



**NOTICE OF TOWN COUNCIL MEETING
FOR THE TOWN OF CROSS ROADS
MONDAY, APRIL 18, 2022 at 7:00 P.M.
LOCATION: IN PERSON at
1401 FM 424, CROSSROADS, TEXAS 76227**

Or

View via Zoom Meeting

<https://us02web.zoom.us/j/83051143370>

Meeting ID: 830 5114 3370

One tap mobile

+13462487799,,83051143370# US (Houston)

***Note: All applicants should attend in person.**

1. Call to Order.
2. Roll Call.
3. Invocation – John Eaton, Relate Church
4. Pledge of Allegiance – Greg Gaalema
5. Citizens Input (Items on the agenda and not on the agenda).
If commenting via Zoom, please use the Raise Your Hand feature. Please state your full name before speaking. Please limit your comments to three minutes in duration. You are restricted from passing your time or any portion of unused minutes to another citizen for comment.
6. Council Members' announcements and updates.
7. Mayor's announcements and updates.
8. Updates; Discussion of Same.
 - a. Town Administrator Announcements and Updates – Kristi Gilbert
 - b. Financial Reports – Kristi Gilbert
 - c. Building Permits and Development – Rodney Patterson & Kristi Gilbert
 - d. Law Enforcement – Shaun Short
 - e. Fire Department – Paul Rust
 - f. Committee Reports – MDD, Parks, Connectivity Committee, Historical Committee

CONSENT AGENDA

9. Consider approval of the March 21, 2022, Council Meeting Minutes.
10. Consider approval of the March 2022 Financials.

11. Consider approval of a resolution authorizing Mission Square 457(b) Plan Participation
12. Discuss and consider a preliminary plat application for property located at 60 Oak Bluff, within the Town of Cross Roads. (2022-03-07-01PPLAT)

REGULAR BUSINESS

13. Discuss and consider a preliminary plat application for property located at 6025 Rock Hill Rd. partially within the Town of Cross Roads and partially within Cross Roads ETJ. (2022-03-07-02PPLAT)
14. Presentation and consideration of the Town of Cross Roads Annual Financial Report for the year ended September 30, 2021.
15. Presentation and consideration of the Northeast Municipal Court Annual Financial Report for the year ended September 30, 2021.
16. Presentation and consideration of the Northeast Police Department Annual Financial Report for the year ended September 30, 2021.
17. Discuss and consider Town spending for the following items:
 - a. Audited 2021 Financial Report
 - b. Audited 2021 NEMC Report
 - c. Audited 2021 NEPD Report
 - d. 2022 Approved Budget
 - e. 2022 Projected Spending

EXECUTIVE SESSION

18. The Town Council will convene into Executive Session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

Section 551.071 Consultation with Attorney – Pending litigation James Edland v. Town of Cross Roads, Texas, Case No. 22-0056-362.

19. Take action as may be necessary or appropriate on matters discussed in Executive Session.

ADJOURN

Future Meetings and Events:

All citizens are invited to participate; schedule may change.

- *Town Council Meeting – Monday, May 2nd, 2022 at 7:00 p.m.*
- *Planning and Zoning Commission Meeting – Tuesday, May 3rd, 2022 at 7:00 p.m.*
- *Parks and Recreation Board Meeting – Wednesday, May 4th, 2022 at 7:00 pm.*
- *Municipal Development District Meeting – Thursday, May 12th, 2022 at 7:00 p.m.*

- *Town Council Meeting – Monday, May 16th, 2022 at 7:00 p.m.*

CERTIFICATION

I, the undersigned authority, do hereby certify that this Public Meeting Notice was posted on the official bulletin board at the Town Hall of the Town of Cross Roads, Texas on or before Friday, April 15th, 2022 by 5:00 p.m., in accordance with Chapter 551, Texas Government Code.

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed executive session for seeking confidential legal advice from the Town Attorney on any agenda item listed herein. This facility is wheelchair accessible and accessible parking spaces are available. For requests, please contact Town Hall at 940-365-9693. Reasonable accommodations will be made to assist your needs.

Donna Butler, Town Secretary

I certify that the attached notice and agenda of items to be considered by the Town Council of the Town of Cross Roads was removed by me from the front window of the Town of Cross Roads Town Hall, 1401 FM 424, Cross Roads, Texas, on the _____ day of _____, 2022.
_____, Title: _____



COUNCIL AGENDA BRIEFING SHEET

Meeting Date:

April 18, 2022

Agenda Item:

Financial Report

Prepared by:

Kristi Gilbert, Town Administrator

Description:

With the completion of the FY 2021 Audit, I wanted to provide the Council with an updated budget versus actuals for FY 2021 as of September 30, 2021, which includes the journal entries made by the auditor. This report is being provided in the QuickBooks format the Council was familiar with for FY 2021.

As part of the audit, items were reclassified to better reflect the timing of expenses and revenues, as well as classify items between minor and major capital expenditures. This is common during the audit process.

Before adjustments for the CARES Grant and transfer of assets (not including cash) from NEPD and NEMC, the Net Operating Income was budgeted at \$509,943, the actual Net Operating Income was \$922,905.66 an increase of over 180%.

Items of note include:

- Parks Grants received from both the Municipal Development District and Walmart were reclassified from Park Events to new line items: Park Grants and Park Grant from MDD.
- The Miscellaneous revenue item includes deposits from the Town's insurance company to reimburse salary related to a worker's compensation claim.
- The amount spent on Software for FY 2021 was 72% of what was budgeted. This is primarily due to the purchase of financial software that was planned to be spent all in FY 2021, but some carried over to FY 2022 due to delays in onboarding the software.
- The auditor adjusted the expenses related to "8007 Capital Additions" to split them more appropriately by department and whether classification of minor or major capital expenditure. The budget for the line item 8007 Capital Additions was \$97,500, the expenditures were as follows:
 - 8007 Capital Additions: Actual expenses of \$36,799.77
 - 8007 e Minor Purchases: Actual expenses of \$35,849.96
 - 8007P Capital Additions – PD: Actual expenses of \$8,545.74
 - 8600 P Capital Outlay Police: Actual expenses of \$25,887.00
 - Total Actual Expenses: \$107,082.47
- Building Maintenance at the Police Department was higher due to the need to repair/replace parking lot lights.



COUNCIL AGENDA BRIEFING SHEET

- Police Payroll Wages was \$16,121.91 over budget as a result of the October 1, 2021, payroll in the amount of \$17,985.37 being reclassified into FY 2021.
- The Capital Outlay from NEMC and NEPD and the Transfer from NEMC and NEPD are to record the assets transferred. This is not a cash transaction.

Recommended Action:

This item is provided for informational purposes only. No action is required.

Attachments:

FY 2021 Budget versus Actuals

TOWN OF CROSS ROADS
Budget vs. Actuals: FY 21 Amended 2 - FY21 P&L
October 2020 - September 2021

	Actual	Budget	Total over Budget	% of Budget
Income				
1000 Sales Tax Collections	2,877,143.31	2,625,000.00	252,143.31	109.61%
1004 Beverage Tax Collections	21,635.97	21,830.00	-194.03	99.11%
1006 Franchise Tax-Telecom	5,021.30	5,300.00	-278.70	94.74%
1008 Franchise Tax- Waste	22,458.71	22,500.00	-41.29	99.82%
1010 Franchise Tax-Electric/Gas	97,833.96	97,500.00	333.96	100.34%
1018 Franchie Tax- Mustang SUD	9,106.20	14,750.00	-5,643.80	61.74%
2000 Development/Platting Permit Fees	19,488.30	17,750.00	1,738.30	109.79%
2002 Residential/Commercial Building Permits and Inspections	332,521.16	325,000.00	7,521.16	102.31%
2004 Septic Permits and Fees	7,275.00	5,575.00	1,700.00	130.49%
2006 Health Inspection and Fees	12,760.00	11,000.00	1,760.00	116.00%
2008 Signs Permit and Fees	7,025.00	5,300.00	1,725.00	132.55%
3000 Administrative Fees	2,398.03	2,500.00	-101.97	95.92%
3001 Un-Permitted Tree Kill Fine	24,257.00	1,232.00	23,025.00	1968.91%
3004 MDD Contribution	240,000.00	240,000.00	0.00	100.00%
3006 Interest Income	11,729.55	10,500.00	1,229.55	111.71%
3009 NEMC Personnel Reimbursement	93,943.23	105,000.00	-11,056.77	89.47%
3011 NEPD Personnel Reimbursement	13,500.00	13,500.00	0.00	100.00%
3014 Credit Card Processing Fee	1,213.23	1,200.00	13.23	101.10%
3100 FEES & PERMIT REVENUES	-614.60		-614.60	
3501 Park Grants	3,000.00		3,000.00	
3506 PARK GRANT FROM MDD	2,556.57		2,556.57	
3700 MISCELLANEOUS	2,570.20		2,570.20	
Total Income	\$ 3,806,822.12	\$ 3,525,437.00	\$ 281,385.12	107.98%
Gross Profit	\$ 3,806,822.12	\$ 3,525,437.00	\$ 281,385.12	107.98%
Expenses				
6001 Accounting and Auditing Fees	4,500.00	4,500.00	0.00	100.00%
6002 Advertising and Promotion	4,051.27	2,500.00	1,551.27	162.05%
6004 Software	38,386.07	53,000.00	-14,613.93	72.43%
6006 Codification Services	2,219.00	2,225.00	-6.00	99.73%
6008 Election Costs	8,371.30	8,400.00	-28.70	99.66%
6010 TML Insurance	6,851.08	7,500.00	-648.92	91.35%
6012 Legal Fees	69,051.23	68,000.00	1,051.23	101.55%
6014 Office Expenses	12,374.23	11,500.00	874.23	107.60%
6016 Public Notices/Dues	1,278.85	1,500.00	-221.15	85.26%
6018 Repair and Maintenance	19,866.33	18,000.00	1,866.33	110.37%
6020 Vehicles Maintenance	3,218.05	3,000.00	218.05	107.27%
6022 Training - Staff CE/TML/Council Training	2,607.23	5,000.00	-2,392.77	52.14%
6023 Lease & CAM Payments	15,042.54	19,000.00	-3,957.46	79.17%
6024 Utilities	15,281.43	18,000.00	-2,718.57	84.90%

6030 Paypal Charge	1,220.59	1,200.00	20.59	101.72%
7000 Police Department Services	982,644.00	982,644.00	0.00	100.00%
7002 Interlocal Ambulance	27,830.00	27,830.00	0.00	100.00%
7004 Interlocal Fire	425,000.00	425,000.00	0.00	100.00%
8000 A Park Maintenance	9,823.59	11,500.00	-1,676.41	85.42%
8002 Park Events	9,557.36	5,000.00	4,557.36	191.15%
8004 Park Improvement Fund	495.00	5,000.00	-4,505.00	9.90%
8006 Careflite Services	1,944.00	2,000.00	-56.00	97.20%
8007 Capital Additions	36,799.77	97,500.00	-60,700.23	37.74%
8007 e Minor Purchases	35,849.96		35,849.96	
8007P Capital Additions - PD	8,545.74		8,545.74	
8008 City of Aubrey Library Fund	20,285.86	21,500.00	-1,214.14	94.35%
8015P Workers Comp-PD		1,400.00	-1,400.00	0.00%
8020P Payroll Taxes SS/Med	1,095.37	2,500.00	-1,404.63	43.81%
8025P Drug Test	2,074.34	1,500.00	574.34	138.29%
8030P Quickbooks Payroll Fee-PD		200.00	-200.00	0.00%
8035P TMRS-PD	999.18	2,500.00	-1,500.82	39.97%
8040P Medical Insurance-PD	0.00	2,500.00	-2,500.00	0.00%
8042P Shift Differential Pay-PD		150.00	-150.00	0.00%
8045P Liability-PD		3,000.00	-3,000.00	0.00%
8050P Uniforms-PD	12,837.78	13,500.00	-662.22	95.09%
8065P Ammunition-PD	1,004.24	1,000.00	4.24	100.42%
8067P Office Supplies	1,042.98		1,042.98	
8070P Evidence Supplies-PD	2,234.94	4,500.00	-2,265.06	49.67%
8071P Office Supplies-PD	857.64	7,500.00	-6,642.36	11.44%
8075P Postage-PD	145.00	200.00	-55.00	72.50%
8076P Landscaping-PD	1,177.16	300.00	877.16	392.39%
8085P Gas-PD	286.33	3,500.00	-3,213.67	8.18%
8090P Vehicle Maintenance-PD	3,327.85	12,500.00	-9,172.15	26.62%
8094P Office Equip Rent-PD	454.15	600.00	-145.85	75.69%
8095P IT Support-PD	4,447.50	12,000.00	-7,552.50	37.06%
8110P Telephone-PD	1,921.07	1,875.00	46.07	102.46%
8130P Training/Travel-PD	1,632.00	2,000.00	-368.00	81.60%
8140P Dues/Subscriptions-PD	1,168.00	1,500.00	-332.00	77.87%
8152P Electricity-PD	924.36	400.00	524.36	231.09%
8153P Water-PD		70.00	-70.00	0.00%
8155P Bldg Maint/Cleaning-PD	4,167.89	1,500.00	2,667.89	277.86%
8160P Contract Services-PD	11,677.97	10,000.00	1,677.97	116.78%
8170P Software -PD		25,000.00	-25,000.00	0.00%
8300P Legal-PD	275.00	5,000.00	-4,725.00	5.50%
8410P National Night Out Exp-PD	3,147.93	3,500.00	-352.07	89.94%
8500 Street Materials and Signs	2,381.55	8,000.00	-5,618.45	29.77%
8502 Street and Row Cleanup	23,240.45	30,000.00	-6,759.55	77.47%
8504 Street Contract/Repairs	291,112.93	308,000.00	-16,887.07	94.52%
8600 P Capital Outlay Police	25,887.00		25,887.00	
9000 Engineering Services	59,101.92	75,000.00	-15,898.08	78.80%
9002 Res & Com Building Review & Insp.	8,362.00	9,000.00	-638.00	92.91%

9004 Other Professional Services	76,805.98	84,000.00	-7,194.02	91.44%
9006 Code Enforcement Services	950.00	1,200.00	-250.00	79.17%
9008 Sanitation Services	7,760.00	7,000.00	760.00	110.86%
9010 Animal Control	11,500.00	13,800.00	-2,300.00	83.33%
9500 Retirement - Admin TMRS	25,115.26	32,000.00	-6,884.74	78.49%
9506 Employee Health Benefits - Admin employees	37,030.89	38,000.00	-969.11	97.45%
Payroll Expenses			0.00	
9502 Taxes	32,603.22	34,000.00	-1,396.78	95.89%
9504 Wages	413,428.82	422,000.00	-8,571.18	97.97%
AUTO ALLOWANCE	484.61		484.61	
Holiday Straight Pay	0.00		0.00	
Hourly PD	0.00		0.00	
Total 9504 Wages	\$ 413,913.43	\$ 422,000.00	-\$ 8,086.57	98.08%
Total Payroll Expenses	\$ 446,516.65	\$ 456,000.00	-\$ 9,483.35	97.92%
POLICE PAYROLL EXPENSE			0.00	
8011P Wages	48,121.91	32,000.00	16,121.91	150.38%
Total POLICE PAYROLL EXPENSE	\$ 48,121.91	\$ 32,000.00	\$ 16,121.91	150.38%
Reimbursements			0.00	
Mileage -Non Tax	28.00		28.00	
Misc Reim - Non Tax	8.76		8.76	
Total Reimbursements	\$ 36.76	\$ 0.00	\$ 36.76	
Unapplied Cash Bill Payment Expense	0.00		0.00	
Total Expenses	\$ 2,883,916.46	\$ 3,015,494.00	-\$ 131,577.54	95.64%
Net Operating Income	\$ 922,905.66	\$ 509,943.00	\$ 412,962.66	180.98%
Other Income				
3500 PASS THROUGH INCOME	0.00		0.00	
3550 Grant Revenues Cares Act	119,625.39		119,625.39	
3552 Grant Expenditures Cares Act	-2,675.13		-2,675.13	
3702 Police Donations	200.00		200.00	
Capital Outlay from NEMC	-7,848.00		-7,848.00	
Capital Outlay from NEPD	-140,706.00		-140,706.00	
Transfer from NEMC	7,848.00		7,848.00	
Transfer from NEPD	140,706.00		140,706.00	
Total Other Income	\$ 117,150.26	\$ 0.00	\$ 117,150.26	
Other Expenses				
3553 Cares Act Cap't Add'n	5,950.26		5,950.26	
Reconciliation Discrepancies-1	-0.01		-0.01	
Total Other Expenses	\$ 5,950.25	\$ 0.00	\$ 5,950.25	
Net Other Income	\$ 111,200.01	\$ 0.00	\$ 111,200.01	
Net Income	\$ 1,034,105.67	\$ 509,943.00	\$ 524,162.67	202.79%

Monday, Apr 04, 2022 01:51:04 PM GMT-7 - Cash Basis

CROSS ROADS POLICE DEPARTMENT



Police Department Council Report

Chief Shaun Short

April 18, 2022

April 18, 2022 Council Agenda Packet 9 of 209

Police Operations

➤ February Police Reports

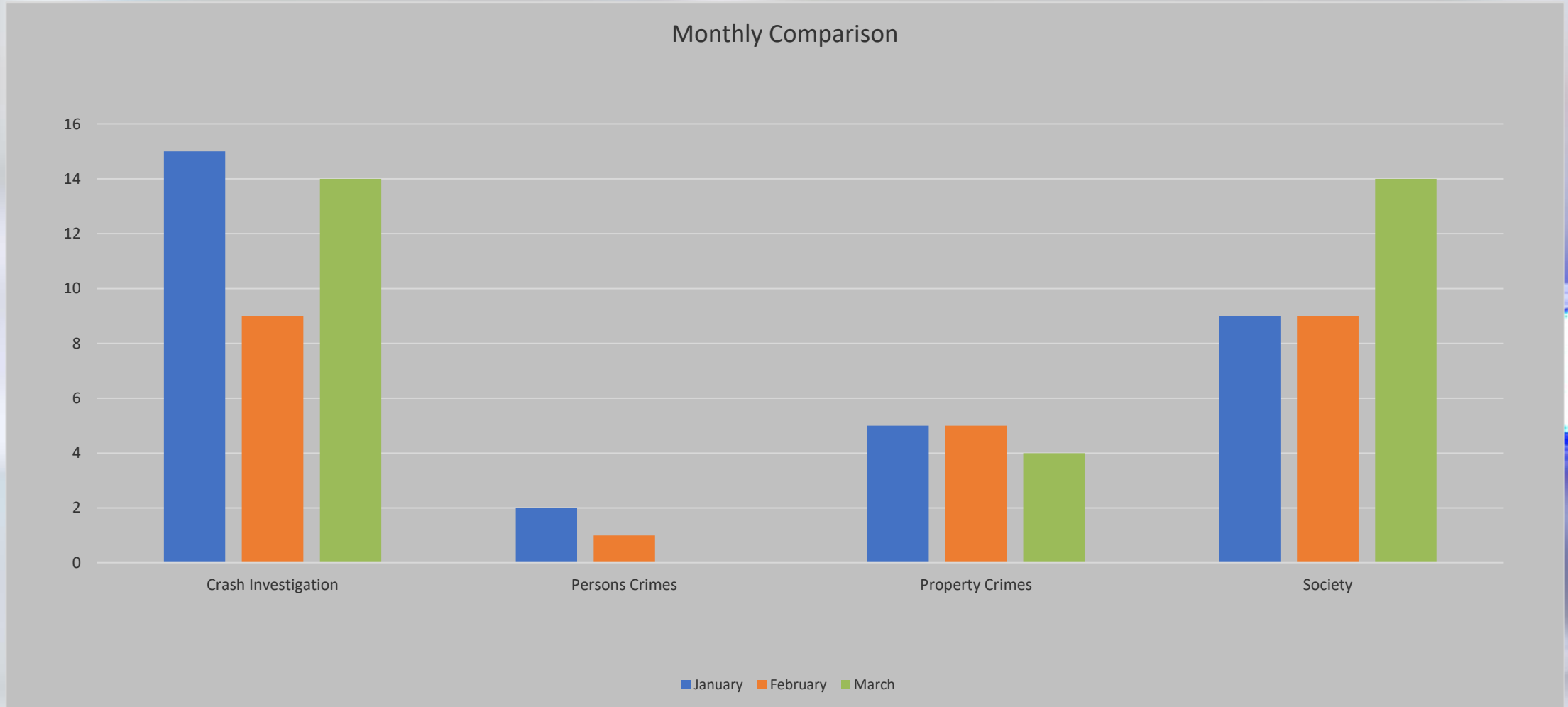
- **14 Crash Investigations**
 - 8 - US380
 - 6 - Other
- **0 Persons Crimes**
- **4 Property Crime**
 - 1 Retail theft
 - 3 Hit and Run Damage
- **14 - Society**
 - 6 Intoxicated Driving
 - 8 Drug Paraphernalia / MIP / PI

➤ February Incident Type Summary

- **15 Agency Assist**
- **20 Alarm**
- **10 Animal Complaint**
- **4 Disturbance**
- **10 Motorist Assist**
- **8 Open Door**
- **5 Road Blockage**
- **14 Suspicious Person**
- **318 Traffic Stop**
- **9 Welfare Concern**
- **131 Unclassified**

545 Total Incidents

Police Operations Monthly Comparison



Police – Administrative

- **Property and evidence – began requesting destruction orders from county.**
- **Training**
 - **Draut completed TCOLE Instructor Course**
 - **Sgt. Tyler FBI Law Enforcement Executive Development Association Supervisory Leadership**
- **Continued work on operating procedures**
- **Participated in Denton County Mental Health Summit**
- **Hosted armorer course two CRPD and outside agency officers completed course**

Little Elm Fire Department
 Incident Reports for Town of Cross Roads
 March 2022

3/25/2022	0001281	11350 -150 E UNIVERSITY DR	EMS call, excluding vehicle accident with injury	LEQ3	Quint	None	3:19:39 PM	3:20:15 PM	3:20:59 PM	3:27:34 PM	3:43:40 PM	00:36	07:19
3/25/2022	0001281	11350 -150 E UNIVERSITY DR	EMS call, excluding vehicle accident with injury	LEM3	ALS unit	None	3:19:39 PM	3:20:15 PM	3:20:46 PM	3:27:53 PM	4:31:45 PM		07:38
3/26/2022	0001295	5185 FM 424	Dispatched & canceled en route	LEBAT1	Chief officer car	None	10:23:48 AM	10:24:42 AM	10:25:53 AM	10:32:29 AM	10:34:40 AM	00:54	07:47
3/26/2022	0001295	5185 FM 424	Dispatched & canceled en route	LEE1	Engine	None	10:23:48 AM	10:24:42 AM	10:26:31 AM		10:32:49 AM		N/A
3/26/2022	0001295	5185 FM 424	Dispatched & canceled en route	LEM3	ALS unit	None	10:23:48 AM	10:24:42 AM	10:25:04 AM		10:33:38 AM		N/A
3/26/2022	0001295	5185 FM 424	Dispatched & canceled en route	LEQ3	Quint	None	10:23:48 AM	10:24:42 AM	10:25:40 AM		10:34:22 AM		N/A
3/27/2022	0001308	2401 E UNIVERSITY DR	EMS call, excluding vehicle accident with injury	LEM3	ALS unit	None	12:30:51 PM	12:34:29 PM	12:35:15 PM	12:43:25 PM	2:04:16 PM	03:38	08:56
3/27/2022	0001308	2401 E UNIVERSITY DR	EMS call, excluding vehicle accident with injury	LEQ3	Quint	None	12:30:51 PM	12:34:29 PM	12:36:25 PM	12:43:29 PM	1:15:22 PM		09:00
3/27/2022	0001309	11350 -100 E UNIVERSITY DR	EMS call, excluding vehicle accident with injury	LEQ3	Quint	None	3:10:58 PM	3:12:16 PM	3:13:31 PM	3:19:24 PM	3:35:37 PM	01:18	07:08
3/27/2022	0001309	11350 -100 E UNIVERSITY DR	EMS call, excluding vehicle accident with injury	LEM3	ALS unit	None	3:10:58 PM	3:12:16 PM	3:13:02 PM	3:19:26 PM	4:05:58 PM		07:10
3/28/2022	0001320	NAYLOR RD / E UNIVERSITY DR	Motor vehicle accident with no injuries.	LEM3	ALS unit	None	4:56:55 PM	4:58:01 PM	4:58:44 PM	5:05:47 PM	5:13:06 PM	01:06	07:46
3/28/2022	0001320	NAYLOR RD / E UNIVERSITY DR	Motor vehicle accident with no injuries.	LEQ3	Quint	None	4:56:55 PM	4:58:01 PM	4:59:12 PM	5:07:00 PM	5:36:13 PM		08:59
3/31/2022	0001414	6001 HWY 377	Motor vehicle accident with no injuries.	LEM3	ALS unit	None	7:02:38 PM	7:03:23 PM	7:04:15 PM	7:12:56 PM	7:30:43 PM	00:45	09:33
3/31/2022	0001414	6001 HWY 377	Motor vehicle accident with no injuries.	LEQ3	Quint	None	7:02:38 PM	7:03:23 PM	7:04:00 PM	7:12:56 PM	8:08:32 PM		09:33
3/31/2022	0001417	E UNIVERSITY DR / FM 424	Motor vehicle accident with injuries	LEBAT1	Chief officer car	Aid received - Aubrey	7:15:31 PM	7:15:57 PM	7:15:57 PM	7:16:01 PM	7:42:55 PM	00:26	00:04
38 Incidents											Averages	01:02	07:13



**MINUTES OF TOWN COUNCIL MEETING
FOR THE TOWN OF CROSS ROADS
MONDAY, MARCH 21, 2022 at 7:00 P.M.**

**LOCATION: IN PERSON at
1401 FM 424, CROSSROADS, TEXAS 76227
Or Virtually via Zoom**

1. Call to Order – **7:00 P.M.**
2. Roll Call: **Mayor Tompkins, Council Members King, Gaalema, and White-Stevens. Council Members Phillips and Meek were not present.**
3. Invocation – Jeff Kossack not present
4. Pledge of Allegiance – Matthew Boyle

Mayor Tompkins moved Citizens Input forward.

7. Citizens Input (Items on the agenda and not on the agenda).
 - **Tammy Sweeney, The Villages – dirty politics, defacement of political signs, Parks and Rec membership, placement of political signs; solicitation and trespassing by candidates**
 - **Ron Conrad, The Villages – transparency, ambulance and fire services contract, billing and response times**
 - **Colette Olivieri, The Villages – public safety, calls for service published in paper, police chief, candidates breaking gated community rules**

Mayor Tompkins - soliciting involves transfer of money versus canvassing which is free speech; trespass does not involve entire HOA and does not apply when people are invited.

- **Blanche Dillon, Moseley Road - billing by Aubrey's ambulance services**
 - **Randy Wicker, Oak Shores – politics, Council transparency, appreciation for current Council**
 - **Paula Paus, Spring Mountain Ranch – dirty politics, political signs, Park Board membership**
 - **Chris Paus, Spring Mountain Ranch – Planning and Zoning Commission voting in relation to Comprehensive Plan and Town Vision**
5. Council Members' announcements and updates.
White-Stevens – Chief Short being put in precarious position on multiple occasions; illegal signs; significance of Comprehensive Plan; importance of preparedness and informed decision making by boards; Park Board membership

Ron King – trespassing and soliciting versus invited guests canvassing; equality, fairness, and rights

Greg Gaalema – feels there are personal conflicts with Mayor Tompkins rather than law enforcement issues

6. Mayor's announcements and updates.
Thanked Dwayne Wilson for sending a laser pointer to Town Hall and recommending meeting improvements that would benefit citizens attending by Zoom
7. ~~Citizens Input (Items on the agenda and not on the agenda).~~ **Citizens Input was held between Items 4 and 5.**
8. Updates; Discussion of Same.
 - **Town Administrator, Kristi Gilbert announced the upcoming April 23rd Town Clean Up Event being held by Parks and Recreation Board and Town Hall**
 - **Financial Reports – Kristi Gilbert reported**
 - **Law Enforcement – Shaun Short explained the report, gave a month to month comparison, and gave an administrative report**
 - **Building Permits and Development – Kristi Gilbert gave the development and permit update**
 - **Committee Reports:**
 - **MDD – Mady Killfoil explained the MDD's website reviews and plans to improve the Town's website**
 - **Parks & Recreation – Balance Dillon announced upcoming Eggstravaganza, Mothers Day, Clean Up, and Summer Market events; she urged people to volunteer to get involved, especially for the upcoming Eggstravaganza**
 - **There were no updates from the Connectivity or Historical Committees**

CONSENT AGENDA

9. Consider approval of the amended January 24, 2022 Council Meeting Minutes.
10. Consider approval of the February 22, 2022 Council Meeting Minutes.
11. Consider approval of the February 2022 Financials.
12. Consider acceptance of John Glover's 2022 Town of Cross Roads Bid for Environmental Services and authorize the Town Administrator to execute a Professional Services Agreement.

**Motion to approve the consent agenda made by White-Stevens;
Second by Gaalema;
Passed unanimously.**

REGULAR BUSINESS

13. Discuss and consider approval of an application for a tree removal permit submitted by Blanche Dillon, for property located at 2201 Moseley Rd. Applicant is requesting permission to remove a tree which is over 18” diameter at breast height.

Motion to approve made by Gaalema;

Second by King;

Passed unanimously.

EXECUTIVE SESSION – Council did not convene into Executive Session.

14. The Town Council will convene into Executive Session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

Section 551.071 Consultation with Attorney – Pending litigation James Edland v. Town of Cross Roads, Texas, Case No. 22-0056-362.

15. Take action as may be necessary or appropriate on matters discussed in Executive Session.

ADJOURN – 8:04 P.M.

T. Lynn Tompkins, Jr., Town Mayor

Donna Butler, Town Secretary



COUNCIL AGENDA BRIEFING SHEET

Meeting Date:

April 18, 2022

Agenda Item:

Consider action on the Town's monthly financial reports – March 2022.

Prepared by:

Kristi Gilbert, Town Administrator

Budget versus Actuals Report:

The attached financials are the unaudited financials as of March 31, 2022. The report is reflective of six months (50%) of the fiscal year. Most revenues should be tracking at 50% or lower, indicative of revenues at or exceeding budget projections. Most expenses should be tracking at 50% or higher, indicative of expenses at or lower than budget projections. Overall, general fund revenues are tracking at 44.73% and expenses are tracking at 61.46% with \$716,658.42 in excess revenue over expenditures.

The following are exceptions of note:

- Sales tax revenue is tracking better than expected.
- Revenues received on an annual or semi-annual basis include franchise fees. The annual gas franchise fee payments were received this month and were higher than anticipated.
- Items paid on an annual basis which include workers compensation, liability insurance, dues and software subscriptions.
- Items paid on a quarterly basis which include Fire/EMS and dispatch services.
- Residential permits are slightly lower than budgeted. The FY2022 budget contemplated Bloomfield issuing a small handful of permits towards the end of the fiscal year with the completion of Phase 2. Authorization to construct has not been authorized since the developer has not provided construction plans for the east-west collector. Therefore, Staff does not anticipate the issuance of any more permits for Oak Hill Ranch in this fiscal year.
- Commercial building permits are tracking at 75%, we do not anticipate any issues due to known permits that have been submitted for review.
- Municipal Court revenue is tracking at 61%. From October 2021 to February 2022, the average monthly income was approximately \$10,750. In March, collections were over \$19,500. In mid-January, Court Staff began utilizing additional collection methods that had not been available to us during COVID which has resulted in increased collections. We anticipate this number to continue to increase.
- There are a handful of individual line items that are over budget due to unanticipated needs. These include:
 - Administration Software: Includes a \$2,218 charge for “finders fee” for uncollected sales tax revenue and Quickbooks fees that will be charged back to NEPD and NEMC.
 - Police Uniforms: The uniforms overage is primarily attributable to the body armor. They were ordered in FY 21 and anticipated delivery before the year closed out (typically 6 weeks). That did not occur, so we had roughly



COUNCIL AGENDA BRIEFING SHEET

6,500 hit this budget. Additionally, we have spent some money for the funeral – hats, class A shirts, ties – some things staff would have anticipated buying as our workforce stabilized.

- Police Utilities: The initial budget was low in that it based the utilities off of previous years when the building was occupied for 40 hours per week. The phone system was more than anticipated, but provides additional features that allow officers to be contacted in the field easier from a customer service perspective.
- We have yet to receive any infrastructure inspection fees as this is a new item that will be applicable as new projects come on line.

Recommended Action:

Staff recommends approval.

Attachments:

March Finance Report

Transaction Detail

1st Quarter 2022 Sales Tax Report

Town of Cross Roads
 Revenue And Expense Report
 As of March 31, 2022

4/4/2022 4:45 PM

100 - General	Current Month Expense/Rev	Year To Date Expense/Rev	Current Year Budget	Budget Balance Remaining	% Balance Remaining	Prior Year YTD Balance	Prior Year FY End Bal.
Revenue Summary							
-	310,605.91	1,994,820.23	3,609,315.00	1,614,494.77	44.73%	1,901,891.47	3,806,822.12
Revenue Totals	<u>310,605.91</u>	<u>1,994,820.23</u>	<u>3,609,315.00</u>	<u>1,614,494.77</u>	<u>44.73%</u>	<u>1,901,891.47</u>	<u>3,806,822.12</u>
Expense Summary							
110-Administration	62,591.90	653,192.79	1,360,855.00	707,662.21	52.00%	632,309.76	1,396,627.49
210-Municipal Court	962.29	11,035.51	25,000.00	13,964.49	55.86%	0.00	0.00
310-Police	87,829.76	601,964.57	1,391,052.98	789,088.41	56.73%	498,222.00	1,133,597.33
410-Parks & Recreation	53.88	2,579.72	27,500.00	24,920.28	90.62%	9,531.50	19,875.95
510-Community Development	0.00	50.00	0.00	(50.00)	0.00%	0.00	950.00
520-Inspection	1,800.00	6,580.00	71,000.00	64,420.00	90.73%	6,612.00	16,122.00
610-Public Works	1,494.17	9,731.64	441,422.56	431,690.92	97.80%	299,912.04	316,734.93
710-Transfers Out	(371.20)	(6,972.42)	0.00	6,972.42	0.00%	0.00	0.00
Expense Totals	<u>154,360.80</u>	<u>1,278,161.81</u>	<u>3,316,830.54</u>	<u>2,038,668.73</u>	<u>61.46%</u>	<u>1,446,587.30</u>	<u>2,883,907.70</u>
Revenues Over(Under) Expenditures	<u>156,245.11</u>	<u>716,658.42</u>	<u>292,484.46</u>	<u>0.00</u>	<u>0.00%</u>	<u>455,304.17</u>	<u>922,914.42</u>

Notes:

- * Municipal Court was included with Northeast Municipal Court in FY 2021
- * Difference in Police is due to the transition from NEPD to CRPD
- * Public Works lower in FY 22 due to no major street improvement projects yet.

Town of Cross Roads
 Revenue and Expense Report
 As of March 31, 2022

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100 - General	Department Reven	Current Month Expense/Rev	Year To Date Expense/Rev	Current Year Budget	Budget Balance Remaining	% Balance Remaining

Sales Taxes						
-40100	Sales Tax Revenue	253,418.44	1,621,809.28	2,753,132.00	1,131,322.72	41.09%
-40110	Mixed Beverage Tax Revenue	1,752.18	9,533.33	18,375.00	8,841.67	48.12%
	Total Sales Taxes	255,170.62	1,631,342.61	2,771,507.00	1,140,164.39	41.14%
Franchise Taxes						
-40120	Franchise Tax Telecom	52.11	1,924.49	4,750.00	2,825.51	59.48%
-40121	Franchise Tax Waste	0.00	11,613.95	24,750.00	13,136.05	53.07%
-40122	Franchise Tax Electric	6,851.98	96,360.49	90,000.00	(6,360.49)	(7.07%)
-40123	Franchise Tax Gas	19,466.82	19,466.82	12,375.00	(7,091.82)	(57.31%)
-40124	Franchise Tax Mustang SUD	0.00	10,703.36	17,820.00	7,116.64	39.94%
	Total Franchise Taxes	26,370.91	140,069.11	149,695.00	9,625.89	6.43%
Licenses & Permits						
-40200	Development/Plattng/Permit Fees	520.00	10,590.00	20,000.00	9,410.00	47.05%
-40201	Infrastructure Inspection Fees	0.00	0.00	60,000.00	60,000.00	100.00%
-40202	Residential Bldg Permits and Inspections	2,775.00	76,089.10	240,000.00	163,910.90	68.30%
-40203	Commercial Bldg Permits and Inspections	1,125.00	30,526.96	120,000.00	89,473.04	74.56%
-40204	Septic Permits and Fees	1,950.00	4,410.00	8,000.00	3,590.00	44.88%
-40206	Health Inspection and Fees	1,475.00	14,650.00	11,500.00	(3,150.00)	(27.39%)
-40207	Alcohol Permit/License	30.00	665.00	0.00	(665.00)	0.00%
-40208	Signs Permit and Fees	100.00	2,450.00	4,250.00	1,800.00	42.35%
	Total Licenses & Permits	7,975.00	139,381.06	463,750.00	324,368.94	69.94%
Court Revenue						
-40210	Municipal Court Fines	19,596.60	73,560.61	190,000.00	116,439.39	61.28%
	Total Court Revenue	19,596.60	73,560.61	190,000.00	116,439.39	61.28%

<u>Fines and Fees</u>					
-40300 Administrative Fees	426.35	2,276.35	2,000.00	(276.35)	(13.82%)
-40314 Credit Card Processing Fee	166.40	1,128.57	1,000.00	(128.57)	(12.86%)
Total Fines and Fees	<u>592.75</u>	<u>3,404.92</u>	<u>3,000.00</u>	<u>(404.92)</u>	<u>(13.50%)</u>
<u>Contributions</u>					
-40304 MDD Contribution	0.00	6,090.75	24,363.00	18,272.25	75.00%
Total Contributions	<u>0.00</u>	<u>6,090.75</u>	<u>24,363.00</u>	<u>18,272.25</u>	<u>75.00%</u>
<u>Investment Income</u>					
-40306 Interest Revenue	647.74	3,849.36	7,000.00	3,150.64	45.01%
Total Investment Income	<u>647.74</u>	<u>3,849.36</u>	<u>7,000.00</u>	<u>3,150.64</u>	<u>45.01%</u>
<u>Miscellaneous</u>					
-40315 Miscellaneous Income	302.29	1,581.04	0.00	(1,581.04)	0.00%
Total Miscellaneous	<u>302.29</u>	<u>1,581.04</u>	<u>0.00</u>	<u>(1,581.04)</u>	<u>0.00%</u>
<u>Intergovernmental</u>					
-40410 Intergovernmental Revenue	0.00	192.27	0.00	(192.27)	0.00%
-40419 NEMC Personnel Reimbursement	0.00	1,748.00	0.00	(1,748.00)	0.00%
Total Intergovernmental	<u>0.00</u>	<u>1,940.27</u>	<u>0.00</u>	<u>(1,940.27)</u>	<u>0.00%</u>
<u>Transfers</u>					
-40910 Transfers In	(50.00)	(6,399.50)	0.00	6,399.50	0.00%
Total Transfers	<u>(50.00)</u>	<u>(6,399.50)</u>	<u>0.00</u>	<u>6,399.50</u>	<u>0.00%</u>
Total	<u>310,605.91</u>	<u>1,994,820.23</u>	<u>3,609,315.00</u>	<u>1,614,494.77</u>	<u>44.73%</u>
Total Revenue	<u>310,605.91</u>	<u>1,994,820.23</u>	<u>3,609,315.00</u>	<u>1,614,494.77</u>	<u>44.73%</u>

100 - General	Department Expen	Current Month Expense/Rev	Year To Date Expense/Rev	Current Year Budget	Budget Balance Remaining	% Balance Remaining
110-Administration						
<u>Personnel and Benefits</u>						
110-51101	Payroll Expenses: Wages	30,672.71	205,043.15	424,600.00	219,556.85	51.71%
110-51102	Overtime	0.00	0.00	500.00	500.00	100.00%
110-51105	Longevity Pay	0.00	795.00	0.00	(795.00)	0.00%
110-51109	Auto Allowance	150.00	900.00	1,800.00	900.00	50.00%
110-51210	Payroll Expenses: Company Contributions: Retirement	2,327.12	15,438.49	32,150.00	16,711.51	51.98%
110-51215	Payroll Expenses: Taxes	2,357.91	15,803.19	37,050.00	21,246.81	57.35%
110-51216	Employee Health Benefits	3,691.42	21,823.04	44,000.00	22,176.96	50.40%
110-51220	Workers Compensation	0.00	4,460.96	11,950.00	7,489.04	62.67%
110-51230	Unemployment	53.56	344.17	0.00	(344.17)	0.00%
	Total Personnel and Benefits	<u>39,252.72</u>	<u>264,608.00</u>	<u>552,050.00</u>	<u>287,442.00</u>	<u>52.07%</u>
<u>Supplies</u>						
110-52014	Office Supplies	611.14	3,724.13	4,000.00	275.87	6.90%
110-52030	Postage	0.00	432.73	1,000.00	567.27	56.73%
110-52100	Minor Tools and Equipment	1,422.14	1,521.85	0.00	(1,521.85)	0.00%
	Total Supplies	<u>2,033.28</u>	<u>5,678.71</u>	<u>5,000.00</u>	<u>(678.71)</u>	<u>(13.57%)</u>
<u>Contractual Services</u>						
110-53001	Accounting and Auditing Fees	0.00	673.45	7,500.00	6,826.55	91.02%
110-53002	Advertising and Promotion	0.00	2,613.34	12,000.00	9,386.66	78.22%
110-53004	Software	1,467.41	30,595.57	27,000.00	(3,595.57)	(13.32%)
110-53006	Codification Services	0.00	0.00	2,000.00	2,000.00	100.00%
110-53010	Property and Liability Insurance	0.00	6,895.28	8,500.00	1,604.72	18.88%
110-53012	Legal Fees	4,702.49	23,686.03	48,000.00	24,313.97	50.65%
110-53015	Dues and Subscriptions	0.00	133.00	900.00	767.00	85.22%
110-53016	Public Notices/Dues	69.50	465.50	1,200.00	734.50	61.21%
110-53022	Training and Travel	360.00	1,890.00	12,000.00	10,110.00	84.25%
110-53030	PayPal Charge	161.62	1,213.14	1,000.00	(213.14)	(21.31%)
110-53045	Lease and CAM Pmts - Town Hall	4,851.77	30,380.87	68,900.00	38,519.13	55.91%

110-53050 Careflite Services	0.00	1,944.00	2,575.00	631.00	24.50%
110-53055 City of Aubrey Library Fund	0.00	0.00	21,500.00	21,500.00	100.00%
110-53080 Engineering Services	7,117.37	38,320.85	60,000.00	21,679.15	36.13%
110-53083 Professional Services	722.97	7,186.47	40,000.00	32,813.53	82.03%
110-53084 Code Enforcement Services	0.00	0.00	2,000.00	2,000.00	100.00%
110-53110 Utilities	339.89	2,439.00	6,600.00	4,161.00	63.05%
110-53225 Interlocal Fire	0.00	226,150.00	452,830.00	226,680.00	50.06%
110-53610 Election Expense	0.00	0.00	8,000.00	8,000.00	100.00%
Total Contractual Services	<u>19,793.02</u>	<u>374,586.50</u>	<u>782,505.00</u>	<u>407,918.50</u>	<u>52.13%</u>
<u>Maintenance</u>					
110-54010 Building Maintenance/Cleaning	888.01	2,218.01	0.00	(2,218.01)	0.00%
110-54018 Repair and Maintenance	19.96	779.54	4,000.00	3,220.46	80.51%
110-54020 Vehicles Maintenance	107.21	667.12	2,300.00	1,632.88	70.99%
Total Maintenance	<u>1,015.18</u>	<u>3,664.67</u>	<u>6,300.00</u>	<u>2,635.33</u>	<u>41.83%</u>
<u>Capital Outlay</u>					
110-58007 Capital Improvements	497.70	4,654.91	15,000.00	10,345.09	68.97%
Total Capital Outlay	<u>497.70</u>	<u>4,654.91</u>	<u>15,000.00</u>	<u>10,345.09</u>	<u>68.97%</u>
Total Administration	<u>62,591.90</u>	<u>653,192.79</u>	<u>1,360,855.00</u>	<u>707,662.21</u>	<u>52.00%</u>
<u>210-Municipal Court</u>					
<u>Personnel and Benefits</u>					
210-51101 Payroll Expenses: Wages	800.00	1,800.00	0.00	(1,800.00)	0.00%
210-51215 Payroll Expenses: Taxes	53.55	130.05	0.00	(130.05)	0.00%
210-51230 Unemployment	2.50	2.50	0.00	(2.50)	0.00%
Total Personnel and Benefits	<u>856.05</u>	<u>1,932.55</u>	<u>0.00</u>	<u>(1,932.55)</u>	<u>0.00%</u>
<u>Supplies</u>					
210-52014 Office Supplies	80.00	1,780.83	3,000.00	1,219.17	40.64%
210-52020 Court Supplies	0.00	220.00	3,000.00	2,780.00	92.67%
210-52030 Postage	0.00	232.00	0.00	(232.00)	0.00%
210-52100 Minor Tools and Equipment	(47.51)	82.42	0.00	(82.42)	0.00%
Total Supplies	<u>32.49</u>	<u>2,315.25</u>	<u>6,000.00</u>	<u>3,684.75</u>	<u>61.41%</u>

