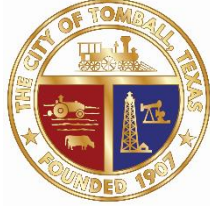


**NOTICE OF TOURISM ADVISORY COMMITTEE
CITY OF TOMBALL, TEXAS**



**Tuesday, July 25, 2023
6:00 PM**

Notice is hereby given of a meeting of the City of Tomball Tourism Advisory Committee, to be held on Tuesday, July 25, 2023 at 6:00 PM, City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tourism Advisory Committee reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

- A. Call to Order
- B. Public Comments and Receipt of Petitions; *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law - GC, 551.042.]*
- C. Approval of Minutes
 - 1. Approve the Minutes of the July 26, 2022, Tourism Advisory Committee Meeting
- D. New Business
 - 1. Receive an Update from Marketing Team
 - 2. Consideration of Application from the Tomball Sister City Organization for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2024 German Heritage Festival.
 - 3. Consideration of Application from the Tomball Sister City Organization for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2023 German Christmas Market.

- 4. Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2023 Holiday Parade.

- 5. Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2024 Tomball Night.

- 6. Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2023-2024 Hotel Occupancy Tax Funds for the Visitor Center.

- 7. Consideration of Application from the Houston Repertoire Ballet for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2023 The Nutcracker Performance Series.

- 8. Consideration of Application from the Spring Creek County Historical Association for use of FY 2023-2024 Hotel Occupancy Funds for 2023-2024 Operations Activities.

E. Adjournment

C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 20 day of July 2023 by 6:00 PM, and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Tracylynn Garcia, TRMC, CMC, CPM
City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary’s office at (281) 290-1019 or FAX (281) 351-6256 for further information.

City Council Meeting Agenda Item Data Sheet

Meeting Date: 07/25/2022

Topic:

Approve the Minutes of the July 26, 2022, Tourism Advisory Committee Meeting

Background:

Origination: City Secretary Office

Recommendation:

Party(ies) responsible for placing this item on agenda: Tracylynn Garcia, City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed Tracylynn Garcia
Staff Member _____ Date _____

Approved by _____
City Manager _____ Date _____

**MINUTES OF REGULAR
TOURISM ADVISORY COMMITTEE MEETING
CITY OF TOMBALL, TEXAS**



**Tuesday, July 26, 2022
6:00 P.M.**

- A. The meeting was called to order by Chair Holly Cook. Other Committee members present were:

Raymond Francois
Kailey Moore
Melanie Sutton
Ted Mielke

Absent:

Jeffie Cappadonna
Page Cassel
Rodney Hutson
Steve Hughes

Others present:

Finance Director-Katherine DuBose
Assistant City Secretary - Tracylynn Garcia

- B. No Public Comments received.

- C. Approval of the minutes.

1. Motion was made by Ted Mielke, second by Melanie Sutton to approve the Minutes of the January 25, 2022, Tourism Advisory Committee Meeting.

Motion carried unanimously.

- D. New Business:

2. Chair Holly Cook announced that no action will be taken at this time regarding appointment/reappointment of Position 1, 3, 6 and 9, and asked that the board secretary reach out to members already serving.
3. Motion was made by Ted Mielke, second by Kaily Moore to recommend approval of the Application from the Greater Tomball Area Chamber of Commerce for Grant from FY

2021-2022 Hotel Occupancy Funds for the Visitor Center in the amount \$10,000.00.

Motion carried unanimously.

4. Motion was made by Kailey Moore, second by Ted Mielke to recommend approval of the Application from the Greater Tomball Area Chamber of Commerce for Grant from FY 2021-2022 Hotel Occupancy Funds for the 2021 Holiday Parade in the amount of \$15,000.00.

Motion carried unanimously.

5. Motion was made by Raymond Francois, second by Ted Mielke to recommend approval of the Greater Tomball Area Chamber of Commerce for Grant from FY 2021-2022 Hotel Occupancy Funds for the 2022 Tomball Night in the amount of \$10,000.00.

Motion carried unanimously.

6. Motion was made by Ted Mielke second by Melanie Sutton to recommend approval of the Greater Tomball Area Chamber of Commerce for Grant from FY 2022-2023 Hotel Occupancy Funds for the Visitor Center in the amount of \$10,000.00.

Motion carried unanimously.

7. Motion was made by Kailey Moore, second by Ted Mielke to recommend approval of the Greater Tomball Area Chamber of Commerce for Grant from FY 2022-2023 Hotel Occupancy Funds for the 2022 Holiday Parade in the amount of \$15,000.00.

Motion carried unanimously.

8. Motion was made by Raymond Francois, second by Kailey Moore to recommend approval of the Greater Tomball Area Chamber of Commerce for Grant from FY 2022-2023 Hotel Occupancy Funds for the 2023 Tomball Night in the amount of \$10,000.00.

Motion carried unanimously.

9. Motion was made by Ted Mielke, second by Kailey Moore to recommend approval of the Houston Repertoire Ballet for Grant from FY 2022-2023 Hotel Occupancy Funds for the 2022 The Nutcracker Performance Series in the amount of \$19,000.00.

Motion carried unanimously.

10. Motion was made by Ted Mielke, second by Raymond Francois to recommend approval of the Tomball Sister City Organization for Grant from FY 2022-2023 Hotel Occupancy Funds for the 2022 German Christmas Market and 2023 German Heritage Festival in the amount of \$160,000.00.

Motion carried unanimously.

11. Motion was made by Melanie Sutton, second by Ted Mielke to recommend approval of the Spring Creek County Historical Association for Grant from FY 2022-2023 Hotel Occupancy Funds for 2022-2023 Operations Activities in the amount of \$30,000.00.

Motion carried unanimously.

12. Motion was made by Ted Mielke, second by Kailey Moore to recommend approval of the Spring Creek County Historical Association for Grant from FY 2022-2023 Hotel Occupancy Funds for the 2022 Tomball Museum Car Social for \$5,000.00.

Motion carried unanimously.

E. Adjournment:

Motion was made by Raymond Francois, second by Ted Mielke, to adjourn.

Motion carried unanimously.

PASSED AND APPROVED this 25th day of July, 2023.

Tracylynn Garcia
City Secretary

Holly Cook
Chair

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: July 25, 2023

Topic:

Consideration of Application from the Tomball Sister City Organization for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2024 German Heritage Festival.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Katherine Tapscott, Finance Director

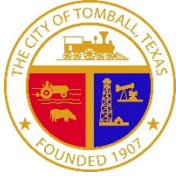
FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: 240-240-6356

If no, funds will be transferred from account _____ To account _____

Signed Katherine Tapscott, CPA Approved by _____
Finance Director 7/19/2023 City Manager Date



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 7/10/2023
 Name of Organization/Business: TOMBALL SISTER CITY ORG.
 Street Address: PO BOX 1131
 City: TOMBALL State: TX Zip Code: 77377
 Contact Name: CRAIG BOGNER
 Phone Number: 832-715-6291 Email: CRAIG@TOMBALLGERMANFEST.ORG

Type of Organization/Business: Private/For-Profit Non-Profit
 Purpose of organization/business: TO KEEP THE GERMAN CULTURE AND HERITAGE OF TOMBALL PAST.
SUPPORT EXCHANGE STUDENTS FROM TELGTE GERMANY TOMBALLS SISTER CITY.
HOLD A HERITAGE DINNER EVERY YEAR FOR THE GERMAN FAMILIES OF TOMBALL.

Does your event/expenditure pass Part One of the statutory Hotel Occupancy Tax test listed below?

Defined specifically as directly enhancing and promoting tourism in Tomball and directly promoting the overnight accommodation industry in Tomball by increasing overnight stays.

Yes No

Does your event/expenditure pass Part Two of the statutory Hotel Occupancy Tax test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one of more of the following categories?

Select all categories that apply.

- Establishment, improvement or maintenance of a convention or visitor center
- Administrative cost for facilitating convention registration
- Advertising, solicitations, and promotions that attracts tourists and delegates
- Encouragement, promotion, improvement, and application of the arts
- Historical restoration or preservation programs
- Signage directing tourists to attractions visited by hotel guests
- None of the above

Is this a new event/expenditure? Yes No

Name of the event/expenditure: TOMBALL GERMAN HERITAGE

Website address of event/expenditure: TOMBALLGERMANFEST.ORG

Date(s) of event/expenditure: mARCH 22,23,24

Location of event/expenditure: 100,200,300,400 BLOCKS OF MARKET STREET

Description of event/expenditure: 3 DAY GERMAN FESTIVAL. 4 MUSIC STAGES, CARNIVAL, KIDS AREA & 150 VENDORS.

Estimated local attendees: 40K Estimated out of town attendees: 20K

If approved, how will the grant funds be used? ADVERTISING, TENTS & CHAIRS GENERATORS & LIGHT TOWERS.

How will you measure the impact of your event on local overnight accommodations? _____

ALL HOTELS FILL UP DURING FESTIVAL ACCORDING TO THE HOTEL AT THE CITY HOTEL MEETING,

Amount of funding requested: \$ 80K/ Inkind See attached

Current operating budget for the event/expenditure: \$ 220,000

Total funding dedicated to advertising/promotion of event/expenditure: \$ 30,000

Organization's direct contribution to the operating and advertising budget: \$ 166,000

Please indicate all promotion efforts your organization will utilize to alert visitors of the event/expenditure:

- Paid Advertising Radio Television Brochures
- Social Media Newspaper Online/Digital Press Release

How do you intend to advertise or promote your event to gain overnight stays in Tomball? _____

During Application process a link is set up for Vendors to stay in Tomball Hotels.

Website has Tomball Hotels linked.

1. I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the event/expenditure to directly enhance and promote the tourism and hotel industry by attracting visitors from outside of Tomball to stay overnight in one of Tomball's lodging facilities.
2. I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.
3. I understand that all grant funds are provided on a reimbursement basis and only proven eligible expenses will be reimbursed.
4. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Tomball prior to receiving reimbursement for the event.

Applicant Signature: C Bogner
Applicant Name: Craig Bogner

Required Documents:

- Itemized budget of expenditures for grant funds
- Organization's most recent annual budget
- Organization's most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently on file with the City of Tomball
- Any other information that supports the request for funding

Please submit applications by email to finance@tomballtx.gov or mail/deliver to:

City of Tomball
Attn: Finance Dept.
501 James Street
Tomball, Texas 77375

The Tomball Sister Cities Organization

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Budget Overview: Budget_FY23_P&L_(1) - FY23 P&L

October 2022 - September 2023

	TOTAL
Income	
Total Income	
GROSS PROFIT	\$0.00
Expenses	
Payroll	52,000.00
TGCM Expenses	2,500.00
Advertising	10,000.00
Buttonstar	700.00
Champions	5,200.00
Community Impace	8,000.00
Das Fenster	0.00
Horsebay	0.00
Houston Chronicle	10,000.00
Kulp Radio	0.00
Kwik Kopy	2,000.00
Neighborhood Publishing	500.00
Photography	1,500.00
Polka	0.00
Star Montrose	0.00
The Rural Connection	400.00
Tomball Chamber	0.00
Townsquare Publications	0.00
Total Advertising	38,300.00
Distributors	
Buses	5,000.00
Porta Potties	5,000.00
Total Distributors	10,000.00
Security	3,200.00
Total TGCM Expenses	54,000.00
TGHF Expenses	
Advertising	3,500.00
American Classifieds	0.00
Button Star	200.00
Community Impact	7,000.00
Das Fenster	400.00
Hello Woodlands	0.00
Horshoebay	0.00
Houston Chronicle	8,000.00
Houston Livestock Show & Rodeo	0.00
KStar	0.00
Kulp Radio	600.00
Kwik Kopy	1,800.00
Neighborhood Publication	400.00

Photography	3,300.00
Polka	0.00
Printing Materials	0.00
ButtonStar	0.00
FastSigns	0.00
Total Printing Materials	0.00
SP Merchandise	0.00
Star Montrose	1,000.00
Team	0.00
Tomball Chamber	0.00
Townsquare Publications	0.00
Zoogee World	0.00
Total Advertising	26,200.00
Distributors	18,000.00
Buses	5,000.00
Porta Potties	4,800.00
Total Distributors	27,800.00
Total TGHF Expenses	54,000.00
Total Expenses	\$160,000.00
NET OPERATING INCOME	\$ -160,000.00
NET INCOME	\$ -160,000.00

The Tomball Sister Cities Organization

Item 3.

