendation on DDM's paving replacement/repair workmanship and repeated that the project came close to litigation. When asked about project safety, Mr. Combs stated that there were no safety issues during the project and DDM were able to keep themselves and residents safe. Finally, when asked if DDM can work on large scale projects, he stated that DDM's residential project scope was well defined, however there was still a lot of struggles.



Mr. John Smith
January 19, 2022
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Halff personnel also spoke with Mary Ayala, Engineer for the City of Lewisville, and discussed DDM's current performance on Lewisville's residential street improvement project. The project scope consists of concrete paving, utilities (water and sanitary sewer lines), and drainage improvements (RCP and RCB installation). When asked about the overall execution of DDM's workmanship on the project to-date, Ms. Ayala stated that workmanship has been average, and that some change orders have been requested. Next, Ms. Ayala mentioned that most project deadlines have been met. When asked if DDM can complete large scale projects, Ms. Ayala mentioned they have average capability. Finally, Halff personnel inquired about DDM's safety protocols and compliance, and Ms. Ayala stated that they have been able to keep residents and themselves safe during construction with no safety issues.

Halff spoke with Naim Khan, Senior Engineer at the City of The Colony with regards to work DDM performed on The Colony's Stream SC1-A stabilization project. The project scope consisted of channel work/repair, grading, and storm pipe installation. Mr. Khan stated that DDM met project deadlines. However, when asked to discuss the workmanship on utilities, Mr. Khan stated that DDM made mistakes by building elements without prior approval. When asked about overall paving workmanship, Mr. Khan stated that DDM poured concrete for rip rap in hot weather which resulted in cracks. When asked if there were any change orders or problems with working with DDM, Mr. Khan mentioned that no change orders were issued, however there were times where the contractor did not look at or construct in accordance with the details in the construction plans. Mr. Khan stated that overall, DDM could have done a better job if they had followed the plans. When asked about any safety issues, Mr. Khan stated that there were some project safety issues when working with DDM. Mr. Khan stated DDM damaged a power pole on two different occasions, one of which was close to an aquatic center. Mr. Khan mentioned this resulted in the aquatic center being shut down for multiple days.

In a conversation with David Chacon, Public Works Senior Civil Engineer for the City of Frisco, Halff personnel discussed DDM's performance on Frisco's ongoing Custer Farms Pavement Improvements project. The scope of work was paving, drainage and utilities replacement. When asked about the overall opinion of work completed by DDM, Mr. Chacon stated that they would not hire them again for anything if possible. Mr. Chacon stated that workmanship on paving and drainage was fair, but that some completed work needed to be removed and replaced for not meeting project specifications. In regard to project schedule and deadlines, Mr. Chacon detailed that DDM has had trouble getting a number of items to a finishing point in a timely manner. When asked about project safety, Mr. Chacon stated that there have been safety concerns with DDM and that there are outstanding problems with the contractor. Finally, when asked if he had any further comments about DDM, he stated that he believes that communication with work crews is not good



Mr. John Smith
January 19, 2022
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and that DDM representatives want to dictate how things are supposed to be rather than being in accordance with City staff.

Finally, Halff personnel spoke with Jamie Brierton, Project Manager and Capital Programs Administrator for the City of Coppell, to discuss DDM's current performance on Coppell's Plantation Drive & Mossy Oak Drive project. The project scope consists of residential paving, utilities (water and sanitary sewer lines) and drainage reconstruction. When asked about the overall opinion of DDM's work on the project to-date, Ms. Brierton stated that quality of work is good, but that there have been struggles with communication between DDM and residents and that traffic control has needed excessive guidance and coordination to maintain correctly. Ms. Brierton mentioned that project deadlines have been met and they have behaved professionally. When asked if DDM has requested change orders, Ms. Brierton mentioned they have issued change orders due to material price changes that the City agreed to work with them on. Finally, Halff personnel asked if Ms. Brierton had any other comments about DDM and she stated that she would consider using them again only if a 3rd party traffic control company was required to implement the traffic control plan. She mentioned letting DDM manage traffic control themselves was not successful and that they did not have enough dedicated staff to handle it, its phasing and its complexity.

Should you have any questions or comments regarding the statements recorded in this letter please feel free to call me at (817) 764-7446

Sincerely,

HALFF ASSOCIATES, INC.

A handwritten signature in black ink, appearing to read "Kevin Gronwaldt".

Kevin Gronwaldt, P.E.

Attachment



January 19, 2022
AVO 42236

Mr. John Smith
Town Administrator
Town of Hickory Creek
1075 Ronald Reagan Ave.
Hickory Creek, TX 75065

Re: Sycamore Bend Road – McMahon Contracting References

Dear Mr. Smith:

Bids for the Sycamore Bend Road reconstruction project were opened on Thursday, January 13, 2022, at the Town of Hickory Creek. Bids were received from Seven (7) different bidders and ranged from high bid of \$4,198,299.00 to a low bid of \$3,488,395.98. McMahon Contracting, LP (McMahon) is the second lowest bidder. The Town of Hickory Creek (Town) asked Halff Associates, Inc. (Halff) to review the qualifications and references of the two apparent low bidders. In response to this request, Halff personnel reached out to twelve (12) municipality references that had similar project scope, scale and contract price to the Sycamore Bend Road project and received responses back from the City of Euless, City of Grand Prairie, City of Arlington, City of Plano and the City of Murphy about the projects performed by McMahon, the quality of the construction services, safety compliance and overall satisfaction. It should be noted that McMahon had previously completed infrastructure construction projects for each of these cities.

In a conversation with Hal Cranor, Director of Public Works at the City of Euless, Halff personnel inquired about McMahon's performance on the FY 2018 and FY 2019 Euless Reconstruction projects. The project scopes involved road reconstruction, including paving, utilities and drainage improvements. When asked about the overall approval of work completed by McMahon, Mr. Cranor mentioned that they are a very good contractor and that he has had no issues with any of their work. Mr. Cranor stated that they have been great about communicating and coordinating with residents, inspectors and City staff throughout construction. He also stated that they have never had any safety concerns with McMahon, never had scheduling issues nor have they had any issues with change orders and that often times the projects come in under budget and ahead of schedule. Mr. Cranor mentioned that workmanship has never been a problem with McMahon and that they've always worked with the City to meet their needs. Mr. Cranor also stated that he hopes they are the Contractor on future projects in the City. Finally, Mr. Cranor made it clear that given the choice between McMahon and any low bidder, he would choose McMahon every time.



Mr. John Smith
January 19, 2022
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Halff personnel also spoke with Jesus Castaneda, who works at the City of Grand Prairie as the Senior Construction Inspector. Mr. Castaneda discussed McMahon's performance on their Ragland Road improvements project, as well as his opinion of them on other projects McMahon had performed for the City. The project scope consisted of complete road reconstruction, concrete paving, and utility improvements. When asked about the overall approval of their work, Jesus mentioned that McMahon has done great work for the City and believes they will continue to perform great work in the future. Mr. Castaneda has had no scheduling issues with McMahon and did not have any safety concerns. Mr. Castaneda stated that he's not had issues with change orders and that McMahon's communication with residents, inspectors and City staff has never been a problem. He also mentioned that the City has a great working relationship with all personnel at McMahon and enjoys working with them and hopes to work with them more on future projects.

Halff spoke with Danny Wilson and Ella Reinert, PE, Construction Services Inspector and Project Manager at the City of Arlington about McMahon's performance on their Miriam Lane project. The project scope consisted a residential road rehabilitation and reconstruction, including paving and utility replacements. When asked about the overall approval of the work completed, Mr. Wilson and Ms. Reinert stated the work they've done for the City is very satisfactory. They both stated that they had good workmanship on storm pipe and drainage structures and that the paving looks good with no ponding and provides a quality ride. Mr. Wilson mentioned that no completed work has had to be removed and that they've met all City specifications on completed work. Ms. Reinert stated that a few change orders were requested, but that they were necessary to the project and were granted by the City. Mr. Wilson also stated that there have been no real safety issues and they have met or beat schedule deadlines on this project and other projects in the past. They both detailed that McMahon was easy to work with, were professional, kept everyone informed and that residents liked them. Mr. Wilson mentioned that they have had no warranty issues with McMahon but believes they would and will honor their obligations to the project and City. They both said McMahon did a good job on all of their projects with the City.

In a conversation with Tim Bennett, Senior Engineer at the City of Plano, Halff personnel asked about McMahon's performance on the several projects in the City, specifically detailing Mapleshade. The project scope involved paving and drainage improvements. When asked about the overall approval of work completed by McMahon, Mr. Bennett mentioned that he has a very good opinion of the contractor and that their workmanship on paving and drainage have both been very good. Mr. Bennett stated that they have not had to remove any completed work, that change orders have not been requests and that he has no safety concerns with McMahon. He also stated that they meet project deadlines and that all projects he's been involved in with McMahon have been completed on time. Mr. Bennett mentioned that they perform the work well without excessive guidance and have no problem understanding construction plans or details. Mr. Bennett stated that



Mr. John Smith
January 19, 2022
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McMahon has been professional and responsible in dealing with residents, inspectors and business owners and that there have not been any warranty or post-project issues. Finally, Mr. Bennett mentioned that he and the City like McMahon and that he would hire them again in the future.

Half personnel also spoke with Kenneth Lee, Bonds Project Manager at the City of Murphy. Mr. Lee discussed McMahon's performance on their Timber Drainage Improvements project, which involved drainage improvements to several existing channels, including concrete lining and retaining walls, as well as mass grading and erosion control. When asked about the overall approval of their work, Mr. Lee mentioned that McMahon did an outstanding job on a project that was their most technically challenging bond project to date. He stated that their workmanship on drainage structures were great, at a high quality and in precise accordance to the project specifications and that concrete flatwork installation was just about as good as possible. Mr. Lee also mentioned that they finished the project below budget, a couple months ahead of schedule and no rework of completed installations was necessary during any aspect of the project. Mr. Lee stated that there are no outstanding issues or safety concerns with McMahon and that the few change orders were attributed to design/plan errors. Mr. Lee felt that McMahon was extremely competent and required minimal supervision from the City. Mr. Lee mentioned that McMahon worked very well with residents and was very good about communicating with City inspectors and staff as necessary. Finally, Mr. Lee stated that he would absolutely hire McMahon again as they did an outstanding job on the City's largest, longest and most technically challenging bond project to date and that they performed the best of any of their previous bond project contractors.

Should you have any questions or comments regarding the statements recorded in this letter please feel free to call me at (817) 764-7446.

Sincerely,

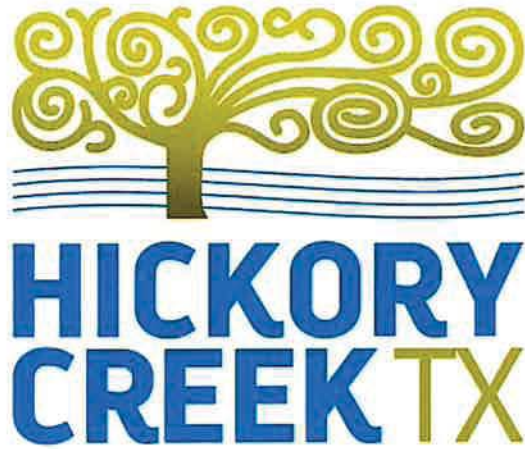
HALFF ASSOCIATES, INC.

A handwritten signature in black ink, appearing to read "Kevin Gronwaldt".

Kevin Gronwaldt, P.E.

Attachment

Town of Hickory Creek



Contract Documents and Specifications

for

SYCAMORE BEND ROAD TURBEVILLE ROAD TO SYCAMORE BEND PARK GATE

Bid# 2022-01

December 2021

Prepared by



Halff Associates, Inc.
4000 Fossil Creek Boulevard
Fort Worth, Texas 76137
TBPELS Engineering Firm #312



12/8/2021

A handwritten signature in blue ink, written over the bottom portion of the professional engineer seal.

TOWN OF HICKORY CREEK, TEXAS

SYCAMORE BEND ROAD

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BIDDING DOCUMENTS

- Notice to Bidders
- Instructions to Bidders
- Proposal
- Bid Bond
- Form CIQ – Conflict of Interest Questionnaire
- Form CIS – Local Government Officer Conflicts Disclosure Statement
- Vendor Compliance to State Law
- Contractor Compliance to Texas State Sales Tax Code
- Form TCG 2270 – Verification Required by Texas Government Code Chapter 2270

CONTRACT DOCUMENTS

- Contract Agreement
- Performance Bond
- Payment Bond
- Maintenance Bond
- General Conditions (including Insurance Requirements)
- Supplementary Conditions
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APPENDIX

- Construction Documents (Plans Set)

NOTICE TO BIDDERS

1. Sealed Bids will be received in a sealed envelope addressed to the Town of Hickory Creek, Texas, 1075 Ronald Reagan Ave, Hickory Creek, Texas 75065, until **10:00 a.m.**, on **January 13, 2022** (“Closing Time”) for the following project:

SYCAMORE BEND ROAD BID # 2022-01

At the above time and place the bids will be publicly opened and read aloud and retained by the Purchasing Office for tabulation, verification and evaluation.

January 7, 2022 at 5:00 pm will be the deadline for receipt of bidder questions. After that day and time, no bidder questions will be accepted or answered by the Engineer or Town. All questions must be submitted in writing to Lee Williams at email address LWilliams@Halff.com and Kevin Gronwaldt at email address kgronwaldt@halff.com.

A non-mandatory Pre-Bid Meeting will be held on January 4, 2022 at 10:00 a.m. at the Hickory Creek Town Hall, 1075 Ronald Reagan Ave, Hickory Creek, Texas 75065.

2. The Project consists of furnishing all labor, equipment and materials (except as otherwise specified), and performing all work necessary for the reconstruction of approximately 6,000 linear feet of Sycamore Bend Road from Turbeville Road to Sycamore Bend Park Gate, including 20,249 square yards of concrete pavement, 3,029 square yards of concrete sidewalk, and 1,111 linear feet of storm drain pipe. The scope of work associated with the project includes concrete pavement, sidewalks, storm drain pipe and culverts, headwalls, erosion control, earthwork and pavement markings.
3. Bids shall be submitted in sealed envelopes addressed to the Purchasing Manager upon the blank form of the bid form furnished, and shall be marked on the outside of the envelope with the following information: (a) the submitting firm’s name and (b) **“BID # 2022-01 SYCAMORE BEND ROAD – DO NOT OPEN UNTIL JANUARY 13 AT 10:00 A.M.”**
4. A Bid Bond in the form of a cashier’s check, a certified check, or an acceptable bidder’s bond made payable without conditions to the “Town of Hickory Creek, Texas” in an amount of not less than five percent (5%) of the total amount of the bid submitted, must accompany each bid as a guarantee that if awarded the contract, the bidder will promptly enter into a contract and execute such bonds as are required and provide evidence of all required insurance coverage. All bidders’ security will be retained until a contract has been awarded and executed.
5. Plans and Specifications and Contract Documents may be examined without charge at the following locations: 1) Halff Associates, Inc. at 4000 Fossil Creek Blvd, Fort Worth, Texas 76137, 2) Hickory Creek Town Hall, 1075 Ronald Reagan Ave, Hickory Creek, Texas 75065, or 3) download from civcastusa.com. Otherwise, please contact Lee Williams at LWilliams@halff.com or Kevin Gronwaldt at kgronwaldt@halff.com to receive a link to download the plans.

6. Hard copies of the Plans and Specifications and Contract Documents may be purchased from the Halff Associates, Inc. 4000 Fossil Creek Blvd., Fort Worth, Texas 76137 in the amount of **\$100.00** for each set. Requests for hard copies must be made at least 24-hours prior to picking up the plans. **THE PURCHASE PRICE IS NON-REFUNDABLE.**
7. **The Town reserves the right to accept the bid which, in its judgment is the lowest responsible bid; to reject any or all bids;** and to waive irregularities or informalities in any bid received, deemed to be in the best interest of the Town. Conditional or qualified bids will not be accepted. In case of ambiguity or lack of clarity in one or more prices listed in the bid proposal, the Town reserves the right to accept the most advantageous construction of the proposed price(s) to the Town or to reject the bid. No officer or employee of the Town shall have a financial interest, direct or indirect, in any contract with the Town of Hickory Creek. No bid may be withdrawn, cancelled or rescinded within one hundred twenty (120) days after the Closing Time without prior written approval of the Purchasing Manager.
8. The date/time stamp located in the Town of Hickory Creek Purchasing Office serves as the official time clock. The Town of Hickory Creek cannot and does not guarantee that any proposals sent to the Town via United States Postal Service, Federal Express, United Parcel Services or any other similar delivery service will be delivered to the Purchasing Office prior to the Closing time. It is recommended that bid deliveries be made either in person or via an alternate delivery method ensuring delivery to the Purchasing Office. **Bidder bears full responsibility for ensuring the bid is delivered to the specified location by the Closing Time. The mere fact that a bid was dispatched will not be considered. Submissions received in the Purchasing Office after the Closing Time shall be returned unopened.**

TOWN OF HICKORY CREEK

By **Lee Williams**
Town Engineer
(817) 764-7441

Advertising Dates: **Denton Record Chronicle: December 12, 2021 and December 19, 2021**

INSTRUCTIONS TO BIDDERS

1. Each proposal shall be legibly written or printed in ink, on the proposal form provided in this bound copy of proposed Contract Documents. No alterations in proposal, or in the printed forms thereof, by erasures, interpolations, or otherwise will be acceptable unless each such alteration is signed or initialed by the bidder and the Town approves such alterations after the bid opening date; if initialed, the Town may require the bidder to identify any alterations so initialed. Any alterations made by a bidder, whether signed or initialed, may in the Town's sole determination be deemed nonconforming and disqualify the proposal from consideration. No alteration in any proposal, or in the proposal form on which it is submitted, shall be made by the person after the proposal has been submitted to the Town by the bidder. Any and all addenda to the Contract Documents on which a proposal is based, properly signed by the bidder, shall accompany the proposal when submitted. The bidder may withdraw his proposal any time prior to the bid opening date and time stipulated in the Notice to Bidders.

Each proposal shall be submitted in a sealed envelope upon the blank form of the proposal furnished. Sealed envelopes shall be marked **"BID# 2022-01 SYCAMORE BEND ROAD- DO NOT OPEN UNTIL JANUARY 13, 2022 AT 10:00 a.m."** The proposal must be addressed to the Town of Hickory Creek, 1075 Ronald Reagan Ave, Hickory Creek, Texas 75065, and identify the bidder. Proposals shall be delivered to the

Purchasing Office
Town of Hickory Creek
1075 Ronald Reagan Ave
Hickory Creek, Texas 75065

Proposals shall be submitted to the Town on or before 10:00 a.m., January 13, 2022 at which time bids will be publicly opened and read aloud. **Facsimile Transmittals Will Not Be Accepted.**

All conforming bids will be tabulated for the Town Council by the Engineering Office. In the event variations exist between unit prices and extensions or totals shown in the Proposal, the unit prices shall govern. The Town Council will determine the lowest responsible bid, after considering the recommendations of the Town Engineer, and award the contract or reject any or all bids. The Hickory Creek Town Council will authorize the Mayor to enter into a contract with said Contractor, provided the contract is awarded.

2. Each Proposal shall be accompanied by either a cashier's check, a certified check, or an acceptable bid bond in an amount of not less than five percent (5%) of the total amount of the bid, made payable without conditions to "Town of Hickory Creek, Texas", and the amount of the said Bid Bond may be retained by and forfeited to the Town as liquidated damages if the proposal covered thereby is accepted and a contract based thereon is awarded and the bidder should fail to enter into a contract in the form prescribed, with legally responsible sureties and required insurance coverage acceptable to the Town Attorney, within fifteen (15) days after such award is made by the Town.

The Bid Bond of the unsuccessful bidders will be returned if and when their proposals are rejected. The Bid Bond of the bidder to whom a contract is awarded will be returned

provided the bidder executes a contract and files the required bonds and insurance. The Bid Bond of the second and third lowest responsible bidders may be retained for a period of time not to exceed one-hundred twenty (120) days after the contract is awarded pending the execution of the contract and bonds by the successful bidder.

3. No pre-qualification of Bidders is required. However, to demonstrate qualifications to perform the work, each bidder shall furnish an experience list of similar work along with such other information as will tend to show the bidder's ability to prosecute the required work. This information should be submitted on the forms provided in this document. The Town may make such investigations, as it deems necessary to determine the ability of the Bidder to perform the work.
4. Each bidder shall carefully examine the Plans, Specifications, and other Contract Documents, shall visit the site and fully inform himself of all conditions affecting the work or the cost thereof, and shall be presumed to have done so and his bid shall be based upon his own conclusions from such examination. Each bidder shall inform himself concerning all Federal, State, and local laws, ordinances or regulations which may in any manner affect his proposed construction operations, or those engaged or employed on the work or the material or equipment. Should a bidder find discrepancies in, or omissions from, the Plans, Specifications or other Contract Documents, he should at once notify the Director of Purchasing and obtain clarification or interpretation prior to submitting any bid.

Any clarification regarding the interpretation and/or application of the proposed Contract Documents will be made only by addendum duly issued by the Engineer with a copy of such addendum being mailed or delivered to each plan holder from the Director of Purchasing. The Town will not be responsible for any other explanations or interpretations of the proposed Contract Documents. No information given by the Town or any official thereof, other than that shown on the plans and contained in the specifications, proposal, addendum and other Contract Documents shall be binding on the Town.

Any bidder, by submitting his bid, represents and warrants; that he has prepared his bid in accordance with the Contract Documents, with full knowledge and understanding of the terms and provisions thereof; that he has reviewed, studied and examined the bid proposal prior to the signing and submission of same; and that he is cognizant of the terms of his proposal, verified his calculations and found them to be correct and agrees to be bound thereby.

5. The quantities of work and materials set forth in the proposal form or on the plans approximately represent the work to be performed and materials to be furnished, and are for the purpose of comparing bids on a uniform basis. Payment shall be made to the Contractor only for the actual quantities of Work performed and materials furnished in accordance with the plans and specifications; and it is specifically understood and agreed that the quantities may be increased or decreased as hereinafter provided, without in any way invalidating the bid prices.
6. The Town may disqualify bidders and their proposal for any of the following specific reasons:
 - (a) Reasonable grounds for believing collusion exists among the bidders.

- (b) Reasonable grounds for believing that any bidder or subcontractor is interested in more than one proposal for the work contemplated.
- (c) The bidder having a history of filing questionable claims against the Town, or against other contractors on a project of the Town.
- (d) The bidder or his surety having defaulted on a previous contract, or the bidder having performed poorly on a previous contract.
- (e) Lack of competency, skill, judgment, financial capability, integrity, reputation, reliability, or responsibility to perform the work as revealed by the bid proposal, bid questionnaires, financial statement, performance history or other relevant information obtained by the Town.
- (f) Uncompleted work which, in the judgment of the Town, may prevent or hinder the prompt completion of additional work if awarded.
- (g) Failure of the bidder to use the Town's form of bid bond in submitting his bid.
- (h) Unbalanced value of any bid items.
- (i) The bidder or his surety being currently involved in any litigation against Town, or where such litigation is contemplated or imminent, in the sole opinion of the Town.

7. The bidder to whom a contract for the work is awarded will be required to furnish surety as follows:

Performance Bond: A good and sufficient performance bond in an amount not less than one hundred percent (100%) of the total amount of the contract shall be filed with the Town in accordance with the GENERAL CONDITIONS and SUPPLEMENTARY CONDITIONS in the Contract Documents.

Payment Bond: A good and sufficient payment bond in an amount not less than one hundred percent (100%) of the total amount of the contract, shall be filed with the Town in accordance with the GENERAL CONDITIONS and SUPPLEMENTARY CONDITIONS in the Contract Documents.