<u>Contractual Services</u>						
210-53004 Software	48.75	474.71	0.00	(474.71)	0.00%	
210-53015 Dues and Subscriptions	0.00	13.00	0.00	(13.00)	0.00%	
210-53022 Training and Travel	0.00	0.00	500.00	500.00	100.00%	
210-53075 Prosecutor	25.00	5,050.00	16,000.00	10,950.00	68.44%	
210-53076 Jury	0.00	0.00	500.00	500.00	100.00%	
210-53077 Interpreter	0.00	0.00	750.00	750.00	100.00%	
210-53078 Arrest/Jail Fees	0.00	0.00	1,250.00	1,250.00	100.00%	
Total Contractual Services	<u>73.75</u>	<u>5,537.71</u>	<u>19,000.00</u>	<u>13,462.29</u>	<u>70.85%</u>	
<u>Capital Outlay</u>						
210-58010 Capital Equipment	0.00	1,250.00	0.00	(1,250.00)	0.00%	
Total Capital Outlay	<u>0.00</u>	<u>1,250.00</u>	<u>0.00</u>	<u>(1,250.00)</u>	<u>0.00%</u>	
Total Municipal Court	<u>962.29</u>	<u>11,035.51</u>	<u>25,000.00</u>	<u>13,964.49</u>	<u>55.86%</u>	
<u>310-Police</u>						
<u>Personnel and Benefits</u>						
310-51101 Payroll Expenses: Wages	54,389.39	368,763.34	831,580.96	462,817.62	55.66%	
310-51102 Overtime	846.59	9,694.49	45,000.00	35,305.51	78.46%	
310-51105 Longevity Pay	0.00	400.00	2,000.00	1,600.00	80.00%	
310-51108 Incentive Pay	0.00	0.00	6,000.00	6,000.00	100.00%	
310-51210 Payroll Expenses: Company Contributions: Retirement	4,170.30	28,331.24	63,615.94	35,284.70	55.47%	
310-51215 Payroll Expenses: Taxes	4,225.55	28,982.61	65,524.42	36,541.81	55.77%	
310-51216 Employee Health Benefits	6,353.88	41,611.50	104,000.00	62,388.50	59.99%	
310-51220 Workers Compensation	0.00	3,238.90	32,431.66	29,192.76	90.01%	
310-51230 Unemployment	81.00	2,151.23	0.00	(2,151.23)	0.00%	
Total Personnel and Benefits	<u>70,066.71</u>	<u>483,173.31</u>	<u>1,150,152.98</u>	<u>666,979.67</u>	<u>57.99%</u>	

<u>Supplies</u>					
310-52005 Uniforms	313.23	11,948.95	10,000.00	(1,948.95)	(19.49%)
310-52010 Law Enforcement Supplies	0.00	1,227.39	5,000.00	3,772.61	75.45%
310-52014 Office Supplies	872.22	2,291.51	3,000.00	708.49	23.62%
310-52015 Evidence Supplies	125.00	1,508.19	2,000.00	491.81	24.59%
310-52030 Postage	251.46	607.15	1,250.00	642.85	51.43%
310-52050 Fuel	2,192.73	11,496.14	20,000.00	8,503.86	42.52%
310-52100 Minor Tools and Equipment	472.24	2,520.44	3,500.00	979.56	27.99%
Total Supplies	<u>4,226.88</u>	<u>31,599.77</u>	<u>44,750.00</u>	<u>13,150.23</u>	<u>29.39%</u>
<u>Contractual Services</u>					
310-53004 Software	0.00	1,371.92	18,400.00	17,028.08	92.54%
310-53010 Property and Liability Insurance	0.00	5,634.02	20,000.00	14,365.98	71.83%
310-53012 Legal Fees	68.75	206.25	2,500.00	2,293.75	91.75%
310-53015 Dues and Subscriptions	95.00	285.00	1,500.00	1,215.00	81.00%
310-53022 Training and Travel	38.93	2,236.71	11,500.00	9,263.29	80.55%
310-53033 Community Events	1,092.30	2,485.29	5,000.00	2,514.71	50.29%
310-53081 Information Technology Services	625.00	17,623.99	22,500.00	4,876.01	21.67%
310-53083 Professional Services	1,700.00	9,511.00	22,800.00	13,289.00	58.29%
310-53091 Landscaping	0.00	0.00	2,000.00	2,000.00	100.00%
310-53110 Utilities	709.78	3,289.11	2,450.00	(839.11)	(34.25%)
310-53130 Telephone Mobile	0.00	4,768.06	13,000.00	8,231.94	63.32%
310-53210 Animal Control	0.00	6,900.00	14,500.00	7,600.00	52.41%
310-53230 Dispatch Fees	6,157.25	18,471.75	25,000.00	6,528.25	26.11%
Total Contractual Services	<u>10,487.01</u>	<u>72,783.10</u>	<u>161,150.00</u>	<u>88,366.90</u>	<u>54.84%</u>
<u>Maintenance</u>					
310-54010 Building Maintenance/Cleaning	580.00	5,470.11	20,000.00	14,529.89	72.65%
310-54018 Repair and Maintenance	0.00	1,139.77	0.00	(1,139.77)	0.00%
310-54020 Vehicles Maintenance	2,469.16	7,798.51	15,000.00	7,201.49	48.01%
Total Maintenance	<u>3,049.16</u>	<u>14,408.39</u>	<u>35,000.00</u>	<u>20,591.61</u>	<u>58.83%</u>
Total Police	<u>87,829.76</u>	<u>601,964.57</u>	<u>1,391,052.98</u>	<u>789,088.41</u>	<u>56.73%</u>

410-Parks & RecreationContractual Services

410-53035 Park Events	0.00	1,895.37	15,000.00	13,104.63	87.36%
410-53110 Utilities	53.88	311.85	1,000.00	688.15	68.82%
Total Contractual Services	53.88	2,207.22	16,000.00	13,792.78	86.20%

Maintenance

410-54030 Park Maintenance	0.00	372.50	11,500.00	11,127.50	96.76%
Total Maintenance	0.00	372.50	11,500.00	11,127.50	96.76%
Total Parks & Recreation	53.88	2,579.72	27,500.00	24,920.28	90.62%

510-Community DevelopmentContractual Services

510-53084 Code Enforcement Services	0.00	50.00	0.00	(50.00)	0.00%
Total Contractual Services	0.00	50.00	0.00	(50.00)	0.00%
Total Community Development	0.00	50.00	0.00	(50.00)	0.00%

520-InspectionContractual Services

520-53085 Res & Com Building Review & Insp	0.00	350.00	65,000.00	64,650.00	99.46%
520-53090 Sanitation Services	1,800.00	6,230.00	6,000.00	(230.00)	(3.83%)
Total Contractual Services	1,800.00	6,580.00	71,000.00	64,420.00	90.73%
Total Inspection	1,800.00	6,580.00	71,000.00	64,420.00	90.73%

610-Public WorksPersonnel and Benefits

610-51103 Certification Pay	0.00	396.00	0.00	(396.00)	0.00%
Total Personnel and Benefits	0.00	396.00	0.00	(396.00)	0.00%

Contractual Services

610-53060 Street Materials and Signs	103.86	955.32	8,000.00	7,044.68	88.06%
610-53065 Mowing and ROW Cleanup	1,203.37	7,342.48	38,500.00	31,157.52	80.93%
610-53070 Street Contract/Repairs	0.00	0.00	393,422.56	393,422.56	100.00%
610-53110 Utilities	186.94	1,037.84	1,500.00	462.16	30.81%
Total Contractual Services	1,494.17	9,335.64	441,422.56	432,086.92	97.89%
Total Public Works	1,494.17	9,731.64	441,422.56	431,690.92	97.80%

710-Transfers Out - - - - -

Capital Outlay					
710-59100 Transfers Out	(371.20)	(6,972.42)	0.00	6,972.42	0.00%
Total Capital Outlay	<u>(371.20)</u>	<u>(6,972.42)</u>	<u>0.00</u>	<u>6,972.42</u>	<u>0.00%</u>
Total Transfers Out	<u>(371.20)</u>	<u>(6,972.42)</u>	<u>0.00</u>	<u>6,972.42</u>	<u>0.00%</u>
<hr/>					
Total Expense	<u>154,360.80</u>	<u>1,278,161.81</u>	<u>3,316,830.54</u>	<u>2,038,668.73</u>	<u>61.46%</u>

Town of Cross Roads
Transaction Detail Report
3/1/2022 - 3/31/2022

4/8/2022 12:46 PM

100 - General

Account 100-110-52014

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	Feb 2022 chg - Envelopes, forms, printer paper, paper towels	Amazon Capital Services	Feb 2022	10740	193.39	0.00	193.39
3/14/2022	3/14/2022	Shred papers in 52 boxes - Inv 43827	Magic Shred	43827	10749	248.00	0.00	441.39
3/22/2022	3/24/2022	Wal Mart, Smart Sign				146.35	0.00	587.74
Total						<u>587.74</u>	<u>0.00</u>	

100 - General

Account 100-110-52100

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/18/2022	3/17/2022	*VOID* 1 ink 1 cleaning kit acct 0018464310 02162022 - Postage Meter supplies	Pitney Bowes Inc.	Acct 0018464310	10710	0.00	36.46	(36.46)
3/22/2022	3/22/2022	Loaner copier-7 months usage-Town Hall Acct M-T0034	Metro Centre LP	Min38674	10756	1,458.60	0.00	1,422.14
3/22/2022	4/6/2022	Adjust A-P coding to share cost 60% Admin 40% Court for Copy machine usage				0.00	583.44	838.70
Total						<u>1,458.60</u>	<u>619.90</u>	

100 - General

Account 100-110-53004

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	April 2022 to March 2023 annual Website Domain Listing charge	Domain Listings	crossroadstx.gov	10738	288.00	0.00	288.00
3/22/2022	3/24/2022	Intuit, Msft, Apple				1,179.41	0.00	1,467.41
Total						<u>1,467.41</u>	<u>0.00</u>	

100 - General

Account 100-110-53012

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/8/2022	General-Legal Bill Stmt to 02-25-22	Boyle & Lowry, L.L.P.	stmt to 02-25-202	10730	2,527.49	0.00	2,527.49
3/8/2022	3/8/2022	Litigation-Legal Bill Stmt to 02-25-22	Boyle & Lowry, L.L.P.	stmt to 02-25-202	10730	2,175.00	0.00	4,702.49
Total						<u>4,702.49</u>	<u>0.00</u>	

100 - General**Account 100-110-53016**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/7/2022	3/7/2022	Inv 95483 - Legal Notice Public Hearing Board of Adj Hearing Affidavit	Pilot Point Post Signal	95483	10727	69.50	0.00	69.50
Total						<u>69.50</u>	<u>0.00</u>	

100 - General**Account 100-110-53022**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	Texas Municipal League				360.00	0.00	360.00
Total						<u>360.00</u>	<u>0.00</u>	

100 - General**Account 100-110-53030**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/10/2022	3/10/2022	PP \$509.60 less \$18.58 fees so transfer to cash will be \$491.02				18.58	0.00	18.58
3/24/2022	3/24/2022	Paypal fees 3-10 to 3-23 \$143.04 gross CR's \$4061.20				143.04	0.00	161.62
Total						<u>161.62</u>	<u>0.00</u>	

100 - General**Account 100-110-53045**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/22/2022	Lease pmt April 2022 Town Hall reduce for cleaning cost	West Crossroads LTD	2112	10757	0.00	365.00	(365.00)
3/22/2022	3/22/2022	Lease pmt April 2022 OP'g Exp April 2022	West Crossroads LTD	2112	10757	1,769.27	0.00	1,404.27
3/22/2022	3/22/2022	Lease & Cam Pmt - Town Hall Rent - April 2022	West Crossroads LTD	2112	10757	3,447.50	0.00	4,851.77
Total						<u>5,216.77</u>	<u>365.00</u>	

100 - General**Account 100-110-53080**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/8/2022	General Engineering various to 12-31-21	Half Associates, Inc.	10065350	10733	951.30	0.00	951.30
3/8/2022	3/8/2022	Engineering Services - inv dated 02-09-2022 - General Engineering thru 01-31-22	Half Associates, Inc.	10066873	10734	4,678.25	0.00	5,629.55
3/15/2022	3/15/2022	Inv 10068776 Engineering - General	Half Associates, Inc.	10068776	10751	1,487.82	0.00	7,117.37
Total						<u>7,117.37</u>	<u>0.00</u>	

100 - General**Account 100-110-53083**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	IT Services Feb 2022 PC's and Cloud Backup - Admin	Local Circuit	3306	10739	150.00	0.00	150.00
3/9/2022	3/9/2022	IT Services Feb 2022 City Hall	Local Circuit	3306	10739	572.97	0.00	722.97
Total						<u>722.97</u>	<u>0.00</u>	

100 - General**Account 100-110-53110**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/15/2022	3/15/2022	Monthly Chg March 6 to April 5 Internet for Town Hall	AT&T	314371029 to Apr 10753		155.15	0.00	155.15
3/22/2022	3/24/2022	Intermedia				184.74	0.00	339.89
Total						<u>339.89</u>	<u>0.00</u>	

100 - General**Account 100-110-53800**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/11/2022	4/5/2022	Record 100-40100 Rev with Sales Tax Overpmt Payback - March 2022 Rev and Payback				1,692.00	0.00	1,692.00
Total						<u>1,692.00</u>	<u>0.00</u>	

100 - General**Account 100-110-54010**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	Bldg Maint/Cleaning Town Hall 02-20-2022	Amanda Escovedo	156325	10742	190.00	0.00	190.00
3/14/2022	3/14/2022	Contract: 02-21-22-Boxes to storage	Billy Joe Lerma	156326/156327	10746	93.00	0.00	283.00
3/14/2022	3/14/2022	Contract: 02-17-22-work in storage room-added to rafters for storage	Billy Joe Lerma	156326/156327	10746	201.50	0.00	484.50
3/14/2022	3/14/2022	Contract: 02-15-22-moved boxes - all for shredding	Billy Joe Lerma	156326/156327	10746	139.50	0.00	624.00
3/22/2022	3/22/2022	Inv 995677 03-09-22 clean Town Hall	Amanda Escovedo	995677	10758	190.00	0.00	814.00
3/22/2022	3/24/2022	Home Depot				74.01	0.00	888.01
Total						<u>888.01</u>	<u>0.00</u>	

100 - General**Account 100-110-54018**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	Lowe's				19.96	0.00	19.96
Total						<u>19.96</u>	<u>0.00</u>	

100 - General

Account 100-110-54020

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/8/2022	Wex charges thru Feb 2022 - Town of CR portion of Bill	WEX Bank	to Feb 2022 Wex	10735	107.21	0.00	107.21
Total						<u>107.21</u>	<u>0.00</u>	

100 - General

Account 100-110-58007

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/24/2022	3/24/2022	Town Hall - Monitoring, access control - 4 Doors / alarms Inv 64647 - Qrtly Mar to May 2022	Parker Security Services Inc	63029-64647	10761	248.85	0.00	248.85
3/24/2022	3/24/2022	Town Hall - Monitoring, access control - 4 Doors / alarms Inv 63029 - Qrtly Dec to Feb 2022	Parker Security Services Inc	63029-64647	10761	248.85	0.00	497.70
Total						<u>497.70</u>	<u>0.00</u>	

100 - General

Account 100-210-51101

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/9/2022	Gillan Chenault-payck void-ckg debited so now ckg credit for CL ck \$92.35				92.35	0.00	92.35
3/9/2022	3/9/2022	03-04-2022 payck crctn s/not be paid as Employee s/be paid as a vendor and \$7.65 PR tax still due to vendor-not direct deposited by system	Gilland A. Chenault	03-04-2022 payck	10743	7.65	0.00	100.00
Total						<u>100.00</u>	<u>0.00</u>	

100 - General

Account 100-210-52014

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	Intuit				80.00	0.00	80.00
Total						<u>80.00</u>	<u>0.00</u>	

100 - General

Account 100-210-52100

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/18/2022	3/17/2022	*VOID* 1 ink 1 cleaning kit acct 0018464310 02162022 - Postage Meter supplies	Pitney Bowes Inc.	Acct 0018464310	10710	0.00	47.51	(47.51)
3/22/2022	4/6/2022	Adjust A-P coding to share cost 60% Admin 40% Court for Copy machine usage				583.44	0.00	535.93
Total						<u>583.44</u>	<u>47.51</u>	

100 - General**Account 100-210-53004**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/8/2022	Remote Desktop Issue - Mac Mini - Inv 12234	The Core Technology Group	12234	10732	48.75	0.00	48.75
Total						<u>48.75</u>	<u>0.00</u>	

100 - General**Account 100-210-53075**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/8/2022	Court-Legal Bill Stmt to 02-25-22	Boyle & Lowry, L.L.P.	stmt to 02-25-202	10730	25.00	0.00	25.00
Total						<u>25.00</u>	<u>0.00</u>	

100 - General**Account 100-310-52005**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/24/2022	3/24/2022	acct 100308738 - Inv 20695909 - Belt (1)	Galls LLC	20639516/206959	10765	23.38	0.00	23.38
3/24/2022	3/24/2022	acct 100308738 - Inv 20695909 - Belt (1)	Galls LLC	20639516/206959	10765	60.35	0.00	83.73
3/24/2022	3/24/2022	acct 100308738 - Inv 20695909 - Supershirt (1)	Galls LLC	20639516/206959	10765	72.25	0.00	155.98
3/24/2022	3/24/2022	acct 100308738 - Inv 20695909 - Tactical Pant - Qty 2	Galls LLC	20639516/206959	10765	153.00	0.00	308.98
3/24/2022	3/24/2022	acct 100308738 - Inv 20639516 - Nameplate - Qty 1	Galls LLC	20639516/206959	10765	4.25	0.00	313.23
Total						<u>313.23</u>	<u>0.00</u>	

100 - General**Account 100-310-52014**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	Feb 2022 chg - Monitor Dock, portable hard drive (2) office supplies, 50 pak Flash drives	Amazon Capital Services	Feb 2022	10740	453.29	0.00	453.29
3/14/2022	3/14/2022	Contract: delivered water	Billy Joe Lerma	156326/156327	10746	25.00	0.00	478.29
3/22/2022	3/24/2022	Vistaprint, Wal Mart, AMZN				340.75	0.00	819.04
3/22/2022	3/24/2022	Wal Mart				53.18	0.00	872.22
Total						<u>872.22</u>	<u>0.00</u>	

100 - General**Account 100-310-52015**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	Law Enforcmt System				125.00	0.00	125.00
Total						<u>125.00</u>	<u>0.00</u>	

100 - General**Account 100-310-52030**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	UPS, USPS				251.46	0.00	251.46
					Total	<u>251.46</u>	<u>0.00</u>	

100 - General**Account 100-310-52050**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/8/2022	Wex charges thru Feb 2022 - CRPD gas - auto	WEX Bank	to Feb 2022 Wex	10735	2,192.73	0.00	2,192.73
					Total	<u>2,192.73</u>	<u>0.00</u>	

100 - General**Account 100-310-52100**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/7/2022	3/7/2022	Meter Reading copies to 1-21-2022 January printing - Inv 015431593	Xerox Corporation	15431593	10726	223.05	0.00	223.05
3/7/2022	3/7/2022	Repair covered under warranty but freight chg are not part of warranty agreement	Entenmann-Rovin Co.	164265	10728	16.00	0.00	239.05
3/8/2022	3/8/2022	Meter Reading CRPD printer to 02-21-2022	Xerox Corporation	015650921	10736	244.20	0.00	483.25
3/18/2022	3/17/2022	*VOID* 1 ink 1 cleaning kit acct 0018464310 02162022 - Postage Meter supplies	Pitney Bowes Inc.	Acct 0018464310	10710	0.00	26.51	456.74
3/22/2022	3/24/2022	Entenmann				15.50	0.00	472.24
					Total	<u>498.75</u>	<u>26.51</u>	

100 - General**Account 100-310-53012**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/8/2022	CRPD - Legal Stmt to 02-25-22	Boyle & Lowry, L.L.P.	stmt to 02-25-202	10730	68.75	0.00	68.75
					Total	<u>68.75</u>	<u>0.00</u>	

100 - General**Account 100-310-53015**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	FBI Nat'l Academy				95.00	0.00	95.00
					Total	<u>95.00</u>	<u>0.00</u>	

100 - General**Account 100-310-53022**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	Palio's				38.93	0.00	38.93
					Total	<u>38.93</u>	<u>0.00</u>	

100 - General**Account 100-310-53033**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	Hello Flowers, NMG Restland				898.21	0.00	898.21
3/22/2022	3/24/2022	Michael's, Discount Trophy				76.60	0.00	974.81
3/22/2022	3/24/2022	Vistaprint				117.49	0.00	1,092.30
Total						<u>1,092.30</u>	<u>0.00</u>	

100 - General**Account 100-310-53081**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	IT Services Feb 2022 CRPD	Local Circuit	3306	10739	625.00	0.00	625.00
Total						<u>625.00</u>	<u>0.00</u>	

100 - General**Account 100-310-53083**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	Test Applicant - 03-02-2022 (J. Wright)	Pro Wellness Services PLLC	002-CRPD	10741	300.00	0.00	300.00
3/9/2022	3/9/2022	Test Applicant - 01-26-2022 (Gotthardt)	Pro Wellness Services PLLC	002-CRPD	10741	300.00	0.00	600.00
3/14/2022	3/14/2022	Inv 2022-003 15 hours 3-1 to 3-8-22 Property/Evidence	Joshua Wayne Lyon	2022-003	10747	600.00	0.00	1,200.00
3/24/2022	3/24/2022	Background investigation-Jason Wright - Inv 001-CRPD-2022	Wayne Eichel	001-CRPD-2022	10763	500.00	0.00	1,700.00
Total						<u>1,700.00</u>	<u>0.00</u>	

100 - General**Account 100-310-53110**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	Electric to 02/28/2022 CRPD offices	CoServ	01-26 to 02-25-20	10737	388.67	0.00	388.67
3/9/2022	3/9/2022	Service for Feb 2022 - Internet CRPD	ACC Business	220590465	10744	165.00	0.00	553.67
3/10/2022	3/10/2022	Service 1/18/22 to 2/14/22 CRPD	Mustang Special Utility District	2 accts	10745	32.95	0.00	586.62
3/22/2022	3/24/2022	Intermedia				123.16	0.00	709.78
Total						<u>709.78</u>	<u>0.00</u>	

100 - General**Account 100-310-53230**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/14/2022	3/14/2022	Pmt 3 of 4-FY 2022 Dispatch Fees - Sheriff's office Communications Agreement	Denton County	Pmt 3 of 4-FY 202	10748	6,157.25	0.00	6,157.25
Total						<u>6,157.25</u>	<u>0.00</u>	

100 - General**Account 100-310-54010**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	Bldg Maint/Cleaning CRPD 03-04-2022	Amanda Escovedo	156325	10742	145.00	0.00	145.00
3/9/2022	3/9/2022	Bldg Maint/Cleaning CRPD 02-25-2022	Amanda Escovedo	156325	10742	145.00	0.00	290.00
3/9/2022	3/9/2022	Bldg Maint/Cleaning CRPD 02-18-2022	Amanda Escovedo	156325	10742	145.00	0.00	435.00
3/22/2022	3/22/2022	Inv 995677 03-10-22 clean CRPD	Amanda Escovedo	995677	10758	145.00	0.00	580.00
Total						<u>580.00</u>	<u>0.00</u>	

100 - General**Account 100-310-54020**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	Autozone, Car Wash				1,153.53	0.00	1,153.53
3/24/2022	3/24/2022	First inv's new acct 58871233A - Firestone Inv 44784022 oil - 2020 Chev Tahoe	BSRO Natl Accts	44762920, 44762	10764	76.89	0.00	1,230.42
3/24/2022	3/24/2022	First inv's new acct 58871233A - Firestone Inv 44784021 oil - 2020 Chev Tahoe	BSRO Natl Accts	44762920, 44762	10764	76.89	0.00	1,307.31
3/24/2022	3/24/2022	First inv's new acct 58871233A - Firestone Inv 44769209 various engine work - 2018 Chev Tahoe	BSRO Natl Accts	44762920, 44762	10764	923.28	0.00	2,230.59
3/24/2022	3/24/2022	First inv's new acct 58871233A - Firestone Inv 44762923 Oil, Tire rotation - 2019 Ford Taurus	BSRO Natl Accts	44762920, 44762	10764	64.29	0.00	2,294.88
3/24/2022	3/24/2022	First inv's new acct 58871233A - Firestone Inv 44762922 oil, tire repair - 2020 Chev Tahoe	BSRO Natl Accts	44762920, 44762	10764	97.39	0.00	2,392.27
3/24/2022	3/24/2022	First inv's new acct 58871233A - Firestone Inv 44762920 oil - 2016 Chev Tahoe	BSRO Natl Accts	44762920, 44762	10764	76.89	0.00	2,469.16
Total						<u>2,469.16</u>	<u>0.00</u>	

100 - General**Account 100-410-53110**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/8/2022	3/8/2022	Elec to 02-28-22 Parks Dept FM 424	CoServ	9000272764 to 2-	10731	25.36	0.00	25.36
3/10/2022	3/10/2022	Service 1/18/22 to 2/14/22 Parks	Mustang Special Utility District	2 accts	10745	28.52	0.00	53.88
Total						<u>53.88</u>	<u>0.00</u>	

100 - General**Account 100-520-53090**

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/24/2022	3/24/2022	Plan Review - Inv 83813 - 1900 Forest Hills Dr.	SAFEbuilt LLC	83813	10762	450.00	0.00	450.00
3/24/2022	3/24/2022	Plan Review - Inv 83813 - 4100 Dr. Griffin Rd	SAFEbuilt LLC	83813	10762	450.00	0.00	900.00
3/24/2022	3/24/2022	Plan Review - Inv 83813 - 1265 Stone Trail Ln	SAFEbuilt LLC	83813	10762	450.00	0.00	1,350.00
3/24/2022	3/24/2022	Plan Review - Inv 83813 - 1085 Forest Hill	SAFEbuilt LLC	83813	10762	450.00	0.00	1,800.00
Total						<u>1,800.00</u>	<u>0.00</u>	

100 - General Account 100-610-53060

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/22/2022	3/24/2022	Ace				103.86	0.00	103.86
Total						<u>103.86</u>	<u>0.00</u>	

100 - General Account 100-610-53065

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/14/2022	3/14/2022	Contract: Batteries for road signs/ck'd roads after storm	Billy Joe Lerma	156326/156327	10746	352.00	0.00	352.00
3/22/2022	3/24/2022	Home Depot, Landfill, Lowes, WM, 7-11, Ken Owen Batteries				851.37	0.00	1,203.37
Total						<u>1,203.37</u>	<u>0.00</u>	

100 - General Account 100-610-53110

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/9/2022	3/9/2022	Electric to 02/28/2022 Lights 380 WalMart	CoServ	01-26 to 02-25-20	10737	15.95	0.00	15.95
3/9/2022	3/9/2022	Electric to 02/28/2022 Lights Fishtrap Rd	CoServ	01-26 to 02-25-20	10737	31.90	0.00	47.85
3/9/2022	3/9/2022	Electric to 02/28/2022 Lights FM 424 Wal Mart	CoServ	01-26 to 02-25-20	10737	15.95	0.00	63.80
3/9/2022	3/9/2022	Electric to 02/28/2022 Lights-HWY 377 & Griffin	CoServ	01-26 to 02-25-20	10737	11.49	0.00	75.29
3/15/2022	3/15/2022	Electric at Naylor Rd lights to 3-9-22	CoServ	Naylor lights to 3-	10754	111.65	0.00	186.94
Total						<u>186.94</u>	<u>0.00</u>	

100 - General Account 100-710-59100

Post Date	Tran Date	Line Description	Vendor	Invoice #	Check #	Debit	Credit	Balance
3/31/2022	4/4/2022	March dep into op'g cash ckg but s/be fund 510-will JE and transfer April to crct acct				0.00	371.20	(371.20)
Total						<u>0.00</u>	<u>371.20</u>	

1ST QUARTER 2022 SALES TAX REVENUE

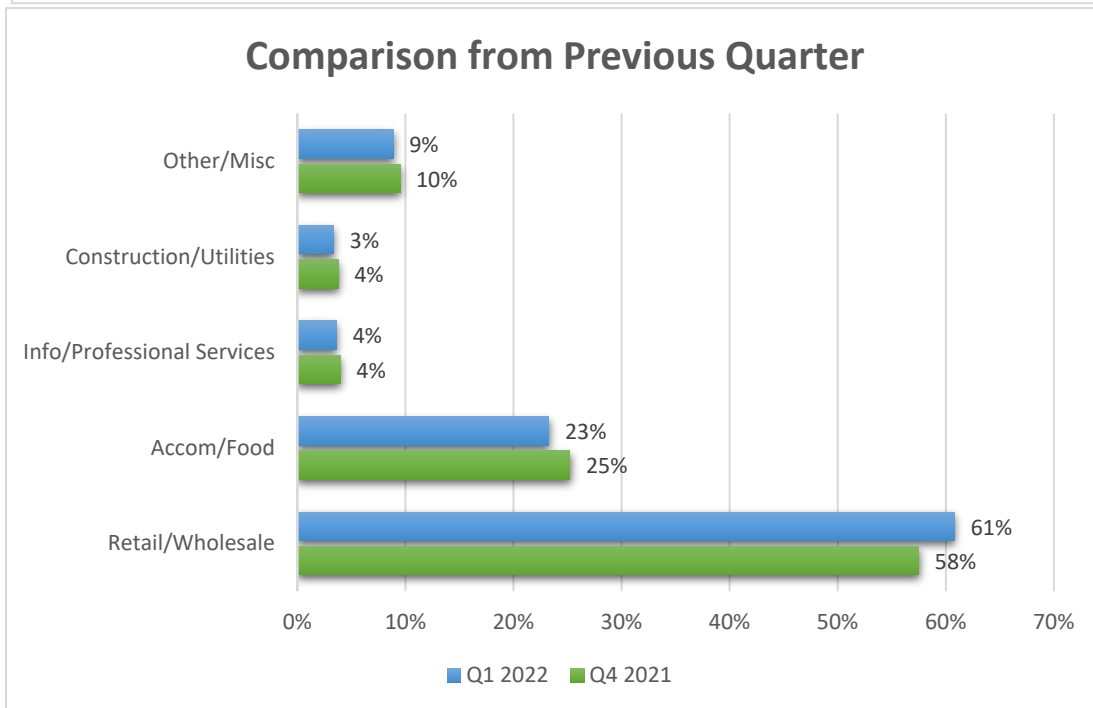
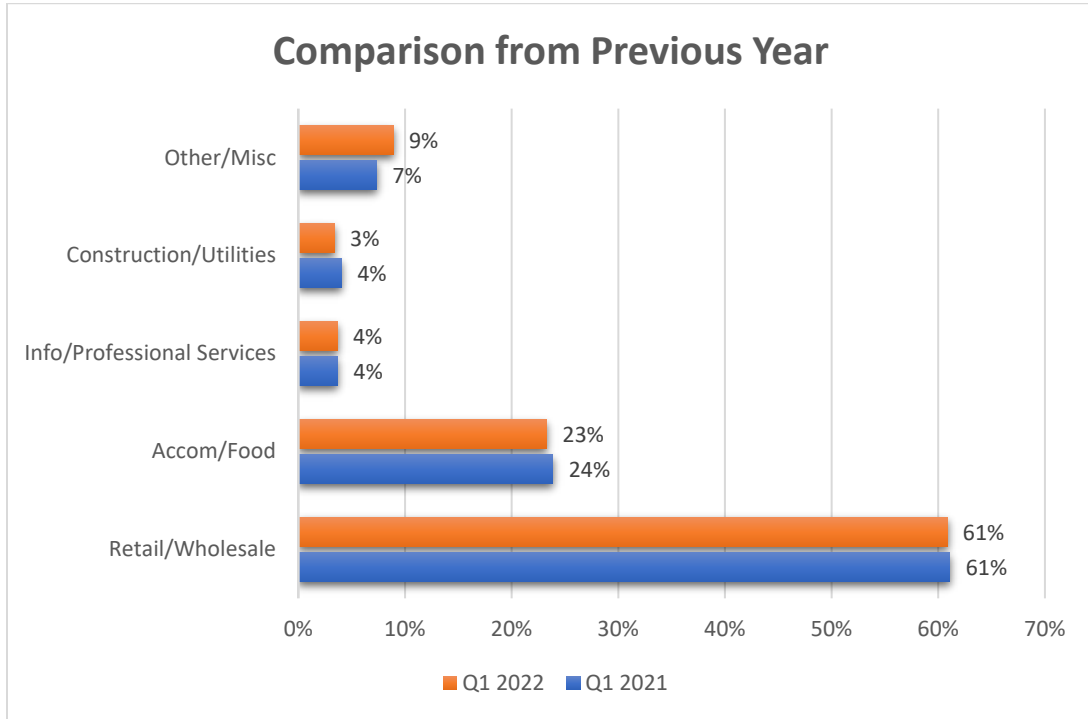
Dates of Transaction: November 2021 – January 2022

Dates of Collection: January 2022 – March 2022

Revenue to Town 1st Quarter 2021: \$710,732

Revenue to Town 1st Quarter 2022: \$845,050 increase of 18.9%

The above dollars indicates actual revenue received less the 2% State Comptroller service fee and amounts retained by the Comptrollers office to insure payment.





COUNCIL AGENDA BRIEFING SHEET

Meeting Date:

April 18, 2022

Agenda Item:

Consider approval of a resolution establishing a 457 deferred compensation plan administered by ICMA Retirement Corporation (MissionSquare).

Prepared by:

Kristi Gilbert, Town Administrator

Description:

ICMA Retirement Corporation (now named MissionSquare) has historically provided administration services for deferred compensation plans for many municipalities. The service is provided free of charge to municipalities. Contributing employees are charged an annual percentage of 0.55% or less depending on their account balance. This service will allow employees to deposit money into a 457(b) deferred compensation account pre-tax. The employment agreements for both the Town Administrator and the Police Chief have provisions for deposits into a 457(b) account. This resolution will establish the account per the contract requirements.

Recommended Action:

Staff recommends approval of the resolution.

Attachments:

Resolution

Services Proposal

**TOWN OF CROSS ROADS
RESOLUTION 2022-_____**

**A RESOLUTION OF THE TOWN OF CROSS ROADS, TEXAS,
AUTHORIZING A 457 DEFERRED COMPENSATION PLAN AND
DESIGNATING THE TOWN ADMINISTRATOR AS THE PROGRAM
COORDINATOR; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the Town Council of the Town of Cross Roads desires to establish a deferred compensation plan for employees of the Town by providing additional retirement security options for the employees and to assist in the attraction and retention of competent personnel; and,

WHEREAS, the Town of Council of the Town of Cross Roads has determined that the establishment of a deferred compensation plan to be administered by Mission Square (formerly ICMA Retirement Corporation) serve the above objectives; and

WHEREAS, the Town of Council desires that its deferred compensation plan be administered by Mission Square, and that some or all of the funds held under such plan be invested in VantageTrust, a trust established by public employers for the collective investment of funds held in their retirement and deferred compensation plans

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Cross Roads, Texas, as follows:

SECTION 1. That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

SECTION 2. The Town of Cross Roads hereby adopts the deferred compensation plan (the "Plan") in the form of the ICMA Retirement Corporation Plan and Trust, referred to as Appendix A.

SECTION 3. The Town of Cross Roads hereby adopts the Declaration of Trust of VantageTrust, attached hereto as Appendix B, intending this adoption to be operative with respect to any retirement or deferred compensation plan subsequently established by the Town, if the assets of the plan are to be invested in VantageTrust.

SECTION 4. The assets of the Plan shall be held in trust, with the Employer serving as trustee, for the exclusive benefit of the Plan participants

and their beneficiaries, and the assets shall not be diverted to any other purpose.

SECTION 5. The Town hereby agrees to serve as trustee under the Plan

SECTION 6. The Town Administrator shall be the coordinator for this program; shall receive any necessary reports, notices, etc. from Mission Square, ICMA Retirement Corporation or VantageTrust; shall cast, on behalf of the Employer, any required votes under VantageTrust; Administrative duties to carry out the plan may be assigned to the appropriate departments and is authorized to execute all necessary agreements with ICMA Retirement Corporation or Mission Square incidental to the administration.

PASSED AND APPROVED this **18th** day of **April 2022**.

APPROVED:

MAYOR

ATTEST:

TOWN SECRETARY

APPROVED AS TO FORM:

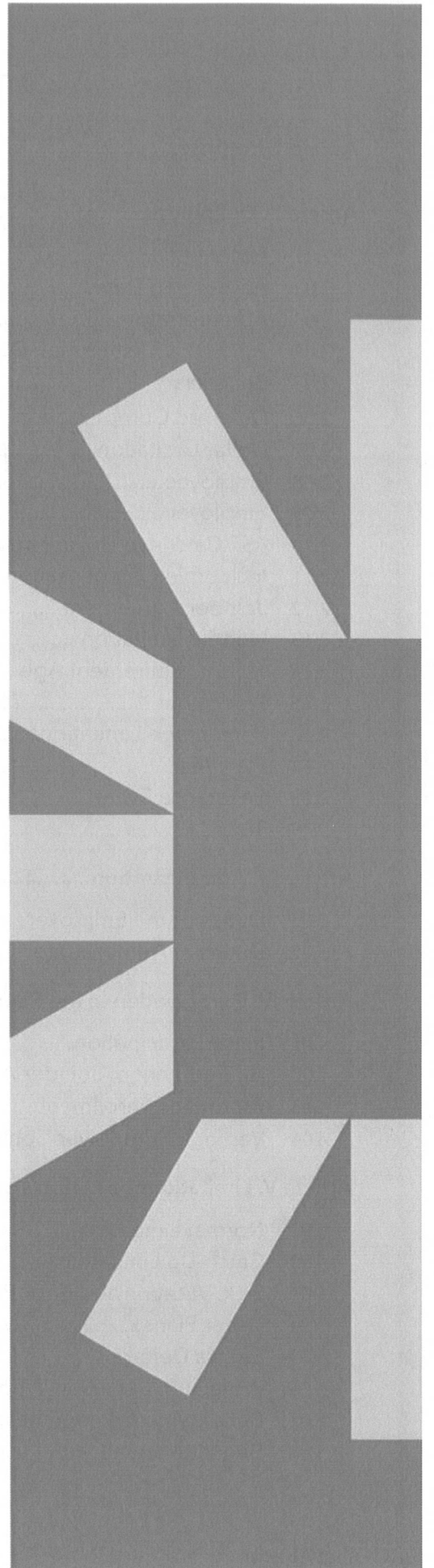
TOWN ATTORNEY

MissionSquare

RETIREMENT

ICMA Retirement Corporation
doing business as

MissionSquare Retirement Governmental 457 Deferred Compensation Plan



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457 GOVERNMENTAL DEFERRED COMPENSATION PLAN AND TRUST

As Amended and Restated

Article I. Purpose

The Employer identified in Article 2.09 hereby establishes and maintains the Employer's Deferred Compensation Plan and Trust, hereafter referred to as the "Plan." The Employer is a State, political subdivision of a State, or an agency or instrumentality of a State or political subdivision, as described in Section 457(e)(1)(A) of the Internal Revenue Code ("the Code").

The primary purpose of this Plan is to provide retirement income and other deferred benefits to the Employees of the Employer and the Employees' Beneficiaries in accordance with the provisions of Section 457 of the Code.

The Employer has determined that the establishment of a deferred compensation plan for the Employees of the Employer serves the interests of the Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel.

This Plan shall be an agreement solely between the Employer and participating Employees. The Plan and Trust forming a part hereof are established and shall be maintained for the exclusive benefit of Participants and their Beneficiaries. No part of the corpus or income of the Trust shall revert to the Employer or be used for or diverted to purposes other than the exclusive benefit of Participants and their Beneficiaries.

The Employer adopts the Group Trust created by the Declaration of Trust of VantageTrust Company.

Article II. Definitions

- 2.01 Account.** The bookkeeping account maintained for each Participant reflecting the cumulative amount of the Participant's Deferred Compensation, including any income, gains, losses, or increases or decreases in market value attributable to the Employer's investment of the Participant's Deferred Compensation, and further reflecting any distributions to the Participant or the Participant's Beneficiary and any fees or expenses charged against such Participant's Deferred Compensation.
- 2.02 Accounting Date.** For valuing the Trust's assets, as provided in Section 6.06, each business day that the New York Stock Exchange is open for trading.
- 2.03 Administrator.** The person or persons named in writing to carry out certain nondiscretionary administrative functions under the Plan, as hereinafter described. The Employer may remove any person as Administrator upon seventy-five (75) days' advance notice in writing to such person, in which case the Employer shall name another person or persons to act as Administrator. The Administrator may resign upon seventy-five (75) days' advance notice in writing to the Employer, in which case the Employer shall name another person or persons to act as Administrator. Unless otherwise provided in the Plan, the Administrator shall act at the direction of the Employer and shall be fully protected in acting on such direction. The Employer may enter into a separate agreement with the Administrator detailing features of the Plan and any elections as to the administration of the Plan.

2.13 Normal Limitation. The maximum amount of Deferred Compensation for any Participant for any taxable year (other than amounts referred to in Sections 6.09, 6.10, and 6.11).

2.14 Normal Retirement Age. Age 70½, unless the Participant has elected an alternate Normal Retirement Age by written instrument delivered to the Administrator prior to a Severance Event. A Participant's Normal Retirement Age determines the period during which a Participant may utilize the additional catch-up dollar limitation of Section 5.02(b) hereunder and determines the right to receive certain tax free distributions described in Section 7.14. Once a Participant has to any extent utilized the catch-up limitation of Section 5.02(b), his Normal Retirement Age may not be changed.

A Participant's alternate Normal Retirement Age may not be earlier than the earliest date that the Participant will become eligible to retire and receive immediate, unreduced retirement benefits under the Employer's basic defined benefit retirement plan covering the Participant (or a money purchase pension plan of the Employer in which the Participant also participates if the Participant is not eligible to participate in a defined benefit plan of the Employer), and may not be later than the date the Participant will attain age 70½. If the Participant will not become eligible to receive benefits under a basic defined benefit retirement plan (or money purchase pension plan, if applicable) maintained by the Employer, the Participant's alternate Normal Retirement Age may not be earlier than 65 and may not be later than age 70½ (except as provided in the next paragraph). Solely for purposes of the prior two sentences, a plan of the Employer includes a plan maintained by the state (or a political subdivision or agency or instrumentality of the state) in which the Employer is located. In no event may a Participant's normal retirement age be different than the normal retirement age under the Employer's other 457(b) plans, if any.

In the event the Plan has Participants that include qualified police or firefighters (as defined under Section 415(b)(2)(H)(ii)(I) of the Code), a normal retirement age may be designated for such qualified police or firefighters that is not earlier than age 40 or later than age 70½. Alternatively, qualified police or firefighters may be permitted to designate a normal retirement age that is between age 40 and age 70½.

2.15 Participant. Any Employee who has joined the Plan pursuant to the requirements of Article IV. Unless the context requires otherwise, the term Participant includes an Employee or former Employee of the Employer who has not yet received all of the payments of benefits to which he/she is entitled under the Plan.