Budget Overview: Budget_FY23_P&L - FY23 P&L

October 2022 - September 2023

	TOTAL
Income	
TGCM Income	80,000.00
Festival	60,000.00
Sponsors	20,000.00
Vendors	100,000.00
Total TGCM Income	260,000.00
TGHF Income	80,000.00
Festival	60,000.00
Sponsors	20,000.00
Vendors	100,000.00
Total TGHF Income	260,000.00
Total Income	\$520,000.00
GROSS PROFIT	\$520,000.00
Expenses	
Payroll	
Payroll Service Fee	2,000.00
Payroll Tax Expenses	4,000.00
Salary and Wages	49,000.00
Workers Compensation	237.00
Total Payroll	55,237.00
TGCM Expenses	2,500.00
Advertising	30,000.00
Distributors	80,000.00
Buses	5,000.00
Porta Potties	4,800.00
Total Distributors	89,800.00
Entertainment	
Entertainers	50,000.00
Hotels	6,000.00
Total Entertainment	56,000.00
Security	2,500.00
Total TGCM Expenses	180,800.00
TGHF Expenses	
Advertising	30,000.00
Distributors	80,000.00
Buses	55,000.00
Porta Potties	5,000.00
Total Distributors	140,000.00
Entertainment	4,500.00
Entertainers	42,000.00
Hotels	6,300.00
Total Entertainment	52,800.00

Equipment Rental	15,000.00
Hospitality	1,700.00
Insurance	1,300.00
Security	2,200.00
Volunteers	500.00
Total TGHF Expenses	243,500.00
Total Expenses	\$479,537.00
NET OPERATING INCOME	\$40,463.00
NET INCOME	\$40,463.00

The Tomball Sister City Organization

Independent Accountants' Review Report and
Financial Statements for the Year Ended September 30, 2022

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134 Vintage Park Blvd.
Ste. A #106
Houston, TX 77070
www.nonprofitacctg.com

Independent Accountants' Review Report

To the Board of Directors of
The Tomball Sister City Organization
Houston, Texas

We have reviewed the accompanying financial statements of The Tomball Sister City Organization (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads 'Tipton & Company'.

Tipton & Company
Certified Public Accountants
Houston, Texas

November 29, 2022

Item 3.

The Tomball Sister City Organization

Statement of Financial Position

As of September 30, 2022

Assets

Cash and cash equivalents	\$ 255,692
Property and equipment, net	4,849

Total Assets **\$ 260,541**

Liabilities and Net Assets

Liabilities

Deferred revenue	48,252
Accrued expenses	16,097

Total Liabilities **64,349**

Net Assets

Without donor restriction	196,192
---------------------------	---------

Total Net Assets **196,192**

Total Liabilities and Net Assets **\$ 260,541**

The Tomball Sister City Organization

Statement of Activities

Year ended September 30, 2022	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenues			
Public Support			
Tomball German Heritage Festival grant	\$ 80,000	\$ -	\$ 80,000
Tomball German Christmas Market grant	80,000	-	80,000
Revenue			
Tomball German Heritage Festival sponsorship and fees	173,510	-	173,510
Tomball German Christmas Market sponsorship and fees	137,555	-	137,555
Other income	190	-	190
Total Public Support and Revenues	471,255	-	471,255
Expenses			
Program Activities			
Tomball German Christmas Market	188,635	-	188,635
Tomball German Heritage Festival	190,584	-	190,584
Total Program Activities	379,219	-	379,219
Supporting Activities			
Management and general	52,087	-	52,087
Fundraising	37,990	-	37,990
Total Supporting Activities	90,077	-	90,077
Total Expenses	469,296	-	469,296
Change in Net Assets	1,959	-	1,959
Net Assets, Beginning of Year	194,233	-	194,233
Net Assets, End of Year	\$ 196,192	\$ -	\$ 196,192

See accompanying notes and independent accountants' review report.

The Tomball Sister City Organization

Statement of Functional Expenses

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Year ended September 30, 2022	Program Activities			Supporting Activities			Total
	Tomball German Heritage Festival	Tomball German Christmas Market	Total Program Activities	Management & General	Fundraising	Total Supporting Activities	
Salaries and related expenses							
Salaries and wages	\$ 12,325	\$ 12,325	\$ 24,650	\$ 14,790	\$ 9,860	\$ 24,650	\$ 49,300
Payroll taxes	943	943	1,886	1,131	754	1,885	3,771
Employee benefits	59	59	118	71	48	119	237
Total salaries and related expenses	13,327	13,327	26,654	15,992	10,662	26,654	53,308
Other Expenses							
Advertising	13,668	12,875	26,543	-	26,543	26,543	53,086
Auto	-	-	-	2,253	-	2,253	2,253
Depreciation	-	-	-	1,126	-	1,126	1,126
Distributors	84,589	94,973	179,562	-	-	-	179,562
Donations	-	-	-	1,000	-	1,000	1,000
Dues	-	-	-	5,104	-	5,104	5,104
Equipment rental	13,720	-	13,720	-	-	-	13,720
Exchange students	4,184	4,184	8,368	-	-	-	8,368
Hospitality	1,604	3,308	4,912	-	-	-	4,912
Insurance	1,260	-	1,260	6,828	-	6,828	8,088
Maintenance	-	-	-	750	-	750	750
Miscellaneous	1,441	2,579	4,020	2,932	-	2,932	6,952
Postage	-	-	-	256	-	256	256
Security	1,070	2,360	3,430	-	-	-	3,430
Service fees	465	465	930	752	372	1,124	2,054
Storage	-	-	-	2,036	-	2,036	2,036
Taxes	516	516	1,032	619	413	1,032	2,064
Travel and entertainment	54,240	54,048	108,288	3,350	-	3,350	111,638
Utilities	-	-	-	5,619	-	5,619	5,619
Volunteers	500	-	500	-	-	-	500
Website	-	-	-	3,470	-	3,470	3,470
Total Other Expenses	177,257	175,308	352,565	36,095	27,328	63,423	415,988
Total Expenses	\$ 190,584	\$ 188,635	\$ 379,219	\$ 52,087	\$ 37,990	\$ 90,077	\$ 469,296

See accompanying notes and independent accountants' review report.

The Tomball Sister City Organization

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Statement of Cash Flows

Year ended September 30, 2022

Cash Flows from Operating Activities

Change in Net Assets	\$	1,959
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation expense		1,126
Change in operating assets and liabilities:		
Deferred revenue		14,336
Accrued expenses		2,041
Total Adjustments		17,503
Net Change from Operating Activities		19,462
Cash and Cash Equivalents, beginning of year		236,230
Cash and Cash Equivalents, end of year	\$	255,692

See accompanying notes and independent accountants' review report.

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – The Tomball Sister City Organization, (the Organization), is a nonprofit corporation founded in 2003 under the laws of the State of Texas for the purpose of the establishment, sponsorship, promotion and support of cultural, business, educational, diplomatic and other exchanges with Tomball's sister city – Telgte, Germany.

To this end the corporation endeavors to promote and heighten public interest in and appreciation of the culture, business, education, products, people or language of sister cities of the City of Tomball, Texas, and to develop programs and provide activities that highlight such culture, business, education, products, people or language, and to assist its members in the development of such programs and the provisions of such activities.

The following programs and services are supported by The Tomball Sister City Organization:

- *Tomball German Christmas Market* – traditionally holds in Tomball on the second weekend in December and includes live music and an open-air market. During this event, street vendors line Market and S. Walnut Streets, selling German Christmas items, arts and crafts, and much more. The event is sponsored by the City of Tomball, Tomball Sister City Organization, and German Heritage Festival.
- *Tomball German Heritage Festival* – traditionally holds in Tomball during the last weekend in March. It is a Music/Street festival celebrating German and ethnic heritage with four stages of live music entertainment, ethnic and festival food, beer, wine, street vendors, all kinds of German souvenirs and clothing, arts crafts, antiques, Heritage Center, German church service, fireworks, carnival, pony ride, petting zoo, strolling music makers, street performers, and much more.

Basis of Accounting – The financial statements of The Tomball Sister City Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation – The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-restricted endowment earnings are released when those earnings are appropriated with spending policies and are used for the specified purpose.

Cash and Cash Equivalents – The Organization considers all monies in banks and highly liquid investments with maturities of three months or less from the date of purchase to be cash and cash equivalents. The carrying values

The Tomball Sister City Organization

Notes to Financial Statements

Item 3.

of any cash and cash equivalents are deemed to approximate their fair values because of the short maturities of those financial instruments.

Property and Equipment – Property and equipment are stated at cost or fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Computers	2 years
Trailers	5 - 15 years

Additions and betterments of \$2,500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is noted. If the carrying amount for the asset is not recoverable, the value is written down to the asset's fair value.

Grants – Grants are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the condition.

Donated Assets – Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Property and Equipment – Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without restrictions at that time.

Donated Services – The Organization recognizes contributed services at their fair value if the services provide value to the Organization and require specialized skills, are provided by individuals possessing those skills, and would have been purchased if not provided by contributors, as established by FASB ASC 958-605-25-26.

Deferred Revenue – fees charged to vendors participating in the Christmas Market which are received prior to a fiscal year-end but which relate to the following fiscal year are deferred and recognized as revenue in that following fiscal year, once Christmas Market is held.

Revenue Recognition – Revenue is recognized when earned. Heritage Festival and Christmas Market sponsorship and fees revenue are deferred to the applicable period in which the related event is held.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. The significant estimates included in the financial statements are the estimates of useful lives used for depreciating property and equipment items.

Functional Allocation of Expense – The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The Organization allocates these expenses based on time and effort. Expenses that can be identified with a specific program or supporting service are allocated directly according to their natural expenditure classification.

Income Taxes – The Organization is a nonprofit corporation that is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (“Code”) and comparable State law, and contributions to it are tax deductible within the limitations prescribed by the Code. The Organization did not conduct any unrelated business activities in the current fiscal year. Therefore, the Organization has made no provision for federal income taxes in the accompanying financial statements.

The Organization applies the provisions of FASB ASC Topic 740, *Income Taxes*, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Topic 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures and transition.

The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Advertising – Advertising costs are expensed as incurred. Advertising expense for the year ended September 30, 2022 was \$53,086.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of September 30, 2022, comprise the following:

Financial assets available to meet cash needs for general expenditures within one year:	
Cash	\$247,440

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures.