Maintenance Bond: A good and sufficient maintenance bond in an amount not less than one hundred percent (100%) of the total amount of the contract for a period not less than two (2) years following the date of final acceptance, shall be filed with the Town in accordance with the GENERAL CONDITIONS and SUPPLEMENTARY CONDITIONS in the Contract Documents.

8. By way of information, only, the bidder is hereby placed on notice that the bidder to whom a contract for the work is awarded shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the Contractor's bid. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any

services being performed or rendered. Renewal certificates shall also be supplied upon expiration.

(a) Minimum Scope of Insurance. Coverage shall be at least as broad as:

- (1) ISO Form Number GL 00 01 (or similar form) covering Comprehensive General Liability. "Occurrence" form only, "claims made" forms are unacceptable.
- (2) Workers Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
- (3) Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.

(b) Minimum Limits of Insurance. Contractor shall maintain throughout contract limits not less than:

- (1) Commercial General Liability: \$1,000,000 per occurrence / \$2,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:
 - (i) Premises / Operations
 - (ii) Broad Form Contractual Liability
 - (iii) Products and Completed Operations
 - (iv) Personal Injury
 - (v) Broad Form Property Damage
 - (vi) Explosion Collapse and Underground (XCU) Coverage.
- (2) Workers Compensation and Employer's Liability: Workers Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 per injury, \$300,000 per occurrence, and \$100,000 per occupational disease.
- (3) Automobile Liability: \$1,000,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired and non-owned autos.
- (4) Builders' Risk Insurance: Completed value form, insurance carried must be equal to the completed value of the structure. Town shall be listed as Loss Payee.
- (5) Umbrella Liability: \$1,000,000 Umbrella Liability Limit that follows form over underlying Automobile Liability, General Liability, and Employers Liability coverages.

- (c) Deductibles and Self-Insured Retentions: Any deductible or self-insured retention(s) in excess of \$10,000 must be declared to and approved by the Town.
- (d) Other Insurance Provisions. The policies are to contain, or be endorsed to contain the following provisions:
- (1) General Liability and Automobile Liability Coverages:
 - (i) The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the contractor, products and completed operations of the contractor, premises owned, occupied or used by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.
 - (ii) The contractor's insurance coverage shall be primary insurance as respects to the Town, its officers, officials, employees and volunteers. Any insurance or self- insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the contractor's insurance and shall not contribute with it.
 - (iii) Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards and commissions or volunteers.
 - (iv) The contractor's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the limits of the insured's limits of liability.
 - (2) Workers Compensation and Employer's Liability Coverage: The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the contractor for the Town.
 - (3) All Coverages: Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given the Town.
- (e) Acceptability of Insurers: The Town prefers that Insurance be placed with insurers with an A.M. Best's rating of no less than A- VI, or better.
- (f) Obligation to Provide Coverage and Right to Verify Coverage: **It is specifically understood and agreed that it is and shall be Contractor's sole obligation and responsibility to purchase and maintain at all times during the performance of the Work hereunder all of the insurance coverages in the form and the amounts set forth in this Section together with any and all additional endorsements as may be required to fully comply with the requirements of this Section. Contractor shall purchase and have in full force and effect such insurance coverages as are required by this Section prior to the Contractor's execution of**

the Contract Documents for this Project. Contemporaneously with the execution of the Contract Documents by Contractor, the Contractor shall provide the Town with a fully executed Affidavit of Contractor Regarding Insurance Coverage verifying that Contractor has purchased all of the insurance coverages required by this Section. Failure of the Contractor to purchase and maintain such required insurance coverages at all times during the term of this Project shall be deemed a material breach of the Contract Documents.

The Town shall have the right, but not a corresponding obligation, to verify that the insurance coverages purchased and maintained by the Contractor conform to the minimum requirements of this Section. To that end, Contractor shall provide the Town with certificates of insurance indicating that Contractor has purchased and is maintaining the minimum insurance coverages required by the Contract Documents. The certificates of insurance shall be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of Insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

Approval, disapproval or failure to act by Town regarding any insurance coverages supplied, in whole or in part, or omitted by Contractor (or any subcontractors) shall not relieve Contractor of full responsibility or liability for damages and accidents that would otherwise be covered by the minimum insurance coverages specified in and required to be purchased and maintained by Contractor as set forth in the Contract Documents. Neither shall the insolvency or denial of liability by any insurance company exonerate Contractor from liability.

Contractor shall confirm that the insurance coverages stated herein-above have not been altered, amended or modified by the General Conditions or Supplementary Conditions in the Contract Documents or by any Addendum to this Bid Specification.

9. The Bidder's attention is directed to Texas Tax Code Section 151.311 regarding the tax-exempt nature of personal property purchased for and services provided to make improvements to realty for an entity exempted from taxes by Sections 151.309 or 151.310 of the Texas Tax Code. The Contractor shall pay any taxes assessed because of Contractor's failure to comply with the requirements of state law to qualify for such tax exemptions.
10. No bidder may submit more than one proposal. Two proposals under different names will not be received from one (1) firm or association.
11. A bidder may modify or withdraw his proposal at any time prior to the expiration of the period during which proposals may be submitted, by written request of the same person or persons who signed the Proposal.
12. None of the Notice to Bidders, Instructions to Bidders, Proposal, Performance Bond, Payment Bond, Contract Agreement, General Conditions, Special Conditions or Specifications shall be removed from the bound copy of the Contract Documents prior to filing the proposal contained therein.

13. Each bidder shall sign his proposal, using signature and giving his full business address. Bids by partnerships shall be signed with the partnership name, followed by the signature of one of the members of the partnership, or by an authorized representative with the official designation of the person signing. Bids by corporations shall be signed with the name of the corporation, followed by the signature and designation of the president, secretary, or other person authorized to bind the corporate entity in the matter. The names of all persons signing should also be printed below their respective signature. A bid by a person who affixes to his signature the word "President", "Secretary", "Agent", or other designation, without disclosing his principal, may be held to be the individual signing. When requested by the Town, satisfactory evidence of the authority of the officer signing on behalf of a corporation or other business entity shall be furnished.
14. The Notice of Award shall be accompanied by the necessary Contract Agreement and Bond Forms. The Bidder to whom the Contract is awarded will be required to execute the Contract Agreement in such number of originals as may be required by the Town and obtain the required Bonds and Certificates of Insurance within fifteen (15) calendar days from the date when Notice of Award is delivered to the bidder. In the case of failure of the bidder to execute the Contract Agreement, the Town may at its option consider the bidder in default; in which case, the Bid Bond accompanying the Proposal will be forfeited to the Town.
15. The Town, within fifteen (15) calendar days of receipt of acceptable Performance Bond, Payment Bond, Certificates of Insurance and Contract Agreement signed by the bidder to whom the contract was awarded, shall sign the Contract Agreement and return to the bidder two (2) executed copies of the Contract Agreement. The Bidder may withdraw his signed Contract Agreements should the Town fail to execute the Contract Agreement within the stated time period, and prior to the Bidder's withdrawal of such documents.
16. The Notice to Proceed shall be issued by the Town within ten (10) calendar days of the execution of the Contract Agreement by the Town. The time may be extended by mutual agreement between the Town and Contractor. If the Notice to Proceed has not been issued within the specified time or mutually agreed upon extension, the Contractor may terminate the Contract Agreement without further liability on the part of either party.
17. Not less than the federally determined prevailing wage rate, as issued by the U.S. Department of Labor, must be paid on this project or the prevailing wages for Denton County, as published by The Associated General Contractors of Texas, whichever rate is higher. Notwithstanding the foregoing prevailing wage rates, Bidders shall base their bids on the wage rates they expect to pay, if in excess of those rates listed. The Town will not consider claims for extra payment on account of payment of wages higher than those required.
18. The Town intends to award the Contract to a bidder that will be doing a substantial portion of the work rather than through subcontractors. The bidder must complete the item in the Proposal regarding the amount of work to be done by the Prime Contractor. The Town reserves the right to consider this breakdown in awarding the Contract.
19. Each Bidder shall list all subcontractors they propose to use on this project for which the amount of the subcontractor's work exceeds \$10,000.00. The list shall include the name and address of the subcontractor, the work they will be performing and the total amount of the subcontract(s). The Bidder shall also complete a Statement of Qualifications and

Experience for each subcontractor listed. The Town reserves the right to disapprove any subcontractor. The Contractor shall not change subcontractors or enter into contracts with subcontractors not listed without prior approval by the Town. The Town reserves the right to refuse any or all requests for changes.

20. Bid documents for this project include:

1. Construction Agreement;
2. Performance Bond;
3. Payment Bond;
4. Maintenance Bond;
5. Special Provisions;
6. Supplementary Conditions;
7. Notice to Bidders;
8. Instructions to Bidders;
9. Construction Drawings or Plans;
10. Technical Specifications;
11. Town's Standard Construction Details;
12. The most current edition of the *Town of Hickory Creek Design Criteria and Construction Standards* (by reference);
13. *Occupational Safety and Health Standards – Excavation*, 20 CFR Part 1926 (by reference);
14. *Texas Manual on Uniform Traffic Control Devices (TMUTCD)* (by reference);
15. The General Conditions;
16. *Public Works Construction Standards - North Central Texas, as amended* (by reference);
17. Any listed and numbered addenda;
18. The Bid Proposal;

**TOWN OF HICKORY CREEK, TEXAS
ORDINANCE NO. 2022-01-_____**

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, AMENDING CHAPTER 1 GENERAL PROVISIONS, ARTICLE 1.10 PARKS AND RECREATION; SECTION 1.10.006, FEES FOR USE; 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

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; and

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 1 General Provisions; Article 1.10 Parks and Recreation; Section 1.10.006 Fees for use is hereby amended to read:

The following fees shall be paid to the town prior to engaging in the listed activity or using the listed facility:

- (1) Boat ramp daily use pass for non-resident\$10.00
- (2) Boat ramp annual use pass, second and subsequent issued to town resident at same address\$100.00
- (3) Boat ramp annual use pass for non-resident \$100.00
- (4) [reserved]
- (5) Day use vehicle fee \$5.00
- (6) Day use annual pass, third and subsequent issued to town resident at same address..... \$25.00
- (7) Day use annual pass for non-resident..... \$25.00
- (8) Daily camp site use fee \$20.00
- (9) Pavilion rental fee \$75.00
- (10) Pavilion rental cleaning fee (refundable if left in clean condition) \$50.00.@

3.02 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 the subject matter of this ordinance 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 24th day of January, 2022.

Lynn C. 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 NO. 2022-01-_____

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, AMENDING THE CODE OF ORDINANCES BY ADDING CHAPTER 15 “SHORT TERM RENTALS”; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; 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;

WHEREAS, the increase in the number of persons or entities desiring to rent their residential properties has led to the proliferation of transient and vacation rental uses within neighborhoods previously planned, approved and constructed for use as single-family residences; and

WHEREAS, the operation as a business of single-family residences by individuals for short periods of time may negatively impact the residential character of many neighborhoods by reducing communication and accountability between permanent residents by partially substituting permanent residents with transient visitors; and

WHEREAS, the regulation of the operation of such “short-term rental” property is intended to prevent the further erosion of pre-existing and stable single family neighborhoods, and further advance the Town Council’s objective of championing great neighborhoods; and

WHEREAS, the Town Council finds the imposition and collection of Hotel Tax on short term rentals as authorized by state law is in the best interest of the Town, and will assist with tourism within the Town; and

WHEREAS, the requirement of an annual short-term rental permit that could be suspended or revoked in the event of repeated nuisance violations related to noise, trash, parking, etc. or violations of this ordinance; and

WHEREAS, Town Council finds that regulating the short-term rental of residential property is necessary for the health, safety and welfare of the general public, and the protection of landowners and residents of the Town of Hickory Creek;

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; and

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 is hereby amended by creating a new Chapter 15 Short Term Rentals which shall read:

**“ARTICLE I
GENERAL PROVISIONS**

Section 1.01 Title

This Chapter of the Code of the Town of Hickory Creek is hereby designated and shall be known and referred to as the “Short-term Rental” Chapter of the Town Code of Ordinances.

Section 1.02 Purpose

The purpose of this Chapter is to safeguard the life, health, safety, welfare, and property of the occupants of residential dwelling units, the neighbors of said occupants, and the public, through the regulation of short-term rental activity within the Town of Hickory Creek. The intent of this Chapter is to preserve the neighborhood character of residential subdivisions within the Town of Hickory Creek and to minimize adverse impacts to the housing supply caused by the conversion of residential units to tourist or transient use.

Section 1.03 Applicability

The provisions of this Chapter shall apply to all existing and future residential properties, both primary and accessory structures, and any portions thereof.

**ARTICLE II
DEFINITIONS**

Section 2.01 Definitions

Administrator means the employee designated by the Town Administrator to enforce and administer this Chapter, including that employee’s designees.

Advertise means the act of drawing the public’s attention to a short-term rental in order to promote the availability of the residence for use as a short-term rental. Said advertising may be found in any medium, including but not limited to, newspaper, magazine, brochure, website, or mobile application.

Bedroom means the living area(s) of the dwelling unit that is designed and furnished for sleeping and which has proper egress as required by the International Residential Code.

Booking Service means any reservation and/or payment service provided by a person or entity that facilitates a short-term rental transaction between an Owner and a prospective Occupant, and for which the person or entity collects or receives, directly or indirectly through an agent or intermediary, a fee in connection with the reservation and/or payment services provided for the short-term rental transaction.

Hosting Platform means a person or entity that participates in the short-term rental business by providing, and collecting or receiving a fee for, Booking Services through which an Owner may offer premises for an occupant on a short-term basis. Hosting Platforms usually, though not necessarily, provide Booking Services through an online platform that allows an Owner to advertise the premises through a website provided by the Hosting Platform and the Hosting Platform conducts a transaction by which potential occupants arrange their use and their payment, whether the would-be occupant pays rent directly to the Owner or to the Hosting Platform.

Occupant means any individual person living, sleeping or possessing a building, or portion thereof. A person is not required to be paying rent, providing in-kind services, or named in any lease, contract or other legal document to be considered an occupant.

Owner means any person, agent, operator, firm, trust, corporation, partnership, or any other legal entity who has a legal or equitable interest in the property; or who is recorded in the official records of the county as holding title to the property; or who otherwise has control of the property, including the guardian of the estate of any such person, and the executor of the estate of such person if ordered to take possession of real property by a court.

Premises means property, a lot, plot or parcel of land, including any structures or portions of structures thereon.

Short-term rental (STR) means a residential premise, or portion thereof, used for lodging accommodations to occupants for a period of less than thirty (30) consecutive days. The definition of short-term rental does include a Bed and Breakfast as defined as a residential unit which requires the owners or operators to be in residence at the same time as those renting the residence. Neither STR or Bed and Breakfast properties are allowed to have operate multifamily or multiple rental units on one tract of land. Motels are not allowed by the terms of this ordinance.

ARTICLE III GENERAL REGULATIONS

Section 3.01 Unpermitted short-term rentals prohibited

A. It shall be unlawful for any owner or person to rent, lease, advertise, or otherwise permit or allow any residential premises to be operated or used as an unpermitted Short-term Rental. This ordinance is not passed with the intent or purpose of allowing short term rentals in areas where valid deed restrictions prohibit them.

B. It shall be an affirmative defense to a violation of this Section that the occupant is a party to the sale of the premises and was occupying the premises pursuant to a written post-closing occupancy agreement.

Section 3.02 Requirements for hosting platforms

A. All Hosting Platforms shall provide the following information in a notice to any owner listing a Short-term Rental located within the Town of Hickory Creek through the Hosting Platform's service. The notice shall be provided prior to the owner listing the premises and shall include the following information: THE "SHORTTERM RENTAL" CHAPTER OF THE HICKORY CREEK TOWN CODE PROHIBITS THE SHORT-TERM RENTAL OF RESIDENTIAL PREMISES WITHIN THE TOWN OF HICKORY CREEK WITHOUT AN ACTIVE SHORTTERM RENTAL PERMIT."

B. Notwithstanding any other provision of this Chapter, nothing shall relieve any owner, person, occupant, or Hosting Platform of the obligations imposed by the applicable provisions of state law and the Hickory Creek Code of Ordinances, including but not limited to, those obligations imposed by the Tax Code. Further, nothing in this Chapter shall be construed to limit any remedies available under the applicable provisions of state law and the Hickory Creek Code of Ordinances.

Section 3.03 Short-term rental permit required

An owner who desires to use its premises as a short-term rental must have a valid, active short-term rental permit from the Town prior to using, allowing the use of, or advertising the use of said premises as a short-term rental. Upon application to the Town, a short-term rental permit shall be approved by Administrator, or designee, if the application satisfies all the conditions of this Chapter, and the applicable ordinances of the Hickory Creek Code of Ordinances. The Administrator may place reasonable conditions on a short-term rental permit to ensure compliance with the provisions of this Chapter. The annual fee for a short-term rental permit shall be set by resolution of the Town Council, and listed in the application and fee schedule, to defray the administrative expenses, inspections, and personnel costs of the STR program.

Section 3.04 Expiration of permit; renewals

A short-term rental permit shall expire on the last day of the month one year after the date of issuance. No short-term rental permit may be renewed without a completed renewal application submitted by the owner and payment of the renewal fee. If the renewal application satisfies all the conditions of this Chapter and all other applicable Town Code of Ordinances provisions, an application for the renewal of a short-term rental permit shall be approved by the Administrator, or designee. The Administrator may place reasonable conditions on a short-term rental renewal permit to ensure compliance with the provisions of this Chapter. A residential unit to be used as a short-term rental must meet all applicable building codes of the Town of Hickory Creek, and all applicable provisions of Texas state law to the requirements for health safety and welfare of the residents for hotels and motels.

Section 3.05 Requirements of application.

A. Except as provided in this Section, every complete application for a short-term rental permit shall include the following information with such detail and in a form approved by the Administrator:

1. The name, address, contact information and authenticated signature for the owner of the premises;
2. The name, address and contact information of the operator, agent if any, and designated local responsible party as required in Section 3.06;
3. The Town registration number for Hotel Occupancy Tax;
4. A plot plan of the premises identifying the location of parking spaces to be used in conjunction with the short-term rental;
5. A dimensioned floor plan of the proposed short-term rental identifying bedrooms, other living spaces and emergency evacuation routes;
6. Proof of insurance as required in Section 3.07;
7. The name and contact information for the property owner's association, if any, of which the premises is covered by the dedicatory instruments;
8. A copy of the proposed host rules for the short-term rental; and
9. Such certifications deemed necessary and proper to ensure compliance with this Chapter.

B. An application for a short-term renewal permit may be filed beginning thirty (30) days prior to expiration of a current permit. Every complete application for a short-term rental renewal permit shall include updates, if any, to the information contained in the original permit application or any subsequent renewals. The permit holder shall sign a statement affirming that there is either no change to such information, or that any updated information is accurate and complete. The Administrator may require such certifications deemed necessary and proper to ensure continuing compliance with this Chapter.

C. An application for a short-term rental renewal permit submitted after the expiration of the most immediate permit for the premises shall be treated as an application for a new permit as described in subsection A of this Section.

D. If a complete application for a short-term renewal permit is submitted less than thirty (30) days prior to expiration of the current permit, the Administrator in his or her sole discretion may grant a one-time extension of the current permit not to exceed ten (10) days.

Section 3.06 Designation of local responsible party required

An owner must designate the name and contact information of a local responsible party who can be contacted regarding immediate concerns and complaints from the public. Said individual must be available to be reached in person or by phone at all times while occupants are on the premises of a short-term rental. If called, a local responsible party must be able to and shall be present at the premises within one (1) hour of call from Administrator, or his designee. A local responsible party must be authorized to make decisions regarding the premises and its occupants. A local responsible party may be required to, and shall not refuse to, accept service of citation for any violations on the premises. Acceptance of service shall not act to release owner of any liability under this chapter.

Section 3.07 Proof of insurance required

It shall be unlawful for the owner of premises operating as a short-term rental to operate without host protection or other liability insurance commensurate with the operations of the short-term rental that provides coverage of up to \$1 million per occurrence. A certificate of insurance must be on file with the Administrator. Proof of insurance shall be required at the time of application and notice of cancelation of insurance must be made to the Administrator within 30 days.

Section 3.08 Inspection required and required safety features

No permit or renewal permit shall be approved for a short-term rental until the Town has inspected the premises and found the premises to be in compliance with minimum health and safety requirements for use and occupancy. If a premises fails to pass an inspection, a reinspection fee may be charged for each subsequent inspection in accordance with the fee established by resolution. All provisions of Texas State law regarding health safety and welfare requirements in rental homes shall apply to short term rentals in the Town. In addition, the security devices required by Sections 92.153 and Smoke alarms and Fire Extinguishers of Section 92.251 of the Texas Property Code shall be installed, and functioning, in all short-term rental property. Cooking stoves must have automatic fire suppression systems installed, such as the “Stovetop Firestop” or similar system.

Section 3.09 Permit fees

The permit fee for a Short-Term Rental shall be adopted by resolution by the Town Council and listed in the fee and application schedule.

Section 3.10 Hotel occupancy taxes; Request for occupancy history

It shall be unlawful for an owner of premises used for a short-term rental to fail to pay hotel occupancy taxes required under State law and the Hickory Creek Code of Ordinances. Upon request of the Administrator, the owner of a premises used as a short-term rental shall remit, within 30 days, an accounting of all occupants who rented the premises and the hotel occupancy taxes paid therefor. It shall be unlawful for a person to fail to provide said information requested in a timely manner. This ordinance authorizes the imposition of Local Hotel Occupancy Taxes as authorized by Title 3, Subtitle D, Chapter 351 of the Texas Tax Code. Such taxes are applicable to Short Term Rentals by state law. The Mayor and City Administrator are authorized to take all action needed to impose and collect the tax in Hickory Creek. The initial tax rate shall be seven (7) per cent.

Section 3.11 Short-term rental permit nontransferable

A short-term rental permit is non-transferable and shall not be assigned nor transferred to another person or entity. Any attempt to transfer a permit or attempt to use another person’s permit is grounds for revocation of said permit.

Section 3.12 Restrictions on number of occupants

A. It shall be unlawful for an owner or person to advertise for more than two (2) persons per bedroom, plus two (2) additional persons, when using the premises as a short-term rental.

Section 3.13 Parking restrictions

It shall be unlawful for an owner or person to permit, allow or advise occupants to park more vehicles on the premises than the available off-street parking spaces, or to suffer or permit parking of vehicles on an unimproved surface. It shall be unlawful for an occupant of a short-term rental to park a motor vehicle on a residential street within 100 feet of the boundary of a property containing a short-term rental.

It shall be unlawful for an occupant of a short-term rental, or an owner thereof to allow an occupant, to park or occupy a motor home, recreational vehicle, boat, commercial vehicle, or otherwise prohibited motor vehicle on the premises of a short-term rental or on a residential street within 100 feet of the boundary of a property containing a short-term rental. Approved parking surfaces are asphalt and concrete, which require a permit for installation. No parking is allowed in the side yard or rear yard of the property.

Section 3.14 Minimum stay required.

It shall be unlawful for an owner to rent or lease a short-term rental for a period of less than 24 hours.

Section 3.15 Physical conversion of premises prohibited

A. It shall be unlawful for an owner or person to convert a garage to living space, remodel, renovate, enlarge, or otherwise modify premises to add additional bedrooms for use as a Short-term Rental, or otherwise.

B. It shall be unlawful for an owner or person to pave or otherwise cover pervious soil to create additional on-premises parking without prior approval from the Town of Hickory Creek.

C. Approved surfaces for parking for a short-term rental are asphalt and concrete, placed in compliance with city ordinance and constructed only upon the issuance and compliance with a Town building permit. Parking on grass, dirt, or gravel is not permitted, nor is parking behind the front building line of the residence.

Section 3.16 Sound equipment restrictions

It shall be unlawful for an owner or occupant of a short-term rental to use or allow the use of amplified sound equipment that produces sound audible beyond the property line of the premises between the hours of 11:00 p.m. and 6:00 a.m.