2.16 Percentage Limitation. 100 percent of the Participant's Includible Compensation available to be contributed as Deferred Compensation for the taxable year.

2.17 Plan Year. The calendar year, unless otherwise elected by the Employer.

2.18 Severance Event. A severance of the Participant's employment with the Employer within the meaning of Section 457(d)(1)(A)(ii) of the Code.

In general, a Participant shall be deemed to have experienced a Severance Event for purposes of this Plan when, in accordance with the established practices of the Employer, the employment relationship is considered to have actually terminated. If the Plan does not allow participation by independent contractors of the Employer, a Participant shall also be deemed to have experienced a Severance Event for purposes of the Plan when, in accordance with the established practices of the Employer, the Participant ceases to be an employee and becomes an independent contractor. If the Plan allows participation by independent contractors of the Employer, then in the case of a Participant who is an independent contractor of the Employer, a Severance Event shall be deemed to have occurred when the Participant's contract under which services are performed has completely expired and terminated, there is no foreseeable possibility that the Employer will renew the contract or enter into a new

(b) **Definitions.** *The following definitions shall apply for this Section 4.03:*

- (1) **Eligible Automatic Contribution Arrangement ("EACA").** An automatic contribution arrangement that satisfies the uniformity and notice requirements of this Section 4.03.
- (2) **Automatic Contribution Arrangement.** An arrangement under which, in the absence of an affirmative election by a Covered Employee, a specified percentage of compensation will be withheld from the Covered Employee's pay and contributed to the Plan as Deferred Compensation.
- (3) **Covered Employee.** A Participant identified by the Employer as being covered under the EACA. An independent contractor cannot be a Covered Employee.
- (4) **Default Elective Deferrals.** The Deferred Compensation contributed to the Plan under the EACA on behalf of Covered Employees who do not have an affirmative election in effect regarding Deferred Compensation.
- (5) **Default Rate.** The percentage of a Covered Employee's compensation contributed to the Plan as a Default Elective Deferral, per pay period, for a given Plan Year. The Default Rate is specified by the Employer.

(c) **Rules of Application**

- (1) Default Elective Deferrals will be made on behalf of Covered Employees who do not have an affirmative election in effect regarding Deferred Compensation. The amount of Default Elective Deferrals made for a Covered Employee each pay period is equal to the Default Rate multiplied by the Covered Employee's compensation for that pay period. If the Employer elects, a Covered Employee's Default Elective Deferrals will increase each Plan Year by a designated percentage, per pay period, beginning with the second Plan Year that begins after the Default Rate first applies to the Covered Employee. The increase will be effective beginning with the first pay period that begins in such Plan Year.
- (2) A Covered Employee will have a reasonable opportunity after receipt of the notice described in Section 4.03(e) to make an affirmative election regarding Deferred Compensation (either to have no Deferred Compensation contributed or to have a different amount of Deferred Compensation contributed) before Default Elective Deferrals are made on the Covered Employee's behalf. Default Elective Deferrals being made on behalf of a Covered Employee will cease as soon as administratively feasible after the Covered Employee makes an affirmative election. An affirmative election to have no Deferred Compensation contributed, made no later than ninety (90) days after Default Elective Deferrals are first withheld from a Covered Employee's pay, shall be deemed a request for distribution of the Covered Employee's Default Elective Deferrals under Section 4.03(f) of the Plan, unless the Covered Employee affirmatively elects otherwise.

(d) **Uniformity Requirement**

- (1) Except as provided in (2), below, if the Employer has elected to have Covered Employees' Default Elective Deferrals increase each Plan Year by a designated percentage, the same percentage of compensation will be withheld as a Default Elective Deferral from all Covered Employees subject to the Default Rate.

matching contributions already made on account of Default Elective Deferrals that are later withdrawn pursuant to this Section 4.03(f) will be forfeited.

4.04 Vesting of Employer Contributions. If a Participant's Joinder Agreement provides for the Employer to credit Deferred Compensation to a Participant's Account in the form of "employer contributions," such credits shall be immediately vested, except as provided in Section 4.03(f)(4).

Article V. Limitations on Deferrals

5.01 Normal Limitation. Except as provided in Section 5.02, the maximum amount of Deferred Compensation for any Participant for any taxable year, shall not exceed the lesser of the Dollar Limitation or the Percentage Limitation.

5.02 Catch-Up Limitations.

(a) **Catch-up Contributions for Participants Age 50 and Over:** A Participant who has attained the age of 50 before the close of the taxable year, and with respect to whom no other elective deferrals may be made to the Plan for the Plan Year by reason of the Normal Limitation of Section 5.01, may enter into a Joinder Agreement to make elective deferrals in addition to those permitted by the Normal Limitation in an amount not to exceed the lesser of:

- (1) The applicable dollar amount as defined in Section 414(v)(2)(B) of the Code, as adjusted for the cost-of-living in accordance with Section 414(v)(2)(C) of the Code; or
- (2) The excess (if any) of:
 - (i) The Participant's Includible Compensation for the year, or
 - (ii) Any other elective deferrals of the Participant for such year which are made without regard to this Section 5.02(a).

An additional contribution made pursuant to this Section 5.02(a) shall not, with respect to the year in which the contribution is made, be subject to any otherwise applicable limitation contained in Section 5.01 above, or be taken into account in applying such limitation to other contributions or benefits under the Plan or any other plan. This Section 5.02(a) shall not apply in any year to which a higher limit under Section 5.02(b) applies.

(b) **Last Three Years Catch-up Contribution:** For each of the last three (3) taxable years for a Participant ending the year before the year he or she attains (or will attain) Normal Retirement Age, the maximum amount of Deferred Compensation shall be the lesser of:

- (1) The 457 Catch-Up Dollar Limitation, or
- (2) The sum of
 - (i) The Normal Limitation for the taxable year, and
 - (ii) The Normal Limitation for each prior taxable year of the Participant commencing after 1978 less the amount of the Participant's Deferred Compensation for such prior taxable years. A prior taxable year shall be taken into account under the preceding sentence only if (x) the Participant was eligible to participate in the Plan for such year, and (y) compensation (if any) deferred under the Plan (or such other plan) was subject to the Normal Limitation.

Article VI. Trust and Investment of Accounts

- 6.01 Investment of Deferred Compensation.** A Trust described in Section 457(g) of the Code is hereby created to hold all the assets of the Plan for the exclusive benefit of Participants and Beneficiaries, except that expenses and taxes may be paid from the Trust as provided in Section 6.03. The trustee shall be the Employer or such other person that agrees with the consent of the Employer to act in that capacity hereunder.
- 6.02 Investment Powers.** The trustee shall have the powers listed in this Section with respect to investment of Trust assets, except to the extent that the investment of Trust assets is directed by Participants, pursuant to Section 6.05 or to the extent that such powers are restricted by applicable law.
- (a) To invest and reinvest the Trust without distinction between principal and income in common or preferred stocks, shares of regulated investment companies and other mutual funds, bonds, loans, notes, debentures, certificates of deposit, contracts with insurance companies including but not limited to insurance, individual or group annuity, deposit administration, guaranteed interest contracts, and deposits at reasonable rates of interest at banking institutions including but not limited to savings accounts and certificates of deposit. Assets of the Trust may be invested in securities that involve a higher degree of risk than investments that have demonstrated their investment performance over an extended period of time.
 - (b) To invest and reinvest all or any part of the assets of the Trust in any common, collective or commingled trust fund that is maintained by a bank or other institution and that is available to Employee plans described under Sections 457 or 401 of the Code, or any successor provisions thereto, and during the period of time that an investment through any such medium shall exist, to the extent of participation of the Plans, the declaration of trust of such commonly collective, or commingled, trust fund shall constitute a part of this Plan.
 - (c) To invest and reinvest all or any part of the assets of the Trust in any group annuity, deposit administration or guaranteed interest contract issued by an insurance company or other financial institution on a commingled or collective basis with the assets of any other 457 plan or trust qualified under Section 401(a) of the Code or any other plan described in Section 401(a)(24) of the Code, and such contract may be held or issued in the name of the Administrator, or such custodian as the Administrator may appoint, as agent and nominee for the Employer. During the period that an investment through any such contract shall exist, to the extent of participation of the Plan, the terms and conditions of such contract shall constitute a part of the Plan.
 - (d) To hold cash awaiting investment and to keep such portion of the Trust in cash or cash balances, without liability for interest, in such amounts as may from time to time be deemed to be reasonable and necessary to meet obligations under the Plan or otherwise to be in the best interests of the Plan.
 - (e) To hold, to authorize the holding of, and to register any investment to the Trust in the name of the Plan, the Employer, or any nominee or agent of any of the foregoing, including the Administrator, or in bearer form, to deposit or arrange for the deposit of securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by any other person, and to organize corporations or trusts under the laws of any jurisdiction for the purpose of acquiring or holding title to any property for the Trust, all with or without the addition of words or other action to indicate that property is held in a fiduciary or representative capacity but the books

Account balances include the Account balances of all Participants and Beneficiaries.

6.07 Participant Loan Accounts. Participant loan accounts shall be invested in accordance with Section 8.03 of the Plan. Such Accounts shall not share in any investment income and gains or losses of the investment funds described in Sections 6.05 and 6.06.

6.08 Crediting of Accounts. The Participant's Account shall reflect the amount and value of the investments or other property obtained by the Employer through the investment of the Participant's Deferred Compensation pursuant to Sections 6.05 and 6.06. It is anticipated that the Employer's investments with respect to a Participant will conform to the investment preference specified in the Participant's Joinder Agreement, but nothing herein shall be construed to require the Employer to make any particular investment of a Participant's Deferred Compensation. Each Participant shall receive periodic reports, not less frequently than annually, showing the then current value of his or her Account.

6.09 Post-Severance Transfers Among Eligible Deferred Compensation Plans.

(a) *Incoming Transfers:* A transfer may be accepted from an eligible deferred compensation plan maintained by another employer and credited to a Participant's or Beneficiary's Account under the Plan if:

- (1) In the case of a transfer for a Participant, the Participant has had a Severance Event with that employer and become an Employee of the Employer;
- (2) The other employer's plan provides that such transfer will be made; and
- (3) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer.

The Employer may require such documentation from the predecessor plan as it deems necessary to effectuate the transfer in accordance with Section 457(e)(10) of the Code, to confirm that such plan is an eligible deferred compensation plan within the meaning of Section 457(b) of the Code, and to assure that transfers are provided for under such plan. The Employer may refuse to accept a transfer in the form of assets other than cash, unless the Employer and the Administrator agree to hold such other assets under the Plan.

(b) *Outgoing Transfers:* An amount may be transferred to an eligible deferred compensation plan maintained by another employer, and charged to a Participant's or Beneficiary's Account under this Plan, if:

- (1) In the case of a transfer for a Participant, the Participant has a Severance Event with the Employer and becomes an employee of the other employer;
- (2) The other employer's plan provides that such transfer will be accepted;
- (3) The Participant or Beneficiary and the employers have signed such agreements as are necessary to assure that the Employer's liability to pay benefits to the Participant has been discharged and assumed by the other employer; and
- (4) The Participant or Beneficiary whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer.

The Employer may require such documentation from the other plan as it deems necessary to effectuate

any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's named beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Sections 401(a)(9) and 457(d)(2) of the Code; and any distribution made as a result of an unforeseeable emergency of the employee. Subject to Section 9.04 (related to rollovers of Roth amounts), for purposes of distributions from other eligible retirement plans rolled over into this Plan, the term eligible rollover distribution shall not include the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities), such as after-tax contributions.

- (2) **Eligible Retirement Plan:** An eligible retirement plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Sections 403(a) or 403(b) of the Code, a qualified trust described in Section 401(a) of the Code, or an eligible deferred compensation plan described in Section 457(b) of the Code which is maintained by an eligible governmental employer described in Section 457(e)(1)(A) of the Code, that accepts the distributee's eligible rollover distribution. Effective for distributions after December 31, 2007, a Participant may elect to have any portion of an Eligible Rollover Distribution paid directly to a Roth IRA described in Section 408A of the Code. Such a direct payment, as a qualified rollover distribution described in Section 408A(e)(1) of the Code, would be taxable to the Participant to the extent required by Section 408A(d)(3) of the Code.
- (3) **Distributee:** A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse. For distributions after December 31, 2006 (unless the Employer elected a different effective date in a prior plan document, a distributee includes the Employee's or former Employee's nonspouse designated Beneficiary, in which case, the distribution can only be transferred to a traditional or Roth IRA established on behalf of the nonspouse designated Beneficiary, in the Participant's name, for the purpose of receiving the distribution.
- (4) **Direct Rollover:** A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

(d) *Rollover by a Non-Spouse Designated Beneficiary*

- (1) Unless otherwise elected by the Employer, for distributions in Plan Years beginning after December 31, 2006 but on or before December 31, 2009, a non-spouse Beneficiary who qualifies as a "designated beneficiary" under Code Section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an inherited IRA pursuant to the provisions of Code Section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one (1) or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.
- (2) Notwithstanding subsection (1), for distributions in Plan Years beginning after December 31, 2009, a non-spouse Beneficiary who qualifies as a "designated beneficiary" under Code Section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an

the Participant's Account distributed in accordance with one of the following payment options, provided that such option is consistent with the limitations set forth in Section 7.03:

- (a) Equal monthly, quarterly, semi-annual or annual payments in an amount chosen by the Participant, continuing until his or her Account is exhausted;
- (b) One (1) lump-sum payment;
- (c) Approximately equal monthly, quarterly, semi-annual or annual payments, calculated to continue for a period certain chosen by the Participant;
- (d) Annual Payments equal to the minimum distributions required under Section 401(a)(9) of the Code, including the incidental death benefit requirements of Section 401(a)(9)(G), over the life expectancy of the Participant or over the life expectancies of the Participant and his or her Beneficiary;
- (e) Payments equal to payments made by the issuer of a retirement annuity policy acquired by the Employer;
- (f) A split distribution under which payments under options (a), (b), (c) or (e) commence or are made at the same time, as elected by the Participant under Section 7.01, provided that all payments commence (or are made) by the latest benefit commencement date permitted under Section 7.01;
- (g) Any other payment option elected by the Participant and agreed to by the Employer and Administrator.

A Participant's selection of a payment option under Subsections (a), (c), or (g) above may include the selection of an automatic annual cost-of living increase. Such increase will be based on the rise in the Consumer Price Index for All Urban Consumers (CPI-U) from the third quarter of the last year in which a cost-of-living increase was provided to the third quarter of the current year. Any increase will be made in **periodic payment checks beginning the following January.**

7.03 Limitation on Options. A Participant may not select a payment option under subsections 7.02(a) or (c) if the amount of any such periodic payment is less than \$100. No payment option may be selected by a Participant under Sections 7.02 or 7.04 unless it satisfies the requirements of Sections 401(a)(9) and 457(d)(2) of the Code, including the requirement that payments commencing before the death of the Participant shall satisfy the incidental death benefit requirements under Section 401(a)(9)(G) of the Code.

7.04 Minimum Required Distributions. Notwithstanding any provision of the Plan to the contrary, the Plan shall comply with the minimum required distribution rules set forth in Sections 457(d)(2) and 401(a)(9) of the Code, including the incidental death benefit requirements of Section 401(a)(9)(G) of the Code.

- (a) *Application of Minimum Distribution Requirements:* The minimum distribution requirements of Section 401(a)(9) of the Code shall only apply to the Plan to the extent that such requirements are applicable by law for a year. Pursuant to the Worker, Retiree, and Employer Recovery Act of 2008 ("WRERA"), required minimum distributions were suspended for 2009.
- (b) *Special Rule for Scheduled Installment Payments:* All installment payments scheduled to be distributed to a Participant prior to the effective date of a suspension of the required minimum distribution provisions of Code Section 401(a)(9) shall be distributed as scheduled unless the Participant affirmatively elects to have the payments stopped. Notwithstanding the foregoing, for

- (a) *Amount of Required Minimum Distribution for Each Distribution Calendar Year.* During the Participant's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of:
- (1) the quotient obtained by dividing the Participant's Account Balance by the distribution period set forth in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9, Q&A-2, of the Income Tax Regulations using the Participant's age as of the Participant's birthday in the Distribution Calendar Year; or
 - (2) if the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's spouse, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9, Q&A-3, of the Income Tax Regulations using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the Distribution Calendar Year.
- (b) *Lifetime Required Minimum Distributions Continue Through Year of Participant's Death.* Required minimum distributions will be determined under this Section 7.06 beginning with the first Distribution Calendar Year and continuing up to, and including, the Distribution Calendar Year that includes the Participant's date of death.

7.07 Required Minimum Distributions After Participant's Death.

- (a) *Death On or After Date Distributions Begin.*
- (1) Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining Life Expectancy of the Participant or the remaining Life Expectancy of the Participant's Designated Beneficiary, determined as follows:
 - (i) The Participant's remaining Life Expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
 - (ii) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary, the remaining Life Expectancy of the surviving spouse is calculated for each Distribution Calendar Year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For Distribution Calendar Years after the year of the surviving spouse's death, the remaining Life Expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.
 - (iii) If the Participant's surviving spouse is not the Participant's sole Designated Beneficiary, the Designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.
 - (2) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining Life Expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

of his or her Account that is reasonably needed to satisfy the emergency need. If such an application is approved by the Employer (or the Administrator, acting on behalf of the Employer), the Participant or Beneficiary shall be paid only such amount as the Employer or Administrator deems necessary to meet the emergency need, but payment shall not be made to the extent that the financial hardship may be relieved through cessation of deferral under the Plan, insurance or other reimbursement, or liquidation of other assets to the extent such liquidation would not itself cause severe financial hardship.

- (b) An unforeseeable emergency shall be deemed to involve only circumstances of severe financial hardship of a Participant or Beneficiary resulting from an illness or accident of the Participant or Beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in Section 152 of the Code, and, for taxable years beginning on or after January 1, 2005, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code); loss of the Participant's or Beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or the Beneficiary. For example, the imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. The need to pay for the funeral expenses of a spouse or a dependent (as defined in Section 152 of the Code, and, for taxable years beginning on or after January 1, 2005, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code) may also constitute an unforeseeable emergency. In addition, loss of property due to theft, legal bills involving criminal charges, and lost or reduced wages of the Participant's or Beneficiary's household may constitute an unforeseeable emergency if extraordinary, unforeseeable, and arising as a result of events beyond the control of the Participant or Beneficiary and otherwise meeting the conditions described in Section 7.09(a). Except as otherwise specifically provided in this Section 7.09(b), the purchase of a home and the payment of college tuition are not unforeseeable emergencies.
- (c) Unless otherwise elected by the Employer, the determination of any unforeseeable emergency will be expanded to include circumstances of severe financial hardship resulting from an illness or accident of a Primary Beneficiary or other similar extraordinary and unforeseeable circumstances of a Primary Beneficiary that result in a severe financial hardship.

7.10 In-Service Distribution of Rollover Contributions. Effective January 1, 2006, the Employer may elect to allow Participants to receive an in-service distribution of amounts attributable to rollover contributions to the Plan. If the Employer has elected to make such distributions available, a Participant that has a separate account attributable to rollover contributions to the Plan may at any time elect to receive a distribution of all or any portion of the amount held in the rollover account.

7.11 In-Service Distribution to Participants Age 70½ or Older. Unless otherwise elected by the Employer, a Participant who has reached age 70½ and has not yet had a Severance Event, may, at any time, request a distribution of all or a part of his or her Account.

7.12 Distribution of De Minimis Accounts. Notwithstanding the foregoing provisions of this Article VII:

- (a) *Mandatory Distribution:* If the value of a Participant's Account is less than \$1,000, the Participant's Account shall be paid to the Participant in a single lump sum distribution, provided that:

- (1) No amount has been deferred under the Plan with respect to the Participant during the

Retired Public Safety Officer, his spouse, and dependents, by an accident or health insurance plan or qualified long-term care insurance contract (as defined in Code Section 7702B).

7.15 EESA Provisions. The provisions relating to qualified disaster recovery assistance distributions for Participants affected by certain 2008 severe storms, flooding, and tornadoes and repayment thereof, and relating to repayment of prior qualified distributions for home purchases, set forth in Section 702 of the Emergency Economic Stabilization Act of 2008 ("EESA") shall apply to the Plan.

7.16 KETRA and GOZA Provisions. The provisions relating to qualified hurricane distributions and repayment thereof set forth in Section 1400Q(a) of the Code, and relating to repayment of prior qualified distributions for home purchases set forth in Code Section 1400Q(b), shall apply to the Plan. These provisions added to the Code by the Katrina Emergency Tax Relief Act of 2005 ("KETRA") and the Gulf Opportunity Zone Act of 2005 (GOZA), permit plans to allow repayments of certain prior qualified distributions for home purchases for Participants affected by Hurricanes Katrina, Rita, and Wilma.

Article VIII. Loans to Participants

8.01 Availability of Loans to Participants.

- (a) If elected by the Employer, loans will be available to Participants in this Plan. A Participant may apply for a loan from the Plan subject to the limitations and other provisions of this Article.
- (b) The Employer shall establish written guidelines governing the granting of loans, provided that such guidelines are approved by the Administrator and are not inconsistent with the provisions of this Article, and that loans are made available to all applicable Participants on a reasonably equivalent basis.

8.02 Terms and Conditions of Loans to Participants.

Any loan by the Plan to a Participant under Section 8.01 of the Plan shall satisfy the following requirements:

- (a) *Availability.* Loans shall be made available to all Participants who are active employees on a reasonably equivalent basis. Loans shall not be made available to terminated Employees, Beneficiaries, or alternate payees.
- (b) *Interest Rate.* Loans must be adequately secured and bear a reasonable interest rate.
- (c) *Loan Limit.* No Participant loan shall exceed the present value of the Participant's Account.
- (d) *Foreclosure.* In the event of default on any installment payment, the outstanding balance of the loan shall be a deemed distribution. In such event, an actual distribution of a plan loan offset amount will not occur until a distributable event occurs in the Plan.
- (e) *Reduction of Account.* Notwithstanding any other provision of this Plan, the portion of the Participant's Account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the Account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan.
- (f) *Amount of Loan.* At the time the loan is made, the principal amount of the loan plus the outstanding balance (principal plus accrued interest) due on any other outstanding loans to the Participant from the Plan and from all other plans of the Employer that are either eligible deferred compensation plans described in Section 457(b) of the Code or qualified employer

not provide that a loan becomes due and payable solely because the Participant requests or receives a partial distribution of the Participant's account balance after termination of employment;

- (2) rules relating to reamortization of loans; and
- (3) rules relating to refinance of loans.

8.03 Participant Loan Accounts.

- (a) Upon approval of a loan to a Participant by the Employer, an amount not in excess of the loan shall be transferred from the Participant's other investment fund(s), described in Section 6.05 of the Plan, to the Participant's loan account as of the Accounting Date immediately preceding the agreed upon date on which the loan is to be made.
- (b) The assets of a Participant's loan account may be invested and reinvested only in promissory notes received by the Plan from the Participant as consideration for a loan permitted by Section 8.01 of the Plan or in cash. Uninvested cash balances in a Participant's loan account shall not bear interest. Neither the Employer, the Administrator, nor any other person shall be liable for any loss, or by reason of any breach, that results from the Participant's exercise of such control.
- (c) Repayment of principal and payment of interest shall be made by payroll deduction or, Automated Clearing House (ACH) transfer, or with respect to a terminated Employee solely by ACH, and shall be invested in one (1) or more other investment funds, in accordance with Section 6.05 of the Plan, as of the next Accounting Date after payment thereof to the Trust. The amount so invested shall be deducted from the Participant's loan account. A payment intended to be a prepayment or payment of the loan in full may also be made by cashier's check or money order, and shall be invested in accordance with this provision.
- (d) The Employer shall have the authority to establish other reasonable rules, not inconsistent with the provisions of the Plan, governing the establishment and maintenance of Participant loan accounts.

Article IX. Roth Provisions

This Article IX has no effect unless and until the Employer affirmatively elects to offer Designated Roth Accounts.

9.01 Definitions. The following definitions shall apply for purposes of this Article IX.

- (a) *Designated Roth Account.* A bookkeeping account established and maintained to record the Participant's Roth Elective Deferrals, In-Plan Roth Conversions, rollovers from designated Roth account under other eligible retirement plans, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Designated Roth Account.
- (b) *In-Plan Roth Conversion.* (1) A distribution from a Participant's Pre-Tax Account that is rolled over to the Participant's Designated Roth Account under the Plan, as described in Code Section 402A(c)(4)(B); or (2) A transfer from an amount in the Participant's Pre-Tax Account not otherwise distributable from the Plan to the Participant's Designated Roth Account under the Plan, as described in Code Section 402A(c)(4)(E), to the extent permitted by Section 9.05(e).
- (c) *Pre-Tax Account.* A bookkeeping account established and maintained to record the portion of the Participant's Account attributable to amounts other than Roth Elective Deferrals, In-Plan

rules of Section 402(c) of the Code.

- (b) Notwithstanding anything to the contrary in the Plan, unless otherwise elected by the Employer, the Plan will accept a rollover contribution to a Designated Roth Account only if it is a direct rollover from another designated Roth account under an eligible retirement plan described in Section 402A(e)(1) of the Code, or if the rollover is an In-Plan Roth Conversion defined in Section 10.05.
- (c) Eligible rollover distributions from a Participant's Designated Roth Account are taken into account in determining whether the total amount of the Participant's Account balances under the Plan exceeds \$1,000 for purposes of mandatory distributions from the Plan.

9.05 In-Plan Roth Conversions. Unless otherwise elected by the Employer, as of the effective date of this Article the Plan shall allow for In-Plan Roth Conversions.

- (a) *Tax Treatment.* The amount of an In-Plan Roth Conversion shall be includible in the Participant's gross income, as though it were not part of a qualified rollover contribution.
- (b) *Irrevocability.* Any election made by the Participant pursuant to Section 9.05(a) to do an In-Plan Roth Conversion shall be irrevocable.
- (c) *Treatment of Loans.* Outstanding plan loans shall be excluded from In-Plan Roth Conversions. Notwithstanding anything herein to the contrary, an In-Plan Roth Conversion shall not accelerate or otherwise cause a Participant to default on an outstanding plan loan.
- (d) *Spousal Consent.* Notwithstanding anything herein to the contrary, if the Plan requires spousal consent for a distribution, a married Participant shall not be required to obtain spousal consent in connection with an election to make an In-Plan Roth Conversion.
- (e) *In-Plan Roth Conversions of Non-Distributable Amounts.* Effective January 1, 2013, a Participant may transfer, as part of an In-Plan Roth Conversion, an amount that is not otherwise distributable from the Participant's Pre-Tax Account to the Participant's Designated Roth Account. Such transfer shall be treated as a distribution which was contributed in a qualified rollover contribution within the meaning of Code Section 408A(e). Any distribution restrictions that were applicable to the amount before the In-Plan Roth Conversion shall apply to such amount (and earnings and losses thereon) in the Participant's Designated Roth Account. If the Participant's Account or a portion of the Account is subject to a vesting schedule, an In-Plan Roth Conversion is available only if the Account or portion of the Account is fully vested. The Participant may not transfer under this Section 9.05(e) any portion of the Account that is partially vested.

9.06 Availability of Loans from Designated Roth Accounts. A Participant's Designated Roth Account balance can be included to determine a Participant loan amount under Article VIII. However, unless the Employer elects otherwise, Designated Roth Accounts will not be available as a source for loans under the Plan.

Article X. Non-Assignability

10.01 General. Except as provided in Article VIII and Section 10.02, no Participant or Beneficiary shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder, which payments and rights are expressly declared to be non-assignable and non-transferable.

unpaid tax assessment against the Participant or Beneficiary.

- 10.04 Mistaken Contribution.** To the extent permitted by applicable law, if any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employer.
- 10.05 Payments to Minors and Incompetents.** If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator, benefits will be paid to such persons as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.
- 10.06 Procedure When Distributee Cannot Be Located.** The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer or Administrator's records, (b) notification sent to the Social Security Administration or the Pension Benefit Guarantee Corporation (under their program to identify payees under retirement plans), and (c) the payee has not responded within six (6) months. If the Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Trust shall continue to hold the benefits due such person to the extent consistent with applicable law.

Article XI. Relationship to Other Plans and Employment Agreements

This Plan serves in addition to any other retirement, pension, or benefit plan or system presently in existence or hereinafter established for the benefit of the Employer's employees, and participation hereunder shall not affect benefits receivable under any such plan or system. Nothing contained in this Plan shall be deemed to constitute an employment contract or agreement between any Participant and the Employer or to give any Participant the right to be retained in the employ of the Employer. Nor shall anything herein be construed to modify the terms of any employment contract or agreement between a Participant and the Employer.

Article XII. Amendment or Termination of Plan

The Employer may at any time amend this Plan provided that it transmits such amendment in writing to the Administrator at least thirty (30) days prior to the effective date of the amendment. The consent of the Administrator shall not be required in order for such amendment to become effective, but the Administrator shall be under no obligation to continue acting as Administrator hereunder if it disapproves of such amendment.

The Administrator may at any time propose an amendment to the Plan by an instrument in writing transmitted to the Employer. Such amendment shall become effective unless, within the 30-day period beginning on the date the Administrator transmits such amendment, the Employer notifies the Administrator in writing that it disapproves such amendment, in which case such amendment shall not become effective. In the event of such disapproval, the Administrator shall be under no obligation to continue acting as

copy of which is attached hereto and incorporated by reference as set out below (the "ICMA Declaration"); and

WHEREAS, the trust created hereunder (the "Group Trust") is intended to meet the requirements of Revenue Ruling 81-100, 1981-1 C.B. 326, and is established as a common trust fund within the meaning of Section 391:1 of Title 35 of the New Hampshire Revised Statutes Annotated, to accept and hold for investment purposes the assets of the Deferred Compensation and Qualified Plans held by and through the ICMA Retirement Trust.

NOW, THEREFORE, the Group Trust is created by the execution of this Declaration of Trust by the Trustee and is established with respect to each Deferred Compensation and Qualified Plan by the transfer to the Trustee of such Plan's assets in the ICMA Retirement Trust, by the Trustees thereof, in accord with the following provisions:

- (a) Incorporation of ICMA Declaration by Reference; ICMA By-Laws. Except as otherwise provided in this Group Trust Agreement, and to the extent not inconsistent herewith, all provisions of the ICMA Declaration are incorporated herein by reference and made a part hereof, to be read by substituting the Group Trust for the Retirement Trust and the Trustee for the Board of Trustees referenced therein. In this respect, unless the context clearly indicates otherwise, all capitalized terms used herein and defined in the ICMA Declaration have the meanings assigned to them in the ICMA Declaration. In addition, the By-Laws of the ICMA Retirement Trust, as the same may be amended from time-to-time, are adopted as the By-Laws of the Group Trust to the extent not inconsistent with the terms of this Group Trust Agreement.

Notwithstanding the foregoing, the terms of the ICMA Declaration and By-Laws are further modified with respect to the Group Trust created hereunder, as follows:

- 1. any reporting, distribution, or other obligation of the Group Trust vis-à-vis any Deferred Compensation Plan, Qualified Plan, Public Employer, Public Employer Trustee, or Employer Trust shall be deemed satisfied to the extent that such obligation is undertaken by the ICMA Retirement Trust (in which case the obligation of the Group Trust shall run to the ICMA Retirement Trust); and
 - 2. all provisions dealing with the number, qualification, election, term and nomination of Trustees shall not apply, and all other provisions relating to trustees (including, but not limited to, resignation and removal) shall be interpreted in a manner consistent with the appointment of a single corporate trustee.
- (b) *Compliance with Revenue Procedure 81-100.* The requirements of Revenue Procedure 81-100 are applicable to the Group Trust as follows:
- 1. Pursuant to the terms of this Group Trust Agreement and Article X of the By-Laws, investment in the Group Trust is limited to assets of Deferred Compensation and Qualified Plans, investing through the ICMA Retirement Trust.
 - 2. Pursuant to the By-Laws, the Group Trust is adopted as a part of each Qualified Plan that invests herein through the ICMA Retirement Trust.
 - 3. In accord with the By-Laws, that part of the Group Trust's corpus or income which equitably belongs to any Deferred Compensation and Qualified Plan may not be used for or diverted to any purposes other than for the exclusive benefit of the Plan's employees or their beneficiaries who are entitled to benefits under such Plan.

MISSIONSQUARE RETIREMENT

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Since the founding of MissionSquare Retirement as an independent financial services organization in 1972, we've dedicated ourselves to helping public sector employees reach their retirement security goals. Our mission-based, nonprofit structure allows us to focus all of our time, energy, and resources on achieving that result. We currently provide retirement plans and services for more than 9,800 retirement plans¹ with total plan assets of \$72.2 billion in 1.65 million participant accounts as of February 28, 2022.

9,800
Retirement
plans

\$72.2B
Plan
assets

1.65M
Participant
accounts

Invest in a shared sense of service

MissionSquare Retirement is bringing that near half-century of experience and expertise in defined contribution plans to the government, education, health care and not-for-profit plan market. We understand that markets are rapidly changing, and organizations need to compete for top-level talent. We also hold the strong belief that every employee deserves to have the tangible benefit of financial security in retirement. MissionSquare Retirement exists to help both employers and employees achieve those goals, and it's one way we invest in a shared sense of service.

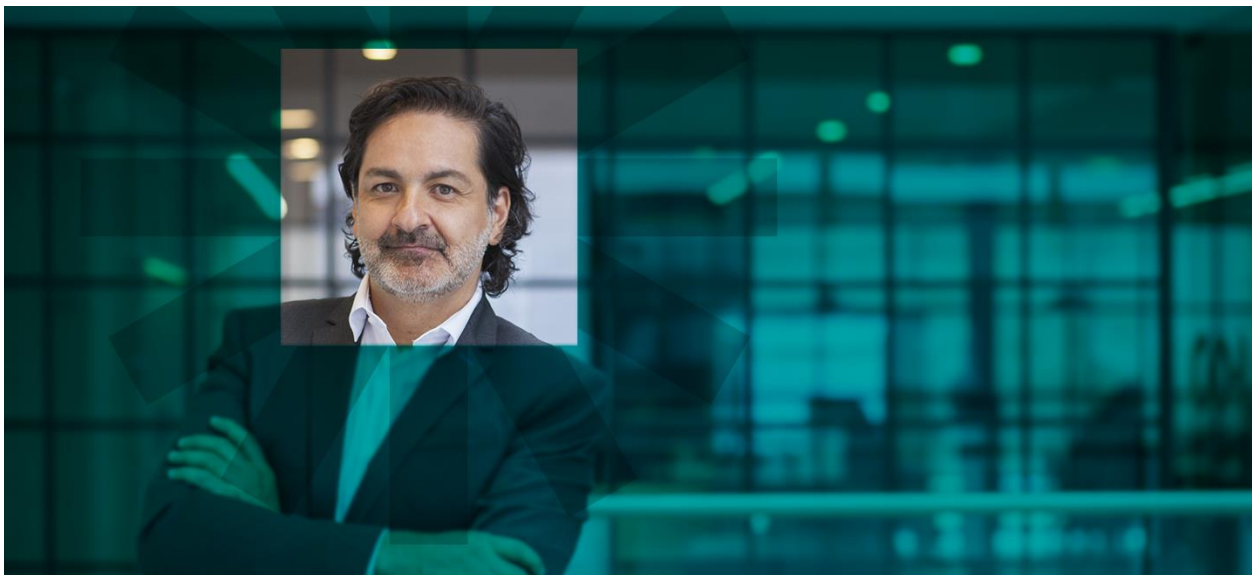
¹ Includes 457, 401, 403(b), Retirement Health Savings (RHS) plans, Employer Investment Program (EIP) plans, Individual Retirement Accounts (IRAs), and related beneficiary accounts.

Easing the administrative burden

Retirement plan administration requires significant provider flexibility, experience, and efficiency. Further, without a recordkeeper that is actively committed to reducing plan sponsors' administrative burden, employers can quickly find themselves overwhelmed by the complexities of operating their plans. MissionSquare Retirement has the services available to effectively reduce your administrative burden and make your fiduciary oversight easier.

Services that will be provided to you as plan sponsor include:

- Dedicated single point of contact who will lead delivery of all services to your plan
- Client Services Manager to provide plan administration and recordkeeping support
- An integrated transition team with extensive plan conversion and consolidation experience
- Industry-leading online plan administration platform
- Automated services, including enrollments, loan/distribution processing, and salary deferral changes
- Plan reporting, including Plan Health Monitor, Plan Analytics, Employer Statements, Plan Service Reports, etc.
- Plan analytics tool to identify, measure, and benchmark patterns and relationships in plan data
- Fiduciary support via multiple channels with helpful tools and education
- Defense-in-depth system security encompassing best-of-breed technology and security processes
- Employer telephone support Monday through Friday from 8:30 a.m. to 7:30 p.m. Eastern Time



Participant communication, education, and advice

MissionSquare Retirement's comprehensive, targeted participant education program uses a combination of educational and financial planning services, as well as toll-free and online services. Our education and communications program can be tailored to directly address key issues facing your employees, such as plan enrollment, participation, and increasing contributions, as well as the impacts of taking plan loans.

Services that will be provided to your participants include:

- Retirement Plans Specialist available to provide education to employees
- CERTIFIED FINANCIAL PLANNER™ professionals available to deliver comprehensive planning to participants with complex financial situations
- A proven communication and education strategy using our RealizeRetirement® approach to education to engage employees and drive better retirement outcomes
- Investment advice via Guided Pathways® Advisory Services
- Online account access with full transaction capability and a suite of retirement-planning tools and calculators
- Mobile account access via our Mobile app, Amazon Alexa and TextAccess
- Enrollment via our Mobile app

MissionSquare Retirement makes available a mutual fund platform through our third-party mutual fund settlement and clearing agent.

Through this platform, we have access to approximately 700 fund families and over 20,000 funds/share classes. Should you desire a fund that is not currently on our platform, and that fund is currently open and available to retirement plans, we will work with the fund family to add the fund to our platform.



Revenue requirement

MissionSquare will deliver the core services in this proposal for no asset-based or per participant fees, based on the compensation we will receive for record keeping services from the funds identified, plus a plan administration fee of 0.55% on all assets administered. Disclosure of fund expenses and revenue received by MissionSquare is provided in the fund lineup files in the **Appendix**. Please note that the 0.55% plan administration fee is incorporated in the Recordkeeping Revenue column of the Revenue Disclosure file. Our fees are based upon adoption of our model plan document and assume the plan sponsor will utilize the secure plan sponsor website to submit contributions electronically on a consistent basis. Our fee proposal assumes no surrender charges and that all assets transfer upon inception of contract.

Our fee proposal is based upon the following requirements:

- Enrollments will be completed online by the participant (enrollment link provided to the employer) or by the employer through the secure plan sponsor website.
- Loans can be requested online and must be repaid through payroll deduction.
- Beneficiary information must be updated online.
- Participant address changes can be done online or via the contact center. The employer can also update the address through the secure plan sponsor website.
- Disbursements for separated participants must be completed online.
- Quarterly statements and confirmations will be set up to be received electronically for the participant; the participant can opt out of eDelivery and receive the statement/confirmations by postal service.
- Fund transfers and investment allocations can be completed online or via the contact center.

MissionSquare retains full discretion to release employer-initiated MissionSquare PLUS Fund withdrawals in an orderly manner over a period of up to 12 months from the date MissionSquare receives written notification from the employer that it is initiating withdrawals from the MissionSquare PLUS Fund, regardless of whether the market to book value ratio of the MissionSquare PLUS Fund is above or below 100%. This restriction on employer withdrawals from the MissionSquare PLUS Fund does not apply to participant directed withdrawals from the Fund. In the case of an employer-initiated total withdrawal, participant transfers of MissionSquare PLUS Fund assets to other investment options will be restricted and participants will not be able to make additional investments in the PLUS Fund during this twelve-month period. The MissionSquare PLUS Fund remains benefit responsive to participants eligible to take participant-directed withdrawals from the Fund. Transfers to another provider will be restricted if an employer elects to replace the MissionSquare PLUS Fund.

Optional services fees

The following supplemental service fees² apply exclusively to the participants who choose to use these supplemental services:

Managed Accounts services

Participants who use Managed Accounts are charged an additional asset-based fee³ outlined in the following schedule.⁴

Participant Account Balance	Annual Fee Percentage
First \$100,000	0.50%
Next \$200,000	0.40%
Next \$200,000	0.30%
Over \$500,000	0.20%

MissionSquare's self-directed brokerage service

- **MissionSquare Retirement charges** — MissionSquare assesses a one-time \$50 setup fee when a participant's brokerage account is established and a \$50 annual maintenance fee. These fees are deducted directly from the participant's core account at MissionSquare.
- **TD Ameritrade fees/charges⁵** — For a complete list of fees and charges, please refer to the attached TD Ameritrade Commissions and Service Fees document. In the event that TD Ameritrade changes its fees, the new fee schedule would be utilized. All TD Ameritrade fees and charges are deducted directly from a participant's brokerage account.⁶

² Fees for ancillary services are subject to change with appropriate notification.

³ Underlying mutual fund expenses and plan administration fees still apply. Please consult the applicable disclosure materials for a description of these fees and expenses.

⁴ Investment advice and analysis tools are offered to participants through MissionSquare Retirement, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained, and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with MissionSquare Retirement. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.

⁵ TD Ameritrade receives remuneration from fund companies participating in its no-load, no- transaction-fee program for recordkeeping and shareholders services, and other administrative services. The amount of remuneration for these services is based in part on the amount of investments in such funds by TD Ameritrade clients. No-transaction-fee funds have other fees and expenses that apply to a continued investment in the fund and are described in the prospectus.

⁶ MissionSquare Retirement and TD Ameritrade are separate, unaffiliated companies and not responsible for each other's services or policies. Brokerage services are provided by TD Ameritrade, Inc. member of FINRA/SIPC TD Ameritrade is a trademark jointly owned by TD Ameritrade IP Company, Inc. and the Toronto- Dominion Bank. All rights reserved. Used with permission.

Loans

- **Setup fee** — \$75 origination fee for loan applications, re-amortizations, and re-financings. This is a one-time expense.
- **Annual fee** — \$50 annual fee for outstanding loans.
- **ACH reject fee** — \$20 for each occurrence of an ACH return due to insufficient bank funds, invalid bank account, or account closed.

Wire transfer fees

A \$15 participant fee will apply for each outgoing wire transfer requested by a participant. Should our processing bank increase the wire fees during the contract period, the increased fee will be charged to the participant accordingly. There is no charge for incoming wire transfers.

QDRO processing fees

\$250 per divorce.

Programming costs

Any systems programming for services that are not identified in the scope of services or that have not been proposed in this proposal is available at a cost of \$175 per hour for programming, testing, and project oversight.

Closing

We look forward to your review of our proposal. If you have any questions about the content of our response, please contact Ray Durant, Strategy Director, at (202) 507-0516 or via email at rdurant@missionsq.org.

ICMA-RC is now

MissionSquare
RETIREMENT



COUNCIL AGENDA BRIEFING SHEET

Meeting Date:
April 18, 2022

Agenda Item:
Discuss and consider a preliminary plat application for property located at 60 Oak Bluff, within the Town of Cross Roads. (2022-03-07-01PPLAT)

Prepared by:
Rodney Patterson, Building Official

Description:
Applicant Marc DeGenaro submitted a preliminary plat application on behalf of property owner Brant Weatherford for the Oak Bluff Addition Lots 1 and 2 Block B on March 7, 2022, to plat two (2) previously un-platted tracts of land totaling 10.91 acres generally located at 60 Oak Bluff Dr. to create two (2) reconfigured residential lots. The Town Engineer performed a technical review of the preliminary plat application and construction drawings on March 11, 2022. The Town Engineer worked with the applicant up until the Planning and Zoning meeting on April 5, 2022, to address the remaining items from the original review. The applicant completed their submission addressing all of the outstanding comments of the Town Engineer on April 7, 2022.

Staff Recommended Action:
Staff recommends approval of the preliminary plat.

Planning and Zoning Recommendation
The Planning and Zoning recommended approval with the condition that the remaining issues posed by the Town Engineer be resolved prior to Council approval. Since the Planning and Zoning meeting, the applicant has addressed all of the Town Engineers comments.