The Organization is primarily funded by grants and festival. The Organization has a goal to maintain financial assets on hand to meet two festivals’ operating expenses, which are, on average, approximately \$100,000. The majority of the funds needed to meet the festival operating expenses is maintained in a savings account with Amegy Bank.

NOTE 3 – CONCENTRATIONS

The Organization maintains cash balances at one financial institution located in Texas. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2022, the Organization had no uninsured balances.

The Organization had one grantor that accounted for thirty-four percent (34%) of total public support and revenue for the year ended September 30, 2022.

The Tomball Sister City Organization

Notes to Financial Statements

Item 3.

The Organization also conducts its operations solely in the Tomball area, and, therefore, is subject to risks from changes in local economic conditions. A downturn in the local economy could cause a decrease in grants.

NOTE 4 – PROPERTY AND EQUIPMENT

As of September 30, 2022, property and equipment consist of the following:

Computer	\$3,357
Trailer	8,248
Subtotal property and equipment	11,605
Less: accumulated depreciation	(6,756)
Total property and equipment, net	\$4,849

Depreciation expense for the year ended September 30, 2022 was \$1,126.

NOTE 5 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 29, 2022, the date the financial statements were available to be issued. Management has not identified any subsequent events that would require an adjustment to the financial statements or disclosures as required by GAAP.

Tomball Sister City Organization, Inc.
P. O. Box 1131, Tomball, TX 77377
AS OF 10/3/2022

Officers and Board of Directors

NAME & ADDRESS	PHONE	EMAIL	TERM EXPIRES
Grady Martin, Chair 8118 Spring Stuebner Road Spring, Texas 77379	713-829-7116	gradsand@yahoo.com	2024
Kit Pfeiffer, Vice Chair 31214 Helen Lane Tomball, Texas 77375	281-460-7630	kitpfeiffer@yahoo.com	2024
Sandra Martin 8118 Spring Stuebner Road Spring, Texas 77379	713-829-0313	gradsand@yahoo.com	2024
Craig Bogner Treasurer, General Manager 31226 Antionia Lane Tomball, Texas 77375	832-715-6291	craigbogner@gmail.com craig@tomballgermanfest.org	2023
Amy Mason 26003 Di-jon Tomball, Texas 77377	713-412-1882	amyamason@yahoo.com	2025
Elizabeth Barnett, Secretary 2 Blue Bungalow Drive Spring, Texas 77389	281-900-8663	ebarnett@houstonmethodist.org	2025
Sonja Love 11907 Julia Lane Magnolia, Texas 77354	832-236-5412	larry.sonja@sbcglobal.net	2024
Wesley Burke 11918 Painted Canyon Dr. Tomball, Texas 77377	832-347-0699	wesleyjburke.com	2023
Nora Stovall 307 Florence Street Tomball, Texas 77375	281-541-1449	norastovall@sbcglobal.net	2023
Shawn Mason 26003 Di-jon Tomball, Texas 77377	281-799-9292	shama_go14@yahoo.com	2024
Mark Barnett 2 Blue Bungalow Drive Spring, Texas 77389	832-326-8141	mjbarnett76@yahoo.com	2025
Klaus Rotermund 18915 Ayston Drive Tomball, Texas 77375	832-594-6258	klaro10@att.net	2025

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: July 25, 2023

Topic:

Consideration of Application from the Tomball Sister City Organization for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2023 German Christmas Market.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Katherine Tapscott, Finance Director

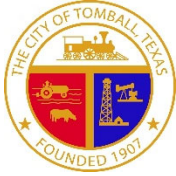
FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: 240-240-6356

If no, funds will be transferred from account _____ To account _____

Signed Katherine Tapscott, CPA Approved by _____
Finance Director 7/19/2023 City Manager Date



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 7/10/2023
 Name of Organization/Business: TOMBALL SISTER CITY ORG.
 Street Address: PO BOX 1131
 City: TOMBALL State: TX Zip Code: 77377
 Contact Name: CRAIG BOGNER
 Phone Number: 832-715-6291 Email: CRAIG@TOMBALLGERMANFEST.ORG

Type of Organization/Business: Private/For-Profit Non-Profit
 Purpose of organization/business: TO KEEP THE GERMAN CULTURE AND HERITAGE OF TOMBALL PAST.
SUPPORT EXCHANGE STUDENTS FROM TELGTE GERMANY TOMBALLS SISTER CITY.
HOLD A HERITAGE DINNER EVERY YEAR FOR THE GERMAN FAMILIES OF TOMBALL.

Does your event/expenditure pass Part One of the statutory Hotel Occupancy Tax test listed below?

Defined specifically as directly enhancing and promoting tourism in Tomball and directly promoting the overnight accommodation industry in Tomball by increasing overnight stays.

Yes No

Does your event/expenditure pass Part Two of the statutory Hotel Occupancy Tax test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one of more of the following categories?

Select all categories that apply.

- Establishment, improvement or maintenance of a convention or visitor center
- Administrative cost for facilitating convention registration
- Advertising, solicitations, and promotions that attracts tourists and delegates
- Encouragement, promotion, improvement, and application of the arts
- Historical restoration or preservation programs
- Signage directing tourists to attractions visited by hotel guests
- None of the above

Is this a new event/expenditure? Yes No

Name of the event/expenditure: TOMBALL GERMAN CHRISTMAS MARKET

Website address of event/expenditure: TOMBALLGERMANFEST.ORG

Date(s) of event/expenditure: DEC. 8,9,10

Location of event/expenditure: 100,200,300,400 BLOCKS OF MARKET STREET

Description of event/expenditure: 3 DAY GERMAN FESTIVAL. 4 MUSIC STAGES, CARNIVAL, KIDS AREA & 150 VENDORS.

Estimated local attendees: 40K Estimated out of town attendees: 20K

If approved, how will the grant funds be used? ADVERTISING, TENTS & CHAIRS GENERATORS & LIGHT TOWERS.

How will you measure the impact of your event on local overnight accommodations? ALL HOTELS FILL UP DURING FESTIVAL ACCORDING TO THE HOTEL AT THE CITY HOTEL MEETING,

Amount of funding requested: \$ 80K/ in kind see Attached

Current operating budget for the event/expenditure: \$ 220,000

Total funding dedicated to advertising/promotion of event/expenditure: \$ 30,000

Organization's direct contribution to the operating and advertising budget: \$ 166,000

Please indicate all promotion efforts your organization will utilize to alert visitors of the event/expenditure:

- Paid Advertising Radio Television Brochures
- Social Media Newspaper Online/Digital Press Release

How do you intend to advertise or promote your event to gain overnight stays in Tomball? During Application process a link is set up for Vendors to stay in Tomball Hotels.

Website has Tomball Hotels linked.

1. I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the event/expenditure to directly enhance and promote the tourism and hotel industry by attracting visitors from outside of Tomball to stay overnight in one of Tomball's lodging facilities.
2. I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.
3. I understand that all grant funds are provided on a reimbursement basis and only proven eligible expenses will be reimbursed.
4. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Tomball prior to receiving reimbursement for the event.

Applicant Signature: C Bogner
Applicant Name: Craig Bogner

Required Documents:

- Itemized budget of expenditures for grant funds
- Organization's most recent annual budget
- Organization's most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently on file with the City of Tomball
- Any other information that supports the request for funding

Please submit applications by email to finance@tomballtx.gov or mail/deliver to:

City of Tomball
Attn: Finance Dept.
501 James Street
Tomball, Texas 77375

The Tomball Sister Cities Organization

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Budget Overview: Budget_FY23_P&L_(1) - FY23 P&L

October 2022 - September 2023

	TOTAL
Income	
Total Income	
GROSS PROFIT	\$0.00
Expenses	
Payroll	52,000.00
TGCM Expenses	2,500.00
Advertising	10,000.00
Buttonstar	700.00
Champions	5,200.00
Community Impace	8,000.00
Das Fenster	0.00
Horsebay	0.00
Houston Chronicle	10,000.00
Kulp Radio	0.00
Kwik Kopy	2,000.00
Neighborhood Publishing	500.00
Photography	1,500.00
Polka	0.00
Star Montrose	0.00
The Rural Connection	400.00
Tomball Chamber	0.00
Townsquare Publications	0.00
Total Advertising	38,300.00
Distributors	
Buses	5,000.00
Porta Potties	5,000.00
Total Distributors	10,000.00
Security	3,200.00
Total TGCM Expenses	54,000.00
TGHF Expenses	
Advertising	3,500.00
American Classifieds	0.00
Button Star	200.00
Community Impact	7,000.00
Das Fenster	400.00
Hello Woodlands	0.00
Horshoebay	0.00
Houston Chronicle	8,000.00
Houston Livestock Show & Rodeo	0.00
KStar	0.00
Kulp Radio	600.00
Kwik Kopy	1,800.00
Neighborhood Publication	400.00

The Tomball Sister Cities Organization

Item 4.

Budget Overview: Budget_FY23_P&L - FY23 P&L

October 2022 - September 2023

	TOTAL
Income	
TGCM Income	80,000.00
Festival	60,000.00
Sponsors	20,000.00
Vendors	100,000.00
Total TGCM Income	260,000.00
TGHF Income	80,000.00
Festival	60,000.00
Sponsors	20,000.00
Vendors	100,000.00
Total TGHF Income	260,000.00
Total Income	\$520,000.00
GROSS PROFIT	\$520,000.00
Expenses	
Payroll	
Payroll Service Fee	2,000.00
Payroll Tax Expenses	4,000.00
Salary and Wages	49,000.00
Workers Compensation	237.00
Total Payroll	55,237.00
TGCM Expenses	2,500.00
Advertising	30,000.00
Distributors	80,000.00
Buses	5,000.00
Porta Potties	4,800.00
Total Distributors	89,800.00
Entertainment	
Entertainers	50,000.00
Hotels	6,000.00
Total Entertainment	56,000.00
Security	2,500.00
Total TGCM Expenses	180,800.00
TGHF Expenses	
Advertising	30,000.00
Distributors	80,000.00
Buses	55,000.00
Porta Potties	5,000.00
Total Distributors	140,000.00
Entertainment	4,500.00
Entertainers	42,000.00
Hotels	6,300.00
Total Entertainment	52,800.00

Equipment Rental	15,000.00
Hospitality	1,700.00
Insurance	1,300.00
Security	2,200.00
Volunteers	500.00
Total TGHF Expenses	243,500.00
Total Expenses	\$479,537.00
NET OPERATING INCOME	\$40,463.00
NET INCOME	\$40,463.00

Photography	3,300.00
Polka	0.00
Printing Materials	0.00
ButtonStar	0.00
FastSigns	0.00
Total Printing Materials	0.00
SP Merchandise	0.00
Star Montrose	1,000.00
Team	0.00
Tomball Chamber	0.00
Townsquare Publications	0.00
Zoogee World	0.00
Total Advertising	26,200.00
Distributors	18,000.00
Buses	5,000.00
Porta Potties	4,800.00
Total Distributors	27,800.00
Total TGHF Expenses	54,000.00
Total Expenses	\$160,000.00
NET OPERATING INCOME	\$ -160,000.00
NET INCOME	\$ -160,000.00

The Tomball Sister City Organization

Independent Accountants' Review Report and
Financial Statements for the Year Ended September 30, 2022

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Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements.....	6 - 9



134 Vintage Park Blvd.
Ste. A #106
Houston, TX 77070
www.nonprofitacctg.com

Independent Accountants' Review Report

To the Board of Directors of
The Tomball Sister City Organization
Houston, Texas

We have reviewed the accompanying financial statements of The Tomball Sister City Organization (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads 'Tipton & Company'.