Section 3.17 On-premises curfew requirements

It shall be unlawful for an owner or person to allow the congregation of occupants outside at the premises between the hours of 11:00 p.m. and 9:00 a.m.

Section 3.18 Trash pickup requirements

It shall be unlawful for an owner or occupant to place, or allow to be placed, trash on the premises before 7:00 PM the evening prior to scheduled pickup or on a day not scheduled for pickup by the Town or its authorized solid waste transportation vendor.

Section 3.19 Notice to occupants of short-term rentals

An owner or person operating a short-term rental shall provide a notice of instructions (also known as “host rules”) to occupants staying at the premises in a form developed by the Administrator. The notice shall instruct the occupants as to all applicable Town regulations pertaining to short-term rentals. These include, but are not limited to, occupancy restrictions, limits on parking, trash pickup, prohibitions on special events, limits on amplified sound, and curfew times.

Section 3.20 Permit to be displayed.

A copy of the approved short-term rental permit shall be posted at a conspicuous location inside the front entrance(s) to the short-term rental.

Section 3.21 Use of assigned permit number required

It shall be unlawful for an owner or person to advertise a short-term rental in any medium, including but not limited to newspaper, magazine, brochure, website, or mobile application without including the current permit number assigned by the Administrator.

Section 3.22 Use of unauthorized permit number prohibited

It shall be unlawful for an owner or person to use, advertise or promote or allow the use, advertisement or promotion of a short-term rental using a permit number not assigned to the owner or person, or to a different address, or to a different dwelling unit.

ARTICLE IV
ADMINISTRATIVE PROCEDURES

Section 4.01 Revocation of permit

A. Grounds. Any permit issued hereunder may be revoked by the Administrator if the permit holder has:

- (1) received more than two citations for violations of this chapter or any other provision of this Code of Ordinances within the preceding 12-month time period; or
- (2) failed or refused to comply with an express condition of the permit and remains in non-compliance ten (10) days after being notified in writing of such non-compliance; or
- (3) knowingly made a false statement in the application; or
- (4) otherwise become disqualified for the issuance of a permit under the terms of this Chapter.

B. Notice. Notice of the revocation shall be given to the permit holder in writing, with the reasons for the revocation specified in the notice, served either by personal service or by certified United States mail to their last known address. The revocation shall become effective the day following personal service or if mailed, three (3) days from the date of mailing.

C. Appeal; hearing. The permit holder shall have ten (10) days from the date of such revocation in which to file notice with the Administrator of their appeal from the order revoking said permit. The Administrator shall provide for a hearing on the appeal in accordance with the provisions of this Article.

D. One-Year Waiting Period. In the event an owner’s short-term rental permit is revoked by the Administrator, no second or additional permit shall be issued for a short-term rental on the premises for one year of the date such permit was revoked.

Section 4.02 Administrative appeals of denial or revocation of permit

A. Upon denial or revocation of a permit, the Administrator, or her designee, shall notify the applicant or permit holder, in writing, of the reason for which the permit is subject to denial or revocation. To contest the denial or revocation of a permit, the applicant or permit holder shall file a written request for a hearing with the Administrator within fifteen (15) days following service of such notice. If no written request for hearing is filed within fifteen (15) days, the denial or revocation is sustained.

B. The appeal shall be conducted as an administrative hearing before the Municipal Judge, or his designee, within thirty (30) days of the date on which the notice of appeal was filed with the Administrator.

C. The hearings provided for in this Section shall be conducted by the Municipal Judge, or his designee, at a time and place designated by the Municipal Judge, or his designee. Based upon the recorded evidence of such hearing, the Municipal Judge, or his designee, shall sustain, modify or rescind any notice or order considered at the hearing. A written report of the hearing decision shall be furnished to the applicant or permit holder requesting the hearing.

D. After such hearing, an applicant or permit holder whose permit was denied or revoked by the Municipal Judge, or his designee, may appeal to the Board of Adjustment (“BOA”) as an appeal of a Town Official in a civil permit issue.

E. An appeal shall not stay the denial or suspension of the permit unless otherwise directed by the Municipal Judge, or his designee.

Section 4.03 Appeals of Administrator decision

A. All appeals to the BOA Officer must be made in writing and received no less than ten (10) days after any final decision made by the Municipal Judge, or his designee, in accordance with above.

B. The BOA shall schedule the appeal hearing within twenty (20) days from receipt of the appellant or permit holder’s appeal request.

C. If by super majority vote the BOA finds by preponderance of the evidence that the denial or revocation of the permit was necessary to protect the health, safety, or welfare of the general public, the BOA shall affirm the denial or revocation of appellant’s application or permit.

D. The BOA may consider any or all of the following factors when reaching a decision on the merits of the appeal:

1. The number of violations, convictions, or liability findings;
2. The number of previous permit revocations;
3. The number of repeat violations at the same location;
4. The degree to which previous violations endangered the public health, safety or welfare;
5. Any pending action or investigation by another agency; and
6. The number of other violations of this Chapter, and/or state law, occurring on the property related to residential or short-term rental use.

E. After the hearing, the BOA shall issue a written order. The order shall be provided to the appellant by personal service or by certified mail, return receipt requested.

F. The BOA may affirm or reverse the denial or revocation of the permit. If affirmed, the order issued must state that the appellant is not eligible to receive a new permit for a short-term rental on the premises sooner than one year after the date of the order. If reversed, the permit shall be reinstated immediately, in the case of a revocation, or the permit shall be issued within three (3) business days, in the case of a denial.

G. The determination of the BOA shall be final on the date the order is signed.

H. An appeal to the BOA does not stay the effect of a denial or revocation or the use of any enforcement measure unless specifically ordered by the Administrator.

ARTICLE V ENFORCEMENT

Section 5.01 Discontinuance

A. The owner of a short-term rental that was not registered with the Town of Hickory Creek for hotel occupancy tax prior to March 31, 2022, and who is unable to obtain a permit for the same or fails or refuses to obtain a permit for the same following the effective date of this Chapter, shall discontinue the short-term rental use no later than April 15, 2022.

B. If the permit for a short-term rental is not obtained by March 31, 2022, the owner shall discontinue the use no later than April 30, 2022.

Section 5.02 Penalties

A. A person who violates any provision of this Chapter by performing an act prohibited or by failing to perform an act required is guilty of a misdemeanor. Each day on which a violation exists or continues to exist shall be a separate offense.

B. If the definition of an offense under this Chapter does not prescribe a culpable mental state, then a culpable mental state is not required. Such offense shall be punishable by a fine not to exceed Five Hundred Dollars and No Cents (\$500.00). Although not required, if a culpable mental state is in fact alleged in the charge of the offense and the offense governs fire safety, zoning, or public health and sanitation, including dumping of refuse, such offense shall be punishable by a fine not to exceed Two Thousand Dollars and No Cents (\$2,000.00).

C. If the definition of an offense under this Chapter prescribes a culpable mental state and the offense governs fire safety, zoning, or public health and sanitation, including dumping of refuse, then a culpable mental state is required, and the offense shall be punishable by a fine not to exceed Two Thousand Dollars and No Cents (\$2,000.00).”

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 the subject matter of this ordinance 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 24th day of January, 2022.

Lynn C. 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
RESOLUTION NO. 2022-0124-___**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF
HICKORY CREEK, TEXAS, HEREBY ADOPTING A MASTER
APPLICATION AND FEE SCHEDULE; AND PROVIDING AN
EFFECTIVE DATE.**

WHEREAS, the Town of Hickory Creek (the ATown@), 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 enabling legislation of the State of Texas; and

WHEREAS, the Town Council desires to consolidate the existing fee schedules of the Town related to Animal Control Fees, Alarm Related Fees, Business Related Fees, Parks and Recreation Fees, Commercial Building Fees, Development Fees, Residential Building Fees, and Right of Way Management Fees, and others; and

WHEREAS, those fees are listed in the *Master Application and Fee Schedule* attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Hickory Creek, Texas, that:

Section 1: The Town Council finds that the fees listed in the *Master Application and Fee Schedule* attached hereto as Exhibit A are hereby adopted.

Section 2. This resolution shall take effect immediately upon its passage.

PASSED AND APPROVED by the Town Council of the Town of Hickory Creek, Texas this 24th day of January, 2022.

Lynn C. 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 MASTER APPLICATION AND FEE SCHEDULE

Adopted January 24, 2022



ADMINISTRATIVE MISCELLANEOUS FEES

Type:		Fee
Beer and Wine Retailer Off-Premises Sales Permit		\$30
Credit Card Processing Fee		3%
Motorized Cart Permit	Two Year Permit	\$25
Newsletter Advertising	1/10 page per issue	\$20
	1/8 page per issue	\$25
	1/5 page per issue	\$40
	1/4 page per issue	\$50
Police Report		\$6
Public Information Request	Charges to recover costs associated with public information requests shall be assessed in accordance per the Texas Administrative Code, Title 1, Part 3, Chapter 70, Rule 70.3, Charges for Providing Copies of Public Information	
Returned Check Fee		\$25
Town Hall Facility Rental Fee		\$50 per hour

ANIMAL CONTROL FEES

Adoption	Cat	\$120
	Dog	\$150
Animals in Excess	Per animal in addition to Annual Registration Fee	\$10
Annual Registration		No Charge
Holding	In addition to Impoundment Fee	\$15 Daily
Impoundment	1 st Impoundment	\$25
	2 nd Impoundment	\$50
	3 rd Impoundment	\$75
Owner Release	Hickory Creek Residents Only	\$150
Quarantine	In addition to Impoundment Fee	\$15 Daily

ALARM RELATED FEES

Residential Permit	One-time	\$50
	Annual	No Charge
Commercial Permit	Annual	\$75
False Alarm Penalty	1 -3 per alarm call within 12 months	No Charge
	4-5	\$50
	6-7	\$75
	8	\$100

BUSINESS RELATED FEES

Type:		Fee
Commercial Use of Boat Ramps for Rentals	Annual Use Fee	\$5,000
	Annual Launch Fee per trailer	\$500
Commercial Use of Boat Docks	Annual Use Fee	\$10,000
Commercial Use of Boat Ramps for Fishing Charters	Annual Use Fee	\$1,000
	Annual Launch Fee per trailer	\$500
Oil and Gas Well	Application Fee	\$10,000
	Notification Letters	\$6 per letter
	Yearly Inspection Fee	\$3,000
Overweight Vehicle exceeding 15,000 lbs.	Daily Permit	\$125 per vehicle
	Monthly Permit	\$300 per vehicle
	Yearly Permit	\$2,000 per vehicle
Short Term Rental Permit	Annual	\$1,500
Solicitor's Permit		\$75
	Each additional person	\$25
Towing Service Permit		\$15
Towing Service Maximum Fee	Car weighing up to 10,000 lbs.	\$255
	Car weighing more than 10,000 but less than 25,000 lbs.	\$357
	Car weighing more than 25,000 lbs.	\$459
	per unit with a total maximum	\$918

PARKS AND RECREATION FEES

Boat Ramp	Daily Use Pass	\$10
	Hickory Creek Resident Annual Pass	\$0
	Hickory Creek Resident Annual Pass Second and Subsequent	\$100
	Non-Resident Annual Pass	\$100
Camp Site		\$20 Daily
Day Use	Vehicle Fee	\$5
	Hickory Creek Resident Annual Pass	\$0
	Hickory Creek Resident Annual Pass Third and Subsequent	\$25
	Non-Resident Annual Pass	\$25
Pavilion	Rental Fee	\$75
	Cleaning Fee	\$50 (Refundable)

COMMERCIAL BUILDING FEE SCHEDULE

Permit fees for any project valued in excess of \$5,000 will be assessed according to the building permit fee table. Permit fees are valid 180 days from issue date.

Commercial Permit Type:	Method of Calculation	Min. Fee
Appeals to Board of Adjustment	Flat Fee	\$500
Continuance requested by applicant after public notice publication	Flat Fee	\$100
Certificate of Occupancy	Flat Fee	\$500
Attached Concrete	Flat Fee	\$225
Freestanding Concrete	Flat Fee	\$200
Contractor Registration (Plumbers and Electricians exempt)	Flat Fee	\$75
Drainage Permit	Flat Fee	\$250
Excavation		
Paved Area	Flat Fee	\$500
No Pavement	Flat Fee	\$50
Fence (new or replacement of more than 50%)	Flat Fee	\$150
Food Establishment Permit	Annual	\$460
	Additional Inspection	\$125
Irrigation Permit	Flat Fee	\$500
Inspections	Flat Fee	\$125
Electrical, plumbing or mechanical, etc.		
All additional reinspections, or red tags, each. (Fee due before next inspection may be scheduled.	Flat Fee	\$75
Removal	Flat Fee	\$500
Occasional Sale or Event	Flat Fee	\$50
Signs		
Non-Illuminated	Flat Fee	\$50
Illuminated	Flat Fee	\$150
Temporary Construction and Sales	Flat Fee	\$100
Temporary Banner or Sales	Flat Fee	\$50
Special Use Permit	Flat Fee	\$500
Temporary Construction or Sales Building, or Material Storage Area	Flat Fee, each	\$100
Temporary Merchandise Storage Container Each	Flat Fee	\$50 per month
Water Well	Flat Fee	\$300
Unpermitted Work Fee	Underlying Permit Fee x 2	\$200

COMMERCIAL BUILDING FEE TABLE

Total Project Valuation:	Fee:
5,001.00 to 25,000.00	\$125.00 for the first \$5,000 plus 15.00 for each additional \$1,000, or fraction thereof, to and including 25,000
\$25,001.00 to \$50,000.00	\$425.00 for the first \$25,000 plus \$11.00 for each additional \$1,000, or fraction thereof, to and including \$50,000
\$50,001.00 to \$100,000.00	\$700.00 for the first \$50,000 plus \$7.50 for each additional \$1,000, or fraction thereof to and including \$100,000
\$100,001.00 to \$500,000.00	\$1075.00 for the first \$100,000 plus \$6.25 for each additional \$1,000, or fraction thereof to and including \$500,000
\$500,001.00 to \$1,000,000.00	\$3575.00 for the first \$500,000 plus \$5.25 for each additional \$1,000 or fraction thereof, to and including \$1,000,000
\$1,000,000.00 and up	\$6200.00 for the first \$1,000,000 plus \$3.50 for each additional \$1,000, or fraction thereof.
Plan Review Fee	65% of Building Permit Fee
Plan Revision Fee	Flat Fee \$250

DEVELOPMENT FEE SCHEDULE

Site Plans and Platting:	Method of Calculation	Min. Fee
Predevelopment Conference	20% of Projected Value Maximum Fee	\$150 \$2000
Preliminary, Final Plat or Replat	Flat Fee	\$850
Site and Landscape Plan Review	Base Fee	\$1500
Residential Development	Per Lot	\$50
Multi-Family	Per Unit	\$25
Non-Residential Development	Per Acre	\$200
Engineering Review Fees Third and Subsequent Reviews	Percentage of Actual Cost	120%
Infrastructure Inspection Fee	% of Certified Construction Costs	2%
Landscaping Fees		
Residential Development	Per Lot or Unit	\$25
Non-Residential Development	Per Acre	\$150
Zoning Changes	Base Fee	\$600
	Per Acre	\$50
	Maximum Fee	\$3000
Protected Tree Removal, Vacant Lot		
With Replacement	Per Tree	\$100
Without Replacement	Per Tree	\$250
Maximum per lot	Flat Fee	\$1500

RESIDENTIAL BUILDING FEE SCHEDULE

Permits are valid for 180 days from issue date.

Residential Permit Type:	Method of Calculation	Min. Fee
New Residential	\$1.85 per square foot under roof	\$1,000
Multi-Family	\$1.00 per square foot under roof	\$1,000
Altered Residential	\$1.85 per altered square foot under roof	\$125
Altered Multi-Family	\$1.00 per altered square foot under roof	\$125
Plan Revision Fee	\$1.00 per square foot under roof	\$200
Accessory Building, unattached, no utilities, less than 30 inches above grade		
Under 120 sq. ft.	Flat Fee	\$60
120 to 200 sq. ft.	Flat Fee	\$120
Accessory Building, attached or unattached, with utilities, under 200 square feet or 30 inches above grade		
	\$1.50 per square foot under roof	\$200
Outdoor Living Structure under 30 inches above grade and without utilities.		
	\$1.00 per square foot	\$200
Outdoor Living Structure over 30" above grade or with utilities.		
	\$1.00 per square foot	\$225
Appeals to Board of Adjustment		
	Flat Fee	\$500
Continuance requested by applicant after public notice publication		
	\$2.00 per letter	\$75
Certificate of Occupancy, Single Family Dwelling		
	Flat Fee	\$250
Attached Concrete		
	Flat Fee	\$225
Freestanding Concrete		
	Flat Fee	\$200
Foundation Repair		
	Flat Fee	\$200
Contractor Registration (Electricians, HVAC/R and Plumbers exempt from fee only)		
	Flat Fee	\$75
Removal		
	Flat Fee	\$150
Drainage Permit		
	Flat Fee	\$100
Mechanical Permit (HVAC)		
	Flat Fee	\$300
Mechanical Permit (Plumbing, Electrical, Etc.)		
	Flat Fee	\$150
All additional, reinspections, or red tags, unless noted otherwise, each.		
	Flat Fee	\$100

Residential Permit Type:	Method of Calculation	Min. Fee
(Fee due before next inspection may be scheduled)		
Fence (new or replacement of more than 50%)	Flat Fee	\$50
Expired Permit Re-Issue	Underlying Permit Fee x .5	
Subdivision Perimeter Permit	\$1.00 per linear foot	\$150
Irrigation Permit	Flat Fee	\$250
Occasional (Private Garage) Sale	Flat Fee	\$0
Retaining Wall Permit, under 4 feet	Flat Fee	\$100
Retaining Wall Permit, over 4 feet	Flat Fee	\$125
Roofing Permit	Flat Fee	\$150
Septic System, New	Flat Fee	\$425
Repair to existing system	Flat Fee	\$150
Inspections for substantiated complaints	Flat Fee	\$150
Inspections for unsubstantiated complaints	Flat Fee	\$0
Solar Permit	Flat Fee	\$300
Spa Permit	Flat Fee	\$200
In-Ground Pool Permit	Flat Fee	\$850
Above-Ground Pool Permit	Flat Fee	\$200
Decking	Flat Fee	\$150
Unpermitted Work Fee	Underlying Permit Fee x 2	
Denied Plan Review (every 3 rd subsequent)	Flat Fee	\$150

RIGHT OF WAY MANGEMENT FEES

Streets, Sidewalks and Other Public Places

Right-of- Way Type:	Method of Calculation	Min. Fee
Application Fee	Flat Fee	\$100
Expedited Application Fee	Flat Fee	\$250
Saturday Inspection Fee: each Saturday	Flat Fee	\$200
Permit Expiration; each permit for incomplete work on expiration date if not extended	Flat Fee	\$30
Electronic maps submittal fee; per hour of labor necessitated by hard copy submittal in lieu of electronic format (2 hour minimum)	\$80 per hour	\$160
Registration; per user; per year	Flat Fee	\$50
Inspection Fee	\$1/LF or \$150/day of anticipated construction time, whichever is greater	
Small Cell Application Fee (This penalty shall not exceed and is capped by statutory limits.	1-5 Network Nodes Each Additional Network Node Per Pole	\$500 \$250 \$1000
Small Cell User Fee (This penalty shall not exceed and is capped by statutory limits.	Each Network Node; Annually Per Pole; Per Year Per Pole	\$250 \$20 for town pole attachment

Public Inconvenience Penalty

Public inconvenience penalties are assessed and calculated from the date of expiration of the permit until date of completion of work or repair or of final backfill if turned over to the department for repair. This penalty shall not exceed and is capped by statutory limits.

Type of Facility	Unit of Cost	Penalty (Per day)			
		31-75 days	79-90 days	90-100 days	>100 days
Sidewalk	Per sq. foot	\$0.0026	\$0.0052	\$0.0078	\$0.0104
Driveway	Per each	\$39.00	\$78.00	\$117.00	\$156.00

January 11, 2022

To Whom It May Concern:

Per TCEQ 285.4(a) and 285.4(b), the property at 312 Lone Tree, Hickory Creek, does not meet the minimum requirement of lot sizes due to the replat in 2021.

(A) Platted or unplatted subdivisions served by a public water system. Subdivisions of single family dwellings platted or created after the effective date of this section, served by a public water supply and using individual OSSFs for sewage disposal, shall have lots of at least 1/2 acre.

(1) Existing small lots or tracts that do not meet the minimum lot size requirements under subsection (a)(1)(A) or (B) of this section, and were either subdivided before January 1, 1988, or had a site-specific sewage disposal plan approved between January 1, 1988, and the effective date of this section, are allowed to use OSSFs, but the OSSFs must comply with the requirements set forth in this Chapter

In order for an OSSF to be installed at this property, per TCEQ, a variance request can be an option and needs to satisfy 285.3(h).

(h) Variances. Requests for variances from provisions of this chapter may be considered by the appropriate permitting authority on a case-by-case basis.

(1) A variance may be granted if the owner, or a professional sanitarian or professional engineer representing the owner, demonstrates to the satisfaction of the permitting authority that conditions are such that equivalent or greater protection of the public health and the environment can be provided by alternate means. Variances for separation distances shall not be granted unless the provisions of this chapter cannot be met.

(2) Any request for a variance under this subsection must contain planning materials prepared by either a professional sanitarian or a professional engineer (with appropriate seal, date, and signature).

Thank You,

Analisa Griffith, MS, RS, DR
OS0031000

[https://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=30&pt=1&ch=285&rl=4](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=30&pt=1&ch=285&rl=4)



Town of Hickory Creek Community Development Services
Development Application

(Incomplete applications will be rejected)

- Amending Plat, Preliminary Plat, Final Plat, Replat, Variance, Zoning Change, Special Use Permit, Site Plan, Preliminary, Final, Landscaping Plan, Other (Specify): OSSF Variance

PROJECT INFORMATION (Please complete each field)

- Residential, Commercial, ETJ

Project Name: Harbor Grove Estates Parcel(s) Tax ID (required) 982419, 982420

Project Address: 308 Lone Tree & 312 Lone Tree Lane Total Acres:

Brief Description of Project: OSSF Variance

Existing Zoning: SF-3 # Existing Lots: # Existing Units: 2

Proposed Zoning: # Proposed Lots: # Proposed Units:

APPLICANT / CONTACT INFORMATION

Name: Company:

Address: City, State: Zip:

Phone: Cell #: Fax:

E-Mail Address:

PROPERTY OWNER INFORMATION

Name: Travis Ragsdale Company:

Address: 312 Lone Tree City, State: Hickory Creek Zip: 75065

Phone: 817-371-5091 Cell #: Fax:

E-Mail Address: travisragsdale@icloud.com

- Developer, Engineer, Surveyor

Name: Company:

Address: City, State: Zip:

Phone: Cell #: Fax:

E-Mail Address:

By signing this application, Town of Hickory Creek staff or the town's designee is granted access to your property to perform work related to your application. I waive the statutory Time Limits in accordance with Section 212.009 of the Texas Local Government Code. All applicable fees must be paid to the Town of Hickory Creek at the time this application is submitted. I understand the requirements and have read them thoroughly and my statements are true and correct. All submissions must be made a minimum of 21 days prior to the scheduled Planning and Zoning Commission meeting.

Applicant's Signature

Owner's Signature (notarized)

January 18, 2022 Date

Please attach a copy of the deed to the property. If you are currently purchasing the property, please include a copy of the contract for the purchase of the property. Also include a copy of any and all restrictive covenants pertaining to any property to be developed or rezoned.

Appeals and Zoning Changes

What is the proposed use?

Residential

Why do you believe that the approval of the request would be in harmony with the character of the neighborhood?

Harbor Grove Estates was originally platted in 1960 with lots less than 1/2 acre
We replatted the 3 original smaller lots into 2 new larger lots and we are seeking OSSF variance for both lots.