Attachments:
Engineering Review Letter – 4/7/22
Applicant Revisions – 4/7/22
Applicant Revised Plat – 4/11/22
Engineer Markups – 3/11/2022
Application

From: [Hollis, Leigh](#)
To: [Donna Butler](#); [Kristi Gilbert](#); [Rodney Patterson](#)
Subject: FW: Oak Bluff (60 Decar Ln) - additional items
Date: Thursday, April 7, 2022 3:51:14 PM
Attachments: [2285-SLOPES TO LEIGH 04-07-22.pdf](#)

[EXTERNAL]

With this information, I'm good with the easement as shown and have no further comments. Please let me know if you have any questions or need anything else. Thanks!

Leigh A. Hollis, PE
Vice President
Operations Manager, Frisco
Halff Associates, Inc.

O: (817) 764-7467



[Halff.com](#) | [LinkedIn](#) | [Facebook](#) | [Twitter](#) | [Instagram](#) | [YouTube](#)

From: marc@colemansurveying.com <marc@colemansurveying.com>
Sent: Thursday, April 07, 2022 3:40 PM
To: Hollis, Leigh <lhollis@halff.com>
Cc: [REDACTED]; [REDACTED]; d.butler@crossroadstx.gov
Subject: Oak Bluff (60 Decar Ln) - additional items

Leigh,

Attached you will find a PDF file with the slopes along the ditch and the side slopes as requested. Let me know if you need anything else.

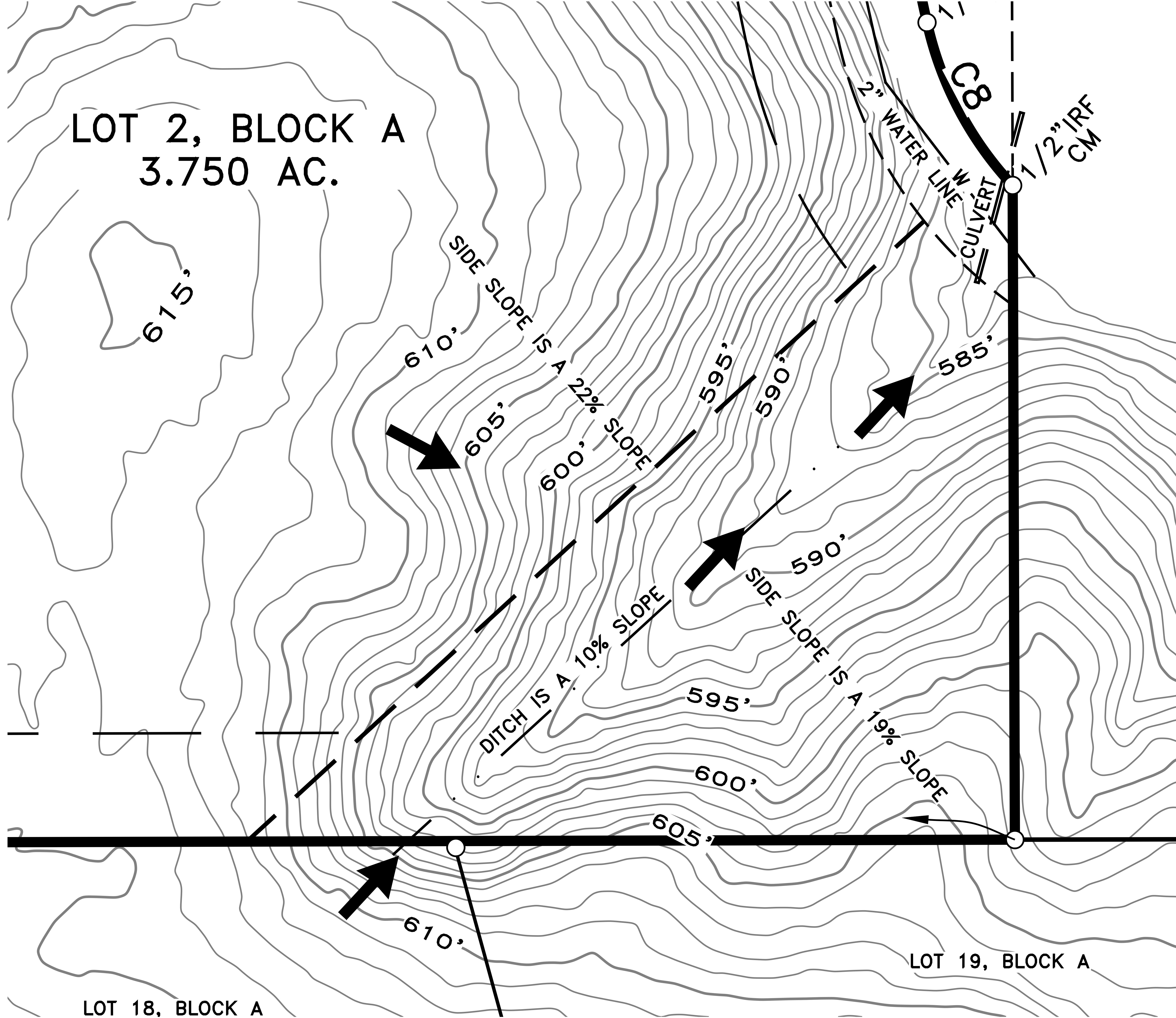
Thanks,

Marc G. DeGenaro, CST II (0407-2976)

Project Manager
Coleman & Assoc. Land Surveying
Firm Registration #10095100
725 S. Locust St.
Denton, TX 76201
O 940-565-8215
F 940-565-9800

marc@colemansurveying.com

LOT 2, BLOCK A
3.750 AC.



LOT 18, BLOCK A

LOT 19, BLOCK A

10.910 Acres of Land
 FIELD NOTES to all that certain tract of land situated in the J. Williamson Survey Abstract Number 1410, Town of Cross Roads, Denton County, Texas and being all of the called 4.551 acre tract described in the deed from Connie Hunt to Brantley M. Weatherford and Maureen R. McDonald recorded in Document Number 2007-3423 and all of the called 6.326 acre tract described in the deed from Anthony E. Cleveland to Brant Weatherford and Maureen McDonald recorded in Document Number 2010-3424 of the Real Property Records of Denton County, Texas; the subject tract being more particularly described as follows:

BEGINNING for the Northeast corner of the tract being described herein of a 1/2 inch iron rod found of the Northeast corner of the said 6.326 acre tract and the Southwest corner of the called 5.000 acre tract described in the deed from Bill Mosley et ux to Richard Anderson et ux recorded in Volume 1922, Page 602 of the said Real Property Records and in the West line of Forest Hills as shown by the plat thereof recorded in Cabinet K, Page 429 of the Plat Records of Denton County, Texas:

THENCE South 00 Degrees 08 Minutes 40 Seconds East (base bearing) with the West line of the said Forest Hills and the East line of the 6.326 acre tract a distance of 1,290.41 feet to the Southeast corner thereof and the Northeast corner of the called 4.188 acre tract described in the deed from Johnny N. Hinchey to Soo Ho Eo et ux recorded in Document Number 2007-131270 of the said Real Property Records in the center of a creek;

THENCE Northwest along the said creek with the common line of the said 4.188 acre tract and the 6.326 acre tract the following eight coils:

1. North 30 Degrees 49 Minutes 50 Seconds West a distance of 107.6 feet;
2. North 00 Degrees 17 Minutes 09 Seconds West a distance of 75.5 feet;
3. North 70 Degrees 54 Minutes 43 Seconds West a distance of 33.8 feet;
4. North 83 Degrees 41 Minutes 37 Seconds West a distance of 52.5 feet;
5. North 38 Degrees 04 Minutes 35 Seconds West a distance of 31.7 feet;
6. North 40 Degrees 09 Minutes 23 Seconds West a distance of 72.8 feet;
7. North 56 Degrees 58 Minutes 23 Seconds East a distance of 29.3 feet;
8. North 51 Degrees 11 Minutes 32 Seconds West a distance of 35.2 feet to the Southwest corner of the 6.326 acre tract and the Southeast corner of the said 4.551 acre tract;

THENCE North 81 Degrees 24 Minutes 36 Seconds West continuing along the said creek with the common line of the said 4.551 acre tract and the 4.188 acre tract a distance of 88.6 feet to the Northwest corner thereof and the Northeast corner of Lot 2, Block A, Sewer Addition as shown by the plat thereof recorded in Document Number 2018-132 of the said Plat Records:

THENCE Northwest continuing along the said creek with the common line between the said 4.551 acre tract the said Lot 2 the following 17 coils:

1. North 25 Degrees 11 Minutes 22 Seconds West a distance of 67.5 feet;
2. South 37 Degrees 25 Minutes 18 Seconds West a distance of 78.1 feet;
3. North 27 Degrees 34 Minutes 01 Seconds West a distance of 29.9 feet;
4. North 22 Degrees 40 Minutes 04 Seconds East a distance of 21.5 feet;
5. North 00 Degrees 54 Minutes 00 Seconds West a distance of 35.1 feet;
6. North 81 Degrees 35 Minutes 12 Seconds East a distance of 26.5 feet;
7. North 69 Degrees 13 Minutes 27 Seconds East a distance of 35.1 feet;
8. North 07 Degrees 55 Minutes 16 Seconds West a distance of 37.4 feet;
9. North 75 Degrees 25 Minutes 43 Seconds West a distance of 94.3 feet;
10. North 05 Degrees 53 Minutes 41 Seconds East a distance of 70.9 feet;
11. North 53 Degrees 52 Minutes 17 Seconds West a distance of 94.3 feet;
12. North 80 Degrees 42 Minutes 28 Seconds West a distance of 23.0 feet;
13. North 15 Degrees 21 Minutes 10 Seconds West a distance of 61.4 feet;
14. North 72 Degrees 32 Minutes 00 Seconds West a distance of 89.2 feet;
15. North 81 Degrees 54 Minutes 45 Seconds West a distance of 72.6 feet;
16. North 28 Degrees 09 Minutes 21 Seconds West a distance of 51.8 feet;
17. South 58 Degrees 38 Minutes 06 Seconds West a distance of 62.4 feet to the Southwest corner of the 4.551 acre tract in the center of Cedar Lane;

THENCE North along the center of Cedar Lane with the West line of the 4.551 acre tract the following seven coils:

1. Along the arc of a curve to the left having a radius of 81.41 feet, on an arc length of 42.37 feet (chord bearing North 07 Degrees 11 Minutes 22 Seconds East a distance of 41.99 feet) to the end of the said curve and the beginning of another curve to the right having a radius of 180.34 feet;
2. Along the arc of the said curve, on an arc length of 110.82 feet (chord bearing North 13 Degrees 41 Minutes 14 Seconds East a distance of 108.83 feet to the end of the said curve);
3. North 33 Degrees 27 Minutes 31 Seconds East a distance of 94.47 feet to the beginning of a curve to the left having a radius of 106.37 feet;
4. Along the arc of the said curve, on an arc length of 80.12 feet (chord bearing North 17 Degrees 16 Minutes 03 Seconds East a distance of 59.32 feet to the end of the said curve);
5. North 01 Degree 04 Minutes 34 Seconds East a distance of 53.91 feet to the beginning of a curve to the right having a radius of 145.56 feet;
6. Along the arc of the said curve, on an arc length of 99.95 feet (chord bearing North 20 Degrees 44 Minutes 54 Seconds East a distance of 98.00 feet) to the end of the said curve;
7. North 40 Degrees 24 Minutes 39 Seconds East a distance of 40.58 feet to the Northwest corner of the 4.551 acre tract and the Westerly Southwest corner of the 6.326 acre tract at the beginning of a curve to the right having a radius of 141.57 feet;

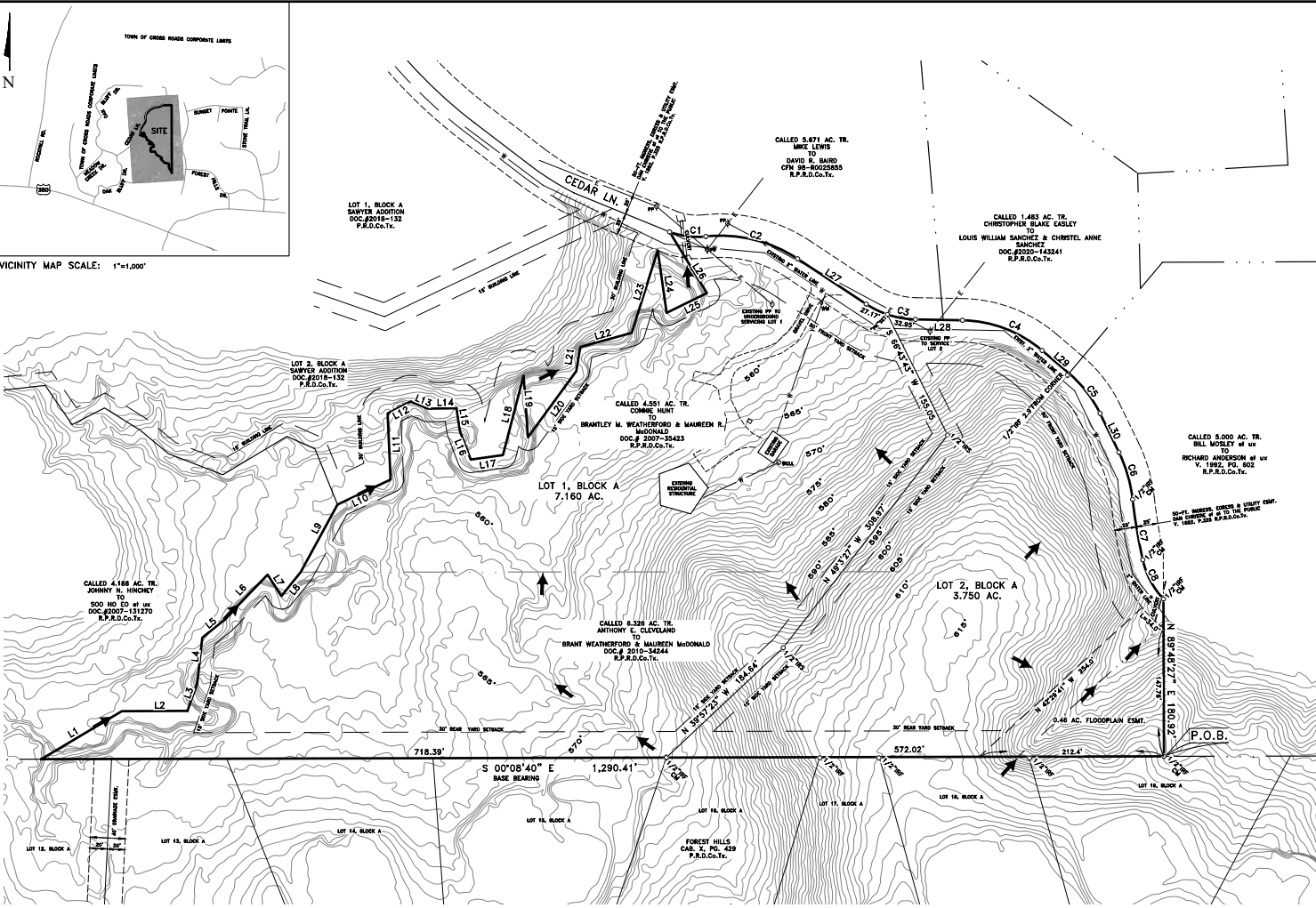
THENCE North along the center of Cedar Lane with the West line of the 6.326 acre tract the following five coils:

1. Along the arc of the said curve, on an arc length of 58.77 feet (chord bearing North 32 Degrees 13 Minutes 42 Seconds East a distance of 58.35 feet to the end of the said curve);
2. North 64 Degree 07 Minutes 15 Seconds East a distance of 49.69 feet to the beginning of a curve to the right having a radius of 187.34 feet;
3. Along the arc of the said curve, on an arc length of 56.82 feet (chord bearing North 73 Degrees 48 Minutes 49 Seconds East a distance of 56.35 feet) to a 1/2 inch iron rod found at the end of the said curve and the beginning of another curve to the left having a radius of 622.88 feet;
4. Along the arc of the said curve, on an arc length of 70.45 feet (chord bearing North 80 Degree 25 Minutes 28 Seconds East a distance of 69.46 feet) to a 1/2 inch iron rod found at the end of the said curve and the beginning of another curve to the right having a radius of 95.46 feet;
5. Along the arc of the said curve, on an arc length of 51.51 feet (chord bearing North 82 Degrees 16 Minutes 15 Seconds East a distance of 50.90 to a 1/2 inch iron rod found at the North/Northwest corner of the 6.326 acre tract;

THENCE North 89 Degree 48 Minutes 27 Seconds East departing Cedar Lane with the North line of the 6.326 acre tract a distance of 180.92 feet to the PLACE OF BEGINNING and enclosing 10.910 acres of land.

OWNERS:
 BRANT WEATHERFORD & MAUREEN MCDONALD
 80 CEDAR LANE
 CROSS ROADS, TX
 (972) 679-8989

SURVEYOR:
 COLEMAN & ASSOC., LAND SURVEYING
 725 S. L. LLOYD STREET, SUITE 201
 DENTON, TX 76201
 (940) 365-8215



BOUNDARY LINE TABLE:

L1=N 30°48'51" W 107.64
L2=N 00°17'09" W 75.54
L3=N 70°54'43" W 33.84
L4=N 83°41'37" W 52.54
L5=N 38°04'35" W 31.74
L6=N 40°09'23" W 72.84
L7=N 56°58'23" E 29.34
L8=N 51°11'32" W 35.24
L9=N 81°24'36" W 88.54
L10=N 25°11'22" W 67.54
L11=N 07°16'03" E 59.32
L12=N 33°27'31" E 94.47
L13=N 01°04'34" E 53.91
L14=N 32°13'42" E 58.35
L15=N 64°07'15" E 49.69
L16=N 73°48'49" E 56.35
L17=N 80°25'28" E 69.46
L18=N 82°16'15" E 50.90
L19=N 89°48'27" E 180.92
L20=N 89°48'27" E 180.92
L21=N 89°48'27" E 180.92
L22=N 89°48'27" E 180.92
L23=N 89°48'27" E 180.92
L24=N 89°48'27" E 180.92
L25=N 89°48'27" E 180.92
L26=N 89°48'27" E 180.92
L27=N 89°48'27" E 180.92
L28=N 89°48'27" E 180.92
L29=N 89°48'27" E 180.92
L30=N 89°48'27" E 180.92

BOUNDARY CURVE TABLE:

C1=R=81.41', L=42.37', CH=107.12', Δ=41.99'
C2=R=180.34', L=110.82', CH=187.14', Δ=108.83'
C3=R=106.37', L=80.12', CH=106.37', Δ=80.12'
C4=R=145.56', L=99.95', CH=145.56', Δ=99.95'
C5=R=187.34', L=56.82', CH=187.34', Δ=56.82'
C6=R=622.88', L=70.45', CH=622.88', Δ=70.45'
C7=R=95.46', L=51.51', CH=95.46', Δ=51.51'

LEGEND

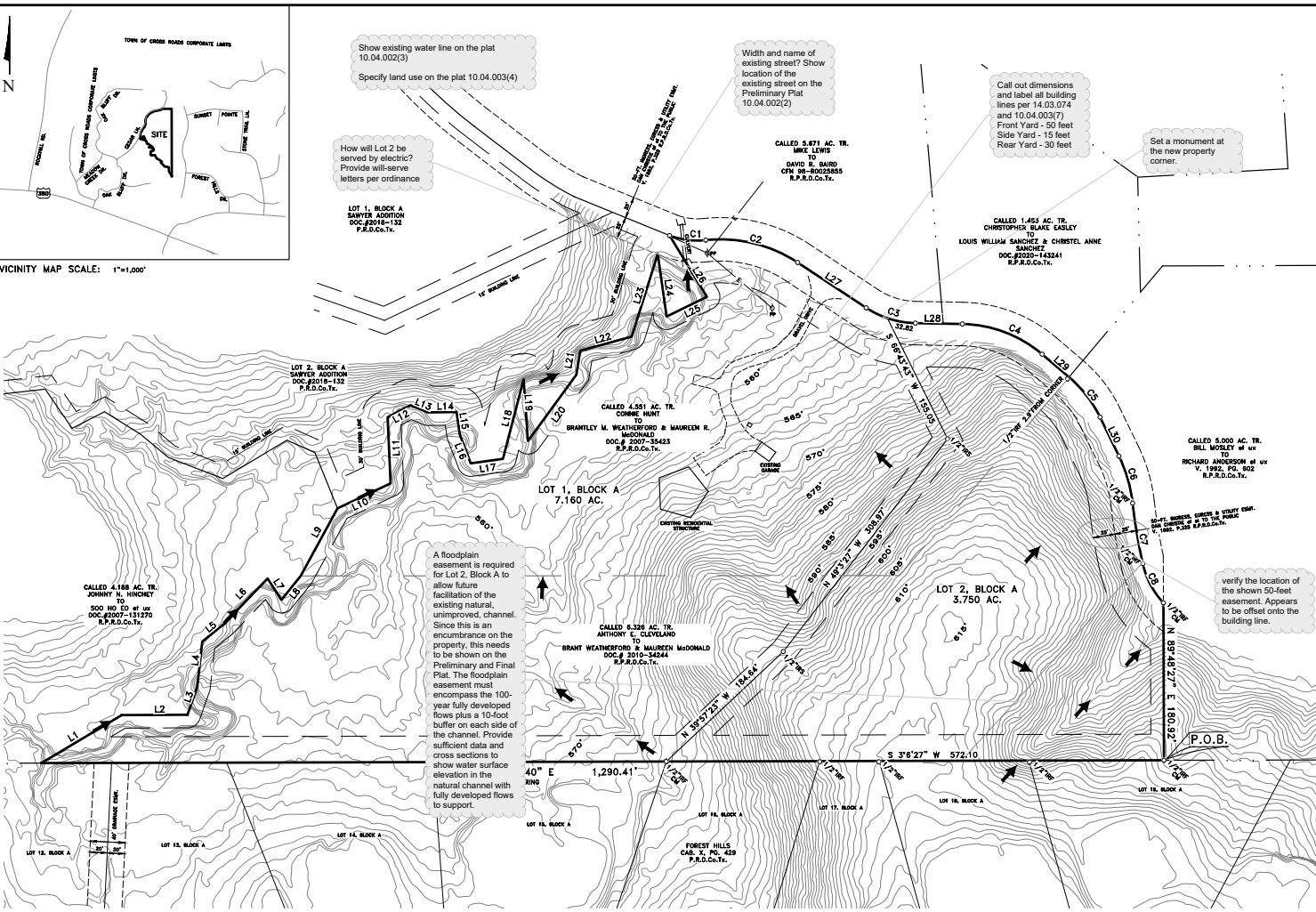
- EASEMENT LINE
- - - DRAINAGE DITCH
- - - DRAINAGE FLUME
- - - PROPERTY LINE
- - - BOUNDARY LINE
- - - 2" WATER LINE

BEARINGS ARE BASED ON:
 FOREST HILLS
 CAB. 2, PG. 429
 P.R.D.C.O.T.

NOTES:

1. PURPOSE OF THIS PRELIMINARY PLAT IS TO PLAT THE EXISTING 4.551 ACRE TRACT AND THE 6.326 ACRE TRACT IN ORDER TO RECONFIGURE THE TRACT BOUNDARIES.
2. BLACK ROCK PROVIDES WATER TO THE PROPERTY. EXISTING SEPTIC SERVES THE EXISTING RESIDENCE. A FUTURE SEPTIC SYSTEM WILL SERVE THE PROPOSED LOT.
3. CONTOURS SHOWN HEREON WERE DERIVED FROM DENTON COUNTY GIS DATA.
4. F.E.M.A. FLOOD INSURANCE RATE MAP FOR TOWN OF CROSS ROADS, DENTON COUNTY, TEXAS, COMMUNITY NO. 481513 EFFECTIVE DAY OF APRIL 18, 2011 AND THAT MAP INDICATES THAT ALL OF THIS PROPERTY AS SHOWN HEREON IS WITHIN ZONE X. AREAS DETERMINED TO BE OUTSIDE OF THE 0.2% ANNUAL CHANCE FLOODPLAIN, AS SHOWN ON PANEL C0806 OF THE SAID MAP. IF THIS SITE IS NOT WITHIN AN IDENTIFIED SPECIAL FLOOD HAZARD AREA, THIS FLOOD STATEMENT DOES NOT IMPLY THAT THE PROPERTY AND/OR STRUCTURES THEREON WILL BE FREE FROM FLOODING OR FLOOD DAMAGE, ON RARE OCCASIONS, GREATER FLOODS CAN AND WILL OCCUR AND FLOOD HEIGHTS MAY BE INCREASED BY MAN-MADE OR NATURAL CAUSES. THIS FLOOD STATEMENT SHALL NOT CREATE LIABILITY ON THE PART OF THE SURVEYOR.
5. PROPERTY FALLS WITHIN THE TOWN OF CROSS ROADS CORPORATE LIMITS.
6. NO PROPOSED CHANGES TO TOPOGRAPHY AT THIS TIME.
7. NO TREE REMOVAL PROPOSED AT THIS TIME.
8. PROPOSED USES OF LOTS IS FOR RESIDENTIAL PURPOSES.
9. THIS PLAT IDENTIFIES A POTENTIAL PRELIMINARY NEED FOR A STORM WATER STORAGE FACILITY KNOWN AS A DETENTION POND THAT MAY OR MAY NOT BE REQUIRED. IT IS EXPRESSLY UNDERSTOOD AND AGREED BY THE OWNER OR OWNER'S DESIGNEE OF ANY SPECIFIC LOT OR TRACT WITHIN THE PLATTED SURVEY THAT THE OWNER OR OWNER'S DESIGNEE OF LOTS OR TRACTS SHALL BE RESPONSIBLE TO DETERMINE IF THE SITE DEVELOPMENT REQUIRES DETENTION AND PROVIDE FOR THE FINAL DETERMINED SITUATION IF REQUIRED DURING THE SITE DEVELOPMENT. IF DETENTION IS REQUIRED, THE FINAL ACTUAL ANALYSIS DETENTION VOLUME AND REQUIRED EASEMENT MAY BE MORE OR LESS THAN INDICATED IN THE DRAINAGE STUDY. IF REQUIRED, THE DETENTION POND DESIGN SHALL BE IN ACCORDANCE WITH THE TOWN OF CROSS ROADS ORDINANCES CURRENT AT THE TIME THE DRAINAGE STUDY IN SUPPORT OF DEVELOPMENT PLAN.
10. LOTS 1 AND 2 WILL REQUIRE A FINAL PLAT PRIOR TO ANY FUTURE DEVELOPMENT.
11. IRON RODS WILL BE SET AT LOT CORNERS AFTER APPROVAL OF THE FINAL PLAT.

10.910 Acres of Land
FIELD NOTES to all that certain tract of land situated in the J. Williamson Survey Abstract Number 1416, Town of Cross Roads, Denton County, Texas, and being all of the called 4.551 acre tract described in the deed from Connie Hunt to Brantley M. Weatherford and Maureen R. McDonald recorded in Document Number 2007-3423 and all of the called 6.326 acre tract described in the deed from Anthony E. Cleveland to Brant Weatherford and Maureen McDonald recorded in Document Number 2010-3424 of the Real Property Records of Denton County, Texas; the subject tract being more particularly described as follows:
BEGINNING for the Northeast corner of the tract being described herein of a 1/2 inch iron rod found of the Northeast corner of the said 6.326 acre tract and the Southwest corner of the called 5.000 acre tract described in the deed from Bill Mosley et ux to Richard Anderson et ux recorded in Volume 1992, Page 602 of the said Real Property Records and in the West line of Forest Hills as shown by the plat thereof recorded in Cabinet X, Page 429 of the Plat Records of Denton County, Texas:
THENCE South 00 Degrees 08 Minutes 40 Seconds East (close bearing) with the West line of the said Forest Hills and the East line of the 6.326 acre tract a distance of 1,290.41 feet to the Southeast corner thereof and the Northeast corner of the called 4.188 acre tract described in the deed from Johnny N. Hinchey to Soo Ho Co et ux recorded in Document Number 2007-131270 of the said Real Property Records in the center of a creek;
THENCE Northwest along the said creek with the common line of the said 4.188 acre tract and the 6.326 acre tract the following eight calls:
1. North 00 Degrees 17 Minutes 09 Seconds West a distance of 75.5 feet;
2. North 70 Degrees 34 Minutes 43 Seconds West a distance of 33.6 feet;
3. North 83 Degrees 41 Minutes 37 Seconds West a distance of 52.5 feet;
4. North 38 Degrees 04 Minutes 35 Seconds West a distance of 31.7 feet;
5. North 40 Degrees 09 Minutes 23 Seconds East a distance of 72.8 feet;
6. North 56 Degrees 58 Minutes 23 Seconds East a distance of 29.3 feet;
7. North 51 Degrees 11 Minutes 32 Seconds West a distance of 35.2 feet to the Southwest corner of the 6.326 acre tract and the Southeast corner of the said 4.551 acre tract;
THENCE North 81 Degrees 24 Minutes 36 Seconds West continuing along the said creek with the common line of the said 4.551 acre tract and the 4.188 acre tract a distance of 88.6 feet to the Northwest corner thereof and the Northeast corner of Lot 2, Block A, Sewer Addition as shown by the plat thereof recorded in Document Number 2018-132 of the said Real Property Records;
THENCE Northwest continuing along the said creek with the common line between the said 4.551 acre tract the said Lot 2 the following 17 calls:
1. North 25 Degrees 12 Minutes 22 Seconds West a distance of 67.5 feet;
2. South 37 Degrees 25 Minutes 18 Seconds West a distance of 78.1 feet;
3. North 27 Degrees 34 Minutes 01 Seconds West a distance of 29.9 feet;
4. North 22 Degrees 40 Minutes 04 Seconds East a distance of 21.5 feet;
5. North 02 Degrees 54 Minutes 00 Seconds East a distance of 35.1 feet;
6. North 81 Degrees 35 Minutes 12 Seconds East a distance of 26.5 feet;
7. North 69 Degrees 13 Minutes 27 Seconds East a distance of 35.1 feet;
8. North 07 Degrees 55 Minutes 16 Seconds West a distance of 37.4 feet;
9. North 75 Degrees 25 Minutes 43 Seconds West a distance of 94.3 feet;
10. North 05 Degrees 53 Minutes 41 Seconds East a distance of 70.9 feet;
11. North 53 Degrees 52 Minutes 17 Seconds West a distance of 94.3 feet;
12. North 80 Degrees 42 Minutes 28 Seconds West a distance of 23.0 feet;
13. North 15 Degrees 21 Minutes 10 Seconds West a distance of 61.4 feet;
14. North 72 Degrees 32 Minutes 00 Seconds West a distance of 99.2 feet;
15. North 81 Degrees 54 Minutes 45 Seconds East a distance of 72.6 feet;
16. North 28 Degrees 09 Minutes 21 Seconds West a distance of 51.6 feet;
17. South 58 Degrees 38 Minutes 06 Seconds West a distance of 62.4 feet to the Southwest corner of the 4.551 acre tract in the center of Cedar Lane.
THENCE North along the center of Cedar Lane with the West line of the 4.551 acre tract the following seven calls:
1. Along the arc of a curve to the left having a radius of 91.41 feet, an arc length of 42.37 feet (chord bearing North 07 Degrees 11 Minutes 22 Seconds East a distance of 41.99 feet) to the end of the said curve and the beginning of another curve to the right having a radius of 160.34 feet;
2. Along the arc of the said curve, an arc length of 110.82 feet (chord bearing North 13 Degrees 41 Minutes 14 Seconds East a distance of 108.83 feet) to the end of the said curve;
3. North 33 Degrees 27 Minutes 31 Seconds East a distance of 94.47 feet to the beginning of a curve to the left having a radius of 106.37 feet;
4. Along the arc of the said curve, an arc length of 60.12 feet (chord bearing North 17 Degrees 16 Minutes 03 Seconds East a distance of 59.32 feet) to the end of the said curve;
5. North 01 Degree 04 Minutes 34 Seconds East a distance of 53.91 feet to the beginning of a curve to the right having a radius of 145.56 feet;
6. Along the arc of the said curve, an arc length of 99.95 feet (chord bearing North 20 Degrees 44 Minutes 54 Seconds East a distance of 98.00 feet) to the end of the said curve;
7. North 40 Degrees 24 Minutes 39 Seconds East a distance of 40.58 feet to the Northwest corner of the 4.551 acre tract and the Westerly Southwest corner of the 6.326 acre tract at the beginning of a curve to the right having a radius of 141.57 feet;
THENCE North along the center of Cedar Lane with the West line of the 6.326 acre tract the following five calls:
1. Along the arc of the said curve, an arc length of 58.77 feet (chord bearing North 52 Degrees 13 Minutes 42 Seconds East a distance of 58.35 feet) to the end of the said curve;
2. North 64 Degrees 07 Minutes 15 Seconds East a distance of 49.69 feet to the beginning of a curve to the right having a radius of 167.34 feet;
3. Along the arc of the said curve, an arc length of 56.82 feet (chord bearing North 73 Degrees 48 Minutes 49 Seconds East a distance of 56.35 feet) to a 1/2 inch iron rod found at the end of the said curve and the beginning of another curve to the left having a radius of 622.68 feet;
4. Along the arc of the said curve, an arc length of 70.45 feet (chord bearing North 80 Degrees 28 Minutes 28 Seconds East a distance of 70.41 feet) to a 1/2 inch iron rod found at the end of the said curve and the beginning of another curve to the right having a radius of 70.41 feet to a 1/2 inch iron rod found of the end of the said curve and the beginning of another curve to the left having a radius of 96.46 feet to the end of the said curve;
5. Along the arc of the said curve, an arc length of 51.51 feet (chord bearing North 82 Degrees 16 Minutes 15 Seconds East a distance of 50.90 to a 1/2 inch iron rod found of the North West corner of the 6.326 acre tract;
THENCE North 89 Degrees 48 Minutes 27 Seconds East departing Cedar Lane with the North line of the 6.326 acre tract a distance of 180.92 feet to the PLACE OF BEGINNING and enclosing 10.910 acres of land.



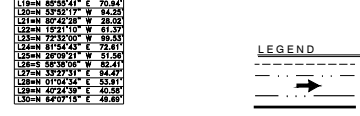
BOUNDARY LINE TABLE:

L1-N	30°48'51" W	107.64
L2-N	00°17'09" W	79.54
L3-N	00°17'09" W	79.54
L4-N	87°41'37" S	35.83
L5-N	30°04'30" S	31.79
L6-N	89°11'03" S	78.19
L7-N	58°28'23" E	26.89
L8-N	31°13'38" E	68.50
L9-N	28°12'58" E	67.45
L10-N	87°25'10" W	76.11
L11-N	79°11'03" S	79.59
L12-N	24°26'54" E	21.35
L13-N	24°26'54" E	21.35
L14-N	81°58'15" E	26.46
L15-N	81°58'15" E	26.46
L16-N	81°58'15" E	26.46
L17-N	29°23'43" S	94.29
L18-N	29°23'43" S	94.29
L19-N	33°53'11" E	94.29
L20-N	33°53'11" E	94.29
L21-N	19°11'10" W	61.37
L22-N	00°17'09" W	79.54
L23-N	81°58'15" E	26.46
L24-N	81°58'15" E	26.46
L25-N	81°58'15" E	26.46
L26-N	33°53'11" E	94.29
L27-N	33°53'11" E	94.29
L28-N	40°27'30" E	42.89
L29-N	40°27'30" E	42.89

BOUNDARY CURVE TABLE:

C1-R	89°14'41" L=42.37' CM=707'11" R=41.99'
C2-R	86°34'14" L=110.82' CM=1812'11" R=108.83'
C3-R	86°34'14" L=110.82' CM=1812'11" R=108.83'
C4-R	16°45'59" L=99.95' CM=174'54" R=98.00'
C5-R	16°45'59" L=99.95' CM=174'54" R=98.00'
C6-R	16°45'59" L=99.95' CM=174'54" R=98.00'
C7-R	82°22'28" L=70.45' CM=1067'29" R=70.41'
C8-R	82°22'28" L=70.45' CM=1067'29" R=70.41'
C9-R	82°22'28" L=70.45' CM=1067'29" R=70.41'

File FEMA Firm Panel ID, revision date, and zone for the property (in Zone X - areas determined to be outside the 1% annual chance flood hazard area).
FIRM Panel is 48121C0385G last revised April 18, 2011 for reference. Please confirm.



Show existing water line on the plat 10.04.002(3)
Specify land use on the plat 10.04.003(4)
How will Lot 2 be served by electric? Provide will-serve letters per ordinance
Width and name of existing street? Show location of the existing street on the Preliminary Plat 10.04.002(2)
Call out dimensions and label all building lines per 14.03.074 and 10.04.003(7)
Front Yard - 50 feet
Side Yard - 15 feet
Rear Yard - 30 feet
Set a monument at the new property corner.

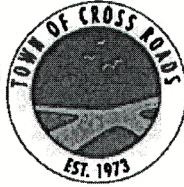
A floodplain assessment is required for Lot 2, Block A to allow future facilitation of the existing natural, unimproved, channel. Since this is an encumbrance on the property, this needs to be shown on the Preliminary and Final Plat. The floodplain assessment must encompass the 100-year fully developed flows plus a 10-foot buffer on each side of the channel. Provide sufficient data and cross sections to show water surface elevation in the natural channel with fully developed flows to support.

ADD NOTE:
This plat identifies a potential preliminary need for a storm water storage facility known as a detention pond that may or may not be required. It is expressly understood and agreed by the owner or owner's designee of any specific lot or tract within the platted subdivision that the owner or owner's designee of lots or tracts shall be responsible to determine if the site development requires detention and provide for the final detention volume mitigation if required during the site development. If detention is required, the final detailed analysis detention volume and required assessment may be more or less than indicated in the Drainage Study. If required, the detention pond design shall be in accordance with the Town of Cross Road's ordinances current at the time the Drainage Study in support of development plan."

- NOTES:
- PURPOSE OF THIS PRELIMINARY PLAT IS TO PLAT THE EXISTING 4.551 ACRE TRACT AND THE 6.326 ACRE TRACT IN ORDER TO RECONFIGURE THE TRACT BOUNDARIES.
 - BLACK ROCK PROVIDES WATER TO THE PROPERTY. EXISTING SEPTIC SERVES THE EXISTING RESIDENCE. A FUTURE SEPTIC SYSTEM WILL SERVE THE PROPOSED LOT.
 - CONTOURS SHOWN HEREON WERE DERIVED FROM DENTON COUNTY GIS DATA.
 - PROPERTY IS NOT WITHIN A FLOOD ZONE.
 - PROPERTY FALLS WITHIN THE TOWN OF CROSS ROADS CORPORATE LIMITS.
 - NO PROPOSED CHANGES TO TOPOGRAPHY AT THIS TIME.
 - NO TREE REMOVAL PROPOSED AT THIS TIME.

OWNERS:
BRANT WEATHERFORD & MAUREEN MCDONALD
80 CEDAR LANE
CROSS ROADS, TX
(972) 679-8989
SURVEYOR:
COLEMAN & ASSOC. LAND SURVEYING
72 S. C. LOCUST ST.
DENTON, TX 76201
(940) 355-8215

TOWN OF CROSS ROADS
PLATTING APPLICATION



DATE: 02-23-22

APPLICATION # **2022-0307-01PPLAT**

PROJECT: Oak Bluff - Lots 1 & 2, Block B

Completed applications will be considered received on the due date specified on the yearly Submission Schedule.
PLEASE VERIFY MEETING DATES.

TYPE OF PLAT

Preliminary _____ Replat _____
Final _____ Administrative/Amending _____

PLEASE SPECIFY THE PRIMARY CONTACT

Land Owner Name Brant Weatherford

Signature *Brant Weatherford*

Applicant Name Marc DeGenaro

Signature *Marc DeGenaro*

Project Contact Mailing Address 725 S. Locust St., Denton, Texas 76201

Project Contact Phone 940-565-8215

Email marc@colemansurveying.com

Proposed Project Name Oak Bluff Addition

Location 60 Cedar Ln, Crossroads, Texas

Lot/Block Lots 1 and 2, Block B

Abstract J. Williamson Sy. A-1418

DCAD ID 112981

Number of Lots Created 2

SUBMISSION DOCUMENTS

Fee \$2000+\$10per lot(2)+\$500 = \$2420.00

Legal Description Copy of Deed

Map _____

Drawings (1 full, 2 half) _____

Site Plan (Commercial) N/A

OTHER (Specify) _____

APPLICATION EXPLANATION

Explanation and Description of Request or Project

Purpose of this Preliminary Plat Submission is to develop the property into two platted lots. One lot will be retained by the property owner and the second lot will be sold.

Before submitting an application, the applicant should consult with the Town Administrator to discuss the feasibility of the request and any additional requirements.



COUNCIL AGENDA BRIEFING SHEET

Meeting Date:
April 18, 2022

Agenda Item:

Discuss and consider a preliminary plat application for property located at 6025 Rock Hill Rd. partially within the Town of Cross Roads and partially within Cross Roads ETJ. (2022-03-07-02PPLAT)

Prepared by:

Rodney Patterson, Building Official

Description:

Applicants/Owners David McKinney and Cynthia Mozur submitted a preliminary plat application for the McKinney Addition Lots 1 and 2 Block A on March 7, 2022, to plat a previously un-platted tract of land totaling 9.063 acres generally located at 6025 Rock Hill Rd. to create 2 lots. Lot 1 being a proposed Winery/Event Center use located almost entirely within the Town of Cross Roads ETJ (approximately 20' strip along eastern boundary is within the Town limits) and Lot 2 containing an existing residential home located entirely within the Town limits. The Town Engineer performed a technical review of the preliminary plat application and construction drawings on March 21, 2022. The applicant provided a response to the comments on March 25, 2022 which the Town Engineer addressed in the second review dated April 8, 2022, after the Planning and Zoning Commission meeting.

With timing deadlines established in State law, the Council has the option of approving the preliminary plat, approving the preliminary plat with conditions or denying the plat due to the failure to address code requirements. This is a preliminary plat, and Staff would typically recommend approval contingent upon meeting outstanding comments of the Town Engineer, however, there are some significant comments related to drainage concerns. These include the fact that the drainage plan proposes to send more water on to the adjacent property than currently exists and the issues with the location of the outfall structure. The Planning and Zoning Commission recommended approval contingent upon addressing the outstanding items before the Council meeting, which has not happened.

Staff Recommended Action:

Staff recommends denial based on the failure to address Sections 10.04.002(7) and 10.07.006 of the Subdivision regulations. The applicant will have the opportunity to resubmit their application on the May 9, 2022 submittal deadline if they so choose.

Planning and Zoning Recommendation

The Planning and Zoning Commission considered the application at their April 5, 2022, meeting and recommended approval with the condition that the remaining issues posed in the comments dated March 21, 2022, from the Town Engineer be resolved prior to Council approval.



COUNCIL AGENDA BRIEFING SHEET

Attachments:

Engineering 2nd Review Letter – 4/8/22
Response letter from applicant – 3/25/22
Application
Plans and supporting documents



April 8, 2022
AVO 43608.001

Ms. Kristi Gilbert
Town Administrator
Town of Cross Roads

Re: **Rock Creek Drainage Study/Downstream Assessment – 2nd Review**

Dear Ms. Gilbert,

Halff Associates, Inc. was requested by the Town of Cross Roads to provide a review of the drainage study and downstream assessment in support of the preliminary plat for the Rock Creek Winery development. The drainage study prepared by Allison Engineering Group was submitted on March 07, 2022. First review comments were provided on March 21, 2022. A second submittal was received on March 25, 2022.

We have completed our review and offer the following comments. Please refer to the Denton County Subdivision Rules and Regulations dated July 2009 for drainage criteria; hereafter referred to as Criteria Manual.

General

1. **1st and 2nd Review Comment:** The west part of Lot 1 is located within the Lewisville Lake flowage easement (elevation 537). Please coordinate with the USACE to obtain permission regarding runoff and velocities into flowage easement.
[1st Review Response:](#) Noted.
2. **1st and 2nd Review Comment:** Please summarize and list any permits needed based on the findings of the jurisdictional assessment report.
[1st Review Response:](#) Noted.
3. **1st and 2nd Review Comment:** Any activity within the FEMA floodplain will require an approved floodplain development permit.
[1st Review Response:](#) Noted.
4. **1st and 2nd Review Comment:** Please address comments on attached markups and provide annotated responses.
[1st Review Response:](#) Noted.