Tipton & Company
Certified Public Accountants
Houston, Texas

November 29, 2022

The Tomball Sister City Organization

Statement of Financial Position

Item 4.

As of September 30, 2022

Assets

Cash and cash equivalents	\$	255,692
Property and equipment, net		4,849

Total Assets \$ 260,541

Liabilities and Net Assets

Liabilities

Deferred revenue		48,252
Accrued expenses		16,097

Total Liabilities 64,349

Net Assets

Without donor restriction		196,192
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Total Net Assets 196,192

Total Liabilities and Net Assets \$ 260,541

The Tomball Sister City Organization

Statement of Activities

Year ended September 30, 2022	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenues			
Public Support			
Tomball German Heritage Festival grant	\$ 80,000	\$ -	\$ 80,000
Tomball German Christmas Market grant	80,000	-	80,000
Revenue			
Tomball German Heritage Festival sponsorship and fees	173,510	-	173,510
Tomball German Christmas Market sponsorship and fees	137,555	-	137,555
Other income	190	-	190
Total Public Support and Revenues	471,255	-	471,255
Expenses			
Program Activities			
Tomball German Christmas Market	188,635	-	188,635
Tomball German Heritage Festival	190,584	-	190,584
Total Program Activities	379,219	-	379,219
Supporting Activities			
Management and general	52,087	-	52,087
Fundraising	37,990	-	37,990
Total Supporting Activities	90,077	-	90,077
Total Expenses	469,296	-	469,296
Change in Net Assets	1,959	-	1,959
Net Assets, Beginning of Year	194,233	-	194,233
Net Assets, End of Year	\$ 196,192	\$ -	\$ 196,192

The Tomball Sister City Organization

Statement of Functional Expenses

Item 4.

Year ended September 30, 2022	Program Activities			Supporting Activities			Total
	Tomball German Heritage Festival	Tomball German Christmas Market	Total Program Activities	Management & General	Fundraising	Total Supporting Activities	
Salaries and related expenses							
Salaries and wages	\$ 12,325	\$ 12,325	\$ 24,650	\$ 14,790	\$ 9,860	\$ 24,650	\$ 49,300
Payroll taxes	943	943	1,886	1,131	754	1,885	3,771
Employee benefits	59	59	118	71	48	119	237
Total salaries and related expenses	13,327	13,327	26,654	15,992	10,662	26,654	53,308
Other Expenses							
Advertising	13,668	12,875	26,543	-	26,543	26,543	53,086
Auto	-	-	-	2,253	-	2,253	2,253
Depreciation	-	-	-	1,126	-	1,126	1,126
Distributors	84,589	94,973	179,562	-	-	-	179,562
Donations	-	-	-	1,000	-	1,000	1,000
Dues	-	-	-	5,104	-	5,104	5,104
Equipment rental	13,720	-	13,720	-	-	-	13,720
Exchange students	4,184	4,184	8,368	-	-	-	8,368
Hospitality	1,604	3,308	4,912	-	-	-	4,912
Insurance	1,260	-	1,260	6,828	-	6,828	8,088
Maintenance	-	-	-	750	-	750	750
Miscellaneous	1,441	2,579	4,020	2,932	-	2,932	6,952
Postage	-	-	-	256	-	256	256
Security	1,070	2,360	3,430	-	-	-	3,430
Service fees	465	465	930	752	372	1,124	2,054
Storage	-	-	-	2,036	-	2,036	2,036
Taxes	516	516	1,032	619	413	1,032	2,064
Travel and entertainment	54,240	54,048	108,288	3,350	-	3,350	111,638
Utilities	-	-	-	5,619	-	5,619	5,619
Volunteers	500	-	500	-	-	-	500
Website	-	-	-	3,470	-	3,470	3,470
Total Other Expenses	177,257	175,308	352,565	36,095	27,328	63,423	415,988
Total Expenses	\$ 190,584	\$ 188,635	\$ 379,219	\$ 52,087	\$ 37,990	\$ 90,077	\$ 469,296

See accompanying notes and independent accountants' review report.

The Tomball Sister City Organization

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Statement of Cash Flows

Year ended September 30, 2022

Cash Flows from Operating Activities

Change in Net Assets	\$	1,959
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation expense		1,126
Change in operating assets and liabilities:		
Deferred revenue		14,336
Accrued expenses		2,041
Total Adjustments		17,503
Net Change from Operating Activities		19,462
Cash and Cash Equivalents, beginning of year		236,230
Cash and Cash Equivalents, end of year	\$	255,692

See accompanying notes and independent accountants' review report.

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – The Tomball Sister City Organization, (the Organization), is a nonprofit corporation founded in 2003 under the laws of the State of Texas for the purpose of the establishment, sponsorship, promotion and support of cultural, business, educational, diplomatic and other exchanges with Tomball's sister city – Telgte, Germany.

To this end the corporation endeavors to promote and heighten public interest in and appreciation of the culture, business, education, products, people or language of sister cities of the City of Tomball, Texas, and to develop programs and provide activities that highlight such culture, business, education, products, people or language, and to assist its members in the development of such programs and the provisions of such activities.

The following programs and services are supported by The Tomball Sister City Organization:

- *Tomball German Christmas Market* – traditionally holds in Tomball on the second weekend in December and includes live music and an open-air market. During this event, street vendors line Market and S. Walnut Streets, selling German Christmas items, arts and crafts, and much more. The event is sponsored by the City of Tomball, Tomball Sister City Organization, and German Heritage Festival.
- *Tomball German Heritage Festival* – traditionally holds in Tomball during the last weekend in March. It is a Music/Street festival celebrating German and ethnic heritage with four stages of live music entertainment, ethnic and festival food, beer, wine, street vendors, all kinds of German souvenirs and clothing, arts crafts, antiques, Heritage Center, German church service, fireworks, carnival, pony ride, petting zoo, strolling music makers, street performers, and much more.

Basis of Accounting – The financial statements of The Tomball Sister City Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation – The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-restricted endowment earnings are released when those earnings are appropriated with spending policies and are used for the specified purpose.

Cash and Cash Equivalents – The Organization considers all monies in banks and highly liquid investments with maturities of three months or less from the date of purchase to be cash and cash equivalents. The carrying values

The Tomball Sister City Organization

Notes to Financial Statements

Item 4.

of any cash and cash equivalents are deemed to approximate their fair values because of the short maturities of those financial instruments.

Property and Equipment – Property and equipment are stated at cost or fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Computers	2 years
Trailers	5 - 15 years

Additions and betterments of \$2,500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is noted. If the carrying amount for the asset is not recoverable, the value is written down to the asset's fair value.

Grants – Grants are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the condition.

Donated Assets – Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Property and Equipment – Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without restrictions at that time.

Donated Services – The Organization recognizes contributed services at their fair value if the services provide value to the Organization and require specialized skills, are provided by individuals possessing those skills, and would have been purchased if not provided by contributors, as established by FASB ASC 958-605-25-26.

Deferred Revenue – fees charged to vendors participating in the Christmas Market which are received prior to a fiscal year-end but which relate to the following fiscal year are deferred and recognized as revenue in that following fiscal year, once Christmas Market is held.

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NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of September 30, 2022, comprise the following:

Financial assets available to meet cash needs for general expenditures within one year:	
Cash	\$247,440

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures.

The Organization is primarily funded by grants and festival. The Organization has a goal to maintain financial assets on hand to meet two festivals’ operating expenses, which are, on average, approximately \$100,000. The majority of the funds needed to meet the festival operating expenses is maintained in a savings account with Amegy Bank.

NOTE 3 – CONCENTRATIONS

The Organization maintains cash balances at one financial institution located in Texas. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2022, the Organization had no uninsured balances.

The Organization had one grantor that accounted for thirty-four percent (34%) of total public support and revenue for the year ended September 30, 2022.

The Tomball Sister City Organization

Notes to Financial Statements

Item 4.

The Organization also conducts its operations solely in the Tomball area, and, therefore, is subject to risks from changes in local economic conditions. A downturn in the local economy could cause a decrease in grants.

NOTE 4 – PROPERTY AND EQUIPMENT

As of September 30, 2022, property and equipment consist of the following:

Computer	\$3,357
Trailer	8,248
Subtotal property and equipment	11,605
Less: accumulated depreciation	(6,756)
Total property and equipment, net	\$4,849

Depreciation expense for the year ended September 30, 2022 was \$1,126.

NOTE 5 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 29, 2022, the date the financial statements were available to be issued. Management has not identified any subsequent events that would require an adjustment to the financial statements or disclosures as required by GAAP.

Tomball Sister City Organization, Inc.
P. O. Box 1131, Tomball, TX 77377
AS OF 10/3/2022

Officers and Board of Directors

NAME & ADDRESS	PHONE	EMAIL	TERM EXPIRES
Grady Martin, Chair 8118 Spring Stuebner Road Spring, Texas 77379	713-829-7116	gradsand@yahoo.com	2024
Kit Pfeiffer, Vice Chair 31214 Helen Lane Tomball, Texas 77375	281-460-7630	kitpfeiffer@yahoo.com	2024
Sandra Martin 8118 Spring Stuebner Road Spring, Texas 77379	713-829-0313	gradsand@yahoo.com	2024
Craig Bogner Treasurer, General Manager 31226 Antionia Lane Tomball, Texas 77375	832-715-6291	craigbogner@gmail.com craig@tomballgermanfest.org	2023
Amy Mason 26003 Di-jon Tomball, Texas 77377	713-412-1882	amyamason@yahoo.com	2025
Elizabeth Barnett, Secretary 2 Blue Bungalow Drive Spring, Texas 77389	281-900-8663	ebarnett@houstonmethodist.org	2025
Sonja Love 11907 Julia Lane Magnolia, Texas 77354	832-236-5412	larry.sonja@sbcglobal.net	2024
Wesley Burke 11918 Painted Canyon Dr. Tomball, Texas 77377	832-347-0699	wesleyjburke.com	2023
Nora Stovall 307 Florence Street Tomball, Texas 77375	281-541-1449	norastovall@sbcglobal.net	2023
Shawn Mason 26003 Di-jon Tomball, Texas 77377	281-799-9292	shama_go14@yahoo.com	2024
Mark Barnett 2 Blue Bungalow Drive Spring, Texas 77389	832-326-8141	mjbarnett76@yahoo.com	2025
Klaus Rotermund 18915 Ayston Drive Tomball, Texas 77375	832-594-6258	klaro10@att.net	2025

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: July 25, 2023

Topic:

Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2023 Holiday Parade.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Katherine Tapscott, Finance Director

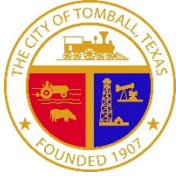
FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: 240-240-6351

If no, funds will be transferred from account _____ To account _____

Signed Katherine Tapscott, CPA Approved by _____
Finance Director 7/19/2023 City Manager Date



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 7/11/2023
 Name of Organization/Business: Greater Tomball Area Chamber of Commerce
 Street Address: 29201 Quinn Road, Suite B
 City: Tomball State: TX Zip Code: 77375
 Contact Name: Brandy Beyer
 Phone Number: 281.351.7222 Email: bbeyer@tomballchamber.org

Type of Organization/Business: Private/For-Profit Non-Profit
 Purpose of organization/business: The Greater Tomball Area Chamber of Commerce provides resources and fosters relationships that empower businesses to prosper in Tomball and its surrounding communities.