Why do you believe that the approval of this request would not be detrimental to the property or persons in the neighborhood?

Why do you believe that there is a need in this area for the uses that would be allowed under this proposed zoning change?

Lien holder:

Is the property burdened by a lien of any nature? () Yes (X) No

If so, describe the lien and give the name and address of lien holder and secure their consent to the requested zoning change with their signature.

Other:

Approximate cost of work involved? _____

Include a schematic drawing of the site.

To the Applicant:

I, Travis Ragsdale, understand the above requirements and have read them thoroughly and my statements are true and correct.



Applicant

January 18, 2022

Date

Lien holders (if any)

STATE OF TEXAS:

COUNTY OF DENTON:

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared _____, Owner, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my hand and seal of office, this _____ day of _____, 20____.

Notary Public, in and for the State of Texas

My Commission Expires On:



Phone: (940) 497-2528
 Fax: (940) 497-3531

Town of Hickory Creek
 1075 Ronald Reagan Avenue
 Hickory Creek, Texas 75065

OSSF Permit Application

Project Address: 312 Lone Tree Ln. **Permit #:** 21-120805

Lot: 15-R Block: C Subdivision: HARBOR GROVE ESTATES 1

Public Water Supply or Private Well? Public Supply Date Lot Platted: Replat Aug 8/12

Water Saving Devices? Yes No Is property in Floodplain? Yes No
If yes, WSD must be included on Technical Information Sheet

Owner Information: Travis Ragsdale

Name: Travis Ragsdale Contact Person: _____

Address: 312 Lone Tree Ln.

Phone Number: 817-371-5091 Fax Number: _____ Mobile Number: _____

Project Information Lot Size: 0.412 Year Platted: ^{New Dist. No} 3/30/59

Type of Dwelling:

Residential Number of Bedrooms 3 Living Area (square footage) 1505

Commercial Number of Occupants _____ Number of Days Occupied _____

Number of Bathrooms and Showers 2

Type of Construction: New Existing/Minor Modification

Reason for modification: _____

Description of work: _____

Modifications: Must submit any available original system designs and plans. Site diagram to include all existing structures, pools, sprinkler/disposal areas, slopes, landscaping, wells, and property lines. Aerobic modifications, must submit current maintenance contract and inspection.

Type of OSSF System: Aerobic Conventional

Name of manufacturer: _____

Brand of system: _____

Designer of system	Contact Person Ethan Cruse	Phone Number 817-217-5454	License Number RS 4910	<input type="checkbox"/>
Installer of system	Contact Person Ethan Cruse	Phone Number 817-217-5454	License Number OS 27546	<input type="checkbox"/>
Site Evaluator	Contact Person Ethan Cruse	Phone Number 817-217-5454	License Number OS 33634	<input type="checkbox"/>

Authorization is hereby given to the Town's Designated Representative to enter upon the above described property for the purpose of lot evaluation and inspection of the on-site sewage facility. A permit to operate the facility will be granted when Notice of Approval is received by the Town.

I hereby certify that I have read and examined this application and know the same to be true and correct. All provisions of laws and ordinances governing this type of work will be complied with whether specified or not. The granting of a permit does not presume to give authority to violate or cancel the provisions of any other state or local law regulating construction or the performance of construction.

Signature of Owner: [Signature] Date: 12/7/21

OFFICE USE ONLY:

Approved by: _____	Date Approved: _____
--------------------	----------------------

Total Fees: _____
 Date Paid: _____

BV Project # _____



OSSF Technical Information Sheet

Project Address: 312 Lone Tree Ln. Owner's Name: Travis Ragsdale

Professional Design required? Yes No If yes, attached? Yes No
(Must include lot size on planning materials)

Water Saving Devices: Yes No (Must indicate the use of water saving devices on planning material)

Sewer (House Drain) Type and size of pipe:

Stub out to treatment tank: 4" SCH 40 PVC Treatment tank to disposal system 4" SCH 40 PVC

Slope of sewer pipe to tank: 1/8" per ft min.

Daily Wastewater usage rate: $Q =$ 240 (Gallons / Day)

Treatment Unit – Must include calculations for sizing of system on planning material

A. Septic Tank: Dimensions _____

Liquid Depth (Tank bottom to outlet) _____

Size Required _____ Size Proposed _____

B. Aerobic: Pretreatment Tank? Yes No

Manufacturer Polypure Systems, Inc. Model # P-600

Size Required 500 GPD Size Proposed 600 GPD

C. Other: _____

(Please attach description)

Disposal System

Type: Surface application Loading Rate: 0.064

Area Required 3,750 sq. ft. Area Proposed 4,242 sq. ft.

Additional Information (This material must be attached for review to be completed)

Soil/Site Evaluation

Scaled Site Drawing to include spray area

Pump Alarm Diagram Filed Affidavit

Construction is not permitted until application is approve and a permit is issued. Unauthorized construction can result in Civil and/or Administrative Penalties.

Etthan W. Cruise
Designer's Signature

4910
Reg. #

11/27/2021
Date

Proposed Effluent Disposal Design, On-Site Surface Application

DATE: 11/27/2021

PREPARED FOR:

NAME: RAGSDALE, TRAVIS

SITE ADDRESS: 312 LONE TREE LN, HICKORY CREEK, TX 75065-7567

ESTIMATED FLOW: 240 G.P.D. (Average)

DESIGN PARAMETERS

SITE EVALUATION: See site evaluation

APPLICATION RATE: 0.064

AREA REQUIRED: 3,750 ft²

AREA DESIGN: 4,242 ft²

DESIGN CALCULATIONS

3 bedroom 1,505 ft² house = 240 G.P.D./0.064 = 3,750 ft²

SYSTEM PARAMETERS

PRE-TREATMENT TANK: As required by NSF aerobic unit

AERATION TANK: 500 G.P.D. Class I Aerobic

PUMP TANK: 500 Gallons min.

SPRINKLER AREA: (3) half circle 30'R (1,414 sq. ft.) each head K-Rain Pro-Plus (or equivalent) low angle < 15 degrees non-aerosol nozzles.

TIMER: Yes

PUMP SPECIFICATION: ½ h.p. 18-25 g.p.m. at 35-40 p.s.i.

CHLORINATOR: Tube-type tablet chlorinator or other NSF Standard 46 Disinfection Device

WATER SUPPLY: Public Supply

SITE EVALUATION: The site will serve a 3 bedroom 1,505 ft² house. A 3 bedroom design equivalent. All structures will have water saving devices installed. The site is deemed suitable for the installation of a treated surface disposal system. See page 4 for full site evaluation details.

SYSTEM LAYOUT: The effluent will flow by gravity from the house sewer stub out into a 500 G.P.D. Class I aerobic unit, NSF tested. The effluent virtually clean will then flow into an NSF tested disinfection device. The chlorinated effluent will then flow into a 500 gallon pump tank. The liquid will be discharged via a ½ h.p. pump to the varying radii sprinkler heads as noted in the design diagram. Installer will contour surface drainage controls in the distribution field and the location of the tanks. All supply lines shall be placed a minimum of 12 inches below grade.

PREVENTION OF UNAUTHORIZED ACCESS & RISERS: Risers shall be provided on the tank tops to permit access for tank pumping or pump maintenance/replacement. All risers must have secondary safety lids. The methods and materials employed to prevent unauthorized access to this proposed On-Site Sewage Facility (OSSF) shall comply with Texas Administrative Code (TAC) TITLE 30 CHAPTER 285 Section 285.38.

TANK WATERPROOFING & BACKFILL: Tanks shall be waterproof. A minimum of four (4) inches of sand, sandy loam or clay loam shall be placed under and around all tanks. Class IV soils and gravel larger than 0.5" diameter shall not be used as backfill material.

PIPE & FITTINGS: Schedule 40 PVC pipe shall be used. All distribution piping, valve cover boxes and sprinkler tops shall be permanently colored purple to identify the system as a reclaimed water system. A union connection should be installed in the supply line to provide for pump maintenance. Three-quarter inch or one inch PVC shall be used to supply the individual sprinkler heads and shall be sized to provide adequate pressure and flow.

ELECTRICAL WIRING: All electrical wiring shall meet the requirements of the National Electric Code (NEC) and TITLE 30 TAC CHAPTER 285 Section 285.34 (c). All external wiring shall be installed in approved, ridged, non-metallic gray code electrical conduit. The conduit shall be buried according to the requirements of the NEC.

PRE-TREATMENT TANK: A pre-treatment tank sized according to the manufacturer's recommendations shall be installed prior to the treatment unit to collect non-biodegradable solids.

TREATMENT UNIT: The treatment unit shall be a Class I Aerobic and have a minimum capacity of 500 gallons per day and shall be on the TCEQ list of approved systems.

PUMP TANK: The pump tank will be 500 gallons minimum (volume from the tank bottom to the tank inlet). The tank shall have one day's effluent flow storage capacity (240 gallons) between the "pump-on" and "alarm-on" levels and a one-third of a day's effluent flow excess storage capacity (80 gallons) above the "alarm-on" level and the inlet flow line. The pump tank shall be placed downstream from the treatment unit and shall store the treated effluent until surface application occurs. If the "pump-on" level in the tank does not allow the specified volumes, a larger tank shall be installed.

PUMP, CONTROLS & ALARM SYSTEM: A ½ h.p. submersible pump, capable of producing a flow of 18-25 gallons/minute between 35 and 40 psi shall be used for surface application. Pump controls should include a manual override to turn the pump on/off and a high water alarm/pump activation system utilizing a separate mercury float switch, on a separate circuit from the pump system and connected to a marked warning light with an audible alarm located within sight of the pump tank in a location which will draw attention to pump failure. This alarm switch should be set to provide a small emergency capacity until system repair is completed. All electrical connections shall be sealed to prevent corrosion/water damage.

SPRINKLERS: K-Rain Pro-Plus (or equivalent) low angle (< 15 degrees) non-aerosol nozzles are acceptable. Sprinkler heads at a higher elevation than the pump tank shall be installed with check valves. There shall be nothing in the surface application area within ten feet of the sprinkler that would interfere with the uniform application of the effluent.

WATER SOFTENER: If the residence is equipped with a water softener, the drain line must bypass the treatment system and connect directly to the pump tank as required by TITLE 30 TAC CHAPTER 285 Section 285.37.

FLOOD ZONE PROVISIONS: If the system is located in the FEMA Flood Zone, the system shall be installed in accordance with the conditions required in TITLE 30 TAC CHAPTER 285 Section 285.31(c)(2). The tanks shall be sufficiently anchored by straps, cable or other accepted methods to prevent flotation. All components, with the exception of risers, chlorinators, cleanouts, sprinklers, and inspection ports, shall be completely buried without adding fill. Non-buried components shall be elevated above the 100-year flood elevation. All Flood Zone boundaries contained in this design are approximate, it is the responsibility of the property owner to verify Flood Zone boundaries.

ABANDONED TANKS: As required by TITLE 30 TAC CHAPTER 285 Section 285.36, all abandoned tanks shall have the wastewater removed by a waste transporter and shall be filled to ground level with fill material (less than three inches in diameter) which is free of organic and construction debris.

VARIANCES: No variance is requested for the system.

MAINTENANCE: Maintenance will be conducted by a valid maintenance company in accordance with the manufacturer's recommendations. Sludge accumulation in the tanks should be monitored and pumped as required. Pump control and alarm operation should be checked routinely.

LANDSCAPE PLAN: Before system start-up, the vegetation shall be capable of growth. Seed all un-vegetated areas of spray with grass prior to start up.

SEPARATION REQUIREMENTS: The separation requirements listed in §285.91(10) of TITLE 30 TAC shall be measured and verified by the installer prior to construction.

DESIGN NOTES: This design is intended only for a single family dwelling, defined in TITLE 30 TAC CHAPTER 285 as: A structure that is either built on or brought to a site, for use as a residence for one family. A single family dwelling includes all detached buildings located on the residential property and routinely used only by members of the household of the single family dwelling. Usage in excess of the designed flow or occupation of multi-family units or commercial flow will be in violation of this design and may invalidate associated permits.

This OSSF is designed in accordance with TITLE 30 TAC CHAPTER 285 and implements the latest technology in effluent disposal system design. This design does not guarantee or imply approval by the permitting authority. It must be reviewed and approved. Compliance with conditions required by the permitting authority is the property owner's responsibility. It is the responsibility of the property owner to provide complete and accurate information as to the location of all site-specific conditions (i.e. easements, water wells, underground utility lines, etc.). Undisclosed property conditions may invalidate design feasibility. This design is to be reviewed by the installer/purchaser of the design prior to any construction. Any errors or omissions in this design are to be brought to the attention of Cruse Environmental, LLC before the start of construction. Limit of liability for Cruse Environmental, LLC is not to exceed the cost of the design. Cruse Environmental, LLC assumes no liability for any changes made to the design or for the methods used by the installer or other professionals involved during construction.

The OSSF should function within normal limits and expectations without causing significant threat or harm to existing water supply systems, the public health or the threat of pollution or nuisance conditions. **However, due to variations of both nature and man, no warranty of this design performance is expressed or implied.**

Prepared by Ethan W. Cruse, R. S.

Registered Sanitarian #4910

5610 N. US Hwy 287

Alvord, TX 76225

817-217-5454



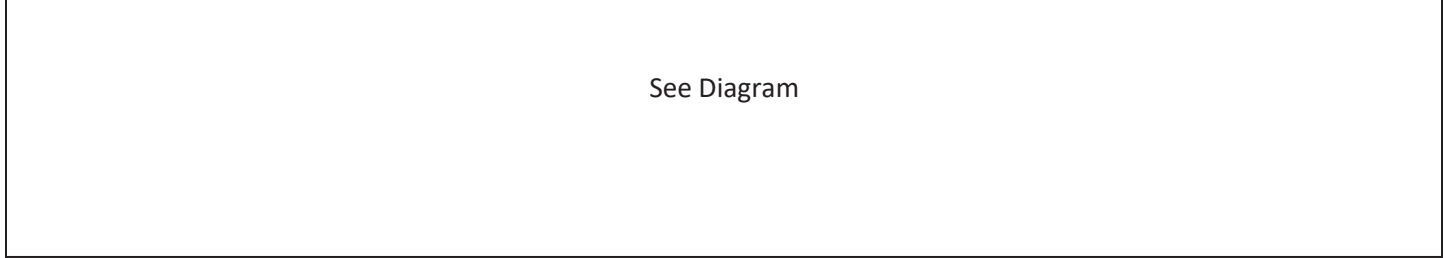
Ethan W. Cruse

Date 11/27/2021

APPLICANT: RAGSDALE, TRAVIS | 312 LONE TREE LN, HICKORY CREEK, TX 75065-7567

PROPERTY LOCATION: Lot: 15R | Block: C | Addition/Subdivision: HARBOR GROVE ESTATES 1

Site Address: 312 LONE TREE LN



SITE EVALUATION RESULTS

SITE ANALYSIS:

- 1. Total site area 0.412 acre(s)
- 2. Restrictive horizon present Yes
- 3. Depth to restrictive horizon _____
- 4. Presence or evidence of groundwater No
- 5. Existing or proposed well on property No
- 6. Estimated slope in OSSF area 2-4%
- 7. Presence of nearby ponds, streams & drainage ways No
- 8. Is the proposed OSSF in FEMA 100 year floodplain No

SOIL TEXTURE ANALYSIS				
BORING (NUMBER)	SOIL DEPTH	CLASS	COLOR	CLASSIFICATION
B-1	0-24"	IV	DK BWN	Clay
B-2	0-24"	IV	DK BWN	Clay

OVERALL SITE SUITABILITY

SOIL CRITERIA Unsuitable | SITE CRITERIA Suitable | Unsuitable soils, See Marked Alternative Systems

ALTERNATIVE SYSTEMS FOR NON-SUITABLE SOILS

- Aerobic Surface Discharge | Aerobic Treatment with Pressure Emitters
- Low Pressure Dosing | Low Pressure Dosing with Aerobic Treatment | Evapotranspiration beds (Lined/Unlined)

NOTE: The test data contained in this report does not imply approval of the proposed OSSF. The design, construction and installation of each OSSF is based on specific site conditions peculiar to the site in question. This report must be reviewed and approved.

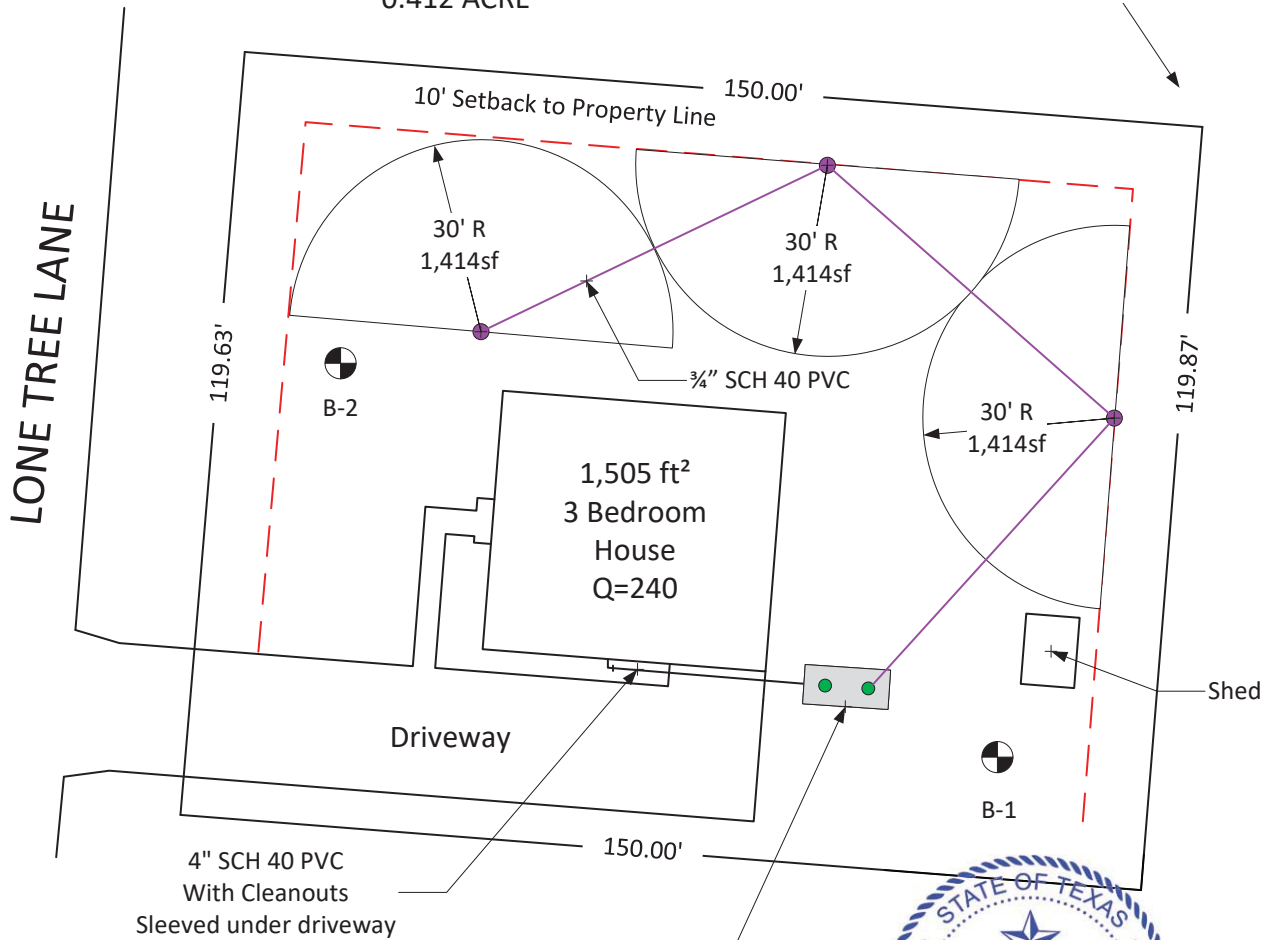
Signature Ethan W. Cruse



Prepared by Ethan W. Cruse R.S. #4910, OS0033634

HARBOR GROVE ESTATES 1
BLK C LOT 15R
0.412 ACRE

SLOPE 3%
(Approximate)



- 4" SCH 40 PVC With Cleanouts Sleeved under driveway
- 500 GPD Class I Aerobic Unit with timer for night spray
- 500 Gallon Pump Tank
- NSF Approved Disinfection Device
- All Risers must have Secondary Safety Lids
- No Floodplain on this Property
- Property lines are advisory only
- No known wells
- SPRAY AREA REQUIRED 3,750 ft²
- SPRAY AREA PROPOSED 4,242 ft²



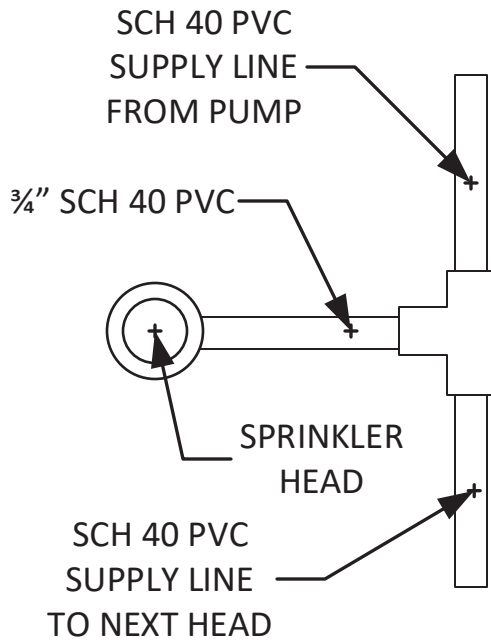
Ethan W. Cruse
11/27/2021

CRUSE ENVIRONMENTAL 817-217-5454 ethan@cruseenvironmental.com	RAGSDALE RESIDENCE			
	312 LONE TREE LN HICKORY CREEK, TX 75065-7567			
SITE PLAN	SIZE	RS NO	DESIGNER	REV
		4910	ETHAN W. CRUSE	
SURFACE APPLICATION	SCALE	1" = 30'	11/27/2021	SHEET 1 OF 1

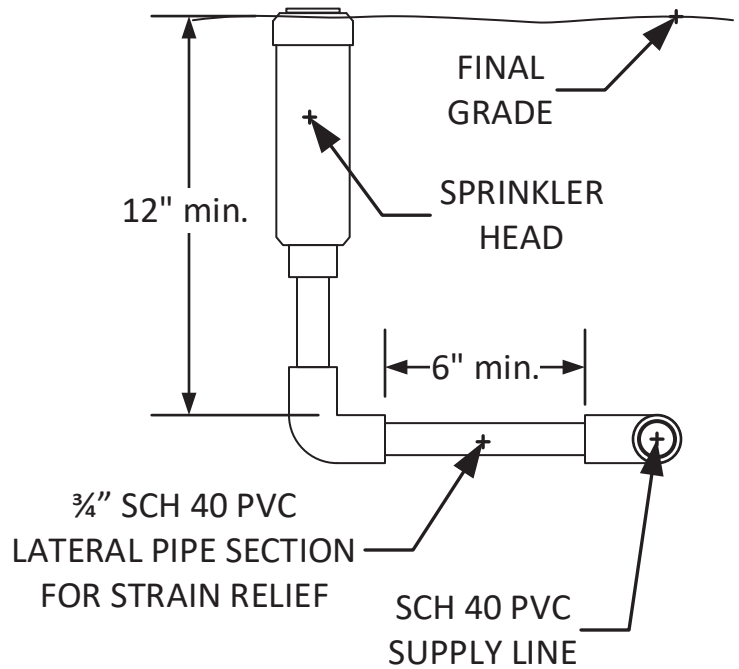


Recommended configuration for sprinklers off of main supply line

TOP VIEW



SIDE VIEW



Friction loss chart from Rain Bird

SIZE	1/2"		3/4"		1"		1 1/4"		1 1/2"		2"	
OD	0.840		1.050		1.315		1.660		1.900		2.375	
ID	0.622		0.824		1.049		1.380		1.610		2.067	
WALL THK.	0.109		0.113		0.133		0.140		0.145		0.154	
FLOW GPM	Velocity FPS	PSI Loss	Velocity FPS	PSI Loss	Velocity FPS	PSI Loss	Velocity FPS	PSI Loss	Velocity FPS	PSI Loss	Velocity FPS	PSI Loss
20	21.09	110.23	12.01	28.04	7.41	8.66	4.28	2.28	3.14	1.08	1.90	0.32
PSI LOSS PER 100 FEET OF PIPE (PSI/100FT)												