Hydrology

5. Please provide separate existing and proposed conditions DA maps. Denton Co. requires 2-yr, 5-yr, 10-yr 25-yr 50-yr and 100-yr flood events. Refer to Denton Co Criteria Manual Section IV.1.2.
[1st Review Response:](#) 2-yr, 5-yr, 10-yr, 25-yr, 50-yr, & 100-yr flood events have been added to drainage calculation.
2nd Review Comment: Please update drainage area calculations. Runoff coefficient for B-1 is 0.38 according to weighted C value calculations. See attached markups.

6. Account for additional runoff entering site from drainage area OS-2. Please ensure future proposed wall does not block offsite runoff.

1st Review Response: Offsite OS-2 flow joins onsite flow at Design Point B. OS-2 is not used in detention calculations but is considered for channel analysis at release point (Design Point B).

2nd Review Comment: Noted

7. Under existing conditions, it appears a large section of the existing pond overflows run west towards the west property line and only a small section overflows into the north adjacent property. Refer to attached markup and Figure 1. Please update existing flows reaching west property and those reaching DP "B".

1st Review Response: Existing Drainage Are Map has been added and areas have been revised.

2nd Review Comment: As indicated in previous comment, a large section of the flow reaching the existing pond will overflow west and will not reach north point DP-B. Based on a cursory estimate, it appears 35% for flow goes to DP-B and the rest flows west to DP-A. Please update existing flows at design points B and A.

8. Verify drainage area reaching pond in existing vs proposed. It appears additional flow will be diverted to the pond in proposed conditions. Please refer to attached markups and Figure 1. Drainage area A will be larger under existing conditions.

1st Review Response: Drainage Area A revised.

2nd Review Comment: Please update drainage areas used on the volume calculations. Please note, existing and proposed acres are different. See attached markups.

9. It appears a minimum 10-min time of concentration(tc) was used for both existing and proposed conditions analysis. For existing conditions, it appears the time of concentration will be larger than 10 minutes. Please provide tc calculations.
 - a. When calculating time of concentration, show calculations for overland (sheet), shallow concentrated, pipe and channel flow. Reference Section IV.1.3 Travel Time Estimation from the Denton Co Criteria Manual, page 54 thru 57.
 - b. Show flow paths for each drainage area and corresponding time of concentration calculations.
 - c. Please use $n=0.15$ for grass cover when calculating the sheet flow component of time of concentration.
 - d. Please note that the length of overland flow distance should be limited to 50 (developed) to 100 feet (undeveloped).
 - e. It appears the longest flow path in basin B1 may be altered in proposed conditions due to the proposed drives, pavement and building.
 - f. For proposed conditions, the minimum time of concentration (10 minutes for commercial and 15 for residential) may be used.

1st Review Response: Time of Concentrations have been calculated. (See Sheet 05 – Drainage Calculations). Minimum times shall be used to get a conservative estimate.

2nd Review Comment: It appears the time of concentration for existing design point B is missing a segment of 395 for shallow concentrated flow. Please update and verify resulting value.

10. Indicate how offsite runoff entering site from the west (basin B2) will be conveyed through proposed development.

1st Review Response: Will be directed on Lot 2 to Culvert B.

2nd Review Comment: Noted.

11. It appears that proposed drainage area OS-2 will not enter the pond and will discharge at the pond outfall. This area may be removed from the detention analysis.

1st Review Response: Off-site OS-2 flow joins on-site flow at Design Point B. OS-2 is not used in detention calculations but is considered for channel analysis at release point (Design Point B)

2nd Review Comment: Addressed.

12. Provide preliminary detention sizing calculations and outfall structure design based on the Modified Ration Method. Please use equations IV.1.10a and 10b from the Criteria Manual.

- a. 1st and 2nd Review Comment: The pond and outlets must be designed for the 2-, 5-, 10-, 25-, 50- and 100-year storms. Note that a minimum of 6 inches of freeboard above the 100-year WSEL.
- b. Use adjustment factors to the calculated storage volume to account for under sizing. Refer to Modified Rational section IV.1.4. See attached spreadsheet that uses the required equations.
- c. 1st and 2nd Review Comment: Outlet pipes for ponds should be 18" RCP/RCB or greater. Also, an overflow structure must be provided above the 100-year WSEL and have a minimum depth of 1-foot. (Denton County Subdivision Rules and Regulations, Section IV)

1st Review Response: Detention sizing calculations has been added to sheet 04.

2nd Review Comment: Please provide preliminary size of outfall. It appears the outfall will direct all pond outflow north towards point B. If no outflow to the west, please reduce the allowable outflow to only the portion that goes north under existing conditions. Update required volume and verify volume fits in the provided pond footprint.

13. Please re-evaluate all sites outfalls (Design Points) based on the attached markups and comments provided herein. If an increase in peak discharge occurs, provide a downstream assessment of the receiving ditch. Use HEC-RAS to evaluate water surface elevations and velocities.

1st Review Response: Outfalls have been re-evaluated and no increase in peak flow shall occur.

2nd Review Comment: Noted.

Hydraulics

14. Please extend proposed pond outfall to the receiving natural swale flowline. A private DE will be required. Extend erosion protection to the receiving swale flowline.

1st Review Response: Receiving swale begins onsite. This area will be detailed with Final Plat/ Construction Plans. Private drainage easement shall be obtained as needed.

2nd Review Comment: Label size and preliminary flowline

15. Provide preliminary sizing of proposed swales. Include hydraulic parameters and results.

1st Review Response: Preliminary sizing of proposed swales added to Sheet 04 – Preliminary Culvert Plan and Calculations

2nd Review Comment: Show location of swales and provide preliminary sizing at locations marked (ie proposed swales B and C, etc).

Address the following comments with future drainage study to support final plat and construction plans:

16. Provide a Pond sheet showing all relevant design information such as elevation storage rating curves, elevation discharge rating curves, results for all required flood event including inflow, outflow, peak storage, peak elevation, etc. Provide details and profile of outflow pipe and account for tailwater from receiving ditch. Provide and label an emergency spillway with 6” of freeboard to top of pond under clogged conditions. Label side slopes.
17. Please provide channel cross sections with hydraulic parameters for any proposed swales. For swales conveying more than 10 cfs please provide a HEC-RAS model. For the proposed swales, the following criteria must be met:
 - a. Side slopes shall be a maximum of 4H:1V.
 - b. Depth shall be 1.5 feet.
 - c. Provide private drainage easements for the proposed swales. The minimum easement width is 16 feet.
 - d. The minimum bottom slope shall be 0.5%.
18. For proposed driveway culverts:
 - a. Include contributing drainage area numbers
 - b. Provide HGL through culverts. The HGL should account backwater effects in the profile.
 - c. Provide hydraulic parameters (velocity, free-board, flow line in, flow line out). See markup. Include tailwater and headwater elevations.
19. The modeled proposed swales, driveway culverts, pond, etc. included in the drainage study to support the preliminary plat will be reviewed again once the construction plans are available. Update calculations as necessary to correspond to plans.
20. Verify that a USACE Section 404 of Clean Water Act investigation was/will be conducted. Placement of fill at existing channels and ponds may require authorization by an appropriate Section 404 permit. Provide results of investigation. Show and label any wetlands and/or Water of the US on grading plans.

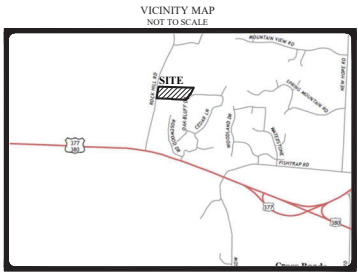
The Engineer shall revise the hydrologic study and/or plans in accordance with the above comments and/or provide a written response that addresses each comment. If you have any questions or need additional information, please do not hesitate to call me at (817) 764-7466.

Sincerely,

HALFF ASSOCIATES, INC.
Firm No. 0312



Emilia Yanagi, P.E., CFM
Drainage Review Consultant for the Town of Cross Roads



SURVEYOR'S NOTES:

- Bearings and distances are based on Texas State Plane Coordinate System, Texas North Central Zone 4202 North American Datum of 1983 (NAD 83) (U.S. Foot) with a combined scale factor of 1.00015603.
- This property lies within Zone "A" and Zone "X" of the Flood Insurance Rate Map for Denton County, Texas and Incorporated Areas, map no. 48121C0385, dated April 18, 2011, via scaled map location and graphic plotting.
- Notice: Selling a portion of this addition by metes and bounds is a violation of City subdivision ordinance and state planning statutes and is subject to fines and withholding of utilities and building certificates.
- The purpose of this plat is to create two lots out of one tract of land.

LEGEND OF ABBREVIATIONS

- D.R.D.C.T. DEED RECORDS, DENTON COUNTY, TEXAS
- O.P.R.D.C.T. OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS
- P.R.D.C.T. PLAT RECORDS, DENTON COUNTY, TEXAS
- ROW RIGHT OF WAY
- IRS 1/2 INCH CAPPED REBAR STAMPED "ASC" SET
- C.M. CONTROLLING MONUMENT

STATE OF TEXAS §
 COUNTY OF DENTON §

This is to certify that I, Mark N. Peoples, a Registered Professional Land Surveyor of the State of Texas, have planned the subdivision from an actual survey on the ground, and that this plat correctly represents that survey made by me or under my direction and supervision.

PRELIMINARY
 THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR RELED UPON AS A FINAL SURVEY DOCUMENT DATED 3/24/2022

Mark N. Peoples, R.P.L.S.
 No. 6443

STATE OF TEXAS §
 COUNTY OF §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Mark N. Peoples, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____ 20____.

Notary Public in and for the State of Texas

STATE OF TEXAS §
 COUNTY OF DENTON §

WHEREAS a 9.063 acre tract or parcel of land situated in the J. Williamson Survey, Abstract Number 1418, Denton County, Texas, and being all that same tract of land described by deed to David A. McKinney and Cynthia Mozur, recorded under Document Number 2016-16027, Official Public Records, Denton County, Texas (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a concrete "Cops of Engineers" (C.O.E.) monument stamped "R-325-F" found for the northwest corner of the herein described tract, same point being the northwest corner of a tract of land described by deed to Stone Family Partnership No. 1, L.P., recorded under Document Number 2008-46855, O.P.R.D.C.T., and being the east line of a tract of land described by deed to U.S.A. Corps of Engineers, recorded in Volume 411, Page 427, Deed Records, Denton County, Texas.

THENCE South 87 degrees 51 minutes 19 seconds East, with the north line of said Stone Family Partnership tract, a distance of 1090.51 feet to a 1/2 inch iron rod found for corner;

THENCE South 87 degrees 49 minutes 39 seconds East, continuing with said south line of Stone Family Partnership tract, a distance of 231.61 feet to a 1/2 inch iron rod found for corner being the northwest corner of a tract of land described by deed to Oak Bluff Homeowners Association, recorded under Document Number 98-91442, Real Property Records, Denton County, Texas.

THENCE South 23 degrees 14 minutes 50 seconds West, with the westerly line of said Oak Bluff Homeowners tract, a distance of 238.44 feet to a 1/2 inch iron rod found for corner being a westerly line of Lot 1 of Oak Bluff Addition, an addition to the Town of Cross Roads, Denton County, Texas, according to the plat thereof recorded under Document Number 2014-236, Plat Records, Denton County, Texas, same point being the southeast corner of said Oak Bluff Homeowners tract.

THENCE South 64 degrees 46 minutes 28 seconds West, with a north line of said Lot 1, a distance of 25.00 feet to a "PK" Nail found in asphalt for corner being the most westerly northwest corner of said Lot 1;

THENCE South 25 degrees 11 minutes 34 seconds West, with a west line of said Lot 1, a distance of 122.28 feet to a "PK" Nail found in asphalt for corner being the beginning of a non-curve to the right, having a radius of 91.87 feet.

THENCE with the west line of said Lot 1 and with said curve to the right, through a central angle of 46 degrees 18 minutes 34 seconds, whose chord bears South 47 degrees 56 minutes 51 seconds West at 72.25 feet, an arc length of 74.25 feet to a "PK" Nail found in asphalt for corner being the beginning of a non-curve to the left, having a radius of 48.16 feet.

THENCE with the west line of said Lot 1 and with said curve to the left, through a central angle of 36 degrees 26 minutes 02 seconds, whose chord bears South 58 degrees 18 minutes 46 seconds West at 25.11 feet, an arc length of 25.34 feet to "PK" Nail set in asphalt for corner being the northeast corner of a tract of land described by deed to Rosalee Marie Mosley, recorded under Document Number 2007-04314, O.P.R.D.C.T.;

THENCE North 87 degrees 48 minutes 30 seconds West, with the north line of said Mosley tract, passing at 31.47 feet to a 3/8 inch iron rod found for witness, continuing on for a total distance of 428.60 feet to a 1/8 inch iron rod found for corner being the east line of land described by deed to Bryce McCallum and wife, Patsy McCallum, recorded under Document Number 2012-61757, O.P.R.D.C.T., same point being the northeast corner of said Mosley tract;

THENCE North 62 degrees 09 minutes 33 seconds East, with the east line of said McCallum tract, a distance of 10.92 feet to a 5/8 inch iron rod found for corner being the northeast corner of said McCallum tract;

THENCE North 87 degrees 51 minutes 09 seconds West, with the north line of said McCallum tract, a distance of 487.41 feet to a 1/2 inch iron rod with yellow cap stamped "ARTHRITIS SUFFERING COMPACT" for corner being the east line of said U.S.A. Corps of Engineers' tract, same point being the northeast corner of said McCallum tract, from which a "C.O.E." monument stamped "R-325-F" found bears South 08 degrees 20 minutes 48 seconds West at 143.56 feet;

THENCE North 08 degrees 20 minutes 48 seconds East, with the east line of said Corps of Engineers' tract, a distance of 377.31 feet to the POINT OF BEGINNING and containing 9.063 acres of land, more or less.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS
 THAT David A. McKinney and Cynthia Mozur ("Owner"), acting herein by and through its duly authorized officer, does hereby adopt this plat designating the herein described property as Lots 1 and 2, Block A, McKinney Addition, an addition to the Town of Cross Roads, Texas, and does hereby dedicate to the Town of Cross Roads:

(i) Easements for the purpose shown on this plat and for the mutual benefit, use and accommodation of all public utility entities including the Town of Cross Roads providing services to the addition created hereby and desiring to use or using the same.

No Buildings or structures shall be constructed or placed upon, or across the easements dedicated herein. The Town of Cross Roads and public utility entities shall have the right to remove and keep removed all or parts of any building or structures which may in any way endanger or interfere with their respective easements.

This plat approved subject to all planning ordinances, rules, regulations, and resolutions of the Town of Cross Roads, Texas.

Witness my Hand at _____, this _____ day of _____ 20____.

By: _____
 David A. McKinney

By: _____
 Cynthia Mozur

STATE OF TEXAS §
 COUNTY OF §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared David A. McKinney, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____ 20____.

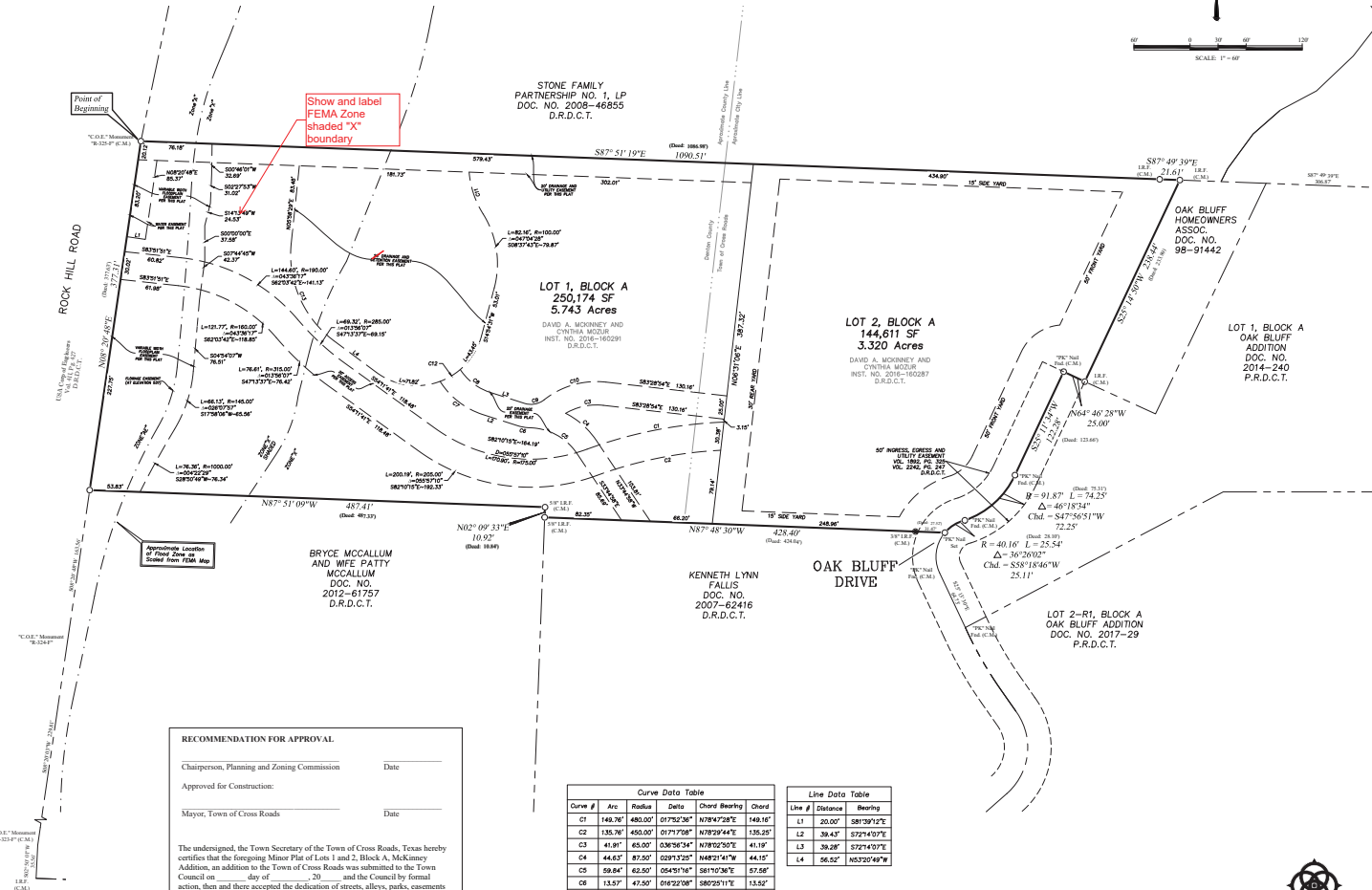
Notary Public in and for the State of Texas

STATE OF TEXAS §
 COUNTY OF §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Cynthia Mozur, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____ 20____.

Notary Public in and for the State of Texas



RECOMMENDATION FOR APPROVAL

Chairperson, Planning and Zoning Commission _____ Date _____

Approved for Construction: _____

Mayor, Town of Cross Roads _____ Date _____

The undersigned, the Town Secretary of the Town of Cross Roads, Texas hereby certifies that the foregoing Minor Plat of Lots 1 and 2, Block A, McKinney Addition, an addition to the Town of Cross Roads was submitted to the Town Council on _____ day of _____, 20____, and the Council by formal action, then and there accepted the dedication of streets, alleys, parks, easements public parks, and water and sewer lines, as shown on forth in and upon said plat and said Council further authorizes the Mayor to note the accepting thereof for construction by signing his/her name as herein above described.

Witness my hand this _____ day of _____, AD, 20____.

Town Secretary, Town of Cross Roads _____ Date _____

Curve Data Table				
Curve #	Avg. Radius	Delta	Chord Bearing	Chord
C1	142.76'	40.00°	071°52'54"	148.30'
C2	135.76'	40.00°	071°72'08"	135.00'
C3	41.91'	65.00°	036°56'54"	41.18'
C4	44.63'	87.50°	029°12'25"	44.15'
C5	59.84'	62.50°	054°51'56"	57.58'
C6	13.57'	47.50°	016°22'00"	13.52'
C7	58.49'	85.40°	039°12'54"	57.38'
C8	40.43'	62.40°	036°21'11"	39.69'
C9	22.00'	22.50°	056°14'28"	21.21'
C10	70.68'	80.00°	044°59'41"	70.17'
C11	47.67'	100.00°	027°18'58"	51.83'
C12	140.42'	72.00°	111°44'40"	139.20'
C13	118.07'	115.00°	059°19'17"	115.82'

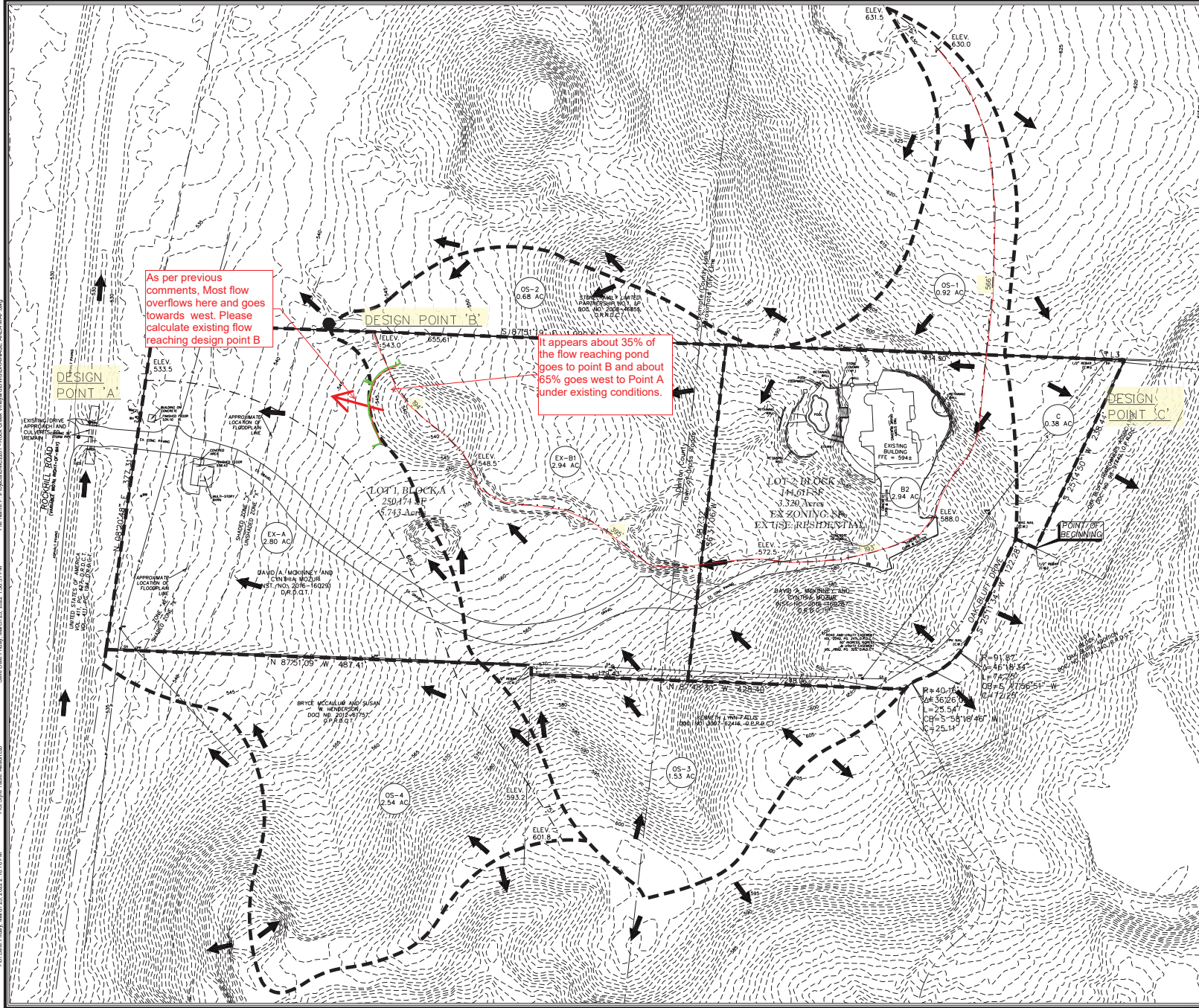
Line Data Table	
Line #	Distance
L1	20.00'
L2	38.45'
L3	39.28'
L4	56.22'


ENGINEER
 Alston Engineering Group
 2415 N. Elm Street
 Denton, Texas 76201
 940-380-9453

OWNER/DEVELOPER
 David McKinney and
 Cynthia Mozur
 8025 Rock Hill Road
 Aubrey, Texas 76227

WINDROSE
 LAND SURVEYING & PLATTING
 220 ELM STREET, SUITE 200 | LEWISVILLE, TX 75057 | 214.217.2544
 FIRM REGISTRATION NO. 10174331 | WINDROSESERVICES.COM
 DRAWN BY: G.L.C. DATE: 08/30/2021 CHECKED BY: JFB JOB NO.: D2102

PRELIMINARY PLAT
MCKINNEY ADDITION
LOTS 1 AND 2, BLOCK A
 Being 9.063 Acres out of the
 J. Williamson Survey, Abstract No. 1418
 Town of Cross Roads, Denton County, Texas
 - AUGUST 2021 -





0 25 50 100
SCALE: 1"=50'

LEGEND

- 500- EXISTING CONTOUR
- FLOW DIRECTION
- - - DRAINAGE AREA
- - - TIME OF CONCENTRATION
- - - PROPOSED SWALE
- - - PROPOSED RETAINING WALL
- 1 1.00 AC = AREA - ACRES

DRAINAGE AREA MAP NOTES

C1 = 1.25 (FOR 100 YR RECURRENCE INTERVAL PER ISWM TABLE 1.4)

C = 0.30 UNLESS OTHERWISE NOTED (SEE WEIGHTED C TABLES)

1100 = (RAINFALL INTENSITIES PROVIDED FROM ISWM TABLE 5.3 DENTON COUNTY RAINFALL DATA
TC 5 MIN: 11.23 IN/HR
TC 10 MIN: 9.24 IN/HR)

A = DRAINAGE AREA (ACRES)
Q₁₀₀ = C₁C₁₀₀q₁₀₀A (CFS)

REV. 1
REV. 2
REV. 3
REV. 4
REV. 5

345 N. EDWARDS STREET
DENTON, TEXAS 76201
Phone: 817.321.4400
www.allisoneng.com

Texas Board of Professional Engineers
Registration Number: 179918
info@ae-grp.com



THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF JASON P. FAIGLE P.E. 101688

IT IS NOT TO BE USED FOR THE PURPOSES OF CONSTRUCTION, BIDDING, PERMITTING, ETC.

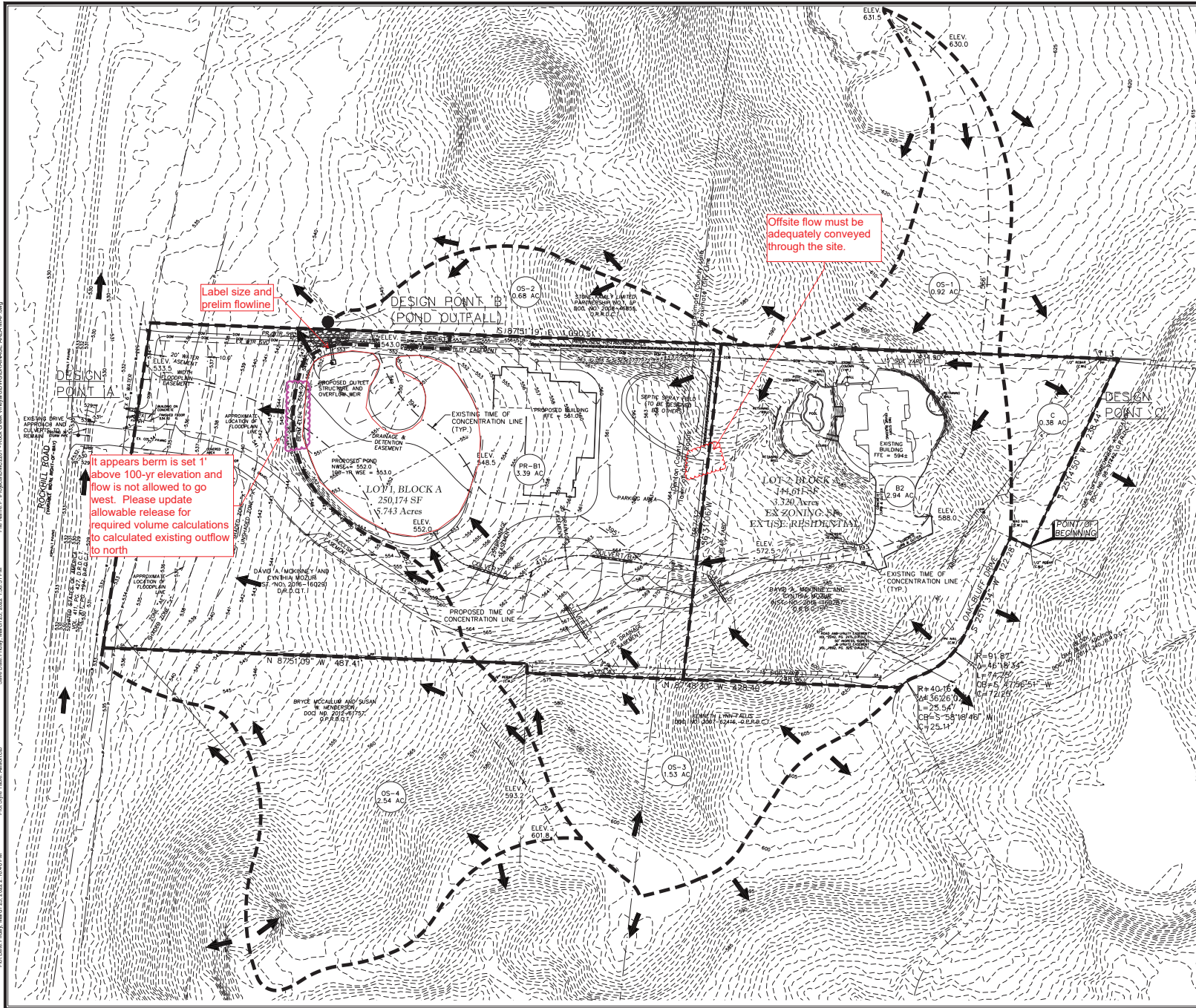
Drawn by: JSM
Checked by: LKA

DAVID MCKINNEY
PRELIMINARY PLAT
ROCK CREEK WINERY
TOWN OF CROSSROADS & TOWN OF CROSSROADS ETL, DENTON COUNTY, TEXAS

PRELIMINARY EXISTING DRAINAGE AND GRADING

Prepared by: Jason McKinney, P.E. 101688
 Date: 04/18/2022
 Drawn by: Jason McKinney, P.E. 101688
 Checked by: LKA
 Date: 04/18/2022
 Job#: DMC2201
 Title: Preliminary Plat - Rock Creek Winery - Drainage Area Map

Revised by Jason McKinney, 05/26/2022 2:18:46 PM
 Drawn by JSM, Checked by LKA
 Date Plotted: Friday, March 25, 2022 1:58:51 PM
 File Name: P:\Projects\DMC2201 - Rock Creek Winery\DWG\DRAINAGE AREA MAP.dwg



Label size and
prelim flowline

Offsite flow must be
adequately conveyed
through the site.

It appears berm is set 1'
above 100-yr elevation and
flow is not allowed to go
west. Please update
allowable release for
required volume calculations
to calculated existing outflow
to north



- LEGEND**
- 500- EXISTING CONTOUR
 - FLOW DIRECTION
 - - - DRAINAGE AREA
 - - - TIME OF CONCENTRATION
 - - - PROPOSED SWALE
 - - - PROPOSED RETAINING WALL
 - AREA
1.00 AC
 - ACRES

DRAINAGE AREA MAP NOTES

CI = 1.25 (FOR 100 YR RECURRENCE INTERVAL PER ISWM TABLE 1.4)

C = 0.30 UNLESS OTHERWISE NOTED (SEE WEIGHTED C TABLES)

1100 = (RAINFALL INTENSITIES PROVIDED FROM ISWM TABLE 5.3 DENTON COUNTY RAINFALL DATA
 TC 5 MIN: 11.23 IN/HR
 TC 10 MIN: 9.24 IN/HR

A = DRAINAGE AREA (ACRES)
 Q₁₀₀ = C_iC_wQ₁₀₀A (CFS)

REV. 1
REV. 2
REV. 3
REV. 4
REV. 5

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Drawn by JSM
 Checked by LKA

DAVID MCKINNEY
 PRELIMINARY PLAT
ROCK CREEK WINERY
 TOWN OF CROSSROADS & TOWN OF CROSSROADS ET AL, DENTON COUNTY, TEXAS
 PRELIMINARY PROPOSED DRAINAGE AND GRADING

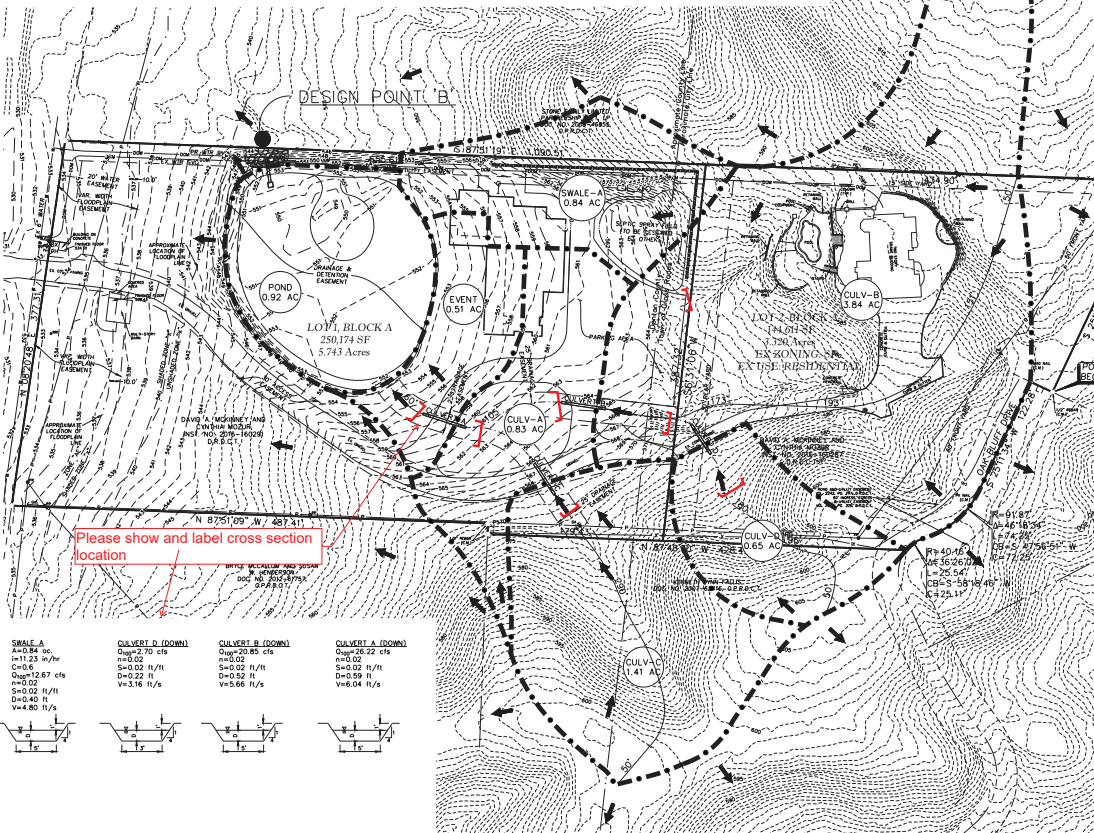
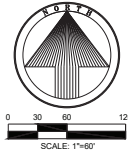
Job: DMC2201
SHEET
03

TIME OF CONCENTRATION CALCULATIONS (FOR CULVERT DESIGN)

Line No.	Line ID	Method	Sheet Flow				Shallow Concentrated Flow				Channel Flow				Total Travel Time (min)					
			Flow Length (ft)	Flow Depth (in)	Travel Time (min)	Travel Area (sq ft)	Flow Length (ft)	Water Depth (ft)	Surf Slope (%)	Travel Time (min)	Channel Slope (%)	Travel Time (min)	Travel Time (min)	Travel Time (min)						
1	Culvert A	TR55	0.190	50.00	3.90	1.00	6.73	290.00	15.50	UnPaved	0.35	0.76	6.00	9.00	2.00	0.000	8.03	130	0.00	7.76
2	Culvert B	TR55	0.190	50.00	3.90	4.00	3.86	100.00	15.30	UnPaved	0.31	0.40	6.00	8.00	1.00	0.000	6.14	173	0.00	1.30
3	Culvert C	TR55	0.190	50.00	3.90	1.00	6.73	290.00	15.50	UnPaved	0.35	0.76	6.00	9.00	2.00	0.000	8.03	130	0.00	7.40
4	Culvert D	TR55	0.190	50.00	3.90	7.00	3.28	190.00	19.00	UnPaved	0.85	0.44								3.53

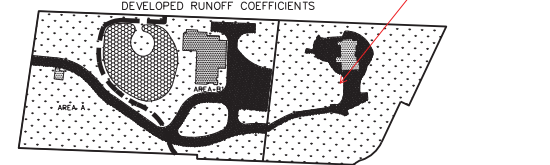
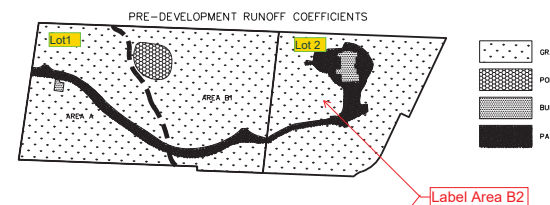
CULVERT CALCULATIONS

Line No.	Line ID	Line Length (ft)	Line Slope (%)	inlet Pipe (in)	Contributing Area (Ac)	Drng Area (Ac)	Runoff Coeff	Tc (min)	I (in/hr)	Total Runoff (cfs)	Vel Up (ft/s)	Depth Up (ft)	Invert Up (ft)	HGL Up (ft)				
1	Culvert A	50.00	3.0	1.00	0.013	0.70	0.38	7.8	10.30	28.22	7.17	8.86	1.74	1.45	555.50	556.00	556.95	557.74
2	Culvert B	50.00	24	1.00	0.013	4.46	0.40	5.3	11.80	20.85	7.58	8.17	1.64	1.51	558.50	559.00	560.01	560.64
3	Culvert C	50.00	18	1.00	0.013	1.41	0.35	7.5	10.43	5.15	4.83	5.91	0.87	0.74	556.00	556.50	556.74	557.37
4	Culvert D	30.00	18	2.00	0.013	0.65	0.35	3.5	11.80	2.70	3.50	3.38	0.62	0.43	558.00	558.00	558.43	559.23



Structure	Flow	Depth	Velocity
SWALE A	Q=12.87 cfs	D=0.42 ft	V=4.80 ft/s
	Q=11.23 in/hr	S=0.02 ft	V=4.80 ft/s
CULVERT D (DOWN)	Q=20.85 cfs	D=0.52 ft	V=5.66 ft/s
	Q=18.00 in/hr	S=0.02 ft	V=5.66 ft/s
CULVERT B (DOWN)	Q=20.85 cfs	D=0.52 ft	V=5.66 ft/s
	Q=18.00 in/hr	S=0.02 ft	V=5.66 ft/s
CULVERT A (DOWN)	Q=28.22 cfs	D=0.76 ft	V=6.04 ft/s
	Q=25.54 in/hr	S=0.02 ft	V=6.04 ft/s

WEIGHTED RUNOFF COEFFICIENT DETERMINATION



LOT 1 - AREA 'A' WEIGHTED 'C' (PRE-DEVELOPMENT)				LOT 1 - AREA 'B1' WEIGHTED 'C' (PRE-DEVELOPMENT)				LOT 2 WEIGHTED 'C' (PRE-DEVELOPMENT)			
PL ID	Area (acres)	Runoff Coeff	Product	PL ID	Area (acres)	Runoff Coeff	Product	PL ID	Area (acres)	Runoff Coeff	Product
A	2.557	0.30	0.77	A	2.94	0.30	0.88	A	2.819	0.30	0.85
C	0.000	1.00	0.00	C	0.194	1.00	0.19	C	0.000	1.00	0.00
CA	0.015	0.95	0.01	CA	0.000	0.95	0.00	CA	0.007	0.95	0.01
PAVING	0.226	0.95	0.21	PAVING	0.142	0.95	0.13	PAVING	0.404	0.95	0.38
Sum	2.80		1.00	Sum	3.24		1.11	Sum	3.22		1.32
Weighted Runoff Coefficient = 0.36				Weighted Runoff Coefficient = 0.32				Weighted Runoff Coefficient = 0.40			

LOT 1 - AREA 'A' WEIGHTED 'C' (DEVELOPED)				LOT 1 - AREA 'B1' WEIGHTED 'C' (DEVELOPED)				LOT 2 WEIGHTED 'C' (DEVELOPED)			
PL ID	Area (acres)	Runoff Coeff	Product	PL ID	Area (acres)	Runoff Coeff	Product	PL ID	Area (acres)	Runoff Coeff	Product
A	2.121	0.30	0.64	A	1.617	0.30	0.49	A	2.819	0.30	0.85
C	0.000	1.00	0.00	C	0.706	1.00	0.71	C	0.000	1.00	0.00
CA	0.015	0.95	0.01	CA	0.269	0.95	0.26	CA	0.007	0.95	0.01
PAVING	0.238	0.95	0.21	PAVING	0.797	0.95	0.76	PAVING	0.404	0.95	0.38
Sum	2.35		0.86	Sum	2.39		2.20	Sum	3.22		1.32
Weighted Runoff Coefficient = 0.36				Weighted Runoff Coefficient = 0.65				Weighted Runoff Coefficient = 0.40			

PRELIMINARY DETENTION VOLUME CALCULATIONS

MODIFIED RATIONAL DETENTION CALCULATION									
Return Interval =	2	5	10	25	50	100 yr			
Ex t =						15 min			
Allowable Release									
Eq. (IV.1-8)	Q ₀ = C _d * I * A	5.02	6.25	7.09	8.26	9.20	10.18 cfs		
Predevelopment C _d = 0.38									
Runoff Coeff. "C" * I * A = 3.9									
Critical Duration of Storm									
Eq. (IV.1-9)	T _{cr} = (2CABb) / (Q ₀ * V ^{0.5})	26.85	30.07	31.4	32.41	32.95	33.8 min		
Developed C _d = 0.06									
A ₁ = 129.51									
A ₂ = 16.634									
Preliminary Required Storage Volume									
Eq. (IV.1-10a)	V _{req} = 60(CA ₁ - 2CA ₂) * (Q ₀ / (2 * T _{cr} - 1))	5,023	6,531	7,550	8,927	10,013	11,200 ft ³		
Minimum Proposed Time of Concentration									
Developed C _d = 0.85									
A ₁ = 129.51									
A ₂ = 16.634									
Required Storage Volume									
Eq. (IV.1-10b)	V _{req} = V _{pre-dev} * P _{avg} / P _{avg}	8,850	11,478	13,222	15,727	17,930	20,383 ft ³		
Minimum Required Pond Storage Volume									
V _{req} = 8,850									
P _{avg} = 2.22									
I _{avg} = 0.74									
P _{avg} * T _{cr} / 2400 = 1.26									
I _{avg} = 2.81									

Existing area is 2.94 ac

allowable release = 8.84 cfs
However, most flow goes west under existing conditions; if directing all release to the north outfall, allowable release will be smaller. Please update and update required volume.

Required storage = 22,572
if total release is 8.84. However it'll be larger if directing all outflow to north.