Does your event/expenditure pass Part One of the statutory Hotel Occupancy Tax test listed below?

Defined specifically as directly enhancing and promoting tourism in Tomball and directly promoting the overnight accommodation industry in Tomball by increasing overnight stays.

Yes No

Does your event/expenditure pass Part Two of the statutory Hotel Occupancy Tax test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one of more of the following categories?

Select all categories that apply.

- Establishment, improvement or maintenance of a convention or visitor center
- Administrative cost for facilitating convention registration
- Advertising, solicitations, and promotions that attracts tourists and delegates
- Encouragement, promotion, improvement, and application of the arts
- Historical restoration or preservation programs
- Signage directing tourists to attractions visited by hotel guests
- None of the above

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Tomball Holiday Parade

Website address of event/expenditure: www.tomballchamber.org

Date(s) of event/expenditure: November 18, 2023

Location of event/expenditure: Main Street

Description of event/expenditure: annual parade with over 150 entries

Estimated local attendees: 10,000 Estimated out of town attendees: 10,000

If approved, how will the grant funds be used? security, advertising, portapotties, dignitary breakfast, and band participation

How will you measure the impact of your event on local overnight accommodations? Many entries come from out of town for the parade and will choose to stay in Tomball either the night prior to the early morning event, or after to enjoy their visit to Tomball. Our Miss Tomball contestants, who participate in the parade, have many out of town family members that will come to town to support them. They will stay evening prior and the following evening, as the pageant follows the parade.

Amount of funding requested: \$ 20,000

Current operating budget for the event/expenditure: \$ 52,400

Total funding dedicated to advertising/promotion of event/expenditure: \$ 1,500

Organization's direct contribution to the operating and advertising budget: \$ 52,400


Please indicate all promotion efforts your organization will utilize to alert visitors of the event/expenditure:

- Paid Advertising Radio Television Brochures
- Social Media Newspaper Online/Digital Press Release

How do you intend to advertise or promote your event to gain overnight stays in Tomball? _____

This event draws crowds from all around - as part of our larger mission, we always encourage participants and attendees to stay in the area and discover Tomball. We request that local business owners promote the parade and themselves as to keep visitors in Tomball and to make a weekend adventure for them and their families.

1. I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the event/expenditure to directly enhance and promote the tourism and hotel industry by attracting visitors from outside of Tomball to stay overnight in one of Tomball's lodging facilities.
2. I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.
3. I understand that all grant funds are provided on a reimbursement basis and only proven eligible expenses will be reimbursed.
4. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Tomball prior to receiving reimbursement for the event.

Applicant Signature: Brandy Beyer  Digitally signed by Brandy Beyer
 Date: 2023.07.18 10:40:06 -05'00'

Applicant Name: Brandy Beyer

Required Documents:

- Itemized budget of expenditures for grant funds
- Organization’s most recent annual budget
- Organization’s most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently on file with the City of Tomball
- Any other information that supports the request for funding

Please submit applications by email to finance@tomballtx.gov or mail/deliver to:

City of Tomball
 Attn: Finance Dept.
 501 James Street
 Tomball, Texas 77375

2023 Tomball Holiday Parade Budget

Candy for children	200.00
Breakfast for special guests	2,000.00
Clean-Up	900.00
Port-o-Pottie	1,400.00
Advertising	1,500.00
Security	6,000.00
Debriefing Meeting	300.00
Supplies	1,000.00
Coins	1,100.00
Personnel	30,000.00
Entertainment	8,000.00

Total Expenses: 52,400.00

Grant Request 20,000.00

Greater Tomball Area Chamber of Commerce
2023 Budget Overview
 January through December 2023

	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	TOTAL
Ordinary Income/Expense													Jan - Dec 23
Income													
Income													
Rent Income	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	64,620.00
Capital Campaign	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	36,000.00
Health & Wellness	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	1,000.00	10,000.00
Hotel/Motel Tax									35,000.00				35,000.00
First Friday	2,600.00	2,600.00	2,600.00	2,500.00	2,600.00	2,600.00	2,400.00	2,600.00	2,600.00	2,600.00	2,600.00	2,600.00	30,900.00
Networking Breakfast	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	500.00	500.00	5,000.00
Women's Committee	900.00	900.00	0.00	900.00	400.00	900.00	0.00	400.00	23,000.00	900.00	900.00	800.00	30,000.00
Tomball Leadership Day					5,000.00								5,000.00
Interest Income	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	1,320.00
Membership Dues													
New	8,000.00	10,000.00	9,000.00	9,000.00	8,000.00	6,000.00	6,000.00	8,000.00	8,000.00	10,000.00	10,000.00	8,000.00	100,000.00
Allowance Non-Renewal	-5,577.75	-7,252.75	-3,396.00	-2,973.50	-2,399.00	-2,138.00	-2,610.25	-3,394.75	-4,483.25	-4,052.75	-2,283.50	-2,928.75	-43,490.25
Renewal	55,777.50	72,527.50	33,960.00	29,735.00	23,990.00	21,380.00	26,102.50	33,947.50	44,832.50	40,527.50	22,835.00	29,287.50	434,902.50
Total Membership Dues	58,199.75	75,274.75	39,564.00	35,761.50	29,591.00	25,242.00	29,492.25	38,552.75	48,349.25	46,474.75	30,551.50	34,358.75	491,412.25
Miscellaneous Income	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
Publications/Products													
Magazine/Map/Website	500.00	500.00	10,000.00	11,000.00	10,000.00	1,000.00	1,000.00	0.00	1,000.00	500.00	0.00	0.00	24,000.00
Total Publications	500.00	0.00	10,000.00	11,000.00	10,000.00	1,000.00	1,000.00	0.00	1,000.00	500.00	0.00	0.00	24,000.00
Special Events													
Banquet	10,000.00	20,000.00											30,000.00
Golf Classic		10,000.00											30,000.00
Tomball Night			20,000.00			10,000.00	20,000.00	5,000.00					35,000.00
Holiday Parade									3,000.00	15,000.00	12,000.00		30,000.00
Miss Tomball Pageant									4,000.00	18,000.00	13,000.00		35,000.00
Total Special Events	10,000.00	30,000.00	20,000.00	0.00	0.00	10,000.00	20,000.00	5,000.00	7,000.00	33,000.00	25,000.00	0.00	160,000.00
Total Income	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Total Income	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Gross Profit	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Expense													
Building Expense													
Alarm	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Cleaning	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	8,880.00
Electricity	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	10,800.00
Building Interest	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	21,360.00
Reimbursed by tenants	-1,400.00	-600.00	-700.00	-1,100.00	-700.00	-600.00	-1,200.00	-600.00	-600.00	-1,200.00	-600.00	-600.00	-10,800.00
Repairs/Maintenance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00

Item 5.

Greater Tomball Area Chamber of Commerce
2023 Budget Overview
 January through December 2023

	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	TOTAL
Total Building Expense	3,045.00	3,845.00	3,745.00	3,345.00	3,745.00	3,845.00	3,245.00	3,845.00	3,845.00	3,245.00	3,845.00	3,845.00	43,440.00
Accounting Expense		2,500.00	4,000.00	1,000.00	1,000.00	5,000.00					2,500.00		15,000.00
Advertising							1,000.00	500.00			1,000.00	500.00	3,000.00
Bad Debt Expense	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	6,000.00	50,000.00
Past Due Collections	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00
Health & Wellness		1,000.00			1,000.00			3,000.00		2,000.00			7,000.00
First Friday	2,500.00	2,600.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,400.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
Networking Breakfast	100.00	100.00	150.00	100.00	100.00	150.00	100.00	100.00	150.00	100.00	150.00	200.00	1,500.00
Women's Committee	900.00	900.00	900.00	900.00	900.00	900.00	0.00	900.00	2,000.00	900.00	900.00	10,800.00	20,000.00
Tomball Leadership Day			5,000.00										5,000.00
Young Professionals	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Bank Fees	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	11,400.00
Board of Directors	300.00	100.00			200.00				3,000.00	3,700.00			7,500.00
Dues and Subscriptions	2,292.00		600.00					750.00			45.00		3,687.00
Employee Expense													
SUTA	350.00	350.00	200.00	100.00									1,000.00
Development	600.00	1,550.00	1,500.00	1,500.00	1,500.00	2,000.00	1,550.00		300.00	1,500.00			12,000.00
FUTA	150.00	40.00	30.00	5.00									225.00
Group Insurance	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	4,000.00	4,000.00	4,000.00	4,000.00	45,728.00
Cell Phone Allowance	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	3,360.00
Payroll Services	450.00	600.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	5,550.00
Payroll Taxes	1,993.00	2,060.00	1,993.00	2,060.00	1,993.00	1,993.00	1,993.00	2,060.00	1,993.00	1,993.00	2,060.00	1,993.00	24,184.00
Salaries													
TACC	30,132.00	31,132.00	30,132.00	31,132.00	30,132.00	30,132.00	30,132.00	31,132.00	30,132.00	30,132.00	31,132.00	30,132.00	365,584.00
Bonus													18,279.20
Contract Labor		200.00			200.00			200.00		200.00	400.00		1,400.00
Total Salaries	30,132.00	31,332.00	30,332.00	31,132.00	30,332.00	30,332.00	30,132.00	31,332.00	30,132.00	30,332.00	31,532.00	48,411.20	385,263.20
Total Employee Expense	37,671.00	39,928.00	38,501.00	39,243.00	38,071.00	38,771.00	38,121.00	37,838.00	37,155.00	38,555.00	38,322.00	55,134.20	477,310.20
Insurance													
Worker's Compensation	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	498.00
Officer & Director Liability	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	1,843.92
General Liab.	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	7,963.92
Total Insurance	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	10,305.84
Membership/Misc. Expense	2,000.00	3,000.00	1,000.00	500.00	2,000.00	600.00	500.00	2,000.00	800.00	1,300.00	500.00	2,000.00	16,200.00
Office Equipment Expense													
Database		5,700.00											5,700.00
Computer Maintenance	300.00	1,200.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	4,500.00
Copier Lease	400.00	600.00	800.00	500.00	400.00	800.00	600.00	800.00	500.00	400.00	800.00	700.00	7,300.00
Pitney Bowes	528.30			591.60			528.30			528.30			1,648.20
Total Office Equip Expense	1,228.30	7,500.00	1,100.00	1,381.60	700.00	1,100.00	1,428.30	1,100.00	800.00	1,228.30	1,100.00	1,000.00	14,100.00

Item 5.