CRUSE

ENVIRONMENTAL

817-217-5454

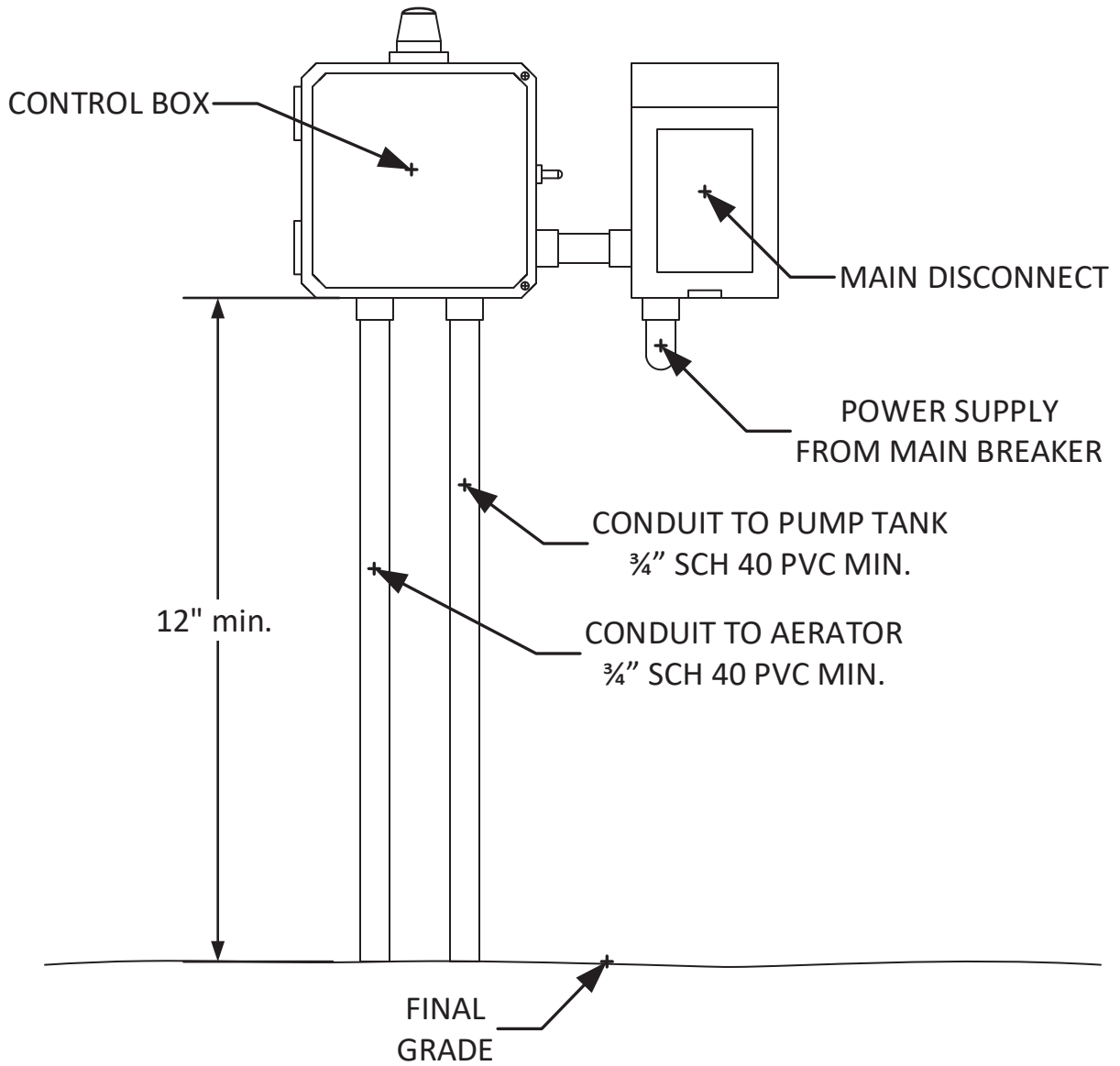
ethan@cruseenvironmental.com

SPRINKLER DIAGRAMS AND FRICTION LOSS

Schedule 40 PVC pipe shall be used. All distribution piping, valve cover boxes and sprinkler tops shall be permanently colored purple to identify the system as a reclaimed water system. K-Rain Pro-Plus (or equivalent) low angle (< 15 degrees) non-aerosol nozzles are acceptable.

SIZE	RS NO	DESIGNER	REV
	4910	ETHAN W. CRUSE	
SCALE	NTS	SHEET	1 OF 2

Recommended configuration for control panel



<p style="font-size: 24pt; font-weight: bold; margin: 0;"><i>CRUSE</i></p> <p style="font-weight: bold; margin: 0;">ENVIRONMENTAL</p> <p style="margin: 0;">817-217-5454</p> <p style="margin: 0;">ethan@cruseenvironmental.com</p>	CONTROL BOX DIAGRAM			
	<p>All electrical wiring shall meet the requirements of the National Electric Code (NEC) and TITLE 30 TAC CHAPTER 285 Section 285.34 (c). All external wiring shall be installed in approved, ridged, non-metallic gray code electrical conduit. The conduit shall be buried according to the requirements of the NEC.</p>			
	SIZE	RS NO	DESIGNER	REV
		4910	ETHAN W. CRUSE	
	SCALE	NTS	SHEET	2 OF 2

(10) Table X. Minimum Required Separation Distances for On-Site Sewage Facilities.

Table X. Minimum Required Separation Distances for On-Site Sewage Facilities.						
	TO					
FROM	Tanks	Soil Absorption Systems, & Unlined ET Beds	Lined Evapotranspiration Beds	Sewer Pipe With Watertight Joints	Surface Application (Edge of Spray Area)	Drip Irrigation
Public Water Wells ²	50	150	150	50	150	150
Public Water Supply Lines ²	10	10	10	10	10	10
Wells and Underground Cisterns	50	100	50	20	100	100
Private Water Line	10	10	5	10 ⁵ except at connection to structure	No separation distances	10
Wells Completed in accordance with 16 TAC §76.1000(a)(1)	50	50	50	20	50	50
Streams, Ponds, Lakes, Rivers, Creeks (Measured From Normal Pool Elevation and Water Level); Salt Water Bodies (High Tide Only); Retention Ponds/Basin (Spillway elevation)	50	75 LPD with secondary treatment & disinfection - 50	50	20	50	25 when $R_a < 0.1$ 75 when $R_a > 0.1$ (With Secondary Treatment & Disinfection - 50)
Foundations, Buildings, Surface Improvements, Property Lines, Swimming Pools, and Other Structures	5	5	5	5 Pipe may run beneath driveways and sidewalks or up to surface improvements if it is	No Separation Distances Except: Property lines - 20 ⁶ Swimming Pools - 25	No Separation Distances Except ⁴ : Property Lines - 5

CONTINUED ON NEXT PAGE

				Schedule 80 pipe or sleeved in Schedule 40 pipe Pipe containing secondary effluent has no setbacks from building foundations		
Underground Easements	1	1	1	1	May spray to edge of easement, but not into. Sprinkler heads must be 1 foot from easement edge	1
Overhead Easements	1 No setbacks if permission is granted by easement holder	1 No setbacks if permission is granted by easement holder	1 No setbacks if permission is granted by easement holder	1 No setbacks if permission is granted by easement holder	1 No setbacks if permission is granted by easement holder	1 No setbacks if permission is granted by easement holder
Slopes Where Seeps may Occur and detention ponds	5	25	5	10	10	10 when $R_a < 0.1$ 25 when $R_a > 0.1$
Edwards Aquifer Recharge Features (See Chapter 213 of this title relating to Edwards Aquifer) ³	50	150	50	50	150	100 when $R_a < 0.1$ 150 when $R_a > 0.1$

1. All distances measured in feet, unless otherwise indicated
2. For additional information or revisions to these separation distances, see Chapter 290 of this title (relating to Public Drinking Water)
3. No on-site sewage facility may be installed closer than 75 feet from the banks of the Nueces, Dry Frio, Frio, or Sabinal Rivers downstream from the northern Uvalde County line to the recharge zone.
4. Drip irrigation lines may not be placed under foundations.
5. Private water line/wastewater line crossings should be treated as public water line crossings, see Chapter 290 of this title .
6. Separation distance may be reduced to 10 feet when sprinkler operation is controlled by commercial timer. See §285.33(d)(2)(G)(i) of this title (relating to Criteria for Effluent Disposal systems)

Denton County Landmark Map

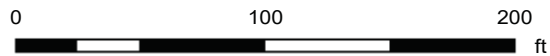


Legend

- 911 Addresses
- Development Permits
- Parcels
- Floodplain**
- Cross Section Location
- Base Flood Elevation
- FEMA Floodway
- Flood Grid
- FEMA 100yr Flood Zone A
- FEMA 100yr Flood Zone AE
- FEMA 500yr Flood Zone
- Levee Protected

Notes

See web site for license constraints.



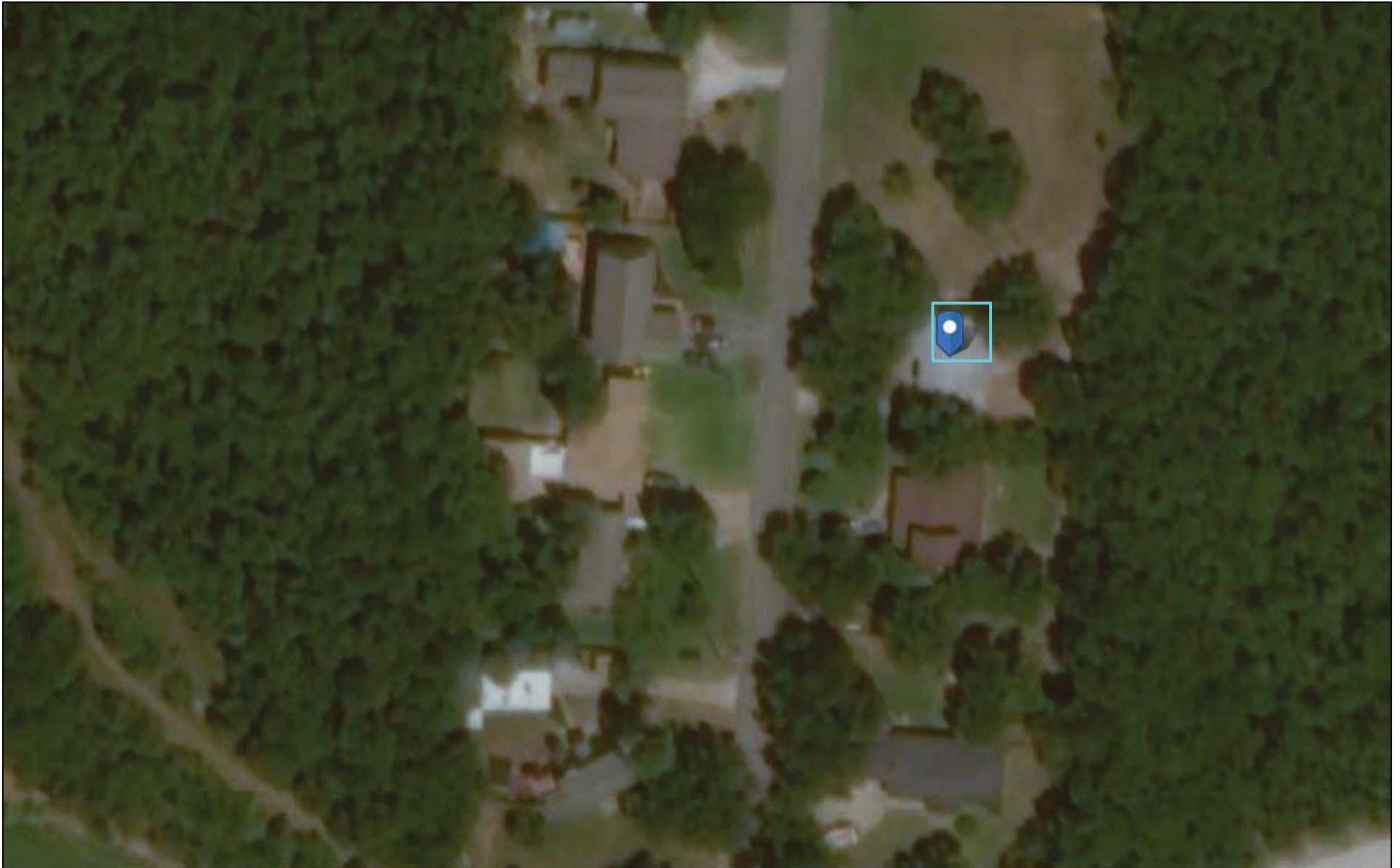
<https://gis.dentoncounty.gov>

11/27/2021 12:31:39 PM

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

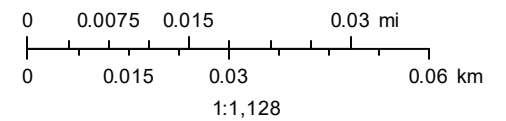
Denton County does not guarantee the correctness or accuracy of any features on this product and assumes no responsibility in connection therewith. This product may be revised at any time without notification to any user.

Well Report



November 27, 2021

The data in Water Data Interactive represents the best available information provided by the TWDB and third-party cooperators of the TWDB. The TWDB provides information via this web site as a public service. Neither the State of Texas nor the TWDB assumes any legal liability or responsibility or makes any guarantees or warranties as to the accuracy, completeness or suitability of the information for any particular purpose. The TWDB systematically revises or removes data discovered to be incorrect. If you find inaccurate information or have questions, please contact WDI-Support@twdb.texas.gov.

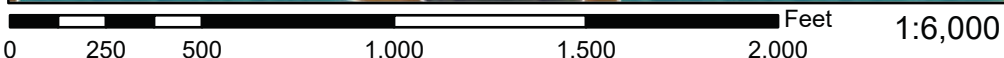


Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

National Flood Hazard Layer FIRMette



97°3'28"W 33°6'55"N



Basemap: USGS National Map: Orthoimagery: Data refreshed October, 2020

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

<p>SPECIAL FLOOD HAZARD AREAS</p>	<ul style="list-style-type: none"> Without Base Flood Elevation (BFE) <i>Zone A, V, A99</i> With BFE or Depth <i>Zone AE, AO, AH, VE, AR</i> Regulatory Floodway
<p>OTHER AREAS OF FLOOD HAZARD</p>	<ul style="list-style-type: none"> 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile <i>Zone X</i> Future Conditions 1% Annual Chance Flood Hazard <i>Zone X</i> Area with Reduced Flood Risk due to Levee. See Notes. <i>Zone X</i> Area with Flood Risk due to Levee <i>Zone D</i>
<p>OTHER AREAS</p>	<ul style="list-style-type: none"> NO SCREEN Area of Minimal Flood Hazard <i>Zone X</i> Effective LOMRs Area of Undetermined Flood Hazard <i>Zone D</i>
<p>GENERAL STRUCTURES</p>	<ul style="list-style-type: none"> Channel, Culvert, or Storm Sewer Levee, Dike, or Floodwall
<p>OTHER FEATURES</p>	<ul style="list-style-type: none"> 20.2 Cross Sections with 1% Annual Chance Water Surface Elevation 17.5 Coastal Transect Base Flood Elevation Line (BFE) Limit of Study Jurisdiction Boundary Coastal Transect Baseline Profile Baseline Hydrographic Feature
<p>MAP PANELS</p>	<ul style="list-style-type: none"> Digital Data Available No Digital Data Available Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on **11/27/2021 at 1:39 PM** and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

WasteNot Septic
P.O. Box 430
Roanoke, TX 76262

Phone: (817) 909-9551

service@wastenotseptic.com

Customer ID

3856

Contract Period

Start Date: 12/31/2021

End Date: 12/31/2023

(817) 371-5091

Email: travisragsdale@icloud.com

To: Travis Ragsdale
312 Lone Tree Ln.
Hickory Creek, TX 75065

Site: 312 Lone Tree Ln., Hickory Creek, TX 75065
County: Denton
Installer:
Agency: Hickory Creek
Mfg/Brand: --

WasteNot Septic
3 visits per year - one every 4 months

In consideration of prepayment of the Service Contract cost indicated in the enclosed letter, this service company agrees to the following: During the service period make 3 routine service calls [1 every four months] on the sewage treatment system located at the above address. Inspection calls will include:

- A. An effluent quality inspection consisting of a visual check for color and an examination for odors.
- B. Inspection of mechanical and electrical components.
- C. Test chlorine residual and file report with local authority.

Additional service, pumping of aerobic unit, pre-tank, or pump tank and replacement of out of warranty parts, will be done upon authorization from the customer at an additional charge.

IMPORTANT: This service agreement does not cover the cost of service calls, labor or materials which are required due to "mis-use or abuse" of the system, failure to maintain electric power to the system, sewage flows exceeding the hydraulic-organic design capabilities, insect & rodent damage, disposal of non-biodegradable materials, chemicals, solvents, grease, oil, paint, etc.; or any usage contrary to the requirements listed in the owner's manual or as advised by the authorized service representative.

Service calls shall receive response during the first 72 hours. Contract fees are nonrefundable. Upon sale of the property the remaining service calls shall be credited to the new property owner.

Home owner will provide and install chlorine.
WasteNot Septic will provide and install chlorine. Additional fee enclosed

Homeowner: Travis Ragsdale Date: 12-8-21

Homeowner E-mail _____

WasteNot Septic: Paul Cruse Date: 12-8-21

Please print your E-MAIL ADDRESS on this contract and include your payment.

Date Printed: 12/8/2021

Paul Cruse
Paul Cruse
Provider
WasteNot Septic
817-909-9551

Mail To: 312 LONE TREE LN
HICKORY CREEK, TX 75065-7567

CERTIFICATION OF OSSF REQUIRING MAINTENANCE

According to Texas Commission on Environmental Quality (TCEQ) Rules for On-Site Sewage Facilities, this document is filed in the Deed Records of DENTON County, Texas.

I

The Texas Health and Safety Code, Chapter 366 authorizes the TCEQ to regulate on-site sewage facilities (OSSF). Additionally, the Texas Water Code (TWC) 5.012 and 5.013 gives TCEQ primary responsibility for implementing the laws of the State of Texas relating to water and adopting rules necessary to carry out its powers and duties under the TWC. TCEQ, under the authority of the TWC and the Texas Health and Safety Code, requires property owner's to provide notice to the public that certain types of OSSF are located on specific pieces of property. To achieve this notice, TCEQ requires a deed recording. Additionally, the owner must provide proof of the recording to the OSSF permitting authority. This deed certification is not a representation or warranty by the TCEQ of the suitability of this OSSF, nor does it constitute any guarantee that the appropriate OSSF was installed.

II

An OSSF requiring a maintenance contract, according to 30 Texas Administrative Code 285.91(12) will be installed on the property described as:

Legal description: HARBOR GROVE ESTATES 1 BLK C LOT 15

Property Address: 312 LONE TREE LN HICKORY CREEK, TX 75065-7567

The property is owned by: RAGSDALE, TRAVIS

This OSSF must be covered by a continuous maintenance contract or maintained per local Authorized Agency OSSF Order/Ordinance approved by TCEQ. All maintenance on this OSSF must be performed by an approved maintenance company or per TCEQ approved OSSF Order/Ordinance. Signed maintenance contracts must be submitted to the Authorized Agency within 30 days after the property had been transferred when applicable.

The owner will, upon any sale or transfer of the above described property, request a transfer of the permit for the OSSF to the buyer or new owner. A copy of the planning materials for the OSSF can be obtained from the local Authorized Agency or TCEQ.

PROPERTY OWNER/OWNER'S AGENT PRINTED NAME: Travis Ragsdale

PROPERTY OWNER/OWNER'S AGENT SIGNATURE: [Signature] **DATE** 12/7/21

Before me Benjamin C Crossley (here insert the name and character of the officer)

on this day personally appeared Travis Ragsdale, known to me

(or proved to me on the oath of _____ or through

Driver License (description of identity card or other document))

to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

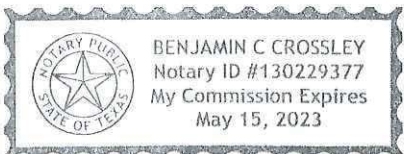
Given under my hand and seal of office this 7th day of December, A.D., 2021

(SEAL)

[Signature]
Notary Public, State of Texas

Notary's Printed Name: Benjamin C Crossley

My Commission Expires: May 15, 2023





VG-16-2021-224928

Denton County
Juli Luke
County Clerk

Instrument Number: 224928

Real Property Recordings

AFFIDAVIT

Recorded On: December 10, 2021 04:27 PM

Number of Pages: 2

" Examined and Charged as Follows: "

Total Recording: \$30.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 224928
Receipt Number: 20211210000774
Recorded Date/Time: December 10, 2021 04:27 PM
User: Melissa K
Station: Station 43

Record and Return To:

CRUSE PUMPING AND BACKHOE
312 LONE TREE LN
HICKORY CREEK TX 75065-7567



STATE OF TEXAS
COUNTY OF DENTON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

Mail To: 312 LONE TREE LN
HICKORY CREEK, TX 75065-7567

CERTIFICATION OF OSSF REQUIRING MAINTENANCE

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The owner will, upon any sale or transfer of the above described property, request a transfer of the permit for the OSSF to the buyer or new owner. A copy of the planning materials for the OSSF can be obtained from the local Authorized Agency or TCEQ.

PROPERTY OWNER/OWNER'S AGENT PRINTED NAME: Travis Ragsdale

PROPERTY OWNER/OWNER'S AGENT SIGNATURE: [Signature] **DATE** 12/7/21

Before me Benjamin Crossley (here insert the name and character of the officer)

on this day personally appeared Travis Ragsdale, known to me

(or proved to me on the oath of _____ or through

Driver License (description of identity card or other document))

to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

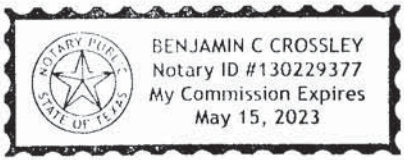
Given under my hand and seal of office this 7th day of December, A.D., 2021

(SEAL)

[Signature]
Notary Public, State of Texas

Notary's Printed Name: Benjamin C Crossley

My Commission Expires: May 15, 2023



**TOWN OF HICKORY CREEK, TEXAS
RESOLUTION NO. 2022-0124-__**

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 BETWEEN THE TOWN OF HICKORY CREEK, TEXAS, THE CITY OF CORINTH, THE CITY OF LAKE DALLAS AND THE TOWN OF SHADY SHORES, TEXAS CONCERNING LEGAL SERVICES IN SUPPORT OF CURRENT BROADBAND SERVICE PROVIDER EVALUATIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Hickory Creek (the “Town”), 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 enabling legislation of the State of Texas; and

WHEREAS, the Town Council has been presented with a proposed agreement with the City of Corinth, the City of Lake Dallas and the Town of Shady Shores (hereinafter the "Agreement") for legal services in support of their cooperative efforts to evaluate broadband service providers within the Lake Cities, a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference; and

WHEREAS, upon full review and consideration of the Agreement, and all matters attendant and related thereto, the Town Council is of the opinion that the terms and conditions thereof should be approved, and that the Mayor shall be authorized to execute them on behalf of the Town of Hickory Creek.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Hickory Creek, Texas:

Section 1: That the Mayor of the Town of Hickory Creek, Texas, is hereby authorized to execute on behalf of the Town of Hickory Creek, Texas, the Agreement attached hereto as Exhibit A.