REV. 1
REV. 2
REV. 3
REV. 4
REV. 5

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DAVID MCKINNEY
 PRELIMINARY PLAN
 ROCK CREEK WINERY
 TOWN OF CROSSROADS & TOWN OF CROSSROADS ETL, DENTON COUNTY, TEXAS
 PRELIMINARY CULVERT PLAN AND CALCULATIONS

EXISTING DESIGN POINT A

Description	A	B	C	Totals
Sheet Flow				
Manning's n-value	= 0.150	0.011	0.011	
Flow length (ft)	= 750	0.0	0.0	
Two-year 24-hr precip. (in)	= 2.20	0.00	0.00	
Land slope (%)	= 1147	0.00	0.00	
Travel Time (min)	= 4.67	+ 0.00	+ 0.00	= 4.67
Shallow Concentrated Flow				
Flow length (ft)	= 628.00	0.00	0.00	
Watercourse slope (%)	= 8.75	0.00	0.00	
Surface description	= Unpaved	Paved	Paved	
Average velocity (ft/s)	=4.77	0.00	0.00	
Travel Time (min)	= 2.19	+ 0.00	+ 0.00	= 2.19
Channel Flow				
X sectional flow area (sqft)	= 0.00	0.00	0.00	
Wetted perimeter (ft)	= 0.00	0.00	0.00	
Channel slope (%)	= 0.00	0.00	0.00	
Manning's n-value	= 0.015	0.015	0.015	
Velocity (ft/s)	=0.00	0.00	0.00	
Flow length (ft)	((0))0.0	0.0	0.0	
Travel Time (min)	= 0.00	+ 0.00	+ 0.00	= 0.00
Total Travel Time, Tc				6.86 min

0.38 according to weighted C value calculations

EXISTING DESIGN POINT B

Description	A	B	C	Totals
Sheet Flow				
Manning's n-value	= 0.150	0.011	0.011	
Flow length (ft)	= 750	0.0	0.0	
Two-year 24-hr precip. (in)	= 2.20	0.00	0.00	
Land slope (%)	= 2.00	0.00	0.00	
Travel Time (min)	= 9.39	+ 0.00	+ 0.00	= 9.39
Shallow Concentrated Flow				
Flow length (ft)	= 566.00	193.00	194.00	
Watercourse slope (%)	= 7.95	6.51	2.84	
Surface description	= Unpaved	Paved	Unpaved	
Average velocity (ft/s)	=4.55	5.19	2.72	
Travel Time (min)	= 2.07	+ 0.62	+ 1.19	= 3.88
Channel Flow				
X sectional flow area (sqft)	= 3.70	0.00	0.00	
Wetted perimeter (ft)	= 8.60	0.00	0.00	
Channel slope (%)	= 6.08	0.00	0.00	
Manning's n-value	= 0.020	0.015	0.015	
Velocity (ft/s)	=10.52	0.00	0.00	
Flow length (ft)	((0))395.0	0.0	0.0	
Travel Time (min)	= 0.63	+ 0.00	+ 0.00	= 0.63
Total Travel Time, Tc				13.90 min

Missing 395. Total Shallow flow should be near 1350 feet

Update and verify it's less than 15

MINIMUM 15 MINUTE TIME OF CONCENTRATION USED IN CALCULATIONS, PER TABLE IV.1-2 OF DENTON COUNTY SUBDIVISION RULES AND REGULATIONS

PROPOSED DESIGN POINT B

Description	A	B	C	Totals
Sheet Flow				
Manning's n-value	= 0.150	0.011	0.011	
Flow length (ft)	= 750	0.0	0.0	
Two-year 24-hr precip. (in)	= 2.20	0.00	0.00	
Land slope (%)	= 2.60	0.00	0.00	
Travel Time (min)	= 9.39	+ 0.00	+ 0.00	= 9.39
Shallow Concentrated Flow				
Flow length (ft)	= 566.00	193.00	0.00	
Watercourse slope (%)	= 7.95	6.51	0.00	
Surface description	= Unpaved	Paved	Unpaved	
Average velocity (ft/s)	=4.55	5.19	0.00	
Travel Time (min)	= 2.07	+ 0.62	+ 0.00	= 2.69
Channel Flow				
X sectional flow area (sqft)	= 3.70	0.00	0.00	
Wetted perimeter (ft)	= 8.60	0.00	0.00	
Channel slope (%)	= 4.94	0.00	0.00	
Manning's n-value	= 0.020	0.015	0.015	
Velocity (ft/s)	=9.48	0.00	0.00	
Flow length (ft)	((0))415.0	0.0	0.0	
Travel Time (min)	= 0.73	+ 0.00	+ 0.00	= 0.73
Total Travel Time, Tc				12.81 min

MINIMUM 10 MINUTE TIME OF CONCENTRATION USED IN CALCULATIONS, PER TABLE IV.1-2 OF DENTON COUNTY SUBDIVISION RULES AND REGULATIONS

DRAINAGE AREA RUNOFF CALCULATIONS

Design Point	Drainage Area No.	Area (Ac.)	C	Existing Conditions																		Comments				
				2 Yr			5 Yr			25 Yr			25 Yr			100 Yr										
				Time of Conc. (min.)	Runoff Coeff. (%)	Intensity I (in./hr.)	Q 2 (c.f.s.)	Runoff Coeff. (%)	Intensity I (in./hr.)	Q 5 (c.f.s.)	Runoff Coeff. (%)	Intensity I (in./hr.)	Q 25 (c.f.s.)	Runoff Coeff. (%)	Intensity I (in./hr.)	Q 25 (c.f.s.)	Runoff Coeff. (%)	Intensity I (in./hr.)	Q 100 (c.f.s.)							
A	A	2.80	0.37	15	0.36	3.90	3.93	0.37	4.85	5.03	0.37	5.50	5.70	0.37	6.41	6.65	0.37	7.14	7.40	1.00	0.37	7.91	8.20	Site Area to Rockhill ROW		
	OS-4	2.34	0.30	15	0.30	3.90	2.97	0.30	4.85	3.69	0.30	5.50	4.19	0.30	6.41	4.88	0.30	7.14	5.44	1.00	0.30	7.91	6.02	Offsite Area - Sheet flow from South to Rockhill ROW		
																									Total Area to Rockhill ROW	
B	B-1	2.94	0.42	15	0.38	3.90	4.36	0.45	4.85	6.42	0.45	5.50	7.28	0.45	6.41	8.48	0.45	7.14	9.45	1.00	0.45	7.91	10.47	Site Area (Lot 1) to Ex Pond		
	B-2	2.94	0.40	15	0.40	3.90	4.59	0.40	4.85	5.71	0.40	5.50	6.47	0.40	6.41	7.54	0.40	7.14	8.40	1.00	0.40	7.91	8.31	Site Area (Lot 2) to Ex Pond		
	OS-1	0.89	0.30	15	0.30	3.90	1.05	0.30	4.85	1.30	0.30	5.50	1.48	0.30	6.41	1.72	0.30	7.14	1.91	1.00	0.30	7.91	2.12	Offsite Area - Sheet flow from North to Ex Pond		
	OS-2	0.88	0.30	15	0.30	3.90	0.80	0.30	4.85	0.99	0.30	5.50	1.13	0.30	6.41	1.31	0.30	7.14	1.48	1.00	0.30	7.91	1.62	Offsite Area - Sheet flow from North Conveges with Pond Outfall		
C	OS-3	1.53	0.30	15	0.30	3.90	1.79	0.30	4.85	2.22	0.30	5.50	2.52	0.30	6.41	2.93	0.30	7.14	3.27	1.00	0.30	7.91	3.62	Offsite Area - Sheet flow from South to Ex Pond		
																									Total Area to Design Point B	

8.84

Calculate overflow at pond and update flows reaching Design Point B. Provide calculations

Flow to	Runoff Comparison Summary				Net Change
	Design Point	Existing Q100	Developed Q100	Actual Proposed Q100	
Flow to Rockhill ROW (West)	A	14.22	14.05	14.05	No Increase
Flow to Northern Property	B	27.13	37.08	27.13	No Increase
Flow to Eastern Property	C	0.90	0.90	0.90	No Increase

* Note: Proposed Pond will detain increased runoff and limit release to pre-developed flow rate. Pond to be designed at time of Final Plat / Civil Engineering Construction Plans. See preliminary detention volume calculation on sheet 04 of this set.

REV. 1	
REV. 2	
REV. 3	
REV. 4	
REV. 5	

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Drawn by: JSM
Checked by: LKA

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PRELIMINARY PLAT
ROCK CREEK WINERY
TOWN OF CROSSROADS & TOWN OF CROSSROADS ET AL, DENTON COUNTY, TEXAS
DRAINAGE CALCULATIONS



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March 25, 2022

Town of Cross Roads
Ms. Kristy Gilbert
Town Administrator
3201 US Hwy 380, Suite 105
Cross Roads, TX 76227

Re: Rock Creek Winery
Preliminary Plat
AVO 43608.001

Dear Ms. Gilbert:

Allison Engineering has reviewed the comments and has incorporated the changes and improvements as indicated below. **Our responses to the items required for consideration are presented below:**

General

1. The west part of Lot 1 is located within the Lewisville Lake flowage easement (elevation 537). Please coordinate with the USACE to obtain permission regarding runoff and velocities into flowage easement.
Response: Noted.
2. Please summarize and list any permits needed based on the findings of the jurisdictional assessment report.
Response: Noted.
3. Any activity within the FEMA floodplain will require an approved floodplain development permit.
Response: Noted.
4. Please address comments on attached markups and provide annotated responses.
Response: Noted.

Hydrology

5. Please provide separate existing and proposed conditions DA maps. Denton Co. requires 2-yr, 5-yr, 10-yr 25-yr 50-yr and 100-yr flood events. Refer to Denton Co Criteria Manual Section IV.1.2.
Response: 2-yr, 5-yr, 10-yr, 25-yr, 50-yr, & 100-yr flood events have been added to drainage calculation.



6. Account for additional runoff entering site from drainage area OS-2. Please ensure future proposed wall does not block offsite runoff.
Response: Offsite OS-2 flow joins onsite flow at Design Point B. OS-2 is not used in detention calculations but is considered for channel analysis at release point (Design Point B)
7. Under existing conditions, it appears a large section of the existing pond overflows run west towards the west property line and only a small section overflows into the north adjacent property. Refer to attached markup and Figure 1. Please update existing flows reaching west property and those reaching DP "B".
Response: Existing Drainage Are Map has been added and areas have been revised.
8. Verify drainage area reaching pond in existing vs proposed. It appears additional flow will be diverted to the pond in proposed conditions. Please refer to attached markups and Figure 1. Drainage area A will be larger under existing conditions.
Response: Drainage Area A revised.
9. It appears a minimum 10-min time of concentration(tc) was used for both existing and proposed conditions analysis. For existing conditions, it appears the time of concentration will be larger than 10 minutes. Please provide tc calculations.
 - a. When calculating time of concentration, show calculations for overland (sheet), shallow concentrated, pipe and channel flow. Reference Section IV.1.3 Travel Time Estimation from the Denton Co Criteria Manual, page 54 thru 57.
 - b. Show flow paths for each drainage area and corresponding time of concentration calculations.
 - c. Please use $n=0.15$ for grass cover when calculating the sheet flow component of time of concentration.
 - d. Please note that the length of overland flow distance should be limited to 50 (developed) to 100 feet (undeveloped).
 - e. It appears the longest flow path in basin B1 may be altered in proposed conditions due to the proposed drives, pavement and building.
 - f. For proposed conditions, the minimum time of concentration (10 minutes for commercial and 15 for residential) may be used.**Response: Time of Concentrations have been calculated. (See Sheet 05 – Drainage Calculations) Minimum times shall be used to get a conservative estimate.**
10. Indicate how offsite runoff entering site from the west (basin B2) will be conveyed through proposed development.
Response: Will be directed on Lot 2 to Culvert B.
11. It appears that proposed drainage area OS-2 will not enter the pond and will discharge at the pond outfall. This area may be removed from the dentition analysis.
Response: Off-site OS-2 flow joins on-site flow at Design Point B. OS-2 is not used in detention calculations but is considered for channel analysis at release point (Design Point B)



12. Provide preliminary detention sizing calculations and outfall structure design based on the Modified Ration Method. Please use equations IV.1.10a and 10b from the Criteria Manual.
 - a. The pond and outlets must be designed for the 2-, 5-, 10-, 25-, 50- and 100-year storms. Note that a minimum of 6 inches of freeboard above the 100-year WSEL.
 - b. Use adjustment factors to the calculated storage volume to account for under sizing. Refer to Modified Rational section IV.1.4. See attached spreadsheet that uses the required equations.
 - c. Outlet pipes for ponds should be 18" RCP/RCB or greater. Also, an overflow structure must be provided above the 100-year WSEL and have a minimum depth of 1-foot. (Denton County Subdivision Rules and Regulations, Section IV)

Response: Detention sizing calculations has been added to sheet 04.

13. Please re-evaluate all sites outfalls (Design Points) based on the attached markups and comments provided herein. If an increase in peak discharge occurs, provide a downstream assessment of the receiving ditch. Use HEC-RAS to evaluate water surface elevations and velocities.

Response: Outfalls have been re-evaluated and no increase in peak flow shall occur.

Hydraulics

14. Please extend proposed pond outfall to the receiving natural swale flowline. A private DE will be required. Extend erosion protection to the receiving swale flowline.

Response: Receiving swale begins onsite. This area will be detailed with Final Plat/ Construction Plans. Private drainage easement shall be obtained as needed.

15. Provide preliminary sizing of proposed swales. Include hydraulic parameters and results.

Response: Preliminary sizing of proposed swales added to Sheet 04 – Preliminary Culvert Plan and Calculations.

Respectfully Submitted,
Allison Engineering Group

TOWN OF CROSS ROADS
PLATTING APPLICATION



~~11/08/2021~~ 03/07/2022
 DATE: ~~02/14/2020~~ 03/09/2020
 APPLICATION # ~~2020-0309-02 PPLA~~ 2022-0307-02 PPLA
 PROJECT: Rock Creek Winery

Completed applications will be considered received on the due date specified on the yearly Submission Schedule.
PLEASE VERIFY MEETING DATES.

TYPE OF PLAT

Preliminary _____ Replat _____
 Final _____ Administrative/Amending _____

PLEASE SPECIFY THE PRIMARY CONTACT

Land Owner Name David Mckinney Signature *David Mckinney*
Cynthia Mozur Signature *Cynthia Mozur*
 Applicant Name David Mckinney Signature *David Mckinney*
Cynthia Mozur Signature *Cynthia Mozur*
 Project Contact Mailing Address 6025 Rock Hill Rd Aubrey, TX 76227
 Project Contact Phone 503-319-6171 Email skinny123fs@me
 Proposed Project Name Rock Creek Winery Location _____
 Lot/Block _____ Abstract AT418A
 DCAD ID _____
 Number of Lots Created 2

SUBMISSION DOCUMENTS

Fee chk # 926 Legal Description _____
 Map _____ List of Neighbors _____
 Site Plan (Commercial) _____ Stamped/Addressed _____
 Envelopes _____
 Drawings (4 full, 2 half) _____
 OTHER (Specify) _____

APPLICATION EXPLANATION

Explanation and Description of Request or Project

This Plat will divide our 9.04 acres into two separate lots. The eastern lot with our existing house and a western lot for future construction / development.

Before submitting an application, the applicant should consult with the Town Administrator to discuss the feasibility of the request and any additional requirements.



COUNCIL AGENDA BRIEFING SHEET

Meeting Date:

April 18, 2022

Agenda Item:

Presentation and consideration of the Town of Cross Roads Annual Financial Report for the year ended September 30, 2021.

Prepared by:

Kristi Gilbert, Town Administrator

Description:

Texas Local Government Code Sections 103.001 through 103.002 require a municipality to have their records audited annually by a certified public accountant who is licensed in the state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy. Previously, the Town's audits were prepared by Bill Spore. For Fiscal Year 2021, Mr. Spore provided bookkeeping services related to the audit and coordinated with MWH Group, P.C. to prepare the audit. Valerie Halverson with MWH Group will be at the meeting to present the audit findings. Attached is a draft copy of the audited financials.

Recommended Action:

Staff recommends acceptance of the Fiscal Year 2021 Audited Financial Statements

Attachments:

Draft Audited Financial Statements for acceptance

TOWN OF CROSS ROADS, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2021



**TOWN OF CROSS ROADS, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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Financial Section



Independent Auditor's Report on Financial Statements

Town Council
Town of Cross Roads, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Cross Roads, 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 Cross Roads, Texas' 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 Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Budgetary Comparison Schedule – General Fund, Texas Municipal Retirement

System Schedule of Changes in Net Pension Liability and Related Ratios, Texas Municipal Retirement System Schedule of Contributions, and Texas Municipal Retirement System Schedule of Changes in Total OPEB Liability and Related Ratios on pages 4 through 11 and 39 through 45, 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

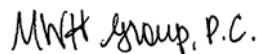
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Cross Roads, Texas' basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates 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 other supplementary information is 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 April 7, 2022, on our consideration of the Town of Cross Roads, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Town of Cross Roads, Texas' internal control over financial reporting and compliance.

Respectfully submitted,



MWH GROUP, P.C.

Wichita Falls, Texas
April 7, 2022

TOWN OF CROSS ROADS, TEXAS

TOWN OFFICIALS

SEPTEMBER 30, 2021

MAYOR	T. Lynn Tompkins Jr.
MAYOR PRO TEM	David Meek
COUNCIL MEMBERS	Greg Gaalema
	Ron King
	Bobby Phillips
	Wendy White-Stevens
ADMINISTRATOR	Kristi Gilbert
SECRETARY	Donna Butler
ATTORNEY	Matthew C. G. Boyle



Town of Cross Roads
3201 US 380, Suite 105
Cross Roads, Texas 76227
940-365-9693 office | 469-375-5905 fax
crossroadstx.gov

As management of the Town of Cross Roads, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2021. The information provided here should be used in conjunction with the basic financial statements.

Management's discussion and analysis ("MD&A") has been designed to [1] assist readers and interested parties in focusing on significant financial issues [2] provide an overview of the Town's financial activity, [3] identify changes in the Town's financial position, including its ability to address the next and subsequent years challenges, [4] identify material deviations from the approved budgets adopted by the Town Council (those charged with governance), and [5] identify individual fund issues or concerns.

Because MD&A focuses on the current year's activity, resulting changes and currently known facts, you are encouraged to read it in conjunction with the basic financial statements including notes thereto, required supplemental information, and other supplementary data provided below.

FINANCIAL HIGHLIGHTS

- The Town's government-wide assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2021, by \$9,689,172, an increase of \$1,567,307 from September 30, 2020.
- The Town's governmental fund balance increased \$1,681,423 during the 2021 fiscal year to a balance of \$3,638,173.
- The Town's capital assets, reported at cost less accumulated depreciation, total \$6,165,948 at September 30, 2021, and the Town continues to not have any long-term debt.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of 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.

Reporting the Town as a Whole - Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities

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

The Statement of Net Position (page 12) presents information on all of the Town's assets and liabilities, with the difference between the two 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 is improving or deteriorating.

The Statement of Activities (page 13) presents information showing how the Town's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. 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 compensated absences). Capital grant funds are reported as revenues in the Statement of Activities.

The Town currently only provides Governmental type activities. Governmental activities include basic services such as fire, ambulance, inspection, parks, streets, and general administration. Permit revenues, sales taxes, and franchise fees finance most of these activities. The Town does not assess or collect a property tax. The Town does not provide any Business-type activities such as water or sewer systems and related fees.

Reporting the Town's Most Significant Funds

Fund Financial Statements

All of the Town's activities are accounted for in a governmental fund, the General Fund. Governmental funds focus on how money flows into and out of the funds and the balances left at the end of the year that is available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements, the Balance Sheet (page 12) and the Statement of Revenues, Expenditures and Changes in Fund Balance (page 13) provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 14.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

A portion of the Town's net position is its investment in capital assets, (land, building, equipment and infrastructure.) The Town uses these capital assets to provide services to the Town's citizens; consequently, these assets are not available for future spending. It is also significant that the Town does not have any long-term debt and it does not levy property taxes.

The Town's net position as of September 30, 2021, and 2020 are as follows:

	2021	2020
Current and other assets	\$ 3,927,343	\$ 2,659,834
Capital assets, net	6,165,948	6,208,854
Total assets	10,093,291	8,868,688
Total deferred outflows of resources	45,819	27,241
Current liabilities	340,670	720,584
Long-term liabilities	54,165	-
Net pension and OPEB liability	36,445	36,754
Total liabilities	431,280	757,338
Total deferred inflows of resources	18,658	16,726
Net position		
Net investment in capital assets	6,165,948	6,208,854
Restricted	542,906	385,414
Unrestricted	2,980,318	1,527,597
Total net position	\$ 9,689,172	\$ 8,121,865

The Town's net position totals \$9,689,172, including liquid assets (cash and receivables less accounts payable) of \$3,620,030. The Town also has significant investment in capital assets, (land, building, equipment and infrastructure.) The Town uses these capital assets to provide services to the Town's citizens; consequently, these assets are not available for future spending. These capital assets represent 61% of the Town's total assets.

Analysis of Town's Operations

The results of the Town's operations for the years ended September 30, 2021 and September 30, 2020, were as follows.

	<u>2021</u>	<u>2020</u>
Revenues		
Program revenues:		
Charges for services	\$ 516,436	\$ 403,101
Grants and donations	165,218	197,497
General revenues:		
Sales and beverage taxes	3,250,114	2,751,019
Franchise fees	134,420	157,314
Interest income	13,614	-
Transfers from dissolution	148,554	-
Reclassification of liability	491,248	10,799
Total revenues	<u>4,719,604</u>	<u>3,519,730</u>
Expenses		
General government	985,593	1,132,153
Culture and recreation	58,168	54,949
Public health and safety	1,579,977	1,410,259
Streets	528,559	739,769
Total expenses	<u>3,152,297</u>	<u>3,337,130</u>
Increase in net position	<u>\$ 1,567,307</u>	<u>\$ 182,600</u>

Charges for services include developer/subdivision fees, building permit, inspection fees, payroll reimbursements and miscellaneous revenues. These fees increased 28% in 2021 due to an increase in commercial building permits issued in the Town during 2021.

Grant and donation revenues in 2021 include \$119,625 covid-19 related grant revenues and pension contributions of \$40,036 from NEPD and NEMC.

The Town's sales and beverage tax revenues increased \$499,095, an 18% increase over 2020 sales and beverage tax revenues. The continued openings of new commercial developments along Highway 380 has significantly added to the sales tax base in the Town.

The interlocal agreement between the Town and the City of Krugerville, which created the Northeast Police Department (NEPD) and the Northeast Municipal Court (NEMC) in 2013, was set to expire on September 30, 2022. On March 26, 2021, the City of Krugerville served the Town of Cross Roads with a Notice of Termination effective on September 30, 2021. The NEPD and NEMC began liquidating and transferring their assets to the two Municipalities during September 2021. Assets, at historic cost, of \$148,554 were transferred to the Town. There will be additional transfers in fiscal year 2022.

In previous fiscal years, the Town has recorded a developer grant liability related to an economic development incentive agreement entered into in 2012 (see note 12). The agreement only requires the Town make payments that are appropriated for in its annual budget. During the fiscal year the Town Council, as allowed for in the economic development incentive agreement, has chosen to not budget appropriations for any economic grant payments related to this agreement. It is also the intention of the current Town Council to not budget appropriations in future years. Based on the absence of such budget allocation it has been determined that the Town’s liability for the grant payments as of September 30, 2021, has been reduced from the previously recorded balance. The reduction of the grant liability has been recorded as income in fiscal year 2021. This adjustment of \$491,248 is recorded in these financial statements as a “Reclassification of Developer Payable.”

Fiscal year 2021 general government expenses decreased \$146,560 during fiscal year. This decrease is primarily due to 2020 expenses including \$407,031 of developer incentive grants with no developer incentive grant expenses being recorded in 2021.

With the NEPD liquidating as of September 30, 2021, the Town incurred expenses related to the creation of the Cross Roads Police Department during the second half of 2021. The Town expended \$113,567 in operating costs for the police department in 2021.

An analysis of the Town’s significant general government and public safety expenses in 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
General government:			
Legal fees	\$ 69,051	\$ 28,262	\$ 40,789
Economic development grants	-	407,031	(407,031)
Engineering fees	59,102	35,379	23,723
Building and equipment maintenance	19,866	19,153	713
Election	8,371	-	8,371
Meetings, travel, and trainings	2,607	4,777	(2,170)
Supplies and minor equipment	49,483	9,955	39,528
Technology	38,386	31,598	6,788
Utilities	15,281	16,797	(1,516)
Staff wages	413,913	392,017	21,896
Payroll taxes	32,603	30,926	1,677
Employee health insurance	37,061	33,840	3,221
Employee retirement	25,115	28,805	(3,690)
Public safety:			
Police services	982,644	982,644	-
Fire and ambulance	452,830	400,300	52,530

GOVERNMENTAL FUND ANALYSIS

The focus of the Town's governmental fund 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 a measure of a government's net resources available for spending at the end of the fiscal year.

General Fund revenues totaled \$3,686,547 in 2021 compared to \$3,139,087 in 2020. This increase is primarily due to an increase in sales tax and permit fee revenues in 2021.

General Fund expenses totaled \$3,041,096 in 2021 compared to \$2,528,717 in 2020 (after removing developer incentive grants). During 2021, the Town created an "in-house" police department and expended \$113,567 in operating costs. The Town also had increases in personnel costs, professional fees and the Town incurred costs related to moving its Town Hall to a new location and revamping the existing Town Hall into a police station.

Total general fund-fund basis revenues exceeded fund basis expenditures in 2021 by \$1,525,253 in 2021 and the Town's general fund balance increased to \$3,096,589.

The Town has the following restricted and committed governmental fund balances at September 30, 2021:

Restricted/Committed to:	
Municipal Utility District	\$ 541,584
Capital improvements	39,000
Legal contingency fund	250,000
Parks	23,025
Public safety	676,000
Roads	<u>368,267</u>
Total restricted/committed	<u>\$ 1,897,876</u>

General Fund Budgetary Highlights

The Town's 2021 budget anticipated a surplus of \$509,943 and the actual surplus was \$1,525,253.

A comparison of actual revenues and expenditures to budgeted revenues and expenditures is as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Total revenues	<u>\$ 3,285,437</u>	<u>\$ 3,686,547</u>	<u>\$ 401,110</u>
Expenditures:			
General government	944,325	887,451	56,874
Culture and recreation	43,000	40,162	2,838
Public health and safety	1,468,474	1,465,990	2,484
Police	127,195	113,567	13,628
Streets	38,000	25,622	12,378
Capital outlay	<u>394,500</u>	<u>508,304</u>	<u>(113,804)</u>
Total expenditures	<u>3,015,494</u>	<u>3,041,096</u>	<u>(25,602)</u>
Transfers and other sources:			
Transfer from Municipal Utility District	240,000	240,000	-
Transfer on dissolution of NEPD and NE	-	148,554	148,554
Reclassification of liability	<u>-</u>	<u>491,248</u>	<u>491,248</u>
Total transfers and other sources	<u>240,000</u>	<u>879,802</u>	<u>639,802</u>
Excess of revenues over expenditures	<u>\$ 509,943</u>	<u>\$ 1,525,253</u>	<u>\$ 1,015,310</u>

CAPITAL ASSETS

The Town's investment in capital assets as of September 30, 2021, amounts to \$6,165,948 (net of depreciation). The investment in capital assets includes land, buildings, parks, equipment, and infrastructure. Capital additions for 2021 included road improvements of \$291,113, office equipment and building improvements of \$42,760, police equipment and building improvements of \$25,887. In addition to these capital additions, assets (at historic cost less accumulated depreciation) totaling \$148,544 were transferred to the Town from NEPD and NEMC as those entities wound down their operations.

A schedule of capital assets is as follows:

	Capital Assets at Year End Net of Accumulated Depreciation	
	2021	2020
Land	\$ 108,090	\$ 108,090
Construction in progress	-	-
Buildings	357,176	375,265
Parks - buildings and equipment	546,161	564,167
Furniture and equipment	223,357	18,345
Infrastructure	4,931,164	5,142,988
Totals	\$ 6,165,948	\$ 6,208,855

Additional information on the Town's capital assets can be found in Note 4 to the Financial Statements.

DEBT ADMINISTRATION

In August 2021, the Town was notified by the State of Texas that it had been overpaid \$71,085 in local sales taxes due to a taxpayer reporting all local sales taxes to the Town in error. The State refunded the sales tax to the taxpayer and now the Town must repay the State. The Town entered into a 42-month payback agreement with the State where a monthly deduction of \$1,642 will be deducted for 41 months and a final deduction of \$1,713. The deductions will start in December 2021. No interest is being assessed by the State.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Budgeted general fund revenues for fiscal year 2022 total \$3,609,315, including \$2,753,132 of sales tax revenues, \$463,750 of permit and fee revenues, \$190,000 of municipal court fines and a \$24,363 transfer from the Municipal Development District. Budgeted general fund expenditures for 2022 total \$3,316,831, including \$1,702,203 for personnel costs, \$452,830 for fire protection, and \$393,423 for road repairs and improvements,

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Town of Cross Roads. If you have questions about this report or need any additional information, contact the Town Secretary at 3201 US Hwy 380, Suite 105, Cross Roads, TX 76227 or at (940) 365-9693.

TOWN OF CROSS ROADS, TEXAS
STATEMENT OF NET POSITION
 SEPTEMBER 30, 2021

EXHIBIT A-1

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 2,821,447
Receivables	619,577
Prepaid expenses	18,143
Restricted cash & cash equivalents	468,176
Capital assets:	
Land	108,090
Buildings	548,033
Parks building and equipment	624,027
Equipment	668,410
Infrastructure	8,022,593
Less: accumulated depreciation	(3,805,205)
Capital assets, net	<u>6,165,948</u>
Total assets	<u>10,093,291</u>
Deferred Outflows of Resources	
Deferred outflows of resources related to pension	43,837
Deferred outflows of resources related to OPEB	1,982
Total deferred outflows of resources	<u>45,819</u>
Liabilities	
Accounts payable	44,826
Accrued liabilities	244,344
Compensated absences	34,580
Tax refund payable - due within one year	16,920
Tax refund payable - due in more than one year	54,165
Net pension liability	9,526
Total OPEB liability	<u>26,919</u>
Total liabilities	<u>431,280</u>
Deferred Inflows of Resources	
Deferred inflows of resources related to pension	16,534
Deferred inflows of resources related to OPEB	2,124
Total deferred inflows of resources	<u>18,658</u>
Net Position	
Net investment in capital assets	6,165,948
Restricted for:	
Municipal development	541,584
Public safety - Covid-19 relief funds	1,322
Unrestricted	<u>2,980,318</u>
Total net position	<u>\$ 9,689,172</u>

The accompanying notes are an integral part of this statement.

TOWN OF CROSS ROADS, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT A-2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ (985,593)	\$ 556,472	\$ 125,182	\$ -	\$ (303,939)
Culture & recreation	(58,168)	-	-	-	(58,168)
Public safety	(1,579,977)	-	-	-	(1,579,977)
Public works - streets	(528,559)	-	-	-	(528,559)
Total governmental activities	<u>(3,152,297)</u>	<u>556,472</u>	<u>125,182</u>	<u>-</u>	<u>(2,470,643)</u>

General revenues and transfers:

Sales tax	3,250,114
Franchise fees	134,420
Interest income	13,614
Transfers from dissolution of NEPD and NEMC	148,554
Reclassification of Developer Payable Liability	491,248
Total general revenues and transfers	<u>4,037,950</u>
Change in net position	1,567,307
Net position, beginning	8,121,865
Net position, ending	<u>\$ 9,689,172</u>

TOWN OF CROSS ROADS, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

EXHIBIT A-3

	General Fund	Municipal Development District	Total
Assets:			
Cash	\$ 2,822,769	\$ 466,854	\$ 3,289,623
Receivables:			
Sales and beverage taxes	525,439	77,874	603,313
Franchise fees	8,834	-	8,834
Due from related entities	7,430	-	7,430
Due from other funds	3,144	(3,144)	-
Prepaid expenses	18,143	-	18,143
Total assets	<u>\$ 3,385,759</u>	<u>\$ 541,584</u>	<u>\$ 3,927,343</u>
Liabilities:			
Accounts Payable	\$ 35,701	\$ -	\$ 35,701
Accrued Liabilities	214,383	-	214,383
Due to related entities	9,125	-	9,125
Developer escrow deposits	29,961	-	29,961
Total liabilities	<u>289,170</u>	<u>-</u>	<u>289,170</u>
Fund balances:			
Non-Spendable:			
Prepaid expenses	18,143	-	18,143
Restricted to:			
Municipal development	-	541,584	541,584
Public safety - Covid-19 relief funds	1,322	-	1,322
Committed to:			
Public safety	674,678	-	674,678
Legal contingency	250,000	-	250,000
Roads	368,267	-	368,267
Parks	23,025	-	23,025
Capital improvements	39,000	-	39,000
Unassigned	1,722,154	-	1,722,154
Total fund balances	<u>3,096,589</u>	<u>541,584</u>	<u>3,638,173</u>
Total liabilities and fund balances	<u>\$ 3,385,759</u>	<u>\$ 541,584</u>	<u>\$ 3,927,343</u>

The accompanying notes are an integral part of this statement.

TOWN OF CROSS ROADS, TEXAS
*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 SEPTEMBER 30, 2021*

EXHIBIT A-4

Total fund balances - governmental funds balance sheet (Exhibit A-3)	\$ 3,638,173
<p>Amounts reported for governmental activities in the statement of net position (Exhibit A-1) are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Fund Balance Sheet.</p>	6,165,948
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Fund Balance Sheet.</p>	
<p style="padding-left: 40px;">Accrued compensated absences</p>	(34,580)
<p style="padding-left: 40px;">Sales tax refund payable</p>	(71,085)
<p>Net Pension Asset, Net OPEB Liability and related Deferred Inflows/Outflows of Resources are not financial resources and, therefore, are not reported in the Fund Balance Sheet</p>	(9,284)
Net position of governmental activities - statement of net position	\$ 9,689,172

The accompanying notes are an integral part of this statement.

TOWN OF CROSS ROADS, TEXAS

EXHIBIT A-5

*STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021*

	General Fund	Municipal Development District	Total
Revenues:			
Sales and beverage taxes	\$ 2,898,779	\$ 422,420	\$ 3,321,199
Franchise fees	134,420	-	134,420
Permits and development fees	378,970	-	378,970
Other revenues	30,023	-	30,023
Intergovernmental revenues	125,182	-	125,182
Personnel reimbursements	107,443	-	107,443
Interest income	11,730	1,884	13,614
Total revenues	<u>3,686,547</u>	<u>424,304</u>	<u>4,110,851</u>
Expenditures:			
General government	887,451	28,134	915,585
Culture and recreation	40,162	-	40,162
Public safety	1,579,557	-	1,579,557
Public works	25,622	-	25,622
Capital outlay	508,304	-	508,304
Total expenditures	<u>3,041,096</u>	<u>28,134</u>	<u>3,069,230</u>
Excess (deficiency) of revenues over (under) expenditures	<u>645,451</u>	<u>396,170</u>	<u>1,041,621</u>
Other financing sources (uses):			
Transfers from dissolution of NEPD and NEMC	148,554	-	148,554
Transfers to/from Municipal Development District	240,000	(240,000)	-
Reclassification of Developer Payable Liability	491,248	-	491,248
Total other financing sources	<u>879,802</u>	<u>(240,000)</u>	<u>639,802</u>
Excess of revenues and other financing sources over expenditures	1,525,253	156,170	1,681,423
Fund balance, beginning	<u>1,571,336</u>	<u>385,414</u>	<u>1,956,750</u>
Fund balance, ending	<u>\$ 3,096,589</u>	<u>\$ 541,584</u>	<u>\$ 3,638,173</u>

The accompanying notes are an integral part of this statement.

TOWN OF CROSS ROADS, TEXAS

EXHIBIT A-6

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021*

Net change in fund balances - total governmental funds (Exhibit A-5) \$ 1,681,423

Amounts reported for governmental activities in the statement of activities (Exhibit A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are allocated over their useful lives as depreciation expense. The net difference between the two is as follows:

Capital outlay during the year	508,304
Depreciation expense during the year	(551,210)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. The net effect of these transactions are as follows:

Sales tax refund payable financed by the State of Texas	(71,085)
---	----------

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(17,080)
----------------------	----------

Changes in the proportionate share of net pension asset and total OPEB liability and related deferred inflows and outflows reported in the Statement of Activities do not provide for or require use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds. The net effect of these transactions are as follows:

16,955

Change in net position of governmental activities - statement of activities \$ 1,567,307

The accompanying notes are an integral part of this statement.

**TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Cross Roads operates under a Council-Mayor form of government, following the laws of a General Law Town as defined by the State of Texas. The Town provides the following services: fire, ambulance, inspection, parks, streets, and general administrative services.

The Town's financial statements are prepared in accordance with generally accepted accounting principles accepted in the United States of America (GAAP) applicable to local governments. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable). As allowed in P80 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the Town has elected to not apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The more significant accounting policies of the Town are discussed below:

A. REPORTING ENTITY

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Town of Cross Roads (the primary government) and its component units. The following component units are included in the Town's reporting entity because of their operational and financial relationship with the Town.

Blended component unit:

The Cross Roads Municipal Development District (the MDD) is governed by a board of five directors, all of whom are appointed by the Town Council of the Town of Cross Roads and any of whom can be removed from office by the Town's Council at its' will. The MDD was formed in the state of Texas as a non-profit municipal development district under the laws passed by the Texas Legislature in 2005 which authorized the establishment of municipal development districts. The purpose of the MDD is to promote development within the Town of Cross Roads. Separate financial statements of the MDD can be obtained from the Town's administrative offices. The MDD began collecting sales tax in October 2014.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Town's fire, ambulance, inspection,

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

parks, police, streets, and general administrative services are classified as governmental activities. The Town does not provide any business-type activities.

In the government-wide Statement of Net Position governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net costs of each of the Town's Functions (general government, culture and recreation, public health, and streets). The functions are also supported by general government revenues (sales, beverage and franchise taxes). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public health, inspection). Operating grants include operating-specific and discretionary grants while capital grants reflect capital specific grants.

The net costs (by function) are normally covered by general revenue (sales and franchise taxes).

The Town does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The Town only provides Governmental Fund type activities, and these activities are accounted for the General Fund. The General Fund is the general operating fund of the Town. It is used to account for all financial resources of the Town.

The Town does not provide any Business-type activities.

The Town does not have any fiduciary funds.

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurements made, regardless of the measurement focus applied.

1. Government-wide and proprietary fund financial statements: These financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of Net Position and the operating statements present increases (revenues) and decreases (expenses) in Net Position. Under the accrual basis of accounting revenues are recognized when earned and expensed are recognized at the time the liability is incurred.
2. Governmental fund financial statements: These financial statements are presented using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e. both measurable and available. “Measurable” means the amount of the transaction can be determined and “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (typical within 60 days after year end). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized only when payment is due.
3. Revenue Recognition: The Town considers sales taxes and franchise fees as available if collected within 60 days after year end. All other governmental revenues are recognized when received.
4. Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles to local governments in the United States of America requires management and those charged with governance to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
5. New Accounting Principles: The Town has adopted all current GASB pronouncements that are applicable to its operations and activities. The accounting principles governing the reported amounts, financial presentations, and disclosures are subject to change from time to time based on new pronouncements and / or rules issued by various standards-setting bodies.

The GASB has issued the following new statements that are potentially applicable

**TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

to the Town of Cross Roads.

- *Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* This statement is effective for fiscal years beginning after June 15, 2021. This statement will not affect the Town.
- *Statement No. 98, The Annual Comprehensive Financial Report.* This statement is effective for fiscal years beginning after December 15, 2021, this statement will not affect the Town.

New pronouncements not yet in effect as of September 30, 2021, are not expected to have any significant impact on the Town's financial position, results of operations, or cash flows. The Town is currently studying these new pronouncements and will adopt them in the fiscal year ending September 2022, as required.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents

The Town has defined cash and cash equivalents to include cash on hand and demand deposits.

2. Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, or improvements and other capital outlays that significantly extend the useful lives of an assets are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is provided on the straight-line basis over the following estimated useful lives:

Buildings	7 - 50 years
Office Equipment	3 - 10 years
Infrastructure	10 years

3. Prepaid Expenses

Prepaid expenses represent payments made by the Town in the current year to provide services occurring in the subsequent year.

4. Compensated Absences

The Town accrues accumulated unpaid vacation time when earned by the

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

employee. The noncurrent portion (the amount estimated to be used in subsequent years) is maintained separately and represents a reconciling item between the fund and government-wide presentations.

5. Deferred Outflows of resources

The Town reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position. Deferred outflows of resources reported in this year's financial statement include (1) for contributions made to the Town's retirement plan between the measurement date of the net pension liabilities from the plan and the end of the Town's fiscal year end and (2) differences between actuarial assumptions for demographic factors.

The deferred outflows for pension contributions will be recognized in the subsequent fiscal year. The deferred outflows related to the difference between expected and actual pension experience will be amortized to pension expense over a closed period equal to the average of the expected remaining service lives of all employees participating in the plan. The deferred outflows related to differences between actuarial assumptions for demographic factors will be amortized over a closed period equal to the average of the expected remaining service lives of all employees participating in the plan.

No deferred outflows of resources affect the governmental funds financial statements in the current year.

6. Deferred Inflows of resources

The Town reports increases in net assets that relate to future periods as deferred inflows of revenues. This separate financial statement element reflects an increase in net assets that applies to a future period(s). Deferred inflows of resources reported in this year's financial statements include (1) a deferred inflow of resources for revenues that are not considered available (2) the difference between expected and actual pension experience, (3) the differences between the plans' projected and actual earnings on pension assets and (3) the difference between expected and actual OPEB experience.

For revenues that are not considered available the Town will not recognize the related revenues until they are available (collected no later than 60 days after the end of the Town's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes are reported in the governmental funds balance sheet as deferred inflows of resources. Deferred inflows for the differences between expected and actual earnings on pension assets will be amortized over the expected remaining service lives of all employees participating in the plan.

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Deferred inflows related differences between the plans' projected and actual earnings on pension assets will be amortized over a total of five years, including the current fiscal year. The deferred inflows related to differences between expected and actual OPEB experience will be amortized over the expected remaining service lives of all employees participating in the plan.

7. Pensions

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 the 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.

8. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted resources are available the Town first applies restricted resources.

9. Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Any outstanding debt is reduced by any unspent debt proceeds at the end of the fiscal year before the reduction discussed above.
- b. Restricted net position - Consists of net position with constraints placed on the use either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the criteria of "restricted" or "invested in capital assets, net of related debt."

**TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable (prepaid expenses), restricted (by parties outside of the government or by enabling legislation), committed (by Town Council ordinance or resolution) and unassigned.

F. BUDGETS AND BUDGETARY ACCOUNTING

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 1, the Town Administrator submits to the Town Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain public comments.
3. Prior to October 1, the budget is legally enacted through the passage of an ordinance.
4. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Unused appropriations for all of the above annually budgeted funds lapse at the end of the fiscal year.

For the fiscal year ending September 30, 2021, there were no departments that had expenditures that exceeded appropriations.

NOTE 2: DEPOSITS

At September 30, 2021, the carrying amount of the Town's cash accounts was \$3,289,623, made up of checking and money market accounts at a local financial institution. The Town did not own any investments at September 30, 2021.

Deposit and Investment risk Disclosures:

(1) Credit risk:

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. The Town does not currently own any investments and, therefore, is not exposed to credit risk

**TOWN OF CROSS ROADS, TX
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2021**

(2) Concentration of credit risk:

This is the risk of loss attributable to the magnitude of the Town’s investment in a single issuer. The Town does not currently own any investments and, therefore, is not exposed to concentration of credit risk.

(3) Interest rate risk:

This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not currently own any investments and, therefore, is not exposed to interest rate risk.

(4) Custodial credit risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of outside parties.

At September 30, 2021, the Town's bank balances (per bank) totaled \$3,412,101. Of the bank balances, \$250,000 was covered by federal depository insurance and the remaining \$3,162,101 was secured by collateral held by the pledging Bank's agent in the name of the Town. The Town was not exposed to custodial credit risk at September 30, 2021.