Greater Tomball Area Chamber of Commerce
2023 Budget Overview
 January through December 2023

	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	TOTAL
													Jan - Dec 23
Office Supplies	200.00	700.00	700.00	500.00	800.00	800.00	500.00	400.00	1,000.00	200.00	500.00	200.00	6,500.00
Postage & Delivery	0.00	500.00	500.00	500.00	0.00	500.00	500.00	0.00	0.00	500.00	0.00	100.00	3,100.00
Property Tax Expense	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	15,087.00
Income Tax Expense	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	4,647.00
Rent	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	1,380.00
Special Events													
Banquet		12,000.00											12,000.00
Golf Classic			3,000.00	8,000.00									11,000.00
Tomball Night					2,500.00		4,500.00	4,500.00				1,000.00	11,500.00
Holiday Parade											17,000.00		18,000.00
Miss Tomball Pageant											4,000.00		4,000.00
Scholarship Expense										500.00	12,500.00	3,000.00	16,000.00
Pageant - Other										500.00	16,500.00	3,000.00	20,000.00
Total Miss Tomball													
Total Special Events	0.00	12,000.00	3,000.00	8,000.00	2,500.00	0.00	4,500.00	4,500.00	0.00	500.00	33,500.00	4,000.00	72,500.00
Telephone Expenses	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	6,480.00
Travel & Entertainment	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	960.00
Total Expense	59,524.62	83,961.32	64,484.32	67,257.92	71,204.32	59,654.32	61,882.62	66,621.32	60,538.32	64,016.62	94,150.32	91,567.52	844,863.54
Net Ordinary Income	21,770.13	34,908.43	16,774.68	-8,001.42	-23,518.32	-7,817.32	1,104.63	-10,973.57	67,505.93	29,553.13	-25,903.82	-44,613.77	50,788.71
Principal Building Payment	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	45,780.00
xDepreciation Expense	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	20,460.00
Net Income	16,250.13	29,388.43	11,254.68	-13,521.42	-29,038.32	-13,337.32	-4,415.37	-16,493.57	61,985.93	24,033.13	-31,423.82	-50,133.77	-15,451.29

Greater Tomball Area Chamber of Commerce

Financial Statements and Independent Auditors' Report
for the Year Ended December 31, 2022 (Audited)
(with comparative totals for 2021 - Reviewed)



Tipton & Company
CERTIFIED PUBLIC ACCOUNTANTS

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Tipton & Company

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Greater Tomball Area Chamber of Commerce
Tomball, Texas

Opinion

We have audited the accompanying financial statements of Greater Tomball Area Chamber of Commerce (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Tomball Area Chamber of Commerce as of December 31, 2022, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Greater Tomball Area Chamber of Commerce and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Tomball Area Chamber of Commerce's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered

material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Greater Tomball Area Chamber of Commerce's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Tomball Area Chamber of Commerce's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified.

Report on Summarized Comparative Information

The 2021 financial statements were reviewed by us and our report thereon, dated April 14, 2022, stated we were not aware of any material modifications that should be made to those financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements. The summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the reviewed financial statements from which it has been derived.

Tipton & Company LLC

Tipton & Company LLC
Certified Public Accountants
Houston, Texas

June 21, 2023

Greater Tomball Area Chamber of Commerce

Statement of Financial Position

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<i>As of December 31, (with comparative totals for 2021)</i>	Audited 2022	Reviewed 2021
Assets		
Cash and cash equivalents	\$ 588,088	\$ 459,950
Accounts receivable, net	35,249	40,848
Prepaid expenses	10,098	9,835
Property and equipment, net	855,120	884,005
Total Assets	\$ 1,488,555	\$ 1,394,638
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 28,729	\$ 16,531
Deferred revenues	175,798	149,885
Long-term debt	527,582	573,315
Deposits	8,300	8,300
Total Liabilities	740,409	748,031
Net Assets		
Without donor restrictions	748,146	646,607
Total Net Assets	748,146	646,607
Total Liabilities and Net Assets	\$ 1,488,555	\$ 1,394,638

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

Greater Tomball Area Chamber of Commerce

Statement of Activities

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<i>Year ended December 31, (with comparative totals for 2021)</i>	Audited 2022	Reviewed 2021
Without Donor Restrictions		
Revenue and Support		
Membership dues	\$ 431,425	\$ 395,831
Special events revenue	176,519	139,640
Direct benefits to donors	(19,129)	(10,151)
Capital improvement campaign	33,000	36,000
First Friday luncheon	29,402	15,452
Networking Breakfast	4,980	4,035
Women's Committee	37,823	-
City of Tomball hotel tax revenue	35,000	35,000
Rental income	64,624	64,624
Tenant reimbursements	11,182	10,635
Ads and ad commission	17,665	20,767
Contributed nonfinancial assets	40,943	47,180
Interest income	1,424	2,217
Other income	14,099	66,636
Total Revenue and Support	878,957	827,866
Expenses		
Program Services		
Business resources	270,070	242,698
Advocacy	289,561	253,513
Total Program Services	559,631	496,211
Supporting Services		
General and administrative	100,685	104,706
Fundraising	117,102	127,292
Total Supporting Services	217,787	231,998
Total Expenses	777,418	728,209
Change in Net Assets	101,539	99,657
Net Assets, Beginning of Year	646,607	546,950
Net Assets, End of Year	\$ 748,146	\$ 646,607

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

Greater Tomball Area Chamber of Commerce
Statement of Functional Expenses

Year ended December 31, (with comparative totals for 2021)	Program Services			Supporting Services			Audited 2022 Total	Reviewed 2021 Total
	Business Resources	Advocacy	Total Program Services	General and Administrative	Fundraising	Total Supporting Services		
Payroll and related expenses								
Salaries	\$ 95,173	\$ 95,173	\$ 190,346	\$ 23,793	\$ 23,793	\$ 47,586	\$ 237,932	\$ 246,066
Payroll taxes	7,642	7,642	15,284	1,911	1,911	3,822	19,106	17,936
Employee benefits	13,174	13,174	26,348	3,294	3,294	6,588	32,936	39,274
Total payroll and related expenses	115,989	115,989	231,978	28,998	28,998	57,996	289,974	303,276
Other expenses								
Advertising	2,455	2,455	4,910	2,455	17,185	19,640	24,550	24,799
Bad debt	19,330	19,330	38,660	19,330	19,330	38,660	77,320	86,080
Bank fees	1,119	1,119	2,238	4,475	4,475	8,950	11,188	7,890
Board expenses	-	-	-	8,809	-	8,809	8,809	6,935
Building expenses	100	100	200	25	25	50	250	325
Computer maintenance	1,736	1,736	3,472	434	434	868	4,340	4,216
Contract labor	26,923	26,923	53,846	6,730	6,730	13,460	67,306	1,252
Depreciation	12,042	12,042	24,084	3,010	3,010	6,020	30,104	30,042
Dues and subscriptions	-	3,971	3,971	-	-	-	3,971	2,688
Employee development	2,720	2,720	5,440	680	680	1,360	6,800	9,632
Equipment lease	4,039	4,039	8,078	1,010	1,010	2,020	10,098	9,970
First Friday	31,047	-	31,047	-	-	-	31,047	18,442
Health committee	6,918	-	6,918	-	-	-	6,918	4,859
Insurance	4,017	4,017	8,034	1,004	1,004	2,008	10,042	9,616
Interest	8,563	8,563	17,126	2,141	2,141	4,282	21,408	30,086
Miscellaneous	3,810	5,079	8,889	3,810	-	3,810	12,699	14,082
Networking breakfast	159	-	159	-	-	-	159	280
Office supplies	2,558	2,558	5,116	640	640	1,280	6,396	4,884
Payroll service	2,359	2,359	4,718	590	590	1,180	5,898	5,522
Postage and delivery	916	458	1,374	458	1,220	1,678	3,052	2,707
Professional fees	-	-	-	7,505	-	7,505	7,505	13,565
Rent	544	544	1,088	136	136	272	1,360	1,200
Repairs and maintenance	7,214	7,214	14,428	1,804	1,804	3,608	18,036	25,614
Software	2,246	2,246	4,492	561	561	1,122	5,614	4,850
Special events	-	27,489	27,489	-	43,097	43,097	70,586	78,595
Taxes - income	-	-	-	2,160	-	2,160	2,160	4,515
Taxes - property	5,568	5,568	11,136	1,392	1,392	2,784	13,920	13,920
Telephone	2,675	2,675	5,350	668	669	1,337	6,687	6,540
Travel and entertainment	-	-	-	760	-	760	760	760
Utilities	4,403	4,403	8,806	1,100	1,100	2,200	11,006	10,510
Womens Committee	-	25,964	25,964	-	-	-	25,964	-
Young professionals	620	-	620	-	-	-	620	708
Total other expenses	154,081	173,572	327,653	71,687	107,233	178,920	506,573	435,084
Subtotal	270,070	289,561	559,631	100,685	136,231	236,916	796,547	738,360
Less: Direct benefit to donor	-	-	-	-	(19,129)	(19,129)	(19,129)	(10,151)
Total Expenses	\$ 270,070	\$ 289,561	\$ 559,631	\$ 100,685	\$ 117,102	\$ 217,787	\$ 777,418	\$ 728,209

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

Greater Tomball Area Chamber of Commerce

Statement of Cash Flows

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Year Ended December 31, (with comparative totals for 2021)	Audited 2022	Reviewed 2021
Cash Flows From Operating Activities		
Change in net assets	\$ 101,539	\$ 99,657
Adjustments to reconcile change in net assets to net change in operating activities:		
Depreciation	30,104	30,042
Bad debt expense	77,320	86,080
Changes in assets and liabilities:		
Accounts receivable	(71,721)	(73,454)
Prepaid expenses	(263)	(413)
Accrued expenses	12,198	(1,480)
Deferred revenues	25,913	6,773
Total Adjustments	73,551	47,548
Net Change in Operating Activities	175,090	147,205
Cash Flows From Investing Activities		
Purchases of property and equipment	(1,219)	-
Net Change in Investing Activities	(1,219)	-
Cash Flows From Financing Activities		
Payments on long-term debt	(45,733)	(37,055)
Net Change in Financing Activities	(45,733)	(37,055)
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, beginning of year	459,950	410,150
Cash and Cash Equivalents, end of year	\$ 588,088	\$ 459,950
Supplemental Disclosures:		
Interest paid	\$ 21,408	\$ 30,086

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Greater Tomball Area Chamber of Commerce (the “Chamber”) is a not-for-profit organization of citizens who are investing their time and money in a community development program working together to improve the economic, civic, and cultural fortitude of the region, community, or area. The Chamber’s mission is to provide resources and foster relationships that empower businesses to prosper in Tomball and its surrounding communities.

The Chamber is supported through membership dues, contributions, rental income and other miscellaneous revenue. The Chamber conducts the following programs:

- *Business resources* – The Business Resources Division is dedicated to providing and promoting value added, quality networking events to the Chamber’s diverse membership, by ensuring inclusion through new member mentorship programs and by presenting opportunities for personal and business growth. This division invites members to become involved in the Chamber’s programs that will allow relationships to be formed and sustained through a variety of networking events.
- *Advocacy* – The Advocacy Division is committed to being a strong voice for the Chamber’s members and the greater Tomball area community. This will be accomplished by addressing public policy issues with participation from the public, members and elected officials, and holding open discussions about issues that affect the business community including: economic development, education, workforce development, energy and healthcare.

Basis of Accounting

The financial statements of the Chamber have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Chamber reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

- *Net assets without donor restrictions* are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Chamber, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.
- *Net assets with donor restrictions* are resources that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-restricted endowment earnings are released when those earnings are appropriated with spending policies and are used for the specified purpose.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

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Cash and Cash Equivalents

The Chamber considers all monies in banks and highly liquid investments with maturities of three months or less from the date of purchase to be cash and cash equivalents. The carrying values of any cash and cash equivalents are deemed to approximate their fair values because of the short maturities of those financial instruments.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2022 and 2021, the allowance for bad debts was \$7,021 and \$7,021, respectively.