Section 2: This Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED by the Town Council of the Town of Hickory Creek, Texas this 24th of January, 2022.

Lynn C. 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

INTERLOCAL COOPERATION AGREEMENT FOR JOINT LEGAL SERVICES RELATED TO BROADBAND NEGOTIATIONS, CONTRACT DOCUMENTS AND FRANCHISE AGREEMENTS FOR THE CITY OF CORINTH, THE CITY OF LAKE DALLAS, THE TOWN OF HICKORY CREEK AND THE TOWN OF SHADY SHORES

This Interlocal Cooperation Agreement for Broadband Joint Legal Services for Broadband Negotiations, Contract Documents and Franchise Agreements (“the Agreement”) is made and entered into by and among the CITY OF CORINTH, a Texas home rule municipality, (“CORINTH”), the CITY OF LAKE DALLAS, a Texas home rule municipality (“LAKE DALLAS”) the TOWN OF SHADY SHORES, a Type A general law municipality (“SHADY SHORES”) and the TOWN OF HICKORY CREEK, a Type A General law municipality (“HICKORY CREEK”), Corinth, Lake Dallas, Hickory Creek and Shady Shores are collectively referred to herein as the “LAKE CITIES” and individually referred to as (“LAKE CITIES MEMBER”), each organized and existing under the laws of the State of Texas, the Texas Constitution and, as applicable, its Home Rule Charter, and acting by, through and under the authority of their respective governing bodies and officials.

RECITALS

WHEREAS, this Agreement is authorized pursuant to Chapter 791 of the Texas Government Code (hereinafter “Interlocal Cooperation Act”) to set forth the terms and conditions upon which the LAKE CITIES agree to jointly engage the services of an attorney who specializes in matters related to the acquisition and construction of a publicly owned broadband network serving all of the LAKE CITIES MEMBERS; and

WHEREAS, each LAKE CITIES MEMBER has identified concerns that their respective communities may not have the level of broadband access as defined and reported by the Federal Communications Commission; and

WHEREAS, each LAKE CITIES MEMBER recognizes that technology plays a pivotal role in the choice of businesses and residents to locate within their respective cities, that business operations and customer service require the presence of reliable technology resources, and that it is necessary to retain specialized legal representation and services to assist with the acquisition and construction of a publicly owned broadband network serving the LAKE CITIES MEMBERS as four client entities, including without limitation, upon request, advice regarding the selection of a service provider and the drafting and negotiation of a binding agreement between the Lake Cities and the selected service provider. (the “Project”); and

WHEREAS, LAKE CITIES have conducted a broadband study through Connected Nation and now desire to engage the services of an attorney who specializes in broadband matters to assist the LAKE CITIES MEMBERS with legal matters related to and arising out of the Project and the negotiation and execution of documents necessary for the completion of the Project; the LAKE CITIES MEMBERS believe that their individual best interests in the Project are aligned, do not conflict, and can best be served by entering into this Agreement for joint broadband legal services, and each of the LAKE CITIES MEMBERS ; could retain such services individually as a governmental function; and **WHEREAS**, LAKE CITIES have determined it appropriate to authorize CORINTH to enter into an agreement with Carl E. Katdutsch of Kandutsch Law Office

("Attorney") to provide legal advice and counsel and provide the services set forth in **Exhibit "A"** hereto to assist with the Project (the "Proposal") and pursuant to this Agreement, to participate in the cost for the services provided by Attorney pursuant to the Attorney Proposal; and

WHEREAS, the scope of work to be performed by Attorney will be in accordance with the terms of this Agreement, including without limitation, Section 2 hereof, and the scope outlined in the Attorney Proposal, **Exhibit "A"** hereto, such scope having been agreed upon by each LAKE CITIES MEMBER; and

WHEREAS, the City Councils of each LAKE CITIES MEMBER has found that this Agreement and the services to be provided pursuant to this Agreement and the Attorney Proposal are valid governmental functions, will be paid by current revenues legally available to each LAKE CITIES MEMBER, and that the payments made hereunder fairly compensate for the services provided hereunder.

NOW THEREFORE, the LAKE CITIES, for and in consideration of the premises and the mutual covenants set forth in this Agreement, and pursuant to the authority granted by the governing bodies of each of the parties hereto, do hereby agree as follows:

1. **Term/Termination.** This Agreement shall be effective upon execution by all of the LAKE CITIES with the effective date being the date of signature of the last LAKE CITIES MEMBER to sign ("the Effective Date"). The term of this Agreement shall be for a period of twelve (12) months following the Effective Date. Any LAKE CITIES MEMBER may terminate its participation in this Agreement not earlier than thirty (30) days after providing written notice to the other LAKE CITIES MEMBERS. A LAKE CITIES MEMBER who exercises its right to terminate its participation in this Agreement pursuant to this Section 1 shall remain obligated to pay its portion of the costs for services provided pursuant to this Agreement (defined in Section 2) through the effective date of such termination.

2. **Scope of Work/Obligations/CORINTH as Liaison.**

(a) By execution of this Agreement, each LAKE CITIES MEMBER hereby requests and authorizes CORINTH to negotiate and enter into an agreement with Attorney to provide legal advice and counsel for the Project, including without limitation, legal advice and counsel concerning the acquisition and construction of a publicly owned broadband network serving the LAKE CITIES, including, upon request, assistance with the selection of a service provider and drafting and negotiation of necessary binding agreement(s) between the LAKE CITIES and the selected provider. Attorney will also, upon request, provide legal advice and counsel concerning any related matter that is within the scope of Attorney's experience and expertise. The Attorney Proposal and the Services provided thereunder are set forth in detail in **Exhibit "A"**, a substantial copy of which is attached hereto and incorporated herein. The LAKE CITIES hereby authorize CORINTH to negotiate and execute a contract with Attorney consistent with the Attorney's Proposal and the terms of this Agreement ("Attorney Agreement"). Upon execution of the Attorney Agreement by Corinth, a copy of the executed Attorney Agreement shall be provided to each LAKE CITIES MEMBER, shall replace and supersede the Attorney Proposal as **Exhibit "A"** hereto, and the Attorney Agreement shall be incorporated herein by reference as **Exhibit "A"**.

(b) Each LAKE CITIES MEMBER agrees to participate in the Project and to assist Attorney and CORINTH in the performance of the various Project components to further and support Attorney’s ability to render legal advice and counsel concerning the acquisition and construction of a publicly owned broadband network serving the LAKE CITIES, including, upon request, the selection of a service provider and drafting and negotiation of a binding agreement between the Lake Cities and selected provide, and upon request, legal advice and counsel concerning any related matter that is within the scope of work set forth in Exhibit “A” hereto. CORINTH also agrees to act as the liaison and point of contact for the Services; prepare, execute, and administer the communication with Attorney and the LAKE CITIES. Any payments owed the Attorney for the Services pursuant to Attorney Agreement shall be paid directly by CORINTH from funds currently available to CORINTH, and each LAKE CITIES MEMBER agrees to pay its share in accordance with **Section 3, “Consideration”** of this Agreement. Additionally, CORINTH agrees to monitor Attorney’s work and compliance with provisions of the Attorney Agreement.

3. **Consideration.** CORINTH, LAKE DALLAS, SHADY SHORES, and HICKORY CREEK each agree to pay its proportionate share of the costs of the Services provided by Attorney pursuant to the Attorney Agreement based upon the allocation set forth in the chart provided in this Section. The total cost of the Services shall not exceed **TWENTY-SEVEN THOUSAND AND NO/100 DOLLARS (\$27,000)**. CORINTH agrees to make payments to Attorney in accordance with the Attorney Agreement, and each LAKE CITIES MEMBER agrees to make payments to Corinth within thirty (30) days of receipt of invoice from CORINTH. The LAKE CITIES agree that the payments made hereunder by each of the LAKE CITIES MEMBERS for the Services and for services provided by CORINTH provide valid and sufficient consideration for the services rendered and payments made hereunder.

	Population		Land Area (miles)		Total Allocation	Total Cost
Corinth	22,634	60%	7.9	44%	52%	\$14,040
Lake Dallas	7,708	20%	2.7	15%	17.5%	\$4,725
Hickory Creek	4,718	13%	4.5	25%	19%	\$5,130
Shady Shores	2,764	7%	2.9	16%	11.5%	\$3105
	37,824	100%	18.00	100	100%	\$27,000

4. **Authorization.** The undersigned officers and/or agents of the LAKE CITIES represent and certify that this Agreement has been approved by their respective governing body and that each is a duly authorized official and possesses the requisite authority to execute this Agreement on behalf of its governing body.

5. **Original Counterparts.** This Agreement may be executed separately by the parties, each of which shall be deemed an original and all of which together shall constitute one

and the same instrument.

6. **Notice.** Notice as required by this Agreement shall be in writing delivered to the parties by certified mail at the address listed below. Each party shall notify the other parties in writing within ten (10) days of any change in the information listed in this paragraph.

CORINTH

Bob Hart, City Manager
3300 Corinth Parkway
Corinth, TX 76208
Telephone: (940) 498-3243

LAKE DALLAS

Kandace Lesley, City Manager
212 Main Street
Lake Dallas, TX 75065
Telephone: (940) 497-2226

HICKORY CREEK

John Smith, Town Manager
1075 Ronald Reagan Avenue
Hickory Creek, TX 75065
Telephone: (940) 497-2528

SHADY SHORES

Wendy Withers, Town Manager
101 S Shady Shores Road
Shady Shores, TX 76208
Telephone: (940) 498-0044

7. **Assignment.** The LAKE CITIES agree that the rights and duties contained in this Agreement will not be assigned or sublet without the prior written consent of each other LAKE CITIES MEMBER.

8. **Venue.** This Agreement shall be governed by the laws of the State of Texas and exclusive venue for any action relating to this Agreement shall be in Denton County, Texas.

9. **Independent Parties/Governmental Immunity.** Each LAKE CITIES MEMBER agrees and acknowledges that this Agreement does not create a joint venture, partnership, or joint enterprise, and that each is not an agent of any of the other entities and that each is responsible in accordance with the laws of the State of Texas for its own negligent or wrongful acts or omissions and for those of its officers, agents, or employees in conjunction with the performance of services covered under this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall be construed as a waiver of any governmental immunity or other defense available to each LAKE CITIES MEMBER. The provisions of this section are solely for the benefit of the LAKE CITIES and are not intended to create or grant any rights, contractual or otherwise, to any third party. This Agreement is for the sole benefit of the LAKE CITIES and shall not be construed to create any third-party beneficiaries.

10. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (i) such unenforceable provision shall be deleted from this Agreement; (ii) the unenforceable provision shall, to the extent possible and upon mutual agreement of the LAKE CITIES, be rewritten to be enforceable and to give effect to the intent of the LAKE CITIES; and (iii) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the LAKE CITIES.

11. **Non-Waiver.** Any failure by a LAKE CITIES MEMBER to insist upon strict performance by any one or more of the other LAKE CITIES MEMBERS of any material provision of this Agreement shall not be deemed a waiver thereof, and the LAKE CITIES MEMBER shall

have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the LAKE CITY MEMBER waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any LAKE CITIES MEMBER of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

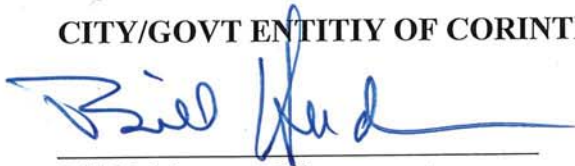
12. **Entire Agreement.** This Agreement (with all referenced Exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of the LAKE CITIES, superseding all oral or written previous and contemporary agreements among the LAKE CITIES relating to matters set forth in this Agreement. This Agreement cannot be modified without written supplemental agreement executed by all of the LAKE CITIES.

13. **Further Documents.** LAKE CITIES MEMBER agrees that at any time after the Effective Date, they will, upon request of another LAKE CITIES MEMBER, execute and deliver such further documents and do such further acts and things as the other LAKE CITIES MEMBERS may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the respective City Council seated at the time that this Agreement is executed or any future respective City Council.

IN WITNESS WHEREOF, this Agreement is executed this 13th day of January 2022, in quadruplicate originals.

APPROVED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS:

CITY/GOVT ENTITIY OF CORINTH, TEXAS



Bill Heidemann, Mayor

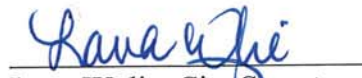
01.13.2022
Date

BY:


Bob Hart, City Manager

01.13.2022
Date

ATTEST:




Lana Wylie, City Secretary



01.13.2022
Date

APPROVED AS TO FORM:



Patricia Adams, City Attorney

1/13/2022
Date

IN WITNESS WHEREOF, this Agreement is executed this ____ day of _____ 2022,
in quadruplicate originals.

**APPROVED BY THE TOWN COUNCIL OF THE TOWN OF SHADY SHORES,
TEXAS:**

Cindy Aughinbaugh, Shady Shores Mayor

Date

ATTEST:

Wendy Withers, City Secretary

Date

APPROVED AS TO FORM:

City Attorney

Date

IN WITNESS WHEREOF, this Agreement is executed this ____ day of _____ 2022,
in quadruplicate originals.

**APPROVED BY THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK,
TEXAS:**

Lynn Clark, Hickory Creek Mayor

Date

ATTEST:

Kristi Rogers, City Secretary

Date

APPROVED AS TO FORM:

City Attorney

Date

IN WITNESS WHEREOF, this Agreement is executed this ____ day of _____ 2022,
in quadruplicate originals.

APPROVED BY THE CITY COUNCIL OF THE CITY OF LAKE DALLAS, TEXAS:

BY:

Andi Nolan, Lake Dallas Mayor

Date

ATTEST:

Codi Delcambre, City Secretary

Date

APPROVED AS TO FORM:

City Attorney

Date

EXHIBIT "A"
ATTORNEY PROPOSAL

**(TO BE SUPERSEDED BY KANDUTSCH LAW OFFICE ATTORNEY AGREEMENT
IN ACCORDANCE WITH SECTION 2(a) OF THIS AGREEMENT)**

TOWN OF HICKORY CREEK

FINANCIAL STATEMENTS
AND
ACCOUNTANTS' OPINION

SEPTEMBER 30, 2021

TOWN OF HICKORY CREEK

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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, 2021, 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, 2021, 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 52 through 56 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 December 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, PC
Denton, Texas

December 15, 2021

MANAGEMENT'S DISCUSSION & ANALYSIS

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TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

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, 2021. 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, 2021 by \$16,485,307. Of this amount, \$5,261,624 may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$1,482,146 during the fiscal year from the results of current year operations.
- As of September 30, 2021, the Town of Hickory Creek's governmental funds reported combined ending fund balances of \$10,188,364, an increase of \$5,344,124 in comparison with the beginning of the period. Approximately 50 percent of this total amount, \$5,053,252, 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 \$5,053,252 was 103.16 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, 2021

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, 2021

Government-wide Financial Analysis

The Town's combined net position was \$16,485,307 as of September 30, 2021. 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	
	2021	2020
Current and other assets	\$ 10,509,985	\$ 5,558,104
Capital assets	17,020,865	17,529,085
Total assets	<u>27,530,850</u>	<u>23,087,189</u>
Deferred outflows of resources	688,545	710,239
Long-term liabilities outstanding	11,223,426	7,825,346
Other liabilities	290,739	680,914
Total liabilities	<u>11,514,165</u>	<u>8,506,260</u>
Deferred inflows of resources	219,923	288,007
Net Position:		
Net investment in capital assets	10,705,372	10,511,190
Restricted for:		
Debt Service	-	122,437
Street improvements/maintenance	264,946	991,436
Court security and technology	117,550	103,160
Parks	135,815	130,188
Unrestricted	<u>5,261,624</u>	<u>3,144,750</u>
Total net position	<u>\$ 16,485,307</u>	<u>\$ 15,003,161</u>

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

The following table provides a summary of the Town's operations for the years ended September 30, 2020 and 2021.

Table 2
Changes in Net Position

	Governmental Activities	
	2021	2020
Revenues:		
Program Revenues:		
Charges for services	\$ 2,673,298	\$ 1,842,427
Operating grants and contributions	649,845	314,159
Capital grants and contributions	-	104,400
General Revenues:		
Property taxes	2,110,176	2,042,937
Sales taxes	1,552,205	1,361,064
Other taxes	330,783	280,283
Investment earnings	8,330	57,499
Miscellaneous	9,304	8,251
	<u>7,333,941</u>	<u>6,011,020</u>
Expenses:		
Administration	853,029	825,715
Police	1,483,218	1,251,924
Fire	613,633	613,633
Municipal court	526,701	463,935
Public works	2,025,231	2,112,852
Debt service - interest and fees	371,053	225,476
	<u>5,872,865</u>	<u>5,493,535</u>
Sale of assets	21,070	-
Change in net position	1,482,146	517,485
Net position - October 1 (beginning)	15,003,161	14,485,676
Net position - September 30 (ending)	<u>\$ 16,485,307</u>	<u>\$ 15,003,161</u>

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

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 \$10,188,364, an increase of \$5,344,124 in comparison with the beginning of the period. Approximately 49.6 percent of this total amount (\$5,053,252) 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 (\$4,271,502), 2) to pay for court security and technology costs (\$117,550), 3) to liquidate prepaid items (\$16,156), and 4) to pay for park maintenance (\$135,815).

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 \$5,053,252, while total fund balance was \$5,587,719. 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 103.16 percent of total general fund expenditures, while total fund balance represents 114.07 percent of that same amount.

The fund balance of the Town's general fund increased by \$913,513 during the current year compared to a \$86,420 decrease in the prior year. Key factors in this increase are as follows:

- Revenues increased \$990,485 or 20.24% from the previous year, primarily due to increases in building permits, sales tax revenues and court citations.
- Expenditures decreased \$81,659 or 1.64% from the previous year, primarily due to fewer capital outlay expenditures.

The fund balance of the Town's debt service fund decreased \$122,437 compared to a \$8,014 increase in the prior year. Revenues were comparable to the prior year but expenditures increased \$204,513 or 23.92% due to additional debt service requirements on new debt.

The fund balance of the capital projects increased \$4,006,556 during the current year due to proceeds from the sale of certificates of obligation.

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 \$56,823 decrease in available fund balance. The available fund balance for the general fund actually increased in the amount of \$913,513, due primarily to increases in building permits, sales tax and court citations, and lower than anticipated expenditures in most departments.

TOWN OF HICKORY CREEK

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental activities as of September 30, 2021, amount to \$17,020,865 (net of accumulated depreciation). This amount represents a net decrease of \$508,220, or 2.9 percent, below 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	\$ 369,806
Park restroom building	48,991
Laptops	16,968
Total	<u>\$ 435,765</u>

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

	<u>Governmental Activities</u>
Land	\$ 757,710
Buildings	2,718,467
Equipment and Vehicles	471,802
Street and Road Infrastructure	12,713,998
Construction in Progress	358,888
Totals	<u>\$ 17,020,865</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 \$3,085,000, certificates of obligation outstanding of \$6,510,000, and accrued compensated absences of \$89,048, for a total of \$9,684,048.

The Town's total debt increased by \$3,284,301 during the current year. The only new debt incurred during the year was the issuance of \$3,720,000 certificates of obligation. 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, 2021

Economic Factors and Next Year's Budgets and Rates

The Town of Hickory Creek continues to see substantial residential and commercial growth. The Mayor and Town Council adopted an ad valorem tax rate of 0.307280 per \$100 assessed values which are \$745,322,425.

Residential development continues to be strong in Hickory Creek. D.R. Horton completed The Alcove Subdivision with housing prices well above anticipated amounts. 212 home sites have been developed by Beazer Homes (93) and Tripoint Homes (119) with construction underway for models.

Hickory Creek worked again with landowners to annex property into the Town limits which was in the extra territorial jurisdiction. This includes a development for 209 high-end townhomes and a townhome development which will annex into the Town in 2024.

The Town continues to see commercial growth with Don Camillo's opening in February 2021.

The Town of Hickory Creek concentrated on the final plans for the reconstruction of Sycamore Bend Road and after obtaining the required permits from the U.S. Corps of Engineers, the bidding process will be completed in January 2022 with construction commencing in the spring.

The Town completed several items of the master park plan including a 2.7-mile hike and bike trail to open in March 2022, further connectivity of sidewalks throughout town, a community garden, new restroom facility in Sycamore Bend primitive camping area, new playground equipment in Arrowhead Park and a new multipurpose exercise station in Point Vista Park. The Town council approved a plan for a dog park to be built in the future along the walking trail between Parkridge and Ronald Reagan.