Securities pledged by the Town's depository institution at September 30, 2021, are as follows:

<u>SECURITY</u>	<u>PAR</u>	<u>MARKET VALUE</u>
Balch Springs, TX Bond	\$ 300,000	\$ 308,514
Lindale, TX Bond	605,000	622,999
Paris, TX Bond	355,000	367,563
Converse, TX Bonds	375,000	394,234
Marple Falls, TX Bond	385,000	399,368
Bailey County, TX Bond	300,000	300,654
Roanoke, TX Bonds	500,000	553,375
Royse, TX Bonds	195,000	221,766
Mercedes, TX ISD Bond	420,000	485,604
Celina, TX Bond	999,409	1,012,432
	<u>\$4,434,409</u>	<u>\$4,666,509</u>

**TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3: RESTRICTED CASH

The Town’s restricted cash as presented in the governmental fund balance sheet consists of the following cash accounts:

Municipal Development District	\$ 466,854
Covid-19 Relief Funds	<u>1,322</u>
	<u><u>\$ 468,176</u></u>

NOTE 4: CAPITAL ASSETS

Capital assets activity for the fiscal year ended September 30, 2021, is as follows:

Governmental activities:	Beginning	Increases	Transfers	Ending
Capital assets not being depreciated				
Land	\$ 108,090	\$ -	\$ -	\$ 108,090
Assets being depreciated				
Building	548,033	-	-	548,033
Park Building & Equipment	624,027	-	-	624,027
Furniture & Equipment	173,509	68,637	426,264	668,410
Infrastructure	7,731,480	291,113	-	8,022,593
Total assets being depreciated	<u>9,077,049</u>	<u>359,750</u>	<u>426,264</u>	<u>9,863,063</u>
 Total assets at historic cost	 <u>9,185,139</u>	 <u>359,750</u>	 <u>426,264</u>	 <u>9,971,153</u>
 Less: accumulated depreciation				
Building	172,769	18,088	-	190,857
Furniture & Equipment	155,164	12,179	277,710	445,053
Park Building & Equipment	59,860	18,006	-	77,866
Infrastructure	2,588,492	502,937	-	3,091,429
 Total accumulated depreciation	 <u>2,976,285</u>	 <u>551,210</u>	 <u>277,710</u>	 <u>3,805,205</u>
 Total capital assets, net	 <u><u>\$ 6,208,854</u></u>	 <u><u>\$ (191,460)</u></u>	 <u><u>\$ 148,554</u></u>	 <u><u>\$ 6,165,948</u></u>

**TOWN OF CROSS ROADS, TX
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2021**

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 29,847
Parks	18,006
Police	420
Public Works	502,937
Total depreciation expense	<u>\$ 551,210</u>

NOTE 5: PROPERTY TAXES

The Town does not levy or collect property taxes

NOTE 6: LONG-TERM DEBT

In August 2021 the Town was notified by the State of Texas that it had been overpaid \$71,085 in local sales taxes due to a taxpayer reporting all local sales taxes to the Town in error. The State refunded the sales tax to the taxpayer and now the Town must repay the State. The Town entered into a 42-month payback agreement with the State where a monthly deduction of \$1,692 will be deducted for 41 months and a final deduction of \$1,713. The deductions will start in December 2021. No interest is being assessed by the State.

Future debt payments are as follows:

2022	\$ 16,920
2023	20,304
2024	20,304
2025	<u>13,557</u>
	<u>\$ 71,085</u>

NOTE 7: COMPENSATED ABSENCES

At September 30, 2021, the Town had a liability for unpaid compensated absence in the amount of \$34,580.

NOTE 8: RETIREMENT PLAN

A. Plan Description

The Town participates as one of 895 plans in the non-traditional, joint contributory, hybrid defined benefit 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

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) can be obtained at www.TMRS.com.

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

B. Benefits provided

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

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 choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a partial Lump Sum Distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The Town has adopted the following plan provisions:

	Plan Year 2020	Plan Year 2021
	<hr/>	<hr/>
Employee deposit rate	7.00%	7.00%
Matching ratio (City 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 or 0/20	60/5 or 0/20

At the December 31, 2020, valuation and measurement date, the following number of employees covered by the benefit terms was:

Inactive employees or beneficiaries currently receiving benefits	1
Inactive employees entitled to but not yet receiving benefits	3
Active employees	<u>12</u>
	<u>16</u>

**TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

C. 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 of the Town were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Town were 7.63% and 7.53% for the calendar years 2021 and 2020 respectively. The Town's contributions to TMRS for the fiscal year ended September 30, 2021, were \$21,332 and were equal to the required contributions.

D. Net Pension Liability or Assets

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 actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases were 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 tables 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% 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.

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Actuarial assumptions were developed from the actuarial investigation of the experience of TMRS over the four-year period December 31, 2014, through 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 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
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.

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Proportionate Share Percentages:

Until their dissolution on September 30, 2021, the Northeast Police Department and the Northeast Municipal Court participate as nonemployer contributing entities in the Town of Cross Roads' pension plan. Proportionate share percentages are based on each entity's actual contributions during the plan year compared to total contributions by all three entities during the plan year. Actual contributions to the retirement plan by these two entities totaled \$39,992 during the fiscal year. This amount is reported as operating grant revenues in the government-wide statement of activities.

Changes in Net pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
	<u> </u>	<u> </u>	<u> </u>
Balance at December 31, 2019	\$ 448,517	\$ 406,875	\$ 41,642
Service Cost	119,196	-	119,196
Interest	34,201	-	34,201
Change in benefit terms	-	-	-
Differences between expected and actual results	(12,240)	-	(12,240)
Change in assumptions	-	-	-
Contributions - employer	-	64,836	(64,836)
Contributions - employee	-	60,113	(60,113)
Net investment income	-	31,140	(31,140)
Benefit Payments, including refunds of employee contributions	(2,858)	(2,858)	-
Administrative expense	-	(200)	200
Other	-	(9)	9
Net Changes	<u>138,299</u>	<u>153,022</u>	<u>(14,723)</u>
Balance at December 31, 2020	<u>\$ 586,816</u>	<u>\$ 559,897</u>	<u>\$ 26,919</u>

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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)	\$ 134,716	\$ 26,919	\$ (59,892)

Pension Plan Fiduciary Net Position:

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

E. 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 \$21,587.

At September 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual economic experience	\$ -	\$ 5,334	\$ (5,334)
Differences in assumption changes	542	-	542
Differences between projected and actual investment earnings	-	11,200	(11,200)
To be recognized in the future	542	16,534	\$ (15,992)
Contributions subsequent to the measurement date	43,295	-	
Total	\$ 43,837	\$ 16,534	

**TOWN OF CROSS ROADS, TX
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2021**

\$43,295 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	
2021	\$ (4,082)
2022	(3,060)
2023	(6,698)
2024	(791)
2025	692
Thereafter	(2,053)
	<u>\$ (15,992)</u>

NOTE 9: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):

A. Benefit Plan Description

The Town participates in the Texas Municipal Retirement System (TMRS) administered defined benefit group-term life insurance plan known as the Supplemental Death benefits Fund (SBDF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee’s annual salary (calculated based on the employer’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 SBDF covers both active and retiree participants, with no segregation of assets, the SBDF is considered to be an unfunded OPEB plan (i.e., no assets are accumulated).

The member city contributes to the SBDF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SBDF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employee’s entire careers.

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75.

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

At the December 31, 2020, valuation and measurement date, the following number of employees were covered by the SBDF benefit plan:

Inactive employees or beneficiaries currently receiving benefits	1
Inactive employees entitled to but not yet receiving benefits	0
Active employees	<u>12</u>
	<u>13</u>

B. Total OPEB Liability

The Town’s Total OPEB Liability was measured as of December 31, 2020, and the Total OPEB Liability was determined by actuarial valuation as of that date.

Actuarial Assumptions:

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

Inflation	2.50%
Salary Increases	3.5% to 11.5% including inflation
Discount Rate	2.00%
Retiree's share of benefit costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and are accounted for under reporting requirements under GASB Statement NO. 68.
Mortality Rates-service retirees	2019 Municipal Retirees of Texas Morality Tables, The rates are projected on a fully generational basis with scale UMP.
Mortality Rates-disabled retirees	2019 Municipal Retirees of Texas Morality 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 young 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.

The discount rate was based on the Fidelity Index’s “20-year Municipal GO AA index” rate as of December 31, 2020.

**TOWN OF CROSS ROADS, TX
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2021**

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of an actuarial experience study for the period December 31, 2014, to December 31, 2018.

Changes in Total OPEB Liability:

Balance at December 31, 2019	\$	7,378
Changes for the year		
Service Cost		2,061
Interest ON Total OPEB Liability		230
Changes in benefit terms		-
Differences between expected and actual results		(1,300)
Changes in assumptions or other inputs		1,243
Benefit Payments *		(86)
Net Changes		<u>2,148</u>
Balance at December 31, 2020	\$	<u>9,526</u>

Sensitivity of the OPEB liability to changes in the discount rate:

The following presents the Total OPEB liability of the Town, calculated using the discount rate of 3.0%, 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 (1.0%) or 1-percentage-point higher (3.0%) 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	<u>\$ 11,475</u>	<u>\$ 9,526</u>	<u>\$ 7,942</u>

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2021, the Town recognized OPEB expense of \$964.

At September 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following Sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual economic experience	\$ -	\$ 2,124	\$ (2,124)
Differences in assumptions	1,958	-	1,958
To be recognized in the future	<u>1,958</u>	<u>2,124</u>	<u>\$ (166)</u>
Contributions subsequent to the measurement date	<u>24</u>	<u>-</u>	
Total	<u>\$ 1,982</u>	<u>\$ 2,124</u>	

The \$24 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	
2021	\$ (24)
2022	(24)
2023	(24)
2024	(24)
2025	(24)
Thereafter	<u>(46)</u>
	<u>\$ (166)</u>

**TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 11: RISK MANAGEMENT

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town is a member of the Texas Municipal League Intergovernmental Risk Pool (“TMLIRP”) which is a public entity insurance risk pool. Annual contributions to TML are reported in the general fund. Management believes coverage presently purchased from TMLIRP is sufficient to preclude significant uninsured losses to the Town.

NOTE 12: CONTINGENT LIABILITIES

In April 2012 the Town entered into an economic development incentive agreement with a local developer. The agreement called for the Town to make annual economic development grants to the developer representing 60% of the local sales tax generated by the development. Since the inception of the agreement, the Town has paid the annual grant payments for calendar years 2015 through 2018 and has accrued a liability for the grant payments thru September 30, 2020. During fiscal year, the Town Council chose to not budget appropriations for any economic grant payments related to this agreement, as allowed for in the economic development incentive agreement. It is also the intention of the current Town Council to not budget appropriations in future years. Based on the absence of such budget allocation it has been determined that the Town does not have a liability for the grant payments and the grant liability as of September 30, 2021, has been reduced from the financial statements. The reduction of the grant liability has been recorded as income in fiscal year 2021. This adjustment of \$491,248 is recorded in these financial statements as a “Reclassification of Developer Payable.”

The previously recorded grant liability as of September 30, 2021, totaled \$653,381. A calculation of the grant liability for fiscal year 2021 has not been made but is estimated to be between \$350,000 to \$400,000. Future Town Council’s could elect to start budgeting an annual appropriation for a payment of the economic development grant.

NOTE 13: RELATED ORGANIZATIONS AND JOINT VENTURES

In 2013, the Town entered into an interlocal agreement with the City of Krugerville to create the Northeast Police Department (NEPD) which became effective October 1, 2013. The term of this agreement was set to run through September 30, 2022. On March 26, 2021, the City of Krugerville served the Town of Cross Roads with a Notice of Termination effective on September 30, 2021. NEPD is in the process of liquidating its assets between the two entities.

Cross Roads provided \$982,644 of support to NEPD during the 2021 fiscal year

TOWN OF CROSS ROADS, TX
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

In 2013, the Town entered into an interlocal agreement with the City of Krugerville to create the Northeast Municipal Court (NEMC) which became effective October 1, 2013. The term of this agreement was set to run through September 30, 2022. On March 26, 2021, the City of Krugerville served the Town of Cross Roads with a Notice of Termination effective on September 30, 2021. NEMC is in the process of liquidating its assets between the two entities.

NOTE 14: SUBSEQUENT EVENTS

The Town has evaluated all events and transactions that occurred after September 30, 2021, through the date the financial statement were available to be issued. During this period there were no subsequent events requiring disclosure.

TOWN OF CROSS ROADS, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales and beverage tax	\$ 2,116,000	\$ 2,646,830	\$ 2,898,779	\$ 251,949
Franchise fees	153,000	140,050	134,420	(5,630)
Permits and development fees	195,000	364,625	378,970	14,345
Other revenues	3,500	4,932	30,023	25,091
Grants	-	-	5,557	5,557
Interest income	7,000	10,500	11,730	1,230
CARES Act Grant	-	-	119,625	119,625
Personnel reimbursement - NEMC	105,000	105,000	93,943	(11,057)
Personnel reimbursement - NEPD	13,500	13,500	13,500	-
Total revenues	2,593,000	3,285,437	3,686,547	401,110
Expenditures				
Administration				
Advertising & Promotion	1,000	2,500	4,051	(1,551)
Public Notices	1,000	1,500	1,279	221
Insurance	7,500	7,500	6,851	649
Meetings, Travel & Training	5,000	5,000	2,607	2,393
Accounting & Auditing	4,500	4,500	4,500	-
Legal Services	12,000	68,000	69,051	(1,051)
Other Professional Services	3,500	84,000	76,806	7,194
Engineering Services	75,000	75,000	59,102	15,898
Codification Services	1,000	2,225	2,219	6
Lovett 380 Agreement	85,451	-	-	-
Election Costs	14,000	8,400	8,371	29
Building & Equipment Maintenance	20,000	18,000	19,866	(1,866)
Supplies & Minor Equipment	11,000	48,700	49,483	(783)
Cares Act Expenses	-	-	2,675	(2,675)
Technology	25,000	53,000	38,386	14,614
Office Rent & CAM Charges	-	19,000	15,043	3,957
Utilities	19,000	18,000	15,281	2,719
Vehicle Expenses	2,000	3,000	3,218	(218)
Staff Wages	415,000	422,000	413,913	8,087
Payroll Taxes	35,000	34,000	32,603	1,397
Employee Health Insurance	36,500	38,000	37,031	969
Employee Retirement	31,275	32,000	25,115	6,885
Total administration	804,726	944,325	887,451	56,874

TOWN OF CROSS ROADS, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Culture and recreation				
Library Inter-Local	21,500	21,500	20,286	1,214
Park Events	5,000	5,000	9,557	(4,557)
Park Maintenance & Planning	15,000	16,500	10,319	6,181
Total culture and recreation	<u>41,500</u>	<u>43,000</u>	<u>40,162</u>	<u>2,838</u>
Public safety				
Animal Control	13,800	13,800	11,500	2,300
Inspection Svcs./Code Enforcement	14,000	17,200	17,072	128
Careflight Services	2,500	2,000	1,944	56
Inter-Local Police Svcs	982,644	982,644	982,644	-
Inter-Local Fire & Ambulance	452,830	452,830	452,830	-
Total public safety	<u>1,465,774</u>	<u>1,468,474</u>	<u>1,465,990</u>	<u>2,484</u>
Police				
Ammunition	-	1,000	1,004	(4)
Building Maintenance	-	1,800	5,345	(3,545)
Contract Services	-	10,000	11,678	(1,678)
Drug Testing	-	-	2,074	(2,074)
Dues & Subscriptions	-	1,500	1,168	332
Equipment Rental	-	600	454	146
Evidence Supplies	-	4,500	2,235	2,265
Insurance-Liability	-	3,000	-	3,000
Legal Fees	-	5,000	275	4,725
National Night Out	-	3,500	3,148	352
Postage	-	200	145	55
Supplies	-	9,200	10,447	(1,247)
Technology	-	12,000	4,448	7,552
Telephone	-	1,875	1,921	(46)
Travel & Training	-	2,000	1,632	368
Uniforms	-	13,500	12,838	662
Utilities	-	470	924	(454)
Vehicle Expenses	-	16,000	3,614	12,386
Wages	-	32,150	48,122	(15,972)
Payroll Taxes	-	2,500	1,096	1,404
Employee-Health Insurance	-	2,500	-	2,500
Retirement	-	2,500	999	1,501
Worker's Comp Insurance	-	1,400	-	1,400
Total police	<u>-</u>	<u>127,195</u>	<u>113,567</u>	<u>13,628</u>

TOWN OF CROSS ROADS, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Streets				
Streets/drainage/repairs and signs	48,000	38,000	25,622	12,378
Total streets	<u>48,000</u>	<u>38,000</u>	<u>25,622</u>	<u>12,378</u>
Capital outlay				
Operations	15,000	61,500	42,750	18,750
Police	-	25,000	25,887	(887)
Streets & Roads	458,000	308,000	291,113	16,887
Transfer from NEPD & NEMC	-	-	148,554	(148,554)
Total capital outlay	<u>473,000</u>	<u>394,500</u>	<u>508,304</u>	<u>(113,804)</u>
Total expenditures	2,833,000	3,015,494	3,041,096	(25,602)
Transfers and other sources				
Transfer on dissolution of NEPD and NEMC	-	-	148,554	148,554
Transfer from Municipal Development District	240,000	240,000	240,000	-
Reclassification of Developer Payable Liability	-	-	491,248	491,248
Total transfers and other sources	<u>240,000</u>	<u>240,000</u>	<u>879,802</u>	<u>639,802</u>
Excess of expenditures over revenues	<u>\$ -</u>	<u>\$ 509,943</u>	1,525,253	<u>\$ 1,015,310</u>
Fund balance, beginning			<u>1,571,336</u>	
Fund balance, ending			<u>\$ 3,096,589</u>	

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

TOWN OF CROSS ROADS, TEXAS

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (RSI) FOR THE YEAR ENDED SEPTEMBER 30, 2021

Budget and Budgetary Accounting

The Town Council adopts an annual budget for the general fund. The general fund budget is legally adopted on a modified accrual basis.

The following procedures are followed in establishing the budgetary data reflected in the Basic Financial Statements:

Prior to the beginning of the fiscal year, the Town prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them. A meeting of the Town Council is then called for the purpose of adopting the proposed budget. At least ten days public notice of the meeting must have been given. Prior to the start of the fiscal year, the budget is legally enacted through passage of a resolution by the Town Council.

Once a budget is approved, it can only be amended by approval of a majority of the members of Town Council. As required by law, such amendments are made before the fact, are reflected in the official minutes of Town Council and are not made after fiscal year end. All budget appropriations lapse at year end.

Budget Amendments

The budget was amended twice during the year ended September 30, 2021.

TOWN OF CROSS ROADS, TEXAS
 TEXAS MUNICIPAL RETIREMENT SYSTEM
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
 DECEMBER 31, 2020

EXHIBIT B-2

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Pension Liability					
Service cost	\$ 31,030	\$ 54,801	\$ 91,923	\$ 107,631	\$ 119,196
Interest (on the Total Pension Liability)	8,216	11,748	16,514	24,516	34,201
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	4,059	(6,382)	10,378	9,938	(12,240)
Change of assumptions	-	-	-	(1,521)	-
Benefit payments, including refunds of employee contributions	<u>(2,858)</u>	<u>(2,858)</u>	<u>(13,391)</u>	<u>(2,858)</u>	<u>(2,858)</u>
Net Change in Total Pension Liability	40,447	57,309	105,424	137,706	138,299
Total Pension Liability - Beginning	<u>107,631</u>	<u>148,078</u>	<u>205,387</u>	<u>310,811</u>	<u>448,517</u>
Total Pension Liability - Ending (a)	<u>\$ 148,078</u>	<u>\$ 205,387</u>	<u>\$ 310,811</u>	<u>\$ 448,517</u>	<u>\$ 586,816</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ 17,315	\$ 28,631	\$ 49,420	\$ 56,258	\$ 64,836
Contributions - Employee	16,825	28,606	46,560	53,434	60,113
Net investment income	5,191	15,710	(5,513)	40,500	31,140
Benefit payments, including refunds of employee contributions	(2,858)	(2,858)	(13,391)	(2,858)	(2,858)
Administrative expenses	(58)	(81)	(106)	(227)	(200)
Other	<u>(3)</u>	<u>(4)</u>	<u>(5)</u>	<u>(7)</u>	<u>(8)</u>
Net Change in Plan Fiduciary Net Position	36,412	70,004	76,965	147,100	153,023
Plan Fiduciary Net Position - Beginning	<u>76,394</u>	<u>112,806</u>	<u>182,810</u>	<u>259,775</u>	<u>406,875</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 112,806</u>	<u>\$ 182,810</u>	<u>\$ 259,775</u>	<u>\$ 406,875</u>	<u>\$ 559,898</u>
Net Pension (Asset) Liability - Ending (a) - (b)	\$ 35,272	\$ 22,577	\$ 51,036	\$ 41,642	\$ 26,918
Town of Cross Roads proportionate share of net pension liability					
Proportionate Percentage *	96.58%	120.78%	53.43%	77.54%	100.00%
Proportionate Share **	<u>\$ 34,066</u>	<u>\$ 27,269</u>	<u>\$ 27,269</u>	<u>\$ 32,289</u>	<u>\$ 26,918</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.18%	89.01%	83.58%	90.72%	95.41%
Covered Employee Payroll	\$ 236,692	\$ 408,655	\$ 655,146	\$ 763,340	\$ 858,759
Net Pension Liability as a Percentage of Covered Employee Payroll	14.90%	5.52%	7.79%	5.46%	3.13%

* Based upon actual contributions made by each contributing entity

** Other contributing entities dissolved September 30, 2021 and their share of the net pension liability was transferred to the Town

TOWN OF CROSS ROADS, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2021

EXHIBIT B-3

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actuarially Determined Contribution	\$ 15,996	\$ 20,798	\$ 22,748	\$ 23,672	\$ 21,332
Contribution in relation to the actuarially determined contribution	<u>15,996</u>	<u>20,798</u>	<u>22,748</u>	<u>23,672</u>	<u>21,332</u>
Contribution excess (deficiency)	-	-	-	-	-
Covered employee payroll	\$225,535	\$282,190	\$305,404	\$316,243	\$348,242
Contributions as a percentage of covered employee payroll	7.09%	7.37%	7.45%	7.49%	6.13%

NOTES TO SCHEDULE OF CONTRIBUTIONS

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	23 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an
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

Other Information:

Notes Adopted restricted prior service credit

TOWN OF CROSS ROADS, TEXAS

EXHIBIT B-4

TEXAS MUNICIPAL RETIREMENT SYSTEM

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

DECEMBER 31, 2020

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability				
Service cost	\$ 899	\$ 1,729	\$ 1,450	\$ 2,061
Interest	134	174	225	230
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	-	(542)	(692)	(1,300)
Changes of assumptions	317	(362)	1,101	1,243
Benefit payments	(41)	(67)	(76)	(86)
Net Change in Total OPEB Liability	1,309	932	2,008	2,148
Total OPEB Liability - Beginning	<u>3,129</u>	<u>4,438</u>	<u>5,370</u>	<u>7,378</u>
Total OPEB Liability - Ending (a)	<u>\$ 4,438</u>	<u>\$ 5,370</u>	<u>\$ 7,378</u>	<u>\$ 9,526</u>
Town of Cross Roads proportionate share of net pension liability				
Proportionate Percentage *	69.90%	66.13%	60.53%	100.00%
Proportionate Share **	<u>\$ 3,102</u>	<u>\$ 3,551</u>	<u>\$ 4,466</u>	<u>\$ 9,526</u>
Covered Employee Payroll	408,655	655,145	763,340	858,759
Total OPEB Liability as a Percentage of Covered Employee Payroll	1.09%	0.82%	0.97%	1.11%

* Based upon actual contributions made by each contributing entity

** Other contributing entities dissolved September 30, 2021 and their share of the OPEB liability was

NOTES TO SCHEDULE:

Changes of assumptions:

Changes of assumptions and other inputs reflect the change in the municipal bond rate index, which is used as a basis for the discount rate.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

TOWN OF CROSS ROADS, TEXAS
COMPARATIVE SCHEDULE OF REVENUES AND
EXPENSES - GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2021, 2020, AND 2019

EXHIBIT C-1

	2021	2020	2019
Revenues:			
Sales and beverage tax	\$ 2,898,779	\$ 2,409,992	\$ 2,178,204
Franchise fees	134,420	157,314	134,101
Permits and development fees	378,970	252,075	260,908
Other revenues	30,023	43,708	30,635
Road contributions	-	158,507	-
Developer public safety donation	-	-	426,000
Grants	5,557	-	-
Interest income	11,730	9,381	6,560
CARES Act Grant	119,625	792	-
Personnel reimbursement - NEMC	93,943	94,318	87,001
Personnel reimbursement - NEPD	13,500	13,000	-
Transfer on dissolution of NEPD and NEM	148,554	-	-
Transfer from Municipal Development Dis	240,000	250,000	200,000
Reclassification of Developer Payable Lial	491,248	-	-
Total revenues	<u>4,566,349</u>	<u>3,389,087</u>	<u>3,323,409</u>
Expenditures			
Administration			
Advertising & Promotion	4,051	680	7,462
Public Notices	1,279	1,470	1,117
Insurance	6,851	7,194	6,700
Meetings, Travel & Training	2,607	4,777	3,097
Accounting & Auditing	4,500	4,250	4,000
Legal Services	69,051	28,262	9,460
Economic development grants	-	407,031	362,186
Other Professional Services	76,806	-	600
Engineering Services	59,102	35,379	52,075
Codification Services	2,219	395	879
Election Costs	8,371	-	6,517
Building & Equipment Maintenance	19,866	19,153	10,890
Supplies & Minor Equipment	49,483	9,955	14,404
Cares Act Expenses	2,675	792	-
Technology	38,386	31,598	19,753
Office Rent & CAM Charges	15,043	-	-
Utilities	15,281	16,797	17,399
Vehicle Expenses	3,218	1,749	2,784
Staff Wages	413,913	392,017	373,556
Payroll Taxes	32,603	30,926	28,781
Employee Health Insurance	37,031	33,840	31,644
Employee Retirement	25,115	28,805	27,271
Total administration	<u>887,451</u>	<u>1,055,070</u>	<u>980,575</u>
Culture and recreation			
Library Inter-Local	20,286	20,664	21,500
Park Events	9,557	4,176	10,818
Park Maintenance & Planning	10,319	12,001	6,823
Total culture and recreation	<u>40,162</u>	<u>36,841</u>	<u>39,141</u>

TOWN OF CROSS ROADS, TEXAS
COMPARATIVE SCHEDULE OF REVENUES AND
EXPENSES - GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2021, 2020, AND 2019

EXHIBIT C-1

	2021	2020	2019
Public safety			
Animal Control	11,500	13,800	12,000
Inspection Svcs./Code Enforcement	17,072	11,595	36,315
Careflight Services	1,944	1,920	2,064
Inter-Local Police Svcs	982,644	982,644	893,822
Inter-Local Fire & Ambulance	452,830	400,300	397,000
Total public safety	<u>1,465,990</u>	<u>1,410,259</u>	<u>1,341,201</u>
Police			
Ammunition	1,004	-	-
Building Maintenance	5,345	-	-
Contract Services	11,678	-	-
Drug Testing	2,074	-	-
Dues & Subscriptions	1,168	-	-
Equipment Rental	454	-	-
Evidence Supplies	2,235	-	-
Legal Fees	275	-	-
National Night Out	3,148	-	-
Postage	145	-	-
Supplies	10,447	-	-
Technology	4,448	-	-
Telephone	1,921	-	-
Travel & Training	1,632	-	-
Uniforms	12,838	-	-
Utilities	924	-	-
Vehicle Expenses	3,614	-	-
Wages	48,122	-	-
Payroll Taxes	1,096	-	-
Retirement	999	-	-
Total police	<u>113,567</u>	<u>-</u>	<u>-</u>
Streets			
Streets/drainage/repairs and signs	25,622	249,277	130,711
Total streets	<u>25,622</u>	<u>249,277</u>	<u>130,711</u>
Capital outlay			
Operations	42,750	1,300	-
Parks	-	-	322,940
Police	25,887	-	-
Streets & Roads	291,113	183,001	267,774
Transfer from NEPD & NEMC	148,554	-	-
Total capital outlay	<u>508,304</u>	<u>184,301</u>	<u>590,714</u>
Total expenditures	<u>3,041,096</u>	<u>2,935,748</u>	<u>3,082,342</u>
Excess of revenues over expenditures	<u>\$ 1,525,253</u>	<u>\$ 453,339</u>	<u>\$ 241,067</u>

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

Internal Control and Compliance



MWH GROUP
CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS

Independent Auditors' Report

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

Town Council
Town of Cross Roads, 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, each major fund, and the aggregate remaining fund information of the Town of Cross Roads, 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 Cross Roads, Texas' basic financial statements and have issued our report thereon dated April 7, 2022.

Internal Control over Financial Reporting

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

In planning and performing our audit of the financial statements, we considered the Town of Cross Roads, Texas' internal control over financial reporting (internal control) as a basis for designing 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 of Cross Roads, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Cross Roads, Texas' internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material

weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Respectfully submitted,

MWH Group, P.C.

MWH GROUP, P.C.

April 7, 2022

**TOWN OF CROSS ROADS, TEXAS
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

A. Summary of Auditor's Results - Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	_____ Yes <u> X </u> No
Significant deficiency identified that is not considered to be material weaknesses?	_____ Yes <u> X </u> No
Noncompliance material to financial statements noted?	_____ Yes <u> X </u> No

B. Financial Statement Findings

None reported.



COUNCIL AGENDA BRIEFING SHEET

Meeting Date:

April 18, 2022

Agenda Item:

Presentation and consideration of the Northeast Municipal Court (NEMC) Annual Financial Report for the year ended September 30, 2021.

Prepared by:

Kristi Gilbert, Town Administrator

Description:

Texas Local Government Code Sections 103.001 through 103.002 require a municipality to have their records audited annually by a certified public accountant who is licensed in the state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy. Previously, the Town's audits were prepared by Bill Spore. For Fiscal Year 2021, Mr. Spore provided bookkeeping services related to the audit and coordinated with MWH Group, P.C. to prepare the audit. Valerie Halverson with MWH Group will be at the meeting to present the audit findings. Attached is a draft copy of the audited financials.

Once the Council's from both Cross Roads and Krugerville accept the audit, the Town, serving as the bookkeeper for NEMC will prepare checks for signature to disperse the remaining funds in the PointBank NEMC bank account.

Recommended Action:

Staff recommends acceptance of the Fiscal Year 2021 NEMC Audited Financial Statements

Attachments:

Draft Audited Financial Statements for acceptance

NORTHEAST MUNICIPAL COURT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

**NORTHEAST MUNICIPAL COURT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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Independent Auditor's Report on Financial Statements

Department Officials
Northeast Municipal Court

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northeast Municipal Court, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Northeast Police Department'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Budgetary Comparison Schedule – General Fund on pages 4 through 8 and 23, 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.

Respectfully submitted,

MWH Group, P.C.

MWH GROUP, P.C.

Wichita Falls, Texas
April 7, 2022

NORTHEAST MUNICIPAL COURT

TOWN OFFICIALS

SEPTEMBER 30, 2021

The Northeast Municipal Court is governed by the Town Council of the Town of Cross

MAYOR	T. Lynn Tompkins, Jr.
MAYOR PRO TEM	David Meek
COUNCIL MEMBERS	Greg Gaalema
	Ron King
	Bobby Phillips
	Wendy White-Stevens
JUDGE	Greg Bertrand
COURT ADMINISTRATOR	Brenda Sanchez

NORTHEAST MUNICIPAL COURT
MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of the Northeast Municipal Court (NEMC), we offer readers of the Court’s financial statements this narrative overview and analysis of the financial activities of the Court for the fiscal year ended September 30, 2021. The information provided here should be used in conjunction with the basic financial statements.

FINANCIAL HIGHLIGHTS

- The Court’s assets exceeded its liabilities at September 30, 2021, by \$277,852
- The Court’s governmental fund balance totals \$277,852 at September 30, 2021.

The agreement creating the Northeast Municipal Court was terminated on September 30, 2021. As the agreement came to an end the Court began distributing its assets between the founding two municipalities.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Court’s basic financial statements. The Court’s basic financial statements are comprised of 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.

Reporting the Court as a Whole - Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities

The government-wide financial statements are designed to provide readers with a broad overview of the Court’s finances in a manner similar to a private-sector business.

The Statement of Net Position (page 9) presents information on all of the Court’s assets and liabilities, with the difference between the two 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 Court is improving or deteriorating.

The Statement of Activities (page 10) presents information showing how the Court’s net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. 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 compensated absences). Capital grant funds are reported as revenues in the Statement of Activities.

The Court currently provides only governmental type activities. The Court’s governmental activities consist of municipal court services. Collections from citation fines and fees support these activities. The Court does not provide any Business-type activities such as water or sewer systems.

Reporting the Court’s Most Significant Funds

Fund Financial Statements

All of the Court’s activities are accounted for in governmental funds. Governmental funds focus on how money flows into and out of the funds and the balances left at the end of the year that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Court’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Court’s programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 15.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Court’s net position as of September 30, 2021, is as follows:

	2021	2020
Assets:		
Current and other assets	\$ 310,746	\$ 305,942
Net pension asset	-	898
Capital assets	-	15,401
Total assets	310,746	322,241
Deferred outflows of resources	-	3,213
Liabilities:		
Current liabilities	32,894	95,338
Long-term liabilities	-	-
Total liabilities	32,894	95,338
Net position:		
Net investment in capital assets	-	15,401
Restricted	68,035	45,333
Unrestricted	209,817	169,382
Total net position	\$ 277,852	\$ 230,116

NEMC was formed effective October 1, 2013, as a jointly owned and operated municipal court. The Court was formed by the City of Krugerville and the Town of Cross Roads to provide municipal court services to the Northeast Police Department (NEPD), a jointly owned police department serving the City of Krugerville and the Town of Cross Roads. The agreement between the two cities was terminated effective September 30, 2021, and NEMC began distributing assets to the two cities in September 2021.

The Court's remaining asset is its cash accounts. The Court has restricted cash accounts of \$68,035 related to court security, court technology, child school safety, juror reimbursement, and truancy prevention fees. The remaining cash balances of \$242,711 at September 30, 2021, are unrestricted and the Court uses these funds to pay the remaining liabilities with the remaining funds distributed to the founding municipalities.

Analysis of Court's Operations

The following table provides a summary of the Court's Changes in Net Position for the years ended September 30, 2021.

	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues:		
Charges for services	\$ 401,431	\$ 389,270
Operating grants and donations	-	-
Capital grants and donations	-	-
General revenues:		
Investment income	986	129
Transfer of asset on dissolution	(10,426)	-
Total revenues	<u>391,991</u>	<u>389,399</u>
Program expenses:		
Public Safety	<u>344,255</u>	<u>382,379</u>
Total Expenses	<u>344,255</u>	<u>382,379</u>
Increase in net position	<u>\$ 47,736</u>	<u>\$ 7,020</u>

Charges for services represent court fines and fees collected by the court related to citations written by the Northeast Police Department.

Public safety expenses include transfers of \$125,000 to the NEPD for support of the NEPD police services. The remaining expenses include personnel expenses of \$103,242, professional fees of \$28,093, supplies and contract services of \$82,945 and depreciation of \$4,975.

GOVERNMENTAL FUND ANALYSIS

The focus of the Court’s governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Court’s financing requirements; in particular, unreserved fund balance may serve a measure of a government’s net resources available for spending at the end of the fiscal year.

A comparative schedule of General Fund revenues and expenditures is as follows:

	2021	2020
Revenues		
Court Fines	\$ 401,431	\$ 389,270
Interest Income	966	129
Total revenues	402,397	389,399
Expenditures		
Public Safety	337,394	383,235
Capital Outlay	-	13,643
Total expenditures	337,394	396,878
Excess of revenues over expenditures	\$ 65,003	\$ (7,479)

Court fines increased \$12,161 (3.12%) during the fiscal year.

Personnel expenditures increased \$9,359 (9.97%), professional fees increased \$7,045 (33.5%) and supplies and contract services expenses decreased \$8,463 (9.3%). The transfers to NEPD decreased \$50,111.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Court’s 2021 budget included \$356,150 of revenues and \$356,150 of expenditures resulting in a balanced budget. Actual court revenues exceeded budgeted revenues by \$46,267 while actual expenditures were \$18,756 less than budgeted expenditures.

CAPITAL ASSETS

The Court’s capital assets, as part of the dissolution of NEMC, were distributed to the two founding municipalities. A schedule of capital assets, net of depreciation expense, is as follows:

	<u>2021</u>	<u>2020</u>
Equipment	<u>\$ -</u>	<u>\$ 15,401</u>

Additional information related to the Court’s capital assets can be found in Note 4.

DEBT ADMINISTRATION

The Court does not have any long-term debts.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

The agreement creating the NEMC expired September 30, 2021, and NEMC did not create a budget for fiscal year 2022.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Northeast Municipal Court. If you have questions about this report or need any additional information, contact the Town of Cross Roads, Town Administrator at 3201 US Hwy 380, Ste 105, Cross Roads, TX. 76227 or at 940-365-9693.

NORTHEAST MUNICIPAL COURT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 242,711
Restricted cash & cash equivalents	68,035
	<hr/>
Total assets	310,746
	<hr/>
Liabilities	
Accounts payable	7,622
Accrued expenses	25,272
	<hr/>
Total liabilities	32,894
	<hr/>
Net Position	
Net investment in capital assets	-
Restricted for:	
Special revenues	68,035
Unrestricted	209,817
	<hr/>
Total net position	\$ 277,852
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

NORTHEAST MUNICIPAL COURT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Public safety	(344,255)	401,431	-	-	57,176
Total governmental activities	<u>(344,255)</u>	<u>401,431</u>	<u>-</u>	<u>-</u>	<u>57,176</u>
General revenues and transfers:					
					986
					(10,426)
					<u>(9,440)</u>
					47,736
					230,116
					<u>\$ 277,852</u>

The accompanying notes are an integral part of this statement.

NORTHEAST MUNICIPAL COURT
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

Assets:	
Cash	\$ <u>310,746</u>
Total assets	<u>\$ 310,746</u>
Liabilities:	
Accounts payable	\$ 7,622
Accrued expenses	25,272
Total liabilities	<u>32,894</u>
Fund balances:	
Restricted for:	
Security and technology fees	46,902
Child school safety fees	2,254
Juror reimbursement fees	370
Truancy prevention fees	18,509
Unassigned	<u>209,817</u>
Total fund balances	<u>277,852</u>
Total liabilities and fund balances	<u>\$ 310,746</u>

The accompanying notes are an integral part of this statement.

NORTHEAST MUNICIPAL COURT
*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 SEPTEMBER 30, 2021*

Total fund balances - governmental funds balance sheet (Exhibit A-3)	\$ 277,852
Amounts reported for governmental activities in the statement of net position (Exhibit A-1) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Fund Balance Sheet.	-
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Fund Balance Sheet.	-
Net Pension Asset, Net OPEB Liability and related Deferred Inflows/Outflows of Resources are not financial resources and, therefore, are not reported in the Fund Balance Sheet	-
Net position of governmental activities - statement of net position	<u>\$ 277,852</u>

The accompanying notes are an integral part of this statement.

NORTHEAST MUNICIPAL COURT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Revenues:	
Court fines	\$ 401,431
Interest income	986
Total revenues	<u>402,417</u>
Expenditures:	
Personnel	101,356
Professional fees	28,093
Supplies and contract services	207,945
Capital outlay	-
Total expenditures	<u>337,394</u>
Excess (deficiency) of revenues over (under) expenditures	<u>65,023</u>
Fund balance, beginning	<u>212,829</u>
Fund balance, ending	<u>\$ 277,852</u>

The accompanying notes are an integral part of this statement.

NORTHEAST MUNICIPAL COURT

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021*

Net change in fund balances - total governmental funds (Exhibit A-5) \$ 65,023

Amounts reported for governmental activities in the statement of activities (Exhibit A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are allocated over their useful lives as depreciation expense. The net difference between the two is as follows:

Capital outlay during the year	-
Depreciation expense during the year	(4,975)
Net book value of assets transferred or discarded	(10,426)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	2,225
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Changes in the proportionate share of net pension asset and total OPEB liability and related deferred inflows and outflows reported in the Statement of Activities do not provide for or require use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds. The net effect of these transactions is:

(4,111)

Change in net position of governmental activities - statement of activities \$ 47,736

The accompanying notes are an integral part of this statement.

**NORTHEAST MUNICIPAL COURT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Northeast Municipal Court (NEMC) is a jointly owned and operated municipal court system. NEMC was formed by the City of Krugerville, Texas and the Town of Cross Roads, Texas to provide municipal court services to their municipalities. The current agreement between Krugerville and Cross Roads was set to expire on September 30, 2022, On March 26, 2021, the City of Krugerville served the Town of Cross Roads with a Notice of Termination effective on September 30, 2021. NEMC is in the process of distributing its assets to the two entities.

For fiscal years 2014 through 2016 the affairs of NEMC were administered by the City Council of the City of Krugerville. Effective September 30, 2016, administration of NEMC was transferred to the Town of Cross Roads.

The NEMC's financial statements are prepared in accordance with generally accepted accounting principles accepted in the United States of America (GAAP) applicable to local governments. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable). As allowed in P80 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the Court has elected to not apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The more significant accounting policies of the Court are discussed below:

A. REPORTING ENTITY

These financial statements present the activities of the municipal court (the primary government). NEMC has no component units (separately administered organizations that are controlled or dependent on the Court).

B. BASIC FINANCIAL STATEMENTS-GOVERNMENT-WIDE STATEMENTS

The NEMC's basic financial statements include both government-wide (reporting the Court as a whole) and fund financial statements (reporting the Court's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Court's services are classified as governmental activities. The Court does not provide any business-type activities.

**NORTHEAST MUNICIPAL COURT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

In the government-wide Statement of Net Position governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Court's net position is reported in three parts- invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Court first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net costs of each of the Court's Functions (public safety). The functions are also supported by general government revenues (investment income). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (contract police service revenues).

Operating grants include operating-specific and discretionary grants while capital grants reflect capital specific grants.

The net costs (by function) are normally covered by contracted police service revenues.

The Court does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Court as an entity and the change in the Court's net position resulting from the current year's activities.

C: BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the Court are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The Court only provides Governmental Fund type activities, and these activities are accounted for the General Fund. The General Fund is the general operating fund of the Court. It is used to account for all financial resources of the Court.

The Court does not provide any Business-type activities.

The Court does not have any Fiduciary Funds.

D: MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurements made,

**NORTHEAST MUNICIPAL COURT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

regardless of the measurement focus applied.

1. Government-wide financial statements: These statements are presented using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total assets. Under the accrual basis of accounting revenues are recognized when earned and expensed are recognized at the time the liability is incurred.
2. Governmental fund financial statements: These statements are presented using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. “Measurable” means the amount of the transaction can be determined and “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (typical within 60 days after year end). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized only when payment is due.
3. Revenue Recognition: The Court recognizes fines and court fees as revenues when received.
4. Restricted Resources: When an expense is incurred for purposes for which both restricted and unrestricted resources are available the Court first applies restricted resources.
5. Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles to local governments in the United States of America requires management and those charged with governance to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
6. New Accounting Principles: The Court has adopted all current GASB pronouncements that are applicable to its operations and activities. The accounting principles governing the reported amounts, financial presentations, and disclosures are subject to change from time to time based on new pronouncements and / or rules issued by various standards-setting bodies. The GASB has issued the following new statements that are potentially applicable to the Court.
 - *Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.*

**NORTHEAST MUNICIPAL COURT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

This statement is effective for fiscal years beginning after June 15, 2021. This statement will not affect the Court.

- *Statement No. 98, The Annual Comprehensive Financial Report.* This statement is effective for fiscal years beginning after December 15, 2021, this statement will not affect the Court.

New pronouncements not yet in effect as of September 30, 2021, are not expected to have any significant impact on the Court's financial position, results of operations, or cash flows. The Court is currently studying these new pronouncements and will adopt them in the fiscal year ending September 2021, as required.

E. FINANCIAL STATEMENT AMOUNTS:

1. Cash and cash Equivalents

The Court has defined cash and cash equivalents to include cash on hand and demand deposits.

2. Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, or improvements and other capital outlays that significantly extend the useful lives of assets are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is provided on the straight-line basis over the following estimated useful lives:

Buildings Improvements	20 years
Equipment	3 - 5 years

3. Deferred Outflows of Resources

The Court reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position. The Department does not currently have any deferred outflows.

4. Deferred Inflows of resources

The Court's statement of government-wide net position reports a separate section for deferred inflows of revenues. This separate financial statement element reflects an increase in net assets that applies to a future period(s). There are no deferred inflows of resources currently reported by the Court in its government-wide position reports. In its governmental funds, the only deferred inflow of resources is for revenues that are

**NORTHEAST MUNICIPAL COURT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

not considered available. The Court will not recognize the related revenues until they are available (collected no later than 60 days after the end of the Department's fiscal year) under the modified accrual basis of accounting. The Department does not have any items that qualify for reporting in this category.

5. Pensions

Prior to its September 30, 2021, dissolution the Department's employees had the option of participating in either the City of Krugerville's TMRS pension plan or the Town of Cross Roads' TMRS pension plan. As part of the September 30, 2021, dissolution the Department's pension liability was transferred to the two Cities based on the employee's prior selection.