Property and Equipment

The Chamber capitalizes all expenditures for property, plant and equipment in excess of \$500. Maintenance and repairs are charged to operations when incurred. Major improvements and renewals that extend the life of the asset are capitalized. Purchased property, plant and equipment are carried at cost and are depreciated using the straight-line method based on their estimated useful lives as follows:

Buildings and improvements	39 years
Computers and software	3-5 years
Office equipment	5-7 years
Furniture and fixtures	5-7 years

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Chamber reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Chamber reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Deferred Revenue

Income from membership dues and subscription fees received in advance is deferred and recognized over the periods to which the dues and fees relate.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. The significant estimates included in the financial statements are the estimates of useful lives used for depreciating property and equipment items.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

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Membership Dues

Membership dues are recognized in the applicable membership period. Any unearned amounts are included in deferred revenue at the end of each accounting period.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Chamber. Many individuals volunteer their time and perform a variety of tasks that assist the Chamber with program services and fundraising events. No amounts have been reflected in the financial statements for these donated services as the recognition criteria were not met.

Functional Allocation of Expenses

Expenses are categorized in the Statement of Activities as program services, management and general and fundraising. The Chamber's expenses are allocated on a functional basis among these benefited categories:

- Program service expenses: include direct and indirect (allocated) expenses for the various programs offered by the Chamber to fulfill member investment expectations. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses, that are common to several functions, are allocated to program services based on time and effort.
- Management and general expenses: include those expenses, ranging from office management to financial services, that are not directly identifiable with any other specific function but provide for the overall support and direction of the Chamber. Those expenses include the basic necessities to be an accredited, well rounded, and effective organization.
- Fundraising expenses: represent costs incurred in connection with fundraising efforts to continue the Chamber's mission. The membership dues alone are not adequate enough to accomplish the Chamber's goals; therefore, fundraising events are held to fill the gap between membership dues and total expenses.

Income Taxes

The Chamber is operating as a not-for-profit corporation, under Section 501(c)(6) of the Internal Revenue Code, and is not subject to income taxes with the exception of unrelated business income. The Chamber conducted unrelated business activities during the current year. Therefore, the Chamber paid \$2,160 and \$4,515 for federal income taxes in the years ended December 31, 2022 and 2021, respectively.

The Chamber applies the provisions of FASB ASC Topic 740, Income Taxes, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Topic 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. As of December 31, 2022 and 2021, no uncertain tax positions were identified.

Leases

From time to time the Chamber enters into contracts to lease office equipment. At contract inception, the Chamber determines if an arrangement contains a lease and recognizes right-of-use (ROU) assets and lease liabilities for leases with terms greater than twelve months. Leases with an initial term of twelve months or less and immaterial leases with obligations of less than \$15,000 are not recognized in the statement of financial position.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Advertising Cost

Advertising costs are expensed when incurred. Advertising costs for the years ended December 31, 2022 and 2021 amounted to \$24,550 and \$24,799, respectively.

Newly Adopted Accounting Pronouncements

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities and changes in net assets, apart from contributions of cash or other financial assets. It also requires a not-for-profit organization to disclose contributed nonfinancial assets recognized within the statement of activities and changes in net assets disaggregated by category that depicts the type of contributed nonfinancial assets and includes additional disclosure requirements for each category of contributed nonfinancial assets recognized. The Chamber adopted the new guidance effective January 1, 2022. There was no significant impact as a result of the implementation.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The ASU requires most leases to be recognized on the statement of financial position as lease assets and lease liabilities and requires both quantitative and qualitative disclosures regarding key information about leasing arrangements. The Chamber adopted the new guidance effective January 1, 2022. There was no significant impact as a result of the implementation.

NOTE 2 – LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2022, comprise the following:

<u>Financial assets:</u>	
Cash and cash equivalents	\$588,088
Accounts receivable, net	35,249
Financial assets available to meet cash needs for general expenditures within one year	\$623,337

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Chamber considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Chamber sets a goal of having financial assets on hand to meet a minimum of 90 days of normal operating expenses, which are, on average, around \$56,000. As part of its liquidity management, the Chamber has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

NOTE 3 – CONCENTRATION OF CREDIT RISKS

The Chamber maintains its cash balances in a local bank. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Management periodically assesses the financial condition of the financial institutions and believes that any possible credit risk is minimal. As of December 31, 2022 and 2021, the Chamber had approximately \$338,000 and \$210,000, respectively, of cash balances that were not insured by the FDIC. The Chamber has not experienced any losses in such accounts and believes the risk of future loss is mitigated by monitoring the balances and the financial institutions where the cash is deposited.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

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NOTE 4 – PROPERTY AND EQUIPMENT

As of December 31, 2022 and 2021, property, plant and equipment consisted of the following:

	Audited 2022	Reviewed 2021
Building and improvements	\$1,112,383	\$1,112,383
Computers and software	17,517	17,517
Office equipment	14,321	13,102
Furniture and fixtures	17,990	17,990
Land	145,000	145,000
Total property and equipment, gross	1,307,211	1,305,992
Less: Accumulated depreciation	(452,091)	(421,987)
Total property and equipment, net	\$855,120	\$884,005

Depreciation expense charged to operations for the years ended December 31, 2022 and 2021 was \$30,104 and \$30,042, respectively.

NOTE 5 – RENTAL INCOME

From time to time the Chamber enters into contracts to lease office space to lessees. As the lessor, the Chamber is required to first determine whether the lease is an operating lease or a finance lease. A finance lease is one in which the risks and rewards inherent in the asset are transferred to the lessee. An operating lease is one in which the risks and rewards inherent in the asset are not transferred to the lessee. Only finance leases are required to be capitalized on the statement of financial position.

The Chamber leases office space to three other organizations as follows and has determined that these leases are operating leases:

	Current monthly rent	Lease initiation	Lease expiration	Lease renewal	Renewal expiration
TEDC	\$1,506	9/1/2008	10/31/2013	11/1/2013 11/1/2018	10/31/2018 10/31/2023
TRHF	\$3,729	11/1/2012	10/31/2017	11/1/2017	10/31/2022
TRHF	\$3,869	11/1/2017	10/31/2022	11/1/2022	10/31/2024
Envirocon	\$150	4/1/2016	3/31/2020	4/1/2020	3/31/2024

For the years ended December 31, 2022 and 2021, rental income was \$64,624 and \$64,624, respectively.

Future minimum rentals expected to be collected are as follows:

For the years ending December 31,

2023	\$ 63,288
2024	39,140
2025	-
Total	\$ 102,428

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

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NOTE 6 – LEASE AGREEMENTS

The Chamber has entered into noncancelable operating leases that expire in 2024 and 2026. For the years ended December 31, 2022 and 2021, the total rental expense under these leases was \$11,458 and \$11,170, respectively. The Chamber’s lease arrangements are not recognized in the statement of financial position as the total obligation is less than \$15,000. Future minimum lease payments are as follows:

For the years ending December 31,	
2023	6,651
2024	2,749
2025	1,969
2026	492
Thereafter	-
Total	\$11,862

NOTE 7 – LONG-TERM DEBT

The Chamber had a note payable due in monthly installments to a financial institution for an office building in the amount of \$6,729 for 83 months beginning January 10, 2010 through November 10, 2016. This note was secured by the Quinn Road office building, with interest at 5% through October 9, 2021. On December 10, 2016, a balloon payment of any unpaid principal and interest became due and payable, at which time the loan was modified to require monthly installments of \$5,595 at the same interest rate and terms and to become due and payable on December 10, 2023. Effective October 10, 2021, the interest rate was modified to 4%, requiring the same monthly installments and due date. The Chamber intends to refinance the debt.

As of December 31, 2022 and 2021, the balance was \$527,582 and \$573,315, respectively. Future scheduled maturities of the note payable are as follows:

For the years ending December 31,	
2023	\$ 527,582
Thereafter	-
Total	\$527,582

NOTE 8 – CONCENTRATIONS

For the years ended December 31, 2022 and 2021, respectively approximately fifty-one percent (51%) and forty-eight percent (48%) of the Chamber’s total revenue and support came from membership dues.

The Chamber conducts its operations solely in the greater Tomball area, and, therefore, is subject to risks from changes in local economic conditions. A downturn in the local economy could cause a decrease in membership dues and revenue.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

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NOTE 9 – CONTRIBUTED NONFINANCIAL ASSETS

For the years ended December 31, 2022 and 2021, the Chamber's contributed nonfinancial assets consist of the following:

	2022	2021
Advertising	\$22,720	\$25,270
Repairs and maintenance	6,600	6,600
Supplies	3,500	6,750
Venues	5,300	5,300
Miscellaneous	2,823	3,260
Total contributed nonfinancial assets	\$40,943	\$47,180

Contributed advertising and repairs and maintenance are used in the Chamber's administrative activities. Contributed supplies are used in the Chamber's fundraising activities. Contributed venue costs are used in the Chamber's program activities and fundraising activities. Other miscellaneous donated assets are used across all Chamber activities. All contributed nonfinancial assets are valued at fair market value at the date of donation.

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 21, 2023, the date the financial statements were available to be issued. No events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

**GREATER TOMBALL AREA CHAMBER OF COMMERCE
2023 BOARD OF DIRECTORS**

CHAIR OF THE BOARD

Shane Boatman*

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Tomball, TX 77375
832.559.4205
832.633.7022 cell
janna.hoglund@hcpl.net

Scott Marquardt

Clarity Hearing
11439 Spring Cypress, Unit B
Tomball, TX 77377
936.273.4437
_____ cell
smarquardt@hearingwithclarity.com

Allison Mundy

Mundy Legal Services
500 W. Main St.
Tomball, TX 77375
281.466.4469
832.372.9033 cell
allison@mundylegalsvcs.com

Landon Reed

Harris County Precinct 3
5717 Louetta Rd.
Spring, TX 77379
713.274.3151
281.744.6986 cell
Landon.reed@pct3.hctx.net

Retiring in 2024

Renee Leslie*

RE/MAX Elite Properties
310 E. Main St.
Tomball 77375
281.639.5982 cell
renee@reneeleslie.com

Rob Marmerstein*

HCA Houston Healthcare Tomball
605 Holderrieth
Tomball, TX 77375
281.401.7601
409.550.8679 cell