The Town of Hickory Creek continues to maintain a strong financial reserve due to the dedication of the 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, 2021

	Primary Government	Component Units	
	Governmental Activities	Economic Development Corporation	Public Improvement District No. 1
ASSETS			
Cash and Investments	\$ 10,118,669	\$ 2,062,836	\$ 301,507
Receivables (net of allowance for uncollectibles):			
Taxes – Ad Valorem	71,721	-	-
Taxes – Sales	353,178	-	-
Taxes - Mixed Beverage	2,555	-	-
Other	36,584	-	-
Internal Balances	(88,878)	88,878	-
Prepaid Costs	16,156	-	-
Capital Assets:			
Land	757,710	1,479,983	-
Buildings, net	2,718,467	-	-
Equipment and Vehicles, net	471,802	-	-
Street, Road, Park Infrastructure, net	12,713,998	16,761	3,461,651
Construction in Progress	358,888	-	-
Total Assets	<u>27,530,850</u>	<u>3,648,458</u>	<u>3,763,158</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflow Related to TMRS	566,793	-	-
Deferred Outflow Related to OPEB	12,866	-	-
Deferred Charge on Bond Refunding	108,886	-	-
Total Deferred Outflows of Resources	<u>688,545</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Accounts Payable	152,573	460	-
Accrued Wages	22,310	-	-
Accrued Interest	40,839	-	11,942
Developer Escrow	-	-	-
Due to State Agencies	75,017	-	-
Unearned Assessments	-	-	74,285
Long-term Liabilities:			
Due within one year	804,644	-	90,545
Due in more than one year	9,715,339	-	3,673,620
Net Pension Liability	648,220	-	-
Net OPEB Liability	55,223	-	-
Total Liabilities	<u>11,514,165</u>	<u>460</u>	<u>3,850,392</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflow Related to TMRS	219,610	-	-
Deferred Inflow Related to OPEB	313	-	-
Total Deferred Inflows of Resources	<u>219,923</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	10,705,372	1,496,744	(288,349)
Restricted for:			
Debt Retirement	-	-	249,405
Economic Development	-	2,151,254	-
Street Improvements/Maintenance	264,946	-	-
Court Security/Technology	117,550	-	-
Parks	135,815	-	-
Unrestricted Net Position	5,261,624	-	(48,290)
Total Net Position	<u>\$ 16,485,307</u>	<u>\$ 3,647,998</u>	<u>\$ (87,234)</u>

Public Improvement District No. 2	Public Improvement District No. 3
\$ 457,605	\$ 844,545
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
3,516,705	-
-	3,149,747
<u>3,974,310</u>	<u>3,994,292</u>
-	-
-	-
-	-
-	-
-	-
18,807	15,821
24,474	25,000
-	-
30,370	127,708
70,000	-
3,995,000	4,185,000
-	-
-	-
<u>4,138,651</u>	<u>4,353,529</u>
-	-
-	-
-	-
(548,295)	(647,046)
325,622	276,320
-	-
-	-
-	-
58,332	11,489
<u>\$ (164,341)</u>	<u>\$ (359,237)</u>

TOWN OF HICKORY CREEK

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 853,029	\$ 6,825	\$ 10,000	\$ -
Police	1,483,218	442,284	594,067	-
Fire	613,633	-	-	-
Municipal Court	526,701	526,701	-	-
Public Works	2,025,231	1,697,488	-	-
Debt Service – Interest and Fees	371,053	-	45,778	-
Total Governmental Activities	<u>5,872,865</u>	<u>2,673,298</u>	<u>649,845</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 5,872,865</u>	<u>\$ 2,673,298</u>	<u>\$ 649,845</u>	<u>\$ -</u>
COMPONENT UNITS:				
Economic Development Corporation	\$ 90,009	\$ -	\$ -	\$ -
Public Improvement District No. 1	294,589	-	-	-
Public Improvement District No. 2	389,123	-	-	-
Public Improvement District No. 3	244,969	-	-	-
TOTAL COMPONENT UNITS	<u>\$ 1,018,690</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

Sale of assets

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
\$ (836,204)	\$ -	\$ -	\$ -	\$ -
(446,867)	-	-	-	-
(613,633)	-	-	-	-
-	-	-	-	-
(327,743)	-	-	-	-
(325,275)	-	-	-	-
<u>(2,549,722)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(2,549,722)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(90,009)	-	-	-
-	-	(294,589)	-	-
-	-	-	(389,123)	-
-	-	-	-	(244,969)
<u>-</u>	<u>(90,009)</u>	<u>(294,589)</u>	<u>(389,123)</u>	<u>(244,969)</u>
1,308,982	-	-	-	-
801,194	-	-	-	-
1,552,205	517,402	-	-	-
300,648	-	-	-	-
30,135	-	-	-	-
-	-	253,468	340,995	74,125
21,070	-	-	-	-
8,330	1,686	148	178	299
-	12,000	-	-	-
9,304	229	-	-	-
<u>4,031,868</u>	<u>531,317</u>	<u>253,616</u>	<u>341,173</u>	<u>74,424</u>
1,482,146	441,308	(40,973)	(47,950)	(170,545)
<u>15,003,161</u>	<u>3,206,690</u>	<u>(46,261)</u>	<u>(116,391)</u>	<u>(188,692)</u>
<u>\$ 16,485,307</u>	<u>\$ 3,647,998</u>	<u>\$ (87,234)</u>	<u>\$ (164,341)</u>	<u>\$ (359,237)</u>

TOWN OF HICKORY CREEK

BALANCE SHEET-GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	<u>General Fund</u>	<u>Debt Service Fund</u>
ASSETS		
Cash and Investments	\$ 5,518,024	\$ -
Receivables (net of allowances for uncollectibles):		
Taxes –Ad Valorem	41,767	29,954
Taxes - Sales	353,178	-
Taxes - Mixed Beverage	2,555	-
Other	36,584	-
Prepaid Costs	16,156	-
Total Assets	<u>\$ 5,968,264</u>	<u>\$ 29,954</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Current Liabilities:		
Accounts Payable	\$ 152,573	\$ -
Accrued Wages	22,310	-
Due to State Agencies	75,017	-
Due to EDC	88,878	-
Total Liabilities	<u>338,778</u>	<u>-</u>
Deferred Inflows of Resources:		
Unavailable Revenue-Property Taxes	41,767	29,954
Total Deferred Inflows of Resources	<u>41,767</u>	<u>29,954</u>
Fund Equity:		
Nonspendable Fund Balance:		
Prepaid Costs	16,156	-
Restricted Fund Balance:		
Court Security and Technology	117,550	-
Street Improvements/Maintenance	264,946	-
Parks	135,815	-
COVID-19 Costs	-	-
Unassigned Fund Balance	5,053,252	-
Total Fund Equity	<u>5,587,719</u>	<u>-</u>
Total Liabilities, Deferred Inflows and Fund Equity	<u>\$ 5,968,264</u>	<u>\$ 29,954</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>
4,006,556	\$ 594,089	\$ 10,118,669
-	-	-
-	-	71,721
-	-	353,178
-	-	2,555
-	-	36,584
-	-	16,156
<u>\$ 4,006,556</u>	<u>\$ 594,089</u>	<u>\$ 10,598,863</u>
\$ -	\$ -	\$ 152,573
-	-	22,310
-	-	75,017
-	-	88,878
<u>-</u>	<u>-</u>	<u>338,778</u>
-	-	71,721
<u>-</u>	<u>-</u>	<u>71,721</u>
-	-	16,156
-	-	117,550
4,006,556	-	4,271,502
-	-	135,815
-	594,089	594,089
-	-	5,053,252
<u>4,006,556</u>	<u>594,089</u>	<u>10,188,364</u>
<u>\$ 4,006,556</u>	<u>\$ 594,089</u>	<u>\$ 10,598,863</u>

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TOWN OF HICKORY CREEK

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Total Fund Balances – Governmental Funds	\$ 10,188,364
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements.	24,895,470
Accumulated depreciation is not reported in the fund financial statements.	(7,874,605)
General obligation bonds, certificates of obligation and compensated absences are not reported in the fund financial statements.	(9,684,048)
Property tax revenue reported as unavailable revenues in the fund financial statements was recognized as revenue in the government-wide financial statements.	71,721
Bond premiums are not recognized in the fund financial statements.	(835,935)
Deferred charge on bond refunding is not recognized in the fund financial statements.	108,886
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	(40,839)
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 \$648,220, a Deferred Resource Inflow related to TMRS in the amount of \$219,610 and a Deferred Resource Outflow related to TMRS in the amount of \$566,793. This amounted to a decrease in Net Position in the amount of \$301,037.	(301,037)
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 \$55,223, a Deferred Resource Inflow related to OPEB in the amount of \$313 and a Deferred Resource Outflow related to OPEB in the amount of \$12,866. This amounted to a decrease in Net Position in the amount of \$42,670.	<u>(42,670)</u>
Net Position of Governmental Activities	<u>\$ 16,485,307</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, 2021

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND
Revenues:			
Taxes - Ad Valorem	\$ 1,303,248	\$ 797,902	\$ -
- Franchise	300,648	-	-
- Sales	1,552,205	-	-
- Mixed Beverage	30,135	-	-
Court Citations	867,524	-	-
Corp of Engineers	47,228	-	-
Building Permits	1,295,940	-	-
Interest Income	5,345	-	2,963
Other Permits and Fees	141,941	-	-
Parks and Recreation	153,675	-	-
Coronavirus Relief Funds	-	-	-
Road Improvement Fees	159,874	-	-
Donations from EDC	-	45,778	-
Public Donations	13,379	-	-
Other	13,041	-	-
Total Revenues	<u>5,884,183</u>	<u>843,680</u>	<u>2,963</u>
Expenditures:			
Current:			
General Governments	804,691	-	-
Police	1,290,642	-	-
Fire	613,633	-	-
Municipal Court	508,324	-	-
Public Works	1,209,411	-	-
Debt Service:			
Principal	-	740,000	-
Interest and Fees	-	319,398	106,996
Capital Outlay	471,758	-	-
Total Expenditures	<u>4,898,459</u>	<u>1,059,398</u>	<u>106,996</u>
Excess (Deficit) of Revenues over Expenditures	<u>985,724</u>	<u>(215,718)</u>	<u>(104,033)</u>
Other Financing Resources (Uses):			
Certificates of Obligation Principal	-	-	3,720,000
Certificates of Obligation Premium	-	-	390,589
Sale of Personal Property	21,070	-	-
Transfers in	-	93,281	-
Transfers out	(93,281)	-	-
Total Other Financing Resources (Uses)	<u>(72,211)</u>	<u>93,281</u>	<u>4,110,589</u>
Net Change in Fund Balance	913,513	(122,437)	4,006,556
Fund Balance - October 1 (beginning)	4,674,206	122,437	-
Fund Balance - September 30 (ending)	<u>\$ 5,587,719</u>	<u>\$ -</u>	<u>\$ 4,006,556</u>

The accompanying Notes are an integral part of this statement.

SPECIAL REVENUE (CRF FUNDS)	TOTAL GOVERNMENTAL FUNDS
\$ -	\$ 2,101,150
-	300,648
-	1,552,205
-	30,135
-	867,524
-	47,228
-	1,295,940
22	8,330
-	141,941
-	153,675
594,067	594,067
-	159,874
-	45,778
-	13,379
-	13,041
<u>594,089</u>	<u>7,324,915</u>
-	804,691
47,597	1,338,239
-	613,633
-	508,324
-	1,209,411
-	740,000
-	426,394
-	471,758
<u>47,597</u>	<u>6,112,450</u>
<u>546,492</u>	<u>1,212,465</u>
-	3,720,000
-	390,589
-	21,070
-	93,281
-	(93,281)
-	<u>4,131,659</u>
546,492	5,344,124
47,597	4,844,240
<u>\$ 594,089</u>	<u>\$ 10,188,364</u>

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, 2021

Total Net Change in Fund Balances – Governmental Funds	\$5,344,124
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.	471,758
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.	(979,978)
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.	9,026
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.	11,644
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.	740,000
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.	74,644
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.	(8,209)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	(11,094)
Current year issuances of certificates of obligation are shown as other resources in the fund financial statements, but are shown as increases in long-term debt in the government-wide financial statements.	(3,720,000)
The premium on the current year issuance of certificates of obligation is recorded as an other resource in the fund financial statements, but is capitalized in the government-wide financial statements.	(390,589)

The accompanying Notes are an integral part of this statement.

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, 2021

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 12/31/20 caused the change in ending net position to increase in the amount of \$154,127. Contributions made before the measurement date but during the 2020 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 \$46,660. These contributions were replaced with the Town's pension expense for the year of \$254,513, which caused a decrease in the change in net position. The impact of all of these is to decrease the change in net position by \$53,726. (53,726)

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 12/31/20 caused net position to increase in the amount of \$102. Contributions made before the measurement date but during the 2020 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 \$34. These contributions were replaced with the Town's OPEB expense for the year of \$5,590, which caused a decrease in the change in net position. The impact of all of these is to decrease net position by \$5,454. (5,454)

Change in Net Position of Governmental Activities \$1,482,146

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts (GAAP BASIS)	Variance With Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - Ad Valorem	\$ 1,321,860	\$ 1,315,860	\$ 1,303,248	\$ (12,612)
- Franchise	267,700	275,566	300,648	25,082
- Sales	1,237,500	1,237,500	1,552,205	314,705
- Mixed Beverage	7,000	16,000	30,135	14,135
Court Citations	658,000	658,000	867,524	209,524
Corp of Engineers	41,500	47,293	47,228	(65)
Building Permits	350,000	1,050,000	1,295,940	245,940
Interest Income	47,650	7,766	5,345	(2,421)
Other Permits and Fees	55,110	88,010	141,941	53,931
Parks and Recreation	63,500	63,500	153,675	90,175
Road Improvement Fees	-	160,000	159,874	(126)
Public Donations	500	1,500	13,379	11,879
Other	48,000	103,839	13,041	(90,798)
Total Revenues	<u>4,098,320</u>	<u>5,024,834</u>	<u>5,884,183</u>	<u>859,349</u>
Expenditures:				
Current:				
General Government	826,437	892,636	804,691	87,945
Police	1,259,840	1,302,968	1,290,642	12,326
Fire	615,000	615,000	613,633	1,367
Municipal Court	424,741	437,721	508,324	(70,603)
Public Works	1,029,125	1,413,369	1,209,411	203,958
Capital Outlay	-	471,758	471,758	-
Total Expenditures	<u>4,155,143</u>	<u>5,133,452</u>	<u>4,898,459</u>	<u>234,993</u>
Excess (Deficit) of Revenues over Expenditures	(56,823)	(108,618)	985,724	1,094,342
Other Financing Resources (Uses):				
Sale of Personal Property	-	-	21,070	21,070
Transfers Out	-	-	(93,281)	(93,281)
Total Other Financing Resources (Uses)	<u>-</u>	<u>-</u>	<u>(72,211)</u>	<u>(72,211)</u>
Net Change in Fund Balance	(56,823)	(108,618)	913,513	1,022,131
Fund Balance – October 1 (beginning)	4,674,206	4,674,206	4,674,206	-
Fund Balance – September 30 (ending)	<u>\$ 4,617,383</u>	<u>\$ 4,565,588</u>	<u>\$ 5,587,719</u>	<u>\$ 1,022,131</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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, 2021

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, 2021

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, 2021

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 2021, the assessed values were established at 100% of estimated market value. The assessed value for the roll of January 1, 2020, upon which the fiscal year 2021 levy was based, was \$662,370,797. The tax rate to finance general governmental services and road maintenance for the year ended September 30, 2021, was \$.319943 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, 2021

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

NOTES TO THE BASIC FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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, 2021 the carrying amount of the Town's deposits in checking accounts and interest-bearing savings accounts was \$265,267 and the bank balance was \$326,493. The Town's cash deposits at September 30, 2021 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
SEPTEMBER 30, 2021

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, 2021, the Town's cash balances totaled \$326,493. 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, 2021, 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, 2021, 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, 2021 is shown below:

<u>Name</u>	<u>Carrying Amount</u>	<u>Market Value</u>
LOGIC Investment Pool	\$ 9,851,708	\$ 9,851,708
Total	<u>\$ 9,851,708</u>	<u>\$ 9,851,708</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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, 2021

- 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, 2021.
- 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, 2021.
- 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 \$5,053,252 at September 30, 2021. Prepaid expenditures (prepaid items) of \$16,156 are considered nonspendable fund balance. Court security and technology fees of \$117,550 and park fees of \$135,815 are shown as restricted for those purposes. Street improvement/maintenance funds of \$264,946 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 Coronavirus Relief Fund special revenue fund has \$594,089 of CRF funds restricted for needs related to the COVID-19 pandemic. The Capital Projects Fund has \$4,006,556 of unspent certificates of obligation proceeds restricted for street and other capital improvements.

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

4. RECEIVABLES

Government-wide receivables as of September 30, 2021, 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	\$ 41,767	\$ 29,954	\$ 71,721
Sales Taxes	353,178	-	353,178
Mixed Beverage Taxes	2,555	-	2,555
Corp of Engineers	15,170	-	15,170
Other	21,414	-	21,414
Gross Receivables	<u>434,084</u>	<u>29,954</u>	<u>464,038</u>
Less: Uncollectible allowance	-	-	-
Net Total Receivables	<u>\$434,084</u>	<u>\$ 29,954</u>	<u>\$ 464,038</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

There were no interfund receivables and payables at September 30, 2021.

Internal balances between the primary government and component units at September 30, 2021 consist of the following:

	<u>Due From</u>	<u>Due To</u>
General Fund:		
Economic Development Corporation	\$ -	\$ 88,878
Economic Development Corporation:		
General Fund	<u>88,878</u>	<u>-</u>
Total	<u>\$ 88,878</u>	<u>\$ 88,878</u>

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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:

Transfer Out: General Fund	Transfer In:		Total
	Economic Development Corporation	Debt Service Fund	
	\$ 508,562	\$ 93,281	\$ 601,843

Transfers from the general fund to the Economic Development Corporation represent remittance of sales taxes deposited initially in the general fund bank account. Transfer from the general fund to the debt service fund represents funds required to cover debt service payments for the year.

6. CAPITAL ASSETS

Capital asset activity of the Town for the year ended September 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 757,710	\$ -	\$ -	\$ 757,710
Construction in Progress	784,287	369,806	(795,205)	358,888
Total capital assets, not being depreciated	1,541,997	369,806	(795,205)	1,116,598
Capital assets, being depreciated:				
Buildings and Improvements	4,135,165	48,991	-	4,184,156
Street, Road, Park Infrastructure	16,971,072	795,205	-	17,766,277
Furniture, Equipment and Vehicles	1,876,335	52,961	(100,857)	1,828,439
Total Capital assets, being depreciated	22,982,572	897,157	(100,857)	23,778,872
Less accumulated depreciation for:				
Buildings and Improvements	(1,354,871)	(110,818)	-	(1,465,689)
Street, Road, Park Infrastructure	(4,354,137)	(698,142)	-	(5,052,279)
Furniture, Equipment and Vehicles	(1,286,476)	(171,018)	100,857	(1,356,637)
Total accumulated depreciation	(6,995,484)	(979,978)	100,857	(7,874,605)
Total capital assets, being depreciated, net	15,987,088	(82,821)	-	15,904,267
Governmental activities capital assets, net	\$ 17,529,085	\$ 286,985	\$ (795,205)	\$ 17,020,865

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

Governmental Activities:	
General government	\$ 52,826
Police	92,338
Municipal court	16,795
Public works	818,019
Total depreciation expense – Governmental activities	\$ 979,978

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Capital asset activity of the Hickory Creek Economic Development Corporation for the year ended September 30, 2021 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>(124,036)</u>	<u>(10,057)</u>	<u>-</u>	<u>(134,093)</u>
Total accumulated depreciation	<u>(124,036)</u>	<u>(10,057)</u>	<u>-</u>	<u>(134,093)</u>
Capital Assets, net	<u>\$ 1,506,801</u>	<u>\$ (10,057)</u>	<u>\$ -</u>	<u>\$ 1,496,744</u>

Capital asset activity of the Hickory Creek Public Improvement District No. 1 for the year ended September 30, 2021 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>(399,423)</u>	<u>(133,141)</u>	<u>-</u>	<u>(532,564)</u>
Total accumulated depreciation	<u>(399,423)</u>	<u>(133,141)</u>	<u>-</u>	<u>(532,564)</u>
Capital Assets, net	<u>\$ 3,594,792</u>	<u>\$ (133,141)</u>	<u>\$ -</u>	<u>\$ 3,461,651</u>

Capital asset activity of the Hickory Creek Public Improvement District No. 2 for the year ended September 30, 2021 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>(260,496)</u>	<u>(130,248)</u>	<u>-</u>	<u>(390,744)</u>
Total accumulated depreciation	<u>(260,496)</u>	<u>(130,248)</u>	<u>-</u>	<u>(390,744)</u>
Capital Assets, net	<u>\$ 3,646,953</u>	<u>\$ (130,248)</u>	<u>\$ -</u>	<u>\$ 3,516,705</u>

TOWN OF HICKORY CREEK

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Capital asset activity of the Hickory Creek Public Improvement District No. 3 for the year ended September 30, 2021 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Street and Road Infrastructure	\$2,930,000	\$ 219,747	\$ -	\$3,149,747
Totals at historic cost	<u>2,930,000</u>	<u>219,747</u>	<u>-</u>	<u>3,149,747</u>
Less accumulated depreciation for:				
Street and Road Infrastructure	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Assets, net	<u>\$2,930,000</u>	<u>\$ 219,747</u>	<u>\$ -</u>	<u>\$3,149,747</u>

7. LONG TERM DEBT

Long term debt of the Town at September 30, 2021 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, 2021:

Description	<u>Interest Rate Payable</u>	<u>Amounts Outstanding 10/01/20</u>	<u>Additions</u>	<u>Refunded/ Retired</u>	<u>Amounts Outstanding 9/30/21</u>	<u>Due Within One Year</u>
General Obligation Bonds:						
Series 2012 Refunding	2.06 %	\$ 595,000	\$ -	\$ 255,000	\$ 340,000	\$260,000
Series 2015 Refunding	2.0 - 4.0%	2,950,000	-	205,000	2,745,000	205,000
		<u>3,545,000</u>	<u>-</u>	<u>460,000</u>	<u>3,085,000</u>	<u>465,000</u>
Certificates of Obligation:						
Series 2015	2.0 - 4.0%	3,070,000	-	160,000	2,910,000	165,000
Series 2020	2.0 - 3.0%	-	3,720,000	120,000	3,600,000	100,000
		<u>3,070,000</u>	<u>3,720,000</u>	<u>280,000</u>	<u>6,510,000</u>	<u>265,000</u>
Premiums on Bond Issuance		519,990	390,589	74,644	835,935	74,644
Compensated Absences		<u>100,692</u>	<u>-</u>	<u>11,644</u>	<u>89,048</u>	<u>-</u>
Total Long-Term Debt		<u>\$ 7,235,682</u>	<u>\$4,110,589</u>	<u>\$ 826,288</u>	<u>\$10,519,983</u>	<u>\$804,644</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, 2021 is as follows:

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
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Description	Interest Rate Payable	Amounts Outstanding 10/01/20	Additions	Refunded/ Retired	Amounts Outstanding 9/30/21	Due Within One Year
Special Assessment Revenue Bonds: Series 2017	3.0 - 4.0%	\$ 3,840,000	\$ -	\$ 90,000	\$3,750,000	\$ 90,000
Premiums on Bond Issuance		14,710	-	545	14,165	545
Total Long-Term Debt		<u>\$ 3,854,710</u>	<u>\$ -</u>	<u>\$ 90,545</u>	<u>\$3,764,165</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, 2021 is as follows:

Description	Interest Rate Payable	Amounts Outstanding 10/01/20	Additions	Refunded/ Retired	Amounts Outstanding 9/30/21	Due Within One Year
Special Assessment Revenue Bonds: Series 2018	5.125 - 5.65%	\$ 4,130,000	\$ -	\$ 65,000	\$4,065,000	\$ 70,000
Total Long-Term Debt		<u>\$ 4,130,000</u>	<u>\$ -</u>	<u>\$ 65,000</u>	<u>\$4,065,000</u>	<u>\$ 70,000</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, 2021 is as follows:

Description	Interest Rate Payable	Amounts Outstanding 10/01/20	Additions	Refunded/ Retired	Amounts Outstanding 9/30/21	Due Within One Year
Special Assessment Revenue Bonds: Series 2019	5.125 - 5.65%	\$ 4,185,000	\$ -	\$ -	\$4,185,000	\$ 80,000
Total Long-Term Debt		<u>\$ 4,185,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$4,185,000</u>	<u>\$ 80,000</u>

8. DEBT SERVICE REQUIREMENTS TO MATURITY

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

Year Ended September 30	Principal	Interest	Total Requirements
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	235,000	75,000	310,000
2027-2031	1,340,000	225,000	1,565,000
2032	300,000	12,000	312,000
	<u>\$3,085,000</u>	<u>\$ 696,452</u>	<u>\$ 3,781,452</u>

TOWN OF HICKORY CREEK

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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>
2022	\$ 265,000	\$ 216,300	\$ 481,300
2023	320,000	208,350	528,350
2024	325,000	200,250	525,250
2025	340,000	192,050	532,050
2026	350,000	180,050	530,050
2027-2031	1,940,000	706,200	2,646,200
2032-2036	2,030,000	337,500	2,367,500
2037-2040	940,000	71,550	1,011,550
	<u>\$6,510,000</u>	<u>\$2,112,250</u>	<u>\$ 8,622,250</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>
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	100,000	131,400	231,400
2027-2031	575,000	599,300	1,174,300
2032-2036	680,000	483,250	1,163,250
2037-2041	830,000	338,806	1,168,806
2042-2046	1,010,000	159,600	1,169,600
2047	175,000	7,000	182,000
	<u>\$3,750,000</u>	<u>\$2,275,906</u>	<u>\$ 6,025,906</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>
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	90,000	209,794	299,794
2027-2031	535,000	972,775	1,507,775
2032-2036	705,000	805,219	1,510,219
2037-2041	925,000	583,594	1,508,594
2042-2046	1,215,000	292,781	1,507,781
2047	285,000	16,031	301,031
	<u>\$4,065,000</u>	<u>\$3,760,369</u>	<u>\$ 7,825,369</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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Presented below is a summary of the Hickory Creek Public Improvement District No. 3 special assessment revenue bonds to maturity:

Year Ended September 30	Principal	Interest	Total Requirements
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	95,000	176,050	271,050
2027-2031	530,000	819,900	1,349,900
2032-2036	650,000	693,375	1,343,375
2037-2041	810,000	532,975	1,342,975
2042-2046	1,020,000	324,426	1,344,426
2047	735,000	70,775	805,775
	<u>\$4,185,000</u>	<u>\$3,356,901</u>	<u>\$ 7,541,901</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, 2021, \$2,610,000 of bonds outstanding are considered defeased.