6. Taxes

The Court does not have the power or authority to assess and collect a property tax

7. Prepaid Expenses

Prepaid expenses represent payments made by the Court in the current year to provide services occurring in the subsequent year.

8. Compensated Absences

The Court accrues accumulated unpaid vacation, sick, holiday and comp time when earned by its employees. The noncurrent portion (the amount estimated to be used in subsequent years) is maintained separately and represents a reconciling item between the fund and government-wide presentations.

9. Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Any outstanding debt is reduced by any unspent debt proceeds at the end of the fiscal year before the reduction discussed above.
- b. Restricted net position - Consists of net assets with constraints placed on the use either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**NORTHEAST MUNICIPAL COURT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

- c. Unrestricted net position - All other net assets that do not meet the criteria of “restricted” or “invested in capital assets, net of related debt.”

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable (prepaid expenses), restricted (by parties outside of the government or by enabling legislation), committed (by the Commissioners resolution) and unassigned.

F: BUDGETS AND BUDGETARY ACCOUNTING:

The Court follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 31, the Court submits to the contracting municipalities a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
3. Unused appropriations lapse at the end of the fiscal year.

For the fiscal year ending September 30, 2021, the Court did not have any departments that had expenditures that exceeded appropriations:

NOTE 2: CASH:

At September 30, 2021, the carrying amount of the Court’s cash accounts was \$310,746, consisting of a checking account at a local financial institution. The Court did not own any investments at September 30, 2021.

Deposit and Investment Risk Disclosures:

- (1) Custodial credit risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of depository financial institution, the Court will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of outside parties.

At September 30, 2021, the Court's bank balances (per bank) totaled \$322,841. Of the bank balance \$250,000 was covered by federal depository insurance. At September 30,

**NORTHEAST MUNICIPAL COURT
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2021**

2021, the Court was exposed to custodial credit risk in the amount of \$72,841.

(2) Interest rate risk, credit risk, and concentration of credit risk:

The Court does not have any investments and therefor is not subject to interest rate risk, credit risk or concentration of credit risk.

NOTE 3: CAPITAL ASSETS:

Capital assets activity for the fiscal year ended September 30, 2021, is as follows:

<u>Governmental activities:</u>	<u>Beginning</u>	<u>Increases</u>	<u>Transfers</u>	<u>Ending</u>
Assets at historic cost				
Equipment	\$ 16,329	\$ 13,643	\$ (29,972)	\$ -
Less: accumulated depreciation				
Equipment	<u>14,571</u>	<u>4,975</u>	<u>(19,546)</u>	<u>-</u>
 Total capital assets, net	 <u>\$ 1,758</u>	 <u>\$ 8,668</u>	 <u>\$ (10,426)</u>	 <u>\$ -</u>

Depreciation expense was charged to governmental activities as follows:

Public safety	<u>\$ 4,975</u>
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NOTE 4: LONG-TERM DEBT:

The Court does not have any long-term debts.

NOTE 5: RETIREMENT PLAN:

Prior to dissolution, the sole employee of NEMC participated in the Town of Cross Road's retirement plan.

Contributions by the Court to the Town of Cross road's retirement plan in fiscal year 2021 totaled \$4,755.

**NORTHEAST MUNICIPAL COURT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6: RISK MANAGEMENT:

The Court is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Court receives insurance coverage through the Town of Cross Roads who is a member of the Texas Municipal League Intergovernmental Risk Pool (“TMLIRP”) which is a public entity insurance risk pool. Management believes coverage presently purchased from TMLIRP is sufficient to preclude significant uninsured losses to the Court.

NOTE 7: DISSOLUTION:

The agreement creating the Northeast Municipal Court expired on September 30, 2021, with the termination of the Northeast Police Department agreement. As the agreement came to an end the Court began distributing its assets between the two municipalities and at September 30, 2021, the only assets remaining were the cash balances and a receivable from one of the affiliated cities. At September 30, 2021, there were liabilities remaining for trade payables, state court costs and affiliated city payables. All of these liabilities will be paid in fiscal year 2022.

NOTE 8: SUBSEQUENT EVENTS:

The Court has evaluated all events and transactions that occurred after September 30, 2021, through the date the financial statement were available to be issued. During this period there were no subsequent events requiring disclosure.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

NORTHEAST MUNICIPAL COURT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Court fines	\$ 356,075	\$ 356,075	\$ 401,431	\$ 45,356
Interest income	75	75	986	911
Total revenues	<u>356,150</u>	<u>356,150</u>	<u>402,417</u>	<u>46,267</u>
Expenditures				
Personnel				
Wages and benefits - Judge	20,000	20,000	16,197	3,803
Wages and benefits - Staff	85,000	85,000	85,159	(159)
Total personnel	<u>105,000</u>	<u>105,000</u>	<u>101,356</u>	<u>3,644</u>
Professional fees				
Audit fees	1,800	1,800	1,800	-
Prosecutor	20,000	20,000	26,293	(6,293)
Total professional fees	<u>21,800</u>	<u>21,800</u>	<u>28,093</u>	<u>(6,293)</u>
Supplies and contract services				
Court security and technology	45,000	45,000	31,253	13,747
Jury duty pay	1,500	1,500	-	1,500
Office supplies	6,250	6,250	3,960	2,290
Training	3,000	3,000	150	2,850
Warrant officer	47,225	47,225	47,225	-
Other expense	1,375	1,375	357	1,018
Transfer to NEPD - current year	125,000	125,000	125,000	-
Transfer to NEPD - prior year shortage	-	-	-	-
Total supplies and contract services	<u>229,350</u>	<u>229,350</u>	<u>207,945</u>	<u>21,405</u>
Total expenditures	356,150	356,150	337,394	18,756
Excess of expenditures over revenues	<u>\$ -</u>	<u>\$ -</u>	65,023	<u>\$ 65,023</u>
Fund balance, beginning			<u>212,829</u>	
Fund balance, ending			<u>\$ 277,852</u>	



COUNCIL AGENDA BRIEFING SHEET

Meeting Date:

April 18, 2022

Agenda Item:

Presentation and consideration of the Northeast Police Department (NEPD) Annual Financial Report for the year ended September 30, 2021.

Prepared by:

Kristi Gilbert, Town Administrator

Description:

Texas Local Government Code Sections 103.001 through 103.002 require a municipality to have their records audited annually by a certified public accountant who is licensed in the state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy. Previously, the Town's audits were prepared by Bill Spore. For Fiscal Year 2021, Mr. Spore provided bookkeeping services related to the audit and coordinated with MWH Group, P.C. to prepare the audit. Valerie Halverson with MWH Group will be at the meeting to present the audit findings. Attached is a draft copy of the audited financials.

Once the Council's from both Cross Roads and Krugerville accept the audit, the Town, serving as the bookkeeper for NEPD will prepare checks for signature to disperse the funds in the Point Bank NEPD bank accounts.

Recommended Action:

Staff recommends acceptance of the Fiscal Year 2021 NEPD Audited Financial Statements

Attachments:

Draft Audited Financial Statements for acceptance

NORTHEAST POLICE DEPARTMENT

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2021

**NORTHEAST POLICE DEPARTMENT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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Independent Auditor's Report on Financial Statements

Department Officials
Northeast Police Department

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northeast Police Department, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Northeast Police Department'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Budgetary Comparison Schedule – General Fund, Texas Municipal Retirement System Schedule of Changes in Net Pension Liability and Related Ratios, Texas Municipal Retirement System Schedule of Contributions, and Texas Municipal Retirement System Schedule of Changes in Total OPEB Liability and Related Ratios on pages 4 through 8 and 24 through 31, 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.

Respectfully submitted,

MWH Group, P.C.

MWH GROUP, P.C.

Wichita Falls, Texas
April 7, 2022

NORTHEAST POLICE DEPARTMENT

DEPARTMENT OFFICIALS

SEPTEMBER 30, 2021

COMMISSIONERS:

CHAIRMAN T. Lynn Tompkins, Jr.

VICE-CHAIRMAN Greg Gaalema

Diane Bartek

Jeff Parrent

Joey Gonzalez

Steven Zuczek

POLICE CHIEF James Edland

NORTHEAST POLICE DEPARTMENT
MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of the Northeast Police Department (NEPD), we offer readers of the Department’s financial statements this narrative overview and analysis of the financial activities of the Department for the fiscal year ended September 30, 2021. The information provided here should be used in conjunction with the basic financial statements.

FINANCIAL HIGHLIGHTS

- The Department’s assets exceeded its liabilities at September 30, 2021, by \$493,038.
- The Department’s governmental fund balance totals \$493,038 at September 30, 2021, a decrease of \$109,546 from September 30, 2020.

The agreement creating the Northeast Police Department was terminated on September 30, 2021. As the agreement ended the Department began distributing its assets between the founding two cities.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Department’s basic financial statements. The Department’s basic financial statements are comprised of 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.

Reporting the Department as a Whole - Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities

The government-wide financial statements are designed to provide readers with a broad overview of the Department’s finances in a manner similar to a private-sector business.

The Statement of Net Position (page 9) presents information on all of the Department’s assets and liabilities, with the difference between the two 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 Department is improving or deteriorating.

The Statement of Activities (page 10) presents information showing how the Department’s net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. 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 compensated absences). Capital grant funds are reported as revenues in the Statement of Activities.

The Department currently provides only governmental type activities. The Department’s governmental activities consist of police and public safety services. Contracted service revenues finance most of these activities. The Department does not provide any Business-type activities such as water or sewer systems.

Reporting the Department’s Most Significant Funds

Fund Financial Statements

All of the Department’s activities are accounted for in governmental funds. Governmental funds focus on how money flows into and out of the funds and the balances left at the end of the year that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Department’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Department’s programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 15.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Department’s net position as of September 30, 2021, and 2020 is as follows:

	2021	2020
Assets:		
Current and other assets	\$ 602,577	\$ 239,478
Capital assets	-	157,323
Total assets	602,577	396,801
Deferred outflows of resources	-	18,997
Liabilities:		
Current liabilities	109,539	86,213
Long-term liabilities	-	-
Net pension and OPEB liability	-	30,225
Total liabilities	109,539	116,438
Net Position:		
Net investment in capital assets	-	157,323
Restricted	21,261	20,262
Unrestricted	471,777	121,775
Total net position	\$ 493,038	\$ 299,360

NEPD was formed effective October 1, 2013, as a jointly owned and operated municipal police department. The Department was formed by the City of Krugerville and the Town of Cross Roads to provide police services to their municipalities. The agreement between the two municipalities was terminated effective September 30, 2021, and NEPD began distributing assets to the two cities in September 2021.

The Department’s remaining asset is its cash accounts. The Department has restricted cash accounts for of \$22,526 related to seizure funds and National Night Out donations. The remaining cash balances of \$572,176 at September 30, 2021, are unrestricted and the Department will use these funds to pay the remaining liabilities with the remaining funds distributed to the founding cities.

Analysis of Department’s Operations

The following table provides a summary of the Department’ Changes in Net Position for the years ended September 30, 2021, and 2020.

	<u>2021</u>	<u>2020</u>
Revenues		
Program revenues:		
Charges for services	\$ 1,601,998	\$ 1,631,821
Operating grants and donations	5,502	11,912
Capital grants and donations	-	-
General revenues:		
Interest income	1,181	837
Sale of assets	370,287	6,613
Transfer of Assets on Dissolution	(187,146)	-
Total revenues	<u>1,791,822</u>	<u>1,651,183</u>
Program expenses:		
Public safety	<u>1,598,144</u>	<u>1,566,874</u>
Total expenses	<u>1,598,144</u>	<u>1,566,874</u>
Increase in net position	<u>\$ 193,678</u>	<u>\$ 84,309</u>

Charges for services represent contracted police services with the City of Krugerville, the Town of Cross Roads and the Northeast Municipal Court (NEMC). Per the agreement between the municipalities the City of Krugerville provides annual support of \$421,135 and the Town of Cross provides annual support of \$986,642. The NEMC is a joint venture between the municipalities to provide municipal court services related to the citations issued by the NEPD. The annual budget of NEMC includes transferring funds to NEPD as additional service revenue. Support provided by NEMC to NEPD totaled \$125,000 and \$175,111 during fiscal year 2021 and 2020, respectively.

GOVERNMENTAL FUND ANALYSIS

The focus of the Department’s governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Department’s financing requirements; in particular, unreserved fund balance may serve a measure of a government’s net resources available for spending at the end of the fiscal year.

A comparative schedule of General Fund – fund basis revenues and expenditures is as follows:

	2021	2020
Revenues:		
Interlocal Service Revenues	\$ 1,528,779	\$ 1,578,890
Intergovernmental Grants	1,185	1,241
Seizure Fees	6,479	-
Warrant Officer Reimbursement	47,225	31,362
Other Revenues	19,515	21,569
Donations	4,317	10,671
Sale of Assets	425,019	-
Interest Income	1,181	837
Total revenues	2,033,700	1,644,570
Expenditures		
Public Safety	1,565,972	1,479,612
Capital Outlay	152,255	14,158
Total expenditures	1,718,227	1,493,770
Excess of revenues over expenditures	\$ 315,473	\$ 150,800

Interlocal service revenues represent contractually obligated funding from the City of Krugerville, the Town of Cross Roads and the Northeast Municipal Court. These contractual obligations decreased from \$1,578,890 in 2020 to \$1,528,779 in 2021 due to a decrease in funding from NEMC.

Operating expenses increased \$86,360 (5.8%) primarily due to an increase in personnel costs due to an increase in the number of officers employed by the department. Capital outlay expenditures for 2021 include \$8,075 for radio equipment and \$144,180 for police vehicles.

GENERAL FUND BUDGETARY HIGHLIGHTS

The commissioners amended the original 2021 budget to reflect expenditures that were not anticipated in the original budget. The amended budget included projected revenues of \$1,576,000 and expenditures of \$1,716,279, resulting in a deficit budget. This deficit was to be funded from prior year fund balances. As part of the liquidation of the department, the building owned by the department was sold in 2021 for \$425,019. The sales proceeds were not included in the amended budget. As a result of the sale the department has an excess of revenues over expenditures of \$315,473 compared to the budget deficit of \$140,279.

CAPITAL ASSETS

The department's capital assets, as part of the dissolution of NEPD, were distributed to the two founding municipalities. A schedule of capital assets, net of depreciation expense, is as follows:

	<u>2021</u>	<u>2020</u>
Building Improvements	\$ -	\$ 59,278
Equipment	-	25,650
Vehicles	-	72,395
Total	<u>\$ -</u>	<u>\$ 157,323</u>

Additional information related to the Department's capital assets can be found in Note 4.

DEBT ADMINISTRATION

The Department does not have any long-term debts.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The agreement creating the NEPD was terminated on September 30, 2021, and NEPD did not create a budget for fiscal year 2022.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Northeast Police Department. If you have questions about this report or need any additional information, contact the Town of Cross Roads, Town Administrator at 3201 US Hwy 380, Ste 105, Cross Roads, TX. 76227 or at 940-365-9693

NORTHEAST POLICE DEPARTMENT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 572,176
Restricted cash & cash equivalents	22,526
Receivable	7,875
	<hr/>
Total assets	602,577
	<hr/>
Liabilities	
Accounts payable	8,171
Accrued expenses	100,103
Payable - charitable funds	1,265
	<hr/>
Total liabilities	109,539
	<hr/>
Net Position	
Net investment in capital assets	-
Restricted for:	
Special revenues	21,261
Unrestricted	471,777
	<hr/>
Total net position	<u>\$ 493,038</u>

The accompanying notes are an integral part of this statement.

NORTHEAST POLICE DEPARTMENT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Public safety	\$ (1,598,144)	\$ 1,601,998	\$ 5,502	\$ -	\$ 9,356
Total governmental activities	\$ (1,598,144)	\$ 1,601,998	\$ 5,502	\$ -	\$ 9,356
General revenues and transfers:					
					1,181
					370,287
					(187,146)
					<u>184,322</u>
					193,678
					299,360
					<u>\$ 493,038</u>

NORTHEAST POLICE DEPARTMENT
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

Assets:	
Cash	\$ 594,702
Receivable - Town of Cross Roads	<u>7,875</u>
Total assets	<u><u>\$ 602,577</u></u>
Liabilities:	
Accounts payable	\$ 8,171
Accrued wages	78,669
Accrued payroll taxes and insurance	21,434
Payable - charitable funds	<u>1,265</u>
Total liabilities	<u>109,539</u>
Fund balances:	
Restricted:	
Seizure funds	4,190
National Night Out funds	17,071
Unassigned	<u>471,777</u>
Total fund balances	<u>493,038</u>
Total liabilities and fund balances	<u><u>\$ 602,577</u></u>

The accompanying notes are an integral part of this statement.

NORTHEAST POLICE DEPARTMENT
*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 SEPTEMBER 30, 2021*

Total fund balances - governmental funds balance sheet (Exhibit A-3)	\$ 493,038
Amounts reported for governmental activities in the statement of net position (Exhibit A-1) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Fund Balance Sheet.	-
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Fund Balance Sheet.	-
Net Pension Asset, Net OPEB Liability and related Deferred Inflows/Outflows of Resources are not financial resources and, therefore, are not reported in the Fund Balance Sheet	-
Net position of governmental activities - statement of net position	<u>\$ 493,038</u>

The accompanying notes are an integral part of this statement.

NORTHEAST POLICE DEPARTMENT**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Revenues:

Interlocal service revenues	\$ 1,528,779
Intergovernmental grants	1,185
Warrant officer reimbursement	47,225
Other revenues	19,515
Donations - National Night Out	4,317
Seizure income	6,479
Interest income	1,181
Total revenues	<u>1,608,681</u>

Expenditures:

Personnel	1,358,707
Occupancy	4,477
Communication	48,319
Vehicle	72,429
Supplies and contract services	82,040
Capital outlay	152,255
Total expenditures	<u>1,718,227</u>

Excess (deficiency) of revenues over (under) expenditures before other sources	(109,546)
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Other sources:

Sale of assets	<u>425,019</u>
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Excess (deficiency) of revenues over (under) expenditures	315,473
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Fund balance, beginning	<u>177,565</u>
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Fund balance, ending	<u>\$ 493,038</u>
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The accompanying notes are an integral part of this statement.

NORTHEAST POLICE DEPARTMENT

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021*

Net change in fund balances - total governmental funds (Exhibit A-5) \$ 315,473

Amounts reported for governmental activities in the statement of activities (Exhibit A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are allocated over their useful lives as depreciation expense. The net difference between the two is as follows:

Capital outlay during the year	152,255
Depreciation expense during the year	(67,700)
Net book value of assets sold	(54,732)
Net book value of assets transferred or discarded	(187,146)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	24,300
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Changes in the proportionate share of net pension asset and total OPEB liability and related deferred inflows and outflows reported in the Statement of Activities do not provide for or require use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds. The net effect of these transactions is:

11,228

Change in net position of governmental activities - statement of activities \$ 193,678

The accompanying notes are an integral part of this statement.

**NORTHEAST POLICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -

The Northeast Police Department (NEPD) is a jointly owned and operated municipal police department. NEPD was formed by the City of Krugerville, Texas and the Town of Cross Roads, Texas to provide police services to their municipalities. The current agreement between Krugerville and Cross Roads was set to expire on September 30, 2022, On March 26, 2021, the City of Krugerville served the Town of Cross Roads with a Notice of Termination effective on September 30, 2021. NEPD is in the process of distributing its assets to the two entities.

The affairs of NEPD are administered by a six-member Board of Commissioners. The Board of Commissioners consists of two members from Krugerville and four members from Cross Roads.

The NEPD's financial statements are prepared in accordance with generally accepted accounting principles accepted in the United States of America (GAAP) applicable to local governments. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable). As allowed in P80 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the Department has elected to not apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The more significant accounting policies of the Department are discussed below:

A. REPORTING ENTITY

These financial statements present the Department (the primary government). NEPD has no component units (separately administered organizations that are controlled or dependent on the Department).

B. BASIC FINANCIAL STATEMENTS-GOVERNMENT-WIDE STATEMENTS

The NEPD's basic financial statements include both government-wide (reporting the Department as a whole) and fund financial statements (reporting the Department's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Department's police services are classified as governmental activities. The Department does not provide any business-type activities.

In the government-wide Statement of Net Position governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

**NORTHEAST POLICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

The Department's net position is reported in three parts- invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Department first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net costs of each of the Department's Functions (public safety). The functions are also supported by general government revenues (investment income). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (contract police service revenues).

Operating grants include operating-specific and discretionary grants while capital grants reflect capital specific grants.

The net costs (by function) are normally covered by contracted police service revenues.

The Department does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Department as an entity and the change in the Department's net position resulting from the current year's activities.

C: BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the Department are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The Department only provides Governmental Fund type activities, and these activities are accounted for the General Fund. The General Fund is the general operating fund of the Department. It is used to account for all financial resources of the Department.

The Department does not provide any Business-type activities.

The Department does not have any Fiduciary Funds.

D: MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurements made, regardless of the measurement focus applied.

**NORTHEAST POLICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

1. Government-wide financial statements: These statements are presented using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total assets. Under the accrual basis of accounting revenues are recognized when earned and expensed are recognized at the time the liability is incurred.
2. Governmental fund financial statements: These statements are presented using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. “Measurable” means the amount of the transaction can be determined and “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (typical within 60 days after year end). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized only when payment is due.
3. Revenue Recognition: The Department considers service revenues and grants as available if collected within 60 days after year end. All other governmental revenues are recognized when received.
4. Restricted Resources: When an expense is incurred for purposes for which both restricted and unrestricted resources are available the Department first applies restricted resources.
5. Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles to local governments in the United States of America requires management and those charged with governance to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
6. New Accounting Principles: The Department has adopted all current GASB pronouncements that are applicable to its operations and activities. The accounting principles governing the reported amounts, financial presentations, and disclosures are subject to change from time to time based on new pronouncements and / or rules issued by various standards-setting bodies. The GASB has issued the following new statements that are potentially applicable to the Department.
 - *Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* This statement is effective for fiscal years beginning after June 15, 2021. This statement will not affect the Department.
 - *Statement No. 98, The Annual Comprehensive Financial Report.* This statement is

**NORTHEAST POLICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

effective for fiscal years beginning after December 15, 2021, this statement will not affect the Department.

New pronouncements not yet in effect as of September 30, 2021, are not expected to have any significant impact on the Department's financial position, results of operations, or cash flows. The Department is currently studying these new pronouncements and will adopt them in the fiscal year ending September 2022, as required.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents

The Department has defined cash and cash equivalents to include cash on hand and demand deposits.

2. Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, or improvements and other capital outlays that significantly extend the useful lives of assets are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is provided on the straight-line basis over the following estimated useful lives:

Buildings Improvements	20 years
Vehicles & Equipment	3 - 15 years

3. Deferred Outflows of Resources

The Department reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position. The Department does not currently have any deferred outflows.

4. Deferred Inflows of Resources

The Department's statement of government-wide net position reports a separate section for deferred inflows of revenues. This separate financial statement element reflects an increase in net assets that applies to a future period(s). There are no deferred inflows of resources currently reported by the Department in its government-wide position reports. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The Department will not recognize the related revenues until they are available (collected no later than 60 days after the end of the Department's fiscal year) under the modified accrual basis of accounting. The Department does not have any items that qualify for reporting in this category.

**NORTHEAST POLICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

5. Pensions

Prior to its September 30, 2021, dissolution the Department's employees had the option of participating in either the City of Krugerville's TMRS pension plan or the Town of Cross Roads' TMRS pension plan. As part of the September 30, 2021, dissolution the Department's pension liability was transferred to the two municipalities based on the employee's prior selection.

6. Taxes

The Department does not have the power or authority to assess and collect a property tax

7. Prepaid Expenses

Prepaid expenses represent payments made by the Department in the current year to provide services occurring in the subsequent year.

8. Compensated Absences

The Department accrues accumulated unpaid vacation, sick, holiday and comp time when earned by its employees. The noncurrent portion (the amount estimated to be used in subsequent years) is maintained separately and represents a reconciling item between the fund and government-wide presentations.

9. Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Any outstanding debt is reduced by any unspent debt proceeds at the end of the fiscal year before the reduction discussed above.
- b. Restricted net position - Consists of net assets with constraints placed on the use either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net assets that do not meet the criteria of

**NORTHEAST POLICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

“restricted” or “invested in capital assets, net of related debt.”

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable (prepaid expenses), restricted (by parties outside of the government or by enabling legislation), committed (by the Commissioners resolution) and unassigned.

F: BUDGETS AND BUDGETARY ACCOUNTING

The Department follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 31, the Department submits to the contracting municipalities a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
3. Unused appropriations lapse at the end of the fiscal year.

NOTE 2: CASH

At September 30, 2021, the carrying amount of the Department’s cash accounts was \$594,702, consisting of checking accounts (\$181,482) at a local bank and an escrow account held by a local title company (\$413,220). The Department did not own any investments at September 30, 2021.

Deposit and Investment Risk Disclosures:

- (1) Custodial credit risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of depository financial institution, the Department will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of outside parties.

At September 30, 2021, the Department's bank balances (per bank) totaled \$191,968 held at a local bank. The local bank balances were covered by federal depository insurance. The Department was not exposed to custodial credit risk at September 30, 2021.

**NORTHEAST POLICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2021**

(2) Interest rate risk, credit risk, and concentration of credit risk:

The Department does not have any investments and therefor is not subject to interest rate risk, credit risk or concentration of credit risk.

NOTE 3: FUNDING

The agreement between the two municipalities provides for annual funding from each municipality as follows:

City of Krugerville	\$421,135
Town of Cross Roads	\$982,644

The Department also receives service revenues from the Northeast Municipal Court. Revenues from Northeast Municipal Court for the fiscal year totaled \$125,000.

NOTE 4: CAPITAL ASSETS:

Capital assets activity for the fiscal year ended September 30, 2021, is as follows:

<u>Governmental activities:</u>	<u>Beginning</u>	<u>Additions</u>	<u>Transfers & Deletions</u>	<u>Ending</u>
Assets at historical cost				
Building Improvements	\$ 178,377	\$ -	\$ (178,377)	\$ -
Equipment	187,547	8,075	(195,622)	-
Vehicles	472,651	144,180	(616,831)	-
Total at historical cost	<u>838,575</u>	<u>152,255</u>	<u>(990,830)</u>	<u>-</u>
Less: accumulated depreciation				
Building Improvements	119,099	4,546	(123,645)	-
Equipment	304,014	11,521	(315,535)	-
Vehicles	258,139	51,633	(309,772)	-
Total accumulated depreciation	<u>681,252</u>	<u>67,700</u>	<u>(748,952)</u>	<u>-</u>
Total capital assets, net	<u>\$ 157,323</u>	<u>\$ 84,555</u>	<u>\$ (241,878)</u>	<u>\$ -</u>

Depreciation was charged to governmental activities as follows:

Public Safety	<u>\$ 67,700</u>
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NOTE 5: LONG-TERM DEBT:

The Department does not have any long-term debts.

**NORTHEAST POLICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6: RETIREMENT PLAN:

Prior to the dissolution of the Department the employees of the Northeast Police Department had the choice of participating in the City of Krugerville's or the Town of Cross Road's retirement plans.

Contributions made by the Department to the two Municipalities retirement plans in fiscal year 2021 are as follows:

City of Krugerville	\$47,470
Town of Cross Roads	37,629

NOTE 7: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):

Prior to the dissolution of the Department the employees of the Northeast Police Department had the choice of participating in the City of Krugerville's or the Town of Cross Road's defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund.

Contributions made by the Department to the two Municipalities OPEB plans in fiscal year 2021 are as follows:

City of Krugerville	\$628
Town of Cross Roads	329

NOTE 8: RISK MANAGEMENT:

The Department is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Department is a member of the Texas Municipal League Intergovernmental Risk Pool ("TMLIRP") which is a public entity insurance risk pool. Management believes coverage presently purchased from TMLIRP is sufficient to preclude significant uninsured losses to the Department.

NOTE 9: DISSOLUTION:

The agreement creating the Northeast Police Department was terminated on September 30, 2021. As the agreement came to an end the Department began distributing its assets between the two municipalities and at September 30, 2021, the only assets remaining were the cash balances and a receivable from one of the affiliated cities. At September 30, 2021, there were liabilities remaining for trade payables, accrued wages, accrued payroll taxes and payroll deductions. All of these liabilities were paid in October and November of 2021.

**NORTHEAST POLICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10: SUBSEQUENT EVENTS:

The Department has evaluated all events and transactions that occurred after September 30, 2021, through the date the financial statement were available to be issued. During this period there were no subsequent events requiring disclosure.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

NORTHEAST POLICE DEPARTMENT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interlocal services revenues				
Cross Roads	\$ 982,642	\$ 982,642	\$ 982,644	\$ 2
Krugerville	421,135	421,135	421,135	-
Northeast Municipal Court	125,000	125,000	125,000	-
Warrant officer reimbursement	47,223	47,223	47,225	2
LEOSE training grant	-	-	1,185	1,185
Other income	-	-	7,136	7,136
Workers compensation reimbursement	-	-	12,379	12,379
Donations - National Night Out	-	-	4,317	4,317
Seizure income	-	-	6,479	6,479
Sale of assets	-	-	425,019	425,019
Interest income	-	-	1,181	1,181
Total revenues	1,576,000	1,576,000	2,033,700	457,700
Expenditures				
Personnel				
Officer wages	1,081,509	1,081,509	1,062,070	19,439
Payroll taxes	81,712	81,712	87,498	(5,786)
Proportionate share of retirement benefits	86,349	86,349	86,056	293
Medical insurance	102,999	102,999	90,781	12,218
Workers compensation insurance	35,302	35,302	32,302	3,000
Total personnel	1,387,871	1,387,871	1,358,707	29,164
Occupancy				
Building maintenance	-	750	418	332
Landscaping	600	600	535	65
Utilities	3,800	3,050	3,524	(474)
Total occupancy	4,400	4,400	4,477	(77)
Communications				
DCSO - dispatch fees	29,458	29,458	29,458	-
Software support	10,738	10,738	10,001	737
Telephone	9,000	9,000	8,860	140
Total communications	49,196	49,196	48,319	877
Vehicle				
Fuel	29,000	29,000	39,728	(10,728)
Maintenance	26,000	26,000	32,701	(6,701)
Total vehicle	55,000	55,000	72,429	(17,429)

NORTHEAST POLICE DEPARTMENT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Supplies and contract services				
Ammunition	750	750	750	-
Accounting services	13,500	13,500	13,500	-
Audit services	1,850	1,850	1,800	50
Drug test	600	600	675	(75)
Dues and subscriptions	1,500	1,500	705	795
Equipment rental	2,200	2,200	2,359	(159)
Evidence supplies	2,500	2,500	240	2,260
K9 supplies	-	-	1,814	(1,814)
Insurance	21,083	21,083	22,017	(934)
IT support and software	12,000	12,000	13,703	(1,703)
Legal fees	1,250	1,250	2,292	(1,042)
Postage	1,000	1,000	1,097	(97)
Supplies and minor equipment	8,100	8,100	7,487	613
Travel and training	10,000	10,000	9,792	208
Uniforms	3,200	3,200	3,809	(609)
Capital outlay	-	140,279	152,255	(11,976)
Total supplies and contract services	<u>79,533</u>	<u>219,812</u>	<u>234,295</u>	<u>(14,483)</u>
Total expenditures	1,576,000	1,716,279	1,718,227	(1,948)
Excess of expenditures over revenues	<u>\$ -</u>	<u>\$ (140,279)</u>	315,473	<u>\$ 455,752</u>
Fund balance, beginning			<u>177,565</u>	
Fund balance, ending			<u>\$ 493,038</u>	

NORTHEAST POLICE DEPARTMENT
 TEXAS MUNICIPAL RETIREMENT SYSTEM
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
 DECEMBER 31, 2020

EXHIBIT B-2

Employees Covered by the Town of Cross Road's Pension Plan

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Pension Liability					
Service cost	\$ 31,030	\$ 54,801	\$ 91,923	\$ 107,631	\$ 119,196
Interest (on the Total Pension Liability)	8,216	11,748	16,514	24,516	34,201
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	4,059	(6,382)	10,378	9,938	(12,240)
Change of assumptions	-	-	-	(1,521)	-
Benefit payments, including refunds of employee contributions	(2,858)	(2,858)	(13,391)	(2,858)	(2,858)
Net Change in Total Pension Liability	40,447	57,309	105,424	137,706	138,299
Total Pension Liability - Beginning	107,631	148,078	205,387	310,811	448,517
Total Pension Liability - Ending (a)	<u>\$ 148,078</u>	<u>\$ 205,387</u>	<u>\$ 310,811</u>	<u>\$ 448,517</u>	<u>\$ 586,816</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ 17,315	\$ 28,631	\$ 49,420	\$ 56,258	\$ 64,836
Contributions - Employee	16,825	28,606	46,560	53,434	60,113
Net investment income	5,191	15,710	(5,513)	40,500	31,140
Benefit payments, including refunds of employee contributions	(2,858)	(2,858)	(13,391)	(2,858)	(2,858)
Administrative expenses	(58)	(81)	(106)	(227)	(200)
Other	(3)	(4)	(5)	(7)	(8)
Net Change in Plan Fiduciary Net Position	36,412	70,004	76,965	147,100	153,023
Plan Fiduciary Net Position - Beginning	76,394	112,806	182,810	259,775	406,875
Plan Fiduciary Net Position - Ending (b)	<u>\$ 112,806</u>	<u>\$ 182,810</u>	<u>\$ 259,775</u>	<u>\$ 406,875</u>	<u>\$ 559,898</u>
Net Pension (Asset) Liability - Ending (a) - (b)	\$ 35,272	\$ 22,577	\$ 51,036	\$ 41,642	\$ 26,918
Town of Cross Roads proportionate share of net pension liability					
Proportionate Percentage *	2.87%	13.42%	27.30%	26.62%	0.00%
Proportionate Share **	<u>\$ 1,012</u>	<u>\$ 3,030</u>	<u>\$ 13,933</u>	<u>\$ 11,085</u>	<u>\$ -</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.18%	89.01%	83.58%	90.72%	95.41%
Covered Employee Payroll	\$ 236,692	\$ 408,655	\$ 655,146	\$ 763,340	\$ 858,759
Net Pension Liability as a Percentage of Covered Employee Payroll	14.90%	5.52%	7.79%	5.46%	3.13%

* Based upon actual contributions made by each contributing entity

** Other contributing entities dissolved September 30, 2021 and their share of the net pension liability was transferred to the Town of Cross Roads

NORTHEAST POLICE DEPARTMENT
 TEXAS MUNICIPAL RETIREMENT SYSTEM
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
 DECEMBER 31, 2020

EXHIBIT B-2

Employees Covered by the City of Krugerville's Pension Plan

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Pension Liability							
Service cost	54,421	89,263	96,371	89,738	95,784	98,555	100,695
Interest (on the Total Pension Liability)	8,495	15,470	22,220	28,742	37,014	43,805	52,033
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	29,118	2,814	(5,238)	9,429	(25,951)	(11,800)	18,503
Change of assumptions	-	10,023	-	-	-	2,107	-
Benefit payments, including refunds of employee contributions	<u>(11,408)</u>	<u>(8,205)</u>	<u>(17,679)</u>	<u>(9,154)</u>	<u>(7,618)</u>	<u>(7,618)</u>	<u>(16,061)</u>
Net Change in Total Pension Liability	80,626	109,365	95,674	118,755	99,229	125,049	155,170
Total Pension Liability - Beginning	<u>99,848</u>	<u>180,474</u>	<u>289,839</u>	<u>385,513</u>	<u>504,268</u>	<u>603,497</u>	<u>728,546</u>
Total Pension Liability - Ending (a)	<u>\$ 180,474</u>	<u>\$ 289,839</u>	<u>\$ 385,513</u>	<u>\$ 504,268</u>	<u>\$ 603,497</u>	<u>\$ 728,546</u>	<u>\$ 883,716</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 13,239	\$ 48,918	\$ 48,696	\$ 53,198	\$ 55,021	\$ 57,750	\$ 57,014
Contributions - Employee	37,422	44,127	44,675	42,559	45,580	46,899	48,847
Net investment income	6,288	229	16,288	46,169	(13,982)	84,498	55,309
Benefit payments, including refunds of employee contributions	(11,408)	(8,205)	(17,679)	(9,154)	(7,618)	(7,618)	(16,061)
Administrative expenses	(66)	(140)	(183)	(238)	(269)	(475)	(356)
Other	<u>(5)</u>	<u>(6)</u>	<u>(10)</u>	<u>(12)</u>	<u>(14)</u>	<u>(13)</u>	<u>(12)</u>
Net Change in Plan Fiduciary Net Position	45,470	84,923	91,787	132,522	78,718	181,041	144,741
Plan Fiduciary Net Position - Beginning	<u>109,793</u>	<u>155,263</u>	<u>240,186</u>	<u>331,973</u>	<u>464,495</u>	<u>543,213</u>	<u>724,254</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 155,263</u>	<u>\$ 240,186</u>	<u>\$ 331,973</u>	<u>\$ 464,495</u>	<u>\$ 543,213</u>	<u>\$ 724,254</u>	<u>\$ 868,995</u>
Net Pension (Asset) Liability - Ending (a) - (b)	\$ 25,211	\$ 49,653	\$ 53,540	\$ 39,773	\$ 60,284	\$ 4,292	\$ 14,721
City of Krugerville proportionate share of net pension liability							
Proportionate Percentage *	65.67%	67.64%	77.04%	75.66%	76.10%	43.85%	12.78%
Proportionate Share **	<u>\$ 16,556</u>	<u>\$ 33,585</u>	<u>\$ 41,247</u>	<u>\$ 30,092</u>	<u>\$ 45,876</u>	<u>\$ 1,882</u>	<u>\$ 1,881</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.03%	82.87%	86.11%	92.11%	90.01%	99.41%	98.33%
Covered Employee Payroll	\$ 534,604.00	\$ 630,389.00	\$ 638,220.00	\$ 607,981.00	\$ 651,146.00	\$ 669,984.00	\$ 697,820.00
Net Pension Liability as a Percentage of Covered Employee Payroll	4.72%	7.88%	8.39%	6.54%	9.26%	0.64%	2.11%

* Based upon actual contributions made by each contributing entity

** Other contributing entities dissolved September 30, 2021 and their share of the net pension liability was transferred to the City of Krugerville

NORTHEAST POLICE DEPARTMENT
 TEXAS MUNICIPAL RETIREMENT SYSTEM
 SCHEDULE OF CONTRIBUTIONS
 SEPTEMBER 30, 2021

EXHIBIT B-3

Employees Covered by the Town of Cross Roads

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actuarially Determined Contribution	\$ 6,499	\$ 18,259	\$ 28,884	\$ 34,042	\$ 35,238
Contribution in relation to the actuarially determined contribution	<u>6,499</u>	<u>18,259</u>	<u>28,884</u>	<u>34,042</u>	<u>35,238</u>
Contribution excess (deficiency)	-	-	-	-	-
Covered employee payroll	\$ 92,104	\$ 246,789	\$ 387,804	\$ 453,502	\$ 470,598
Contributions as a percentage of covered employee payroll	7.06%	7.40%	7.45%	7.51%	7.49%

NOTES TO SCHEDULE OF CONTRIBUTIONS

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	23 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City'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.

Other Information:

Notes Adopted restricted prior service credit

NORTHEAST POLICE DEPARTMENT
 TEXAS MUNICIPAL RETIREMENT SYSTEM
 SCHEDULE OF CONTRIBUTIONS
 SEPTEMBER 30, 2021

EXHIBIT B-3

Employees Covered by the City of Krugerville Plan

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actuarially Determined Contribution	\$ 26,491	\$ 26,850	\$ 40,557	\$ 43,923	\$ 45,112	\$ 45,048	\$ 43,785
Contribution in relation to the actuarially determined contribution	<u>26,491</u>	<u>26,850</u>	<u>40,557</u>	<u>43,923</u>	<u>45,112</u>	<u>45,048</u>	<u>43,785</u>
Contribution excess (deficiency)	-	-	-	-	-	-	-
Covered employee payroll	\$393,273	\$457,747	\$473,773	\$509,062	\$519,129	\$541,214	\$557,284
Contributions as a percentage of covered employee payroll	6.74%	5.87%	8.56%	8.63%	8.69%	8.32%	7.86%

NOTES TO SCHEDULE OF CONTRIBUTIONS

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	23 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City'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.

Other Information:

Notes Adopted restricted prior service credit

NORTHEAST POLICE DEPARTMENT
 TEXAS MUNICIPAL RETIREMENT SYSTEM
 SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
 DECEMBER 31, 2020

EXHIBIT B-4

Employees Covered by the Town of Cross Roads OPEB Plan

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability				
Service cost	\$ 899	\$ 1,729	\$ 1,450	\$ 2,061
Interest	134	174	225	230
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	-	(542)	(692)	(1,300)
Changes of assumptions	317	(362)	1,101	1,243
Benefit payments	(41)	(67)	(76)	(86)
Net Change in Total OPEB Liability	1,309	932	2,008	2,148
Total OPEB Liability - Beginning	<u>3,129</u>	<u>4,438</u>	<u>5,370</u>	<u>7,378</u>
Total OPEB Liability - Ending (a)	<u>\$ 4,438</u>	<u>\$ 5,370</u>	<u>\$ 7,378</u>	<u>\$ 9,526</u>
Town of Cross Roads proportionate share of net pension liability				
Proportionate Percentage *	69.90%	66.13%	60.53%	100.00%
Proportionate Share **	<u>\$ 3,102</u>	<u>\$ 3,551</u>	<u>\$ 4,466</u>	<u>\$ 9,526</u>
Covered Employee Payroll	408,655	655,145	763,340	858,759
Total OPEB Liability as a Percentage of Covered Employee Payroll	1.09%	0.82%	0.97%	1.11%

* Based upon actual contributions made by each contributing entity

** Other contributing entities dissolved September 30, 2021 and their share of the OPEB liability was transferred to the Town of C

NOTES TO SCHEDULE:

Changes of assumptions:

Changes of assumptions and other inputs reflect the change in the municipal bond rate index, which is used as a basis for the discount rate.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

NORTHEAST POLICE DEPARTMENT
 TEXAS MUNICIPAL RETIREMENT SYSTEM
 SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
 DECEMBER 31, 2020

EXHIBIT B-4

Employees Covered by the City of Krugerville

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability				
Service cost	\$ 1,338	\$ 1,628	\$ 1,340	\$ 1,675
Interest	464	520	580	551
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	-	(612)	(1,352)	(1,440)
Changes of assumptions	1,505	(1,446)	3,745	3,685
Benefit payments	-	-	(67)	(70)
Net Change in Total OPEB Liability	3,307	90	4,246	4,401
Total OPEB Liability - Beginning	<u>11,598</u>	<u>14,905</u>	<u>14,995</u>	<u>19,241</u>
Total OPEB Liability - Ending (a)	<u>\$ 14,905</u>	<u>\$ 14,995</u>	<u>\$ 19,241</u>	<u>\$ 23,642</u>
City of Krugerville proportionate share of net pension liability				
Proportionate Percentage *	79.07%	79.06%	78.88%	0.00%
Proportionate Share **	<u>\$ 11,785</u>	<u>\$ 11,855</u>	<u>\$ 15,177</u>	<u>\$ -</u>
Covered Employee Payroll	607,981	651,146	669,984	697,820
Total OPEB Liability as a Percentage of Covered Employee Payroll	2.45%	2.30%	2.87%	3.39%

* Based upon actual contributions made by each contributing entity

** Other contributing entities dissolved September 30, 2021 and their share of the OPEB liability was transferred to the City of Kru

NOTES TO SCHEDULE:

Changes of assumptions:

Changes of assumptions and other inputs reflect the change in the municipal bond rate index, which is used as a basis for the discount rate.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.



COUNCIL AGENDA BRIEFING SHEET

Meeting Date:

April 18, 2022

Agenda Item:

Discuss and consider Town spending for the following items:

- a. Audited 2021 Financial Report
- b. Audited 2021 NEMC Report
- c. Audited 2021 NEPD Report
- d. 2022 Approved Budget
- e. 2022 Projected Spending

Requested by:

Mayor Pro Tem Dave Meek

Council Member Greg Gaalema

Description:

This item has been added at the request of Mayor Pro-Tem Meek and Council Member Gaalema.