10. DEFINED BENEFIT PENSION PLANS

Plan Description

The Town of Hickory Creek participates as one of 895 plans in the defined benefit cash-balance 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 Governor-appointed Board of Trustees. However, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.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

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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 member contributions 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 2020	Plan Year 2021
Employee deposit rate	7.0%	7.0%
Employer deposit rate	12.06%	13.79%
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, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	14
Inactive employees entitled to buy not yet receiving benefits	14
Active employees	<u>22</u>
	50

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 12.06% and 13.79% in calendar years 2020 and 2021, respectively. The Town's contributions to TMRS for the year ended September 30, 2021 were \$200,787, and were equal to the required contributions.

Net Pension Liability

The Town's Net Pension Liability (NPL) was measured as of December 31, 2020, 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
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Actuarial assumptions:

The Total Pension Liability in the December 31, 2020 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, 2014 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 2021 are summarized in the following table:

TOWN OF HICKORY CREEK

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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 12/31/2019	\$4,090,033	\$3,545,531	\$544,502
Changes for the year:			
Service Cost	234,704	-	234,704
Interest	280,109	-	280,109
Change in benefit terms	-	-	-
Difference between expected and actual experience	115,335	-	115,335
Changes of assumptions	-	-	-
Contributions – employer	-	162,785	(162,785)
Contributions – employee	-	95,519	(95,519)
Net investment income	-	269,936	(269,936)
Benefit payments, including refunds of employee contributions	(115,253)	(115,253)	-
Administrative expense	-	(1,741)	1,741
Other changes	-	(69)	69
Net changes	\$ 514,895	\$ 411,177	\$ 103,718
Balance at 12/31/2020	\$4,604,928	\$3,956,708	\$ 648,220

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
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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)	\$1,481,429	\$648,220	\$(20,352)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained on the Internet at www.tnrs.com.

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

For the year ended September 30, 2021, the Town recognized pension expense of \$252,684.

At September 30, 2021, 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	\$ 283,909	\$ 7,671
Changes in actuarial assumptions	16,908	-
Difference between projected and actual investment earnings	111,849	211,939
Contributions subsequent to the measurement date	154,127	-
Total	\$ 566,793	\$ 219,610

\$154,127 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, 2022. 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:	
2022	\$ 58,057
2023	\$ 98,896
2024	\$ 20,849
2025	\$ 15,254
2026	\$ -
Thereafter	\$ -

TOWN OF HICKORY CREEK

NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled to but not yet receiving benefits	1
Active employees	<u>22</u>
Total	30

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>2021</u>
Employer rate	0.10%
Employer contributions	\$ 136

Actuarial Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5%
Salary increases	3.50% to 11.5%, including inflation
Discount rate	2.00%

TOWN OF HICKORY CREEK

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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, 2020 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 2.00% was based on the 20-Year Municipal GO AA Index as of December 31, 2020.

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

At September 30, 2021, the Town reported a total OPEB liability of \$55,223 measured at December 31, 2020. For the year ended September 30, 2021, the Town recognized OPEB expense of \$5,596.

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, 2020 are as follows:

Changes in Total OPEB Liability	<u>Total OPEB Liability</u>
Balance at December 31, 2019	\$ 45,162
Changes for the year:	
Service cost	2,320
Interest on total OPEB liability	1,272
Changes of benefit terms	-
Effect of economic/demographic experience	(1,352)
Effect of assumption changes or inputs	7,957
Benefit payments*	(136)
Balance as of December 31, 2020	<u>\$ 55,223</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
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Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the Town, calculated using the discount rate of 2.00%, 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 (1.00%) or 1 percentage point higher (3.00%) than the current rate.

	1% Decrease in Discount Rate (1.00%)	Discount Rate (2.00%)	1% Increase in Discount Rate (3.00%)
Total OPEB liability	\$68,341	\$55,223	\$44,867

At December 31, 2020, 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	\$ -	\$ 313
Changes in actuarial assumptions	12,764	-
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	102	-
Total	\$ 12,866	\$ 313

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, 2022 in the amount of \$102. 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:	
2022	\$ 2,004
2023	2,004
2024	2,004
2025	2,004
2026	1,704
Thereafter	2,731

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, 2021 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, 2021

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

Management has reviewed events subsequent to September 30, 2021 through December 15, 2021, which is the date the financial statements were available to be issued. No subsequent events were identified that were required to be recorded or disclosed in the financial statements.

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, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Pension Liability			
Service Cost	\$ 234,704	\$ 217,722	\$ 198,358
Interest (on the Total Pension Liability)	280,109	233,183	212,443
Changes of benefit terms	-	-	-
Difference between expected and actual experience	115,335	333,103	(1,302)
Change of assumptions	-	29,386	-
Benefit payments, including refunds of employee contributions	<u>(115,253)</u>	<u>(138,131)</u>	<u>(85,694)</u>
Net Change in Total Pension Liability	514,895	675,263	323,805
Total Pension Liability – Beginning	<u>4,090,033</u>	<u>3,414,770</u>	<u>3,090,965</u>
Total Pension Liability – Ending (a)	<u><u>\$4,604,928</u></u>	<u><u>\$ 4,090,033</u></u>	<u><u>\$ 3,414,770</u></u>
Plan Fiduciary Net Position			
Contributions – Employer	\$ 162,785	\$ 170,812	\$ 140,364
Contributions – Employee	95,519	144,563	84,497
Net Investment Income (Loss)	269,936	452,530	(86,094)
Benefit payments, including refunds of employee contributions	(115,253)	(138,131)	(85,694)
Administrative Expense	(1,741)	(2,549)	(1,660)
Other	<u>(69)</u>	<u>(77)</u>	<u>(87)</u>
Net Change in Plan Fiduciary Net Position	411,177	627,148	51,326
Plan Fiduciary Net Position – Beginning	<u>3,545,531</u>	<u>2,918,383</u>	<u>2,867,057</u>
Plan Fiduciary Net Position – Ending (b)	<u><u>\$3,956,708</u></u>	<u><u>\$ 3,545,531</u></u>	<u><u>\$ 2,918,383</u></u>
Net Pension Liability – Ending (a) – (b)	<u><u>\$ 648,220</u></u>	<u><u>\$ 544,502</u></u>	<u><u>\$ 496,387</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.92%	86.69%	85.46%
Covered Employee Payroll	\$1,364,557	\$ 1,276,958	\$ 1,155,932
Net Pension Liability as a Percentage of Covered Employee Payroll	47.50%	42.64%	42.94%

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 182,790	\$ 177,160	\$ 165,653	\$ 174,809
193,825	168,939	160,830	165,468
-	-	-	-
(36,475)	68,097	(69,632)	(311,100)
-	-	1,125	-
<u>(58,520)</u>	<u>(38,143)</u>	<u>(78,847)</u>	<u>(102,884)</u>
281,620	376,053	179,129	(73,707)
<u>2,809,345</u>	<u>2,433,292</u>	<u>2,254,163</u>	<u>2,327,870</u>
<u><u>\$ 3,090,965</u></u>	<u><u>\$ 2,809,345</u></u>	<u><u>\$ 2,433,292</u></u>	<u><u>\$ 2,254,163</u></u>
\$ 124,509	\$ 112,899	\$ 116,879	\$ 107,208
75,891	73,250	72,248	73,630
332,276	142,458	2,945	103,811
(58,520)	(38,143)	(78,847)	(102,884)
(1,720)	(1,607)	(1,793)	(1,083)
<u>(87)</u>	<u>(87)</u>	<u>(89)</u>	<u>(89)</u>
472,349	288,770	111,343	180,593
<u>2,394,708</u>	<u>2,105,938</u>	<u>1,994,595</u>	<u>1,814,002</u>
<u><u>\$ 2,867,057</u></u>	<u><u>\$ 2,394,708</u></u>	<u><u>\$ 2,105,938</u></u>	<u><u>\$ 1,994,595</u></u>
<u><u>\$ 223,908</u></u>	<u><u>\$ 414,637</u></u>	<u><u>\$ 327,354</u></u>	<u><u>\$ 259,568</u></u>
92.76%	85.24%	86.55%	88.48%
\$ 1,084,165	\$ 1,046,424	\$ 1,032,109	\$ 1,055,218
20.65%	39.62%	31.75%	24.60%

TOWN OF HICKORY CREEK

SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM
FOR FISCAL YEAR 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ 200,787	\$ 161,368	\$ 150,388
Contribution in Relation to the Contractually Required Contribution	<u>(200,787)</u>	<u>(161,368)</u>	<u>(150,388)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered-Employee Payroll	\$ 1,504,573	\$ 1,355,083	\$ 1,240,701
Contributions as a Percentage of Covered-Employee Payroll	13.34%	11.91%	12.12%

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 136,996	\$ 121,089	\$ 114,731	\$ 114,451
<u>(136,996)</u>	<u>(121,089)</u>	<u>(114,731)</u>	<u>(114,451)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,151,205	\$ 1,060,603	\$ 1,036,338	\$ 1,023,296
11.90%	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, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability			
Service cost	\$ 2,320	\$ 1,788	\$ 1,849
Interest on total OPEB liability	1,272	1,259	1,125
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(1,352)	1,103	88
Change of assumptions	7,957	8,025	(2,949)
Benefit payments/refunds of contributions	<u>(136)</u>	<u>(128)</u>	<u>(116)</u>
Net change in total OPEB liability	10,061	12,047	(3)
Total OPEB liability, beginning	<u>45,162</u>	<u>33,115</u>	<u>33,118</u>
Total OPEB liability, ending	<u>\$ 55,223</u>	<u>\$ 45,162</u>	<u>\$ 33,115</u>
Covered employee payroll	1,364,557	1,276,960	1,155,932
Net OPEB liability as a percentage of covered payroll	4.05%	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, 2021

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	25 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, 2021

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	2.00%
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, 2021
 PLUS COMPARATIVE AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2021		Variance Favorable (Unfavorable)	2020 Actual
	Budget	Actual		
Expenditures:				
General Government:				
Salaries and Wages	\$ 324,563	\$ 329,836	\$ (5,273)	\$ 308,840
Insurance, Taxes and Retirement	106,771	112,127	(5,356)	92,961
Dues and Memberships	2,500	2,397	103	1,971
Training and Education	1,500	935	565	1,005
Office Supplies and Postage	8,300	10,061	(1,761)	7,565
Printing	1,500	1,621	(121)	925
Copier Rental	2,500	1,329	1,171	3,682
Computer Support and Maintenance	130,203	45,477	84,726	56,428
Advertising/Legal Notices	2,500	4,003	(1,503)	4,624
Public Relations	19,000	20,889	(1,889)	19,998
Telephone	28,000	35,505	(7,505)	37,533
Utilities	31,500	43,998	(12,498)	30,171
Legal Fees	60,000	39,375	20,625	44,345
Audit Fees	13,500	13,500	-	13,500
General Insurance	35,427	35,427	-	34,680
Building Maintenance and Supplies	59,000	59,459	(459)	68,779
Library Services	650	964	(314)	429
Travel	1,500	640	860	921
Tax Collection/Appraisal Costs	15,400	14,877	523	14,672
Ordinance Codification	2,400	-	2,400	94
Election costs	12,500	6,113	6,387	-
Town Council Costs	5,500	2,145	3,355	5,732
Volunteer/Staff Events	10,500	8,760	1,740	6,663
Children's Advocacy Center	2,172	1,964	208	2,792
Special Events	13,000	10,485	2,515	7,469
Other Expenditures	2,250	2,804	(554)	2,406
Total General Government Expenditures	<u>892,636</u>	<u>804,691</u>	<u>87,945</u>	<u>768,185</u>
Police Department:				
Salaries and Wages	828,451	803,877	24,574	592,351
Insurance, Taxes and Retirement	262,457	274,450	(11,993)	179,853
Office Supplies and Postage	1,800	2,662	(862)	1,911
Dues and Memberships	500	300	200	337
Personnel Equipment	20,196	27,003	(6,807)	33,286
Crime Lab Analysis	3,000	2,845	155	2,204
Auto Expense - Lease	52,000	30,228	21,772	-
Auto Expense - Gas	20,000	29,684	(9,684)	20,941
Auto Expense - Repairs	25,000	35,044	(10,044)	39,464
Uniforms	6,000	8,754	(2,754)	8,012
Books and Subscriptions	500	330	170	504
Computer Support and Maintenance	40,132	35,648	4,484	33,554
Citizens on Patrol	500	-	500	-
Community Outreach	100	781	(681)	423
Denton County Dispatch	29,632	29,632	-	29,387
Drug Forfeiture/Seizure	-	-	-	1,531

TOWN OF HICKORY CREEK

STATEMENT OF GENERAL FUND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2021
PLUS COMPARATIVE AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2021		Variance Favorable (Unfavorable)	2020 Actual
	Budget	Actual		
Police Department continued:				
K-9 Unit	\$ 2,200	\$ 2,361	\$ (161)	\$ 673
Training and Travel	10,500	7,043	3,457	4,906
Total Police Department Expenditures	<u>1,302,968</u>	<u>1,290,642</u>	<u>12,326</u>	<u>949,337</u>
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	117,067	118,893	(1,826)	112,598
Insurance, Taxes and Retirement	38,794	40,740	(1,946)	33,892
Office Supplies and Postage	1,200	1,293	(93)	1,431
Dues and Memberships	200	93	107	230
Travel	500	-	500	-
Training and Education	500	305	195	200
Municipal Judge	13,000	12,500	500	12,240
State Court Costs	245,000	315,778	(70,778)	272,708
Building Security/Court Technology Costs	21,385	18,694	2,691	13,819
Books and Subscriptions	75	28	47	-
Total Municipal Court	<u>437,721</u>	<u>508,324</u>	<u>(70,603)</u>	<u>447,118</u>
Public Works:				
Salaries and Wages	203,040	202,724	316	197,062
Insurance, Taxes and Retirement	65,363	68,641	(3,278)	59,316
Dues and Memberships	350	245	105	531
Office Supplies and Postage	500	552	(52)	956
Computer Support and Maintenance	1,000	874	126	696
Animal Control	10,600	8,389	2,211	11,139
Auto Expense - Gas	10,500	16,333	(5,833)	12,934
Auto Expense - Repairs	20,000	19,626	374	12,952
Supplies	6,500	5,792	708	8,531
Equipment Repairs and Maintenance	13,995	19,516	(5,521)	13,521
Uniforms	2,600	1,925	675	2,457
Training	900	680	220	370
Travel	100	-	100	551
Street Lighting	33,000	36,226	(3,226)	37,606
Street Repairs and Maintenance	488,112	326,126	161,986	481,508
Engineering	115,000	134,741	(19,741)	56,908
Inspection Fees	135,000	158,604	(23,604)	122,544
Landscaping Services	140,000	78,286	61,714	70,179
Parks and Recreation	68,009	117,668	(49,659)	227,802
Beautification	95,000	8,429	86,571	707
Radios	3,800	4,034	(234)	4,538
Total Public Works	<u>1,413,369</u>	<u>1,209,411</u>	<u>203,958</u>	<u>1,322,808</u>

TOWN OF HICKORY CREEK

STATEMENT OF GENERAL FUND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2021
PLUS COMPARATIVE AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2021		Variance Favorable (Unfavorable)	2020 Actual
	<u>Budget</u>	<u>Actual</u>		
Expenditures:				
Capital Outlay:				
Buildings	\$ 48,991	\$ 48,991	\$ -	\$ -
Equipment and Vehicles	52,961	52,961	-	284,120
Streets	<u>369,806</u>	<u>369,806</u>	-	<u>594,917</u>
Total Capital Outlay	<u>471,758</u>	<u>471,758</u>	-	<u>879,037</u>
Total Expenditures	<u>\$5,133,452</u>	<u>\$4,898,459</u>	<u>\$ 234,993</u>	<u>\$4,980,118</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, 2021

	<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	\$ 810,868	\$ 805,868	\$ 797,902	\$ (7,966)
Donations from EDC	45,778	45,778	45,778	-
Total Revenues	<u>856,646</u>	<u>851,646</u>	<u>843,680</u>	<u>(7,966)</u>
Expenditures:				
Principal	740,000	740,000	740,000	-
Interest	325,533	325,533	319,398	6,135
Total Expenditures	<u>1,065,533</u>	<u>1,065,533</u>	<u>1,059,398</u>	<u>6,135</u>
Excess of Revenue over Expenditures	<u>(208,887)</u>	<u>(213,887)</u>	<u>(215,718)</u>	<u>(1,831)</u>
Other Financing Resources (Uses):				
Transfers In	-	-	93,281	93,281
Total Other Financing Resources (Uses)	<u>-</u>	<u>-</u>	<u>93,281</u>	<u>93,281</u>
Net Change in Fund Balance	<u>(208,887)</u>	<u>(213,887)</u>	<u>(122,437)</u>	<u>91,450</u>
Fund Balance – October 1 (beginning)	<u>122,437</u>	<u>122,437</u>	<u>122,437</u>	<u>-</u>
Fund Balance – September 30 (ending)	<u>\$ (86,450)</u>	<u>\$ (91,450)</u>	<u>\$ -</u>	<u>\$ 91,450</u>

TOWN OF HICKORY CREEK

SCHEDULE OF DELINQUENT TAXES RECEIVABLE
SEPTEMBER 30, 2021

Tax Year	Tax Rates		Assessed Valuation	Balance September 30, 2020
	Maintenance	Debt Service		
1998	\$ 0.33374	\$ 0.08303	\$ 90,399,261	\$ 3
1999	0.34055	0.07316	98,120,181	3
2000	0.30236	0.06763	122,433,850	2
2001	0.29716	0.05261	156,884,810	3
2002	0.29934	-	197,999,265	2
2003	0.31939	-	218,034,378	2
2004	0.34020	-	241,570,253	361
2005	0.34020	-	259,282,187	432
2006	0.34020	-	287,603,175	423
2007	0.27824	0.16738	318,990,395	567
2008	0.27442	0.17120	319,262,600	587
2009	0.249409	0.174878	317,875,400	521
2010	0.245426	0.178861	308,348,595	2,754
2011	0.242609	0.181678	307,337,200	2,667
2012	0.244716	0.179571	309,243,743	3,641
2013	0.235848	0.181034	317,095,245	4,674
2014	0.238121	0.163246	352,265,383	4,610
2015	0.194116	0.207251	385,206,806	5,809
2016	0.197559	0.189760	426,423,955	5,755
2017	0.197067	0.169866	464,507,144	6,550
2018	0.204169	0.143366	561,813,918	7,555
2019	0.198590	0.131812	613,243,867	15,774
2020	0.198363	0.121580	662,370,797	-
Total				\$ 62,695

<u>Current Levy</u>	<u>Collections</u>	<u>Supplements/ Adjustments</u>	<u>Balance September 30, 2021</u>
	\$ -	\$ (3)	\$ -
	-	(3)	-
	-	-	2
	-	-	3
	-	-	2
	-	-	2
	-	-	361
	-	-	432
	-	-	423
	-	-	567
	-	-	587
	-	(29)	492
	-	-	2,754
	-	-	2,667
	-	-	3,641
	(474)	(474)	4,674
	(449)	(449)	4,610
	(457)	(457)	5,809
	(876)	(876)	5,755
	(757)	(913)	6,394
	(213)	(841)	6,927
	(4,909)	(10,532)	10,151
<u>\$ 2,119,209</u>	<u>2,103,742</u>	<u>-</u>	<u>15,467</u>
<u>\$ 2,119,209</u>	<u>\$ 2,095,607</u>	<u>\$ (14,577)</u>	\$ 71,720
Less allowance for uncollectible accounts			<u>-</u>
			<u>\$ 71,720</u>

TOWN OF HICKORY CREEK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
ECONOMIC DEVELOPMENT CORPORATION
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Revenues:	
Taxes – Sales	\$ 517,402
Interest Income	1,686
Lease Income	12,000
Gas Royalties	229
Total Revenues	<u>531,317</u>
Expenditures:	
Administration:	
Legal and Professional	4,640
Marketing	21,020
Administrative Fees	5,325
Contribution to Town for Debt Service	45,778
Mowing	2,280
Training	910
Total Expenditures	<u>79,953</u>
Change in Fund Balance	451,364
Fund Balance – October 1 (beginning)	<u>1,699,889</u>
Fund Balance – September 30 (ending)	<u><u>\$ 2,151,253</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, 2021

Revenues:	
Special Assessment Fees	\$ 253,468
Interest Income	148
Total Revenues	<u>253,616</u>
Expenditures:	
Current:	
Administrator Costs	9,649
Continuing Disclosure Fee	2,500
Audit Fee	1,250
Tax Statements Fee	160
Debt Service:	
Principal	90,000
Interest and Fees	148,433
Total Expenditures	<u>251,992</u>
Change in Fund Balance	1,624
Fund Balance – October 1 (beginning)	<u>263,434</u>
Fund Balance – September 30 (ending)	<u><u>\$ 265,058</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, 2021

Revenues:	
Special Assessment Fees	\$ 340,995
Interest Income	178
Total Revenues	<u>341,173</u>
Expenditures:	
Current:	
Administrator Costs	22,484
Continuing Disclosure Fee	3,500
Audit Fee	1,250
Tax Statement Fees	143
Debt Service:	
Principal	65,000
Interest and Fees	231,496
Total Expenditures	<u>323,873</u>
Change in Fund Balance	17,300
Fund Balance – October 1 (beginning)	<u>435,477</u>
Fund Balance – September 30 (ending)	<u><u>\$ 452,777</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, 2021

Revenues:	
Special Assessment Fees	\$ 74,125
Interest Income	299
Total Revenues	<u>74,424</u>
Expenditures:	
Current:	
Administrator Costs	45,109
Continuing Disclosure Fee	3,500
Audit Fee	1,250
Debt Service:	
Interest and Fees	- 195,109
Capital Outlay	219,747
Total Expenditures	<u>464,715</u>
Change in Fund Balance	(390,291)
Fund Balance – October 1 (beginning)	<u>1,081,870</u>
Fund Balance – September 30 (ending)	<u>\$ 691,579</u>

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Members:
AMERICAN INSTITUTE OF
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ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
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**HANKINS, EASTUP, DEATON,
TONN & SEAY**
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

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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, 2021, 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 December 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

December 15, 2021

**TOWN OF HICKORY CREEK
RESOLUTION NO. 2022-0124-__**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF
HICKORY CREEK, TEXAS APPOINTING MEMBERS OF THE
BUILDING STANDARDS COMMISSION; AND 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 has enacted certain general provisions relating to the Town's Municipal Building Standards Commission; and

WHEREAS, the Town Council desires to appoint members to the Building and Standards Commission pursuant to Chapters 54 and 214 of the Texas Local Government Code, and Article 3.09 of the Town Code of Ordinances; and

WHEREAS, the Town Council has determined that such appointment is in the interest of public health, safety and welfare of the citizens of the Town of Hickory Creek.

**NOW THEREFORE BE IT RESOLVED 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 deliberation the Town Council has concluded that the adoption of this Resolution is in the best interest of the Town of Hickory Creek, Texas, and of the public health, safety and welfare.

**SECTION 3
APPOINTMENT**

The following qualified individuals are hereby appointed by the Town of Hickory Creek for the listed terms:

- (a) _____ Term Expiring two years from the effective date of this Resolution.
- (b) _____ Term Expiring two years from the effective date of this Resolution.

(c) _____ Term Expiring two years from the effective date of this Resolution.

(d) _____ Term Expiring one year from the effective date of this Resolution.

(e) _____ Term Expiring one year from the effective date of this Resolution.

SECTION 4
EFFECTIVE DATE

This Resolution shall become effective on its date of passage in accordance with law.

AND IT IS SO RESOLVED.

PASSED AND APPROVED by the Town Council of the Town of Hickory Creek, Texas, this the day of January 24th, 2022.

Lynn C. Clark, Mayor
Town of Hickory Creek, Texas

ATTEST:

Kristi K. Rogers, Town Secretary
Town of Hickory Creek, Texas

APPROVED AS TO FORM:

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