Robert.marmerstein@hcahealthcare.com

Curtis Morris

425 W. Main St.
Tomball, TX 77375
281.216.5117 cell

Thinkbig48@gmail.com

Uriah Ortiz

Guardian Safe & Lock, LLC
27920 Tomball Parkway, Ste. 240
Tomball, TX 77375
832.534.8687
832.257.8675 cell

uriah@guardiansafeandlock.com

Dr. Martha Salazar-Zamora

Tomball ISD
310 S. Cherry St.
Tomball, TX 77375
281.357.3100

_____ cell
marthasalazarzamora@tomballisd.net

Retiring in 2025**Keith Barber**

Houston Methodist Willowbrook Hospital
18220 SH 249
Houston, TX 77070
281.737.2500
281.541.4978 cell

kdbarber@houstonmethodist.org

Kyle Bertrand

Ardurra
11750 Katy Freeway, Ste. 300
Houston, TX 77079
713.541.3530

_____ cell
kbertrand@ardurra.com

Mikelyn Corkran

Sunflower Bank
1150 W. Main St.
Tomball, TX 77375
281.351.1020
281.743.0063 cell

Mikelyn.corkran@sunflowerbank.com

Al Herrera

Pristal's Automotive
21600 Telge Rd.
Tomball, TX 77377
281.351.9990
832.334.6450 cell

apristals@yahoo.com

Kim Laurence Salsler*

Emerge Marketing Consultants
5922 Capella Park Dr.
Spring, TX 77379
713.256.7364 cell

kim@emergeintoview.com

IMMEDIATE PAST CHAIRMAN OF THE BOARD**Dawna Dyson***

The Juice Plus+ Company
903 Scenic Trail
Tomball, TX 77375
281.381.0432 cell

dawna@ddyson.net

EX-OFFICIO BOARD MEMBERS

Dyanna McCoy
Simmons Bank
 1100 W. Main St.
 Tomball, TX 77375
 281.351.4004
 713.419.0769 cell

dmccoy@simmonsbank.com

Kelly Violette

*Tomball Economic
 Development Corp.*
 29201 Quinn Rd., Ste. B
 PO Box 820
 Tomball, TX 77377-0820
 281.401.4086
 281.889.1687 cell

kviolette@tomballtxedc.org

CHAMBER PRESIDENT**Bruce E. Hillegeist**

*Greater Tomball Area
 Chamber of Commerce*
 P.O. Box 516
 Tomball, TX 77377-0516
 281.351.7222
 281.782.1408 cell

bruceh@tomballchamber.org

Chamber Staff**Brandy Beyer**

Vice President
*Greater Tomball Area
 Chamber of Commerce*
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 713.594.3449 cell

bbeyer@tomballchamber.org

Amy Mason

Communications Director
*Greater Tomball Area
 Chamber of Commerce*
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 713.412.1882 cell

amason@tomballchamber.org

Alex Wellbrock

Membership Development Director
*Greater Tomball Area
 Chamber of Commerce*
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 Tomball, TX 77377-0516
 281.351.7222
 979.665.9188 cell

awellbrock@tomballchamber.org

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Greater Tomball Area Chamber of Commerce

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor or single-member LLC

C Corporation

S Corporation

Partnership

Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

Other (see instructions) ▶ _____

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
29201 Quinn Road, Ste. B; PO Box 516

6 City, state, and ZIP code
Tomball, TX 77377-0516

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the Instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-			-				
--	--	--	---	--	--	---	--	--	--	--

or

Employer identification number

7	4	-	1	4	9	5	1	2	5
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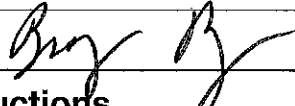
Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here

Signature of U.S. person ▶ 

Date ▶ 1/16/2020

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: July 25, 2023

Topic:

Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2024 Tomball Night.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Katherine Tapscott, Finance Director

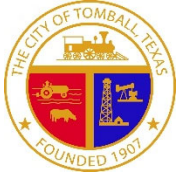
FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: 240-240-6351

If no, funds will be transferred from account _____ To account _____

Signed Katherine Tapscott, CPA Approved by _____
Finance Director 7/19/2023 City Manager Date



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 7/11/2023
 Name of Organization/Business: Greater Tomball Area Chamber of Commerce
 Street Address: 29201 Quinn Road, Suite B
 City: Tomball State: TX Zip Code: 77375
 Contact Name: Brandy Beyer
 Phone Number: 281.351.7222 Email: bbeyer@tomballchamber.org

Type of Organization/Business: Private/For-Profit Non-Profit
 Purpose of organization/business: The Greater Tomball Area Chamber of Commerce provides resources and fosters relationships that empower businesses to prosper in Tomball and its surrounding communities.

Does your event/expenditure pass Part One of the statutory Hotel Occupancy Tax test listed below?

Defined specifically as directly enhancing and promoting tourism in Tomball and directly promoting the overnight accommodation industry in Tomball by increasing overnight stays.

Yes No

Does your event/expenditure pass Part Two of the statutory Hotel Occupancy Tax test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one of more of the following categories?

Select all categories that apply.

- Establishment, improvement or maintenance of a convention or visitor center
- Administrative cost for facilitating convention registration
- Advertising, solicitations, and promotions that attracts tourists and delegates
- Encouragement, promotion, improvement, and application of the arts
- Historical restoration or preservation programs
- Signage directing tourists to attractions visited by hotel guests
- None of the above

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Tomball Night

Website address of event/expenditure: www.tomballchamber.org

Date(s) of event/expenditure: August 2, 2024

Location of event/expenditure: Main Street and Market Street

Description of event/expenditure: community festival with over 90 vendors downtown, Parade of Lights and fireworks

Estimated local attendees: 7,000 Estimated out of town attendees: 3,000

If approved, how will the grant funds be used? advertising, portapotties, equipment rentals, and fireworks

How will you measure the impact of your event on local overnight accommodations? _____

Many vendors/entries for Tomball Night and Parade of Lights come from out of town and will choose to stay in Tomball following the long evening event, and for the weekend to enjoy their visit to Tomball.

Attendees choose to make a long weekend that starts with Tomball Night, as a getaway prior to the start of the school year.

Amount of funding requested: \$ 15,000

Current operating budget for the event/expenditure: \$ 43,950

Total funding dedicated to advertising/promotion of event/expenditure: \$ 2,000

Organization's direct contribution to the operating and advertising budget: \$ 43,950


Please indicate all promotion efforts your organization will utilize to alert visitors of the event/expenditure:

- Paid Advertising Radio Television Brochures
- Social Media Newspaper Online/Digital Press Release

How do you intend to advertise or promote your event to gain overnight stays in Tomball? _____

This event draws crowds from all around - as part of our larger mission, we always encourage participants and attendees to stay in the area and discover Tomball. We request that local business owners promote the evening and themselves as to keep visitors in Tomball and to make a weekend adventure for them and their families.

1. I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the event/expenditure to directly enhance and promote the tourism and hotel industry by attracting visitors from outside of Tomball to stay overnight in one of Tomball's lodging facilities.
2. I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.
3. I understand that all grant funds are provided on a reimbursement basis and only proven eligible expenses will be reimbursed.
4. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Tomball prior to receiving reimbursement for the event.

Applicant Signature: Brandy Beyer  Digitally signed by Brandy Beyer
 Date: 2023.07.12 16:12:04 -05'00'

Applicant Name: Brandy Beyer

Required Documents:

- Itemized budget of expenditures for grant funds
- Organization’s most recent annual budget
- Organization’s most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently on file with the City of Tomball
- Any other information that supports the request for funding

Please submit applications by email to finance@tomballtx.gov or mail/deliver to:

City of Tomball
 Attn: Finance Dept.
 501 James Street
 Tomball, Texas 77375

2024 Tomball Night Budget

Port-o-Pottie	2,000.00
Fireworks	5,500.00
Shopper CASH	1,000.00
Advertising	2,000.00
Supplies	700.00
Debriefing Meeting	250.00
Rentals	2,500.00
Personnel	30,000.00

Total Expenses: 43,950.00

Grant Request: 15,000.00

Greater Tomball Area Chamber of Commerce
2023 Budget Overview
 January through December 2023

	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	TOTAL
Ordinary Income/Expense													
Income													
Income													
Rent Income	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	64,620.00
Capital Campaign	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	36,000.00
Health & Wellness	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	2,000.00	1,000.00	3,000.00	3,000.00	10,000.00
Hotel/Motel Tax									35,000.00				35,000.00
First Friday	2,600.00	2,600.00	2,600.00	2,500.00	2,600.00	2,600.00	2,400.00	2,600.00	2,600.00	2,600.00	2,600.00	2,600.00	30,900.00
Networking Breakfast	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	500.00	500.00	5,000.00
Women's Committee	900.00	900.00	0.00	900.00	400.00	900.00	0.00	400.00	23,000.00	900.00	900.00	800.00	30,000.00
Tomball Leadership Day					5,000.00								5,000.00
Interest Income	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	1,320.00
Membership Dues													
New	8,000.00	10,000.00	9,000.00	9,000.00	8,000.00	6,000.00	6,000.00	8,000.00	8,000.00	10,000.00	10,000.00	8,000.00	100,000.00
Allowance Non-Renewal	-5,577.75	-7,252.75	-3,396.00	-2,973.50	-2,399.00	-2,138.00	-2,610.25	-3,394.75	-4,483.25	-4,052.75	-2,283.50	-2,928.75	-43,490.25
Renewal	55,777.50	72,527.50	33,960.00	29,735.00	23,990.00	21,380.00	26,102.50	33,947.50	44,832.50	40,527.50	22,835.00	29,287.50	434,902.50
Total Membership Dues	58,199.75	75,274.75	39,564.00	35,761.50	29,591.00	25,242.00	29,492.25	38,552.75	48,349.25	46,474.75	30,551.50	34,358.75	491,412.25
Miscellaneous Income	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
Publications/Products													
Magazine/Map/Website	500.00	500.00	10,000.00	11,000.00	10,000.00	1,000.00	1,000.00	0.00	1,000.00	500.00	0.00	0.00	24,000.00
Total Publications	500.00	0.00	10,000.00	11,000.00	10,000.00	1,000.00	1,000.00	0.00	1,000.00	500.00	0.00	0.00	24,000.00
Special Events													
Banquet	10,000.00	20,000.00											30,000.00
Golf Classic		10,000.00											30,000.00
Tomball Night			20,000.00			10,000.00	20,000.00	5,000.00					35,000.00
Holiday Parade									3,000.00	15,000.00	12,000.00		30,000.00
Miss Tomball Pageant									4,000.00	18,000.00	13,000.00		35,000.00
Total Special Events	10,000.00	30,000.00	20,000.00	0.00	0.00	10,000.00	20,000.00	5,000.00	7,000.00	33,000.00	25,000.00	0.00	160,000.00
Total Income	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Total Income	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Gross Profit	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Expense													
Building Expense													
Alarm	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Cleaning	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	8,880.00
Electricity	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	10,800.00
Building Interest	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	21,360.00
Reimbursed by tenants	-1,400.00	-600.00	-700.00	-1,100.00	-700.00	-600.00	-1,200.00	-600.00	-600.00	-1,200.00	-600.00	-600.00	-6,000.00
Repairs/Maintenance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00

Item 6.

Greater Tomball Area Chamber of Commerce
2023 Budget Overview
 January through December 2023

	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	TOTAL
Total Building Expense	3,045.00	3,845.00	3,745.00	3,345.00	3,745.00	3,845.00	3,245.00	3,845.00	3,845.00	3,245.00	3,845.00	3,845.00	43,440.00
Accounting Expense		2,500.00	4,000.00	1,000.00	1,000.00	5,000.00					2,500.00		15,000.00
Advertising							1,000.00	500.00			1,000.00	500.00	3,000.00
Bad Debt Expense	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	6,000.00	50,000.00
Past Due Collections	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00
Health & Wellness		1,000.00			1,000.00			3,000.00		2,000.00			7,000.00
First Friday	2,500.00	2,600.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,400.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
Networking Breakfast	100.00	100.00	150.00	100.00	100.00	150.00	100.00	100.00	150.00	100.00	150.00	200.00	1,500.00
Women's Committee	900.00	900.00	900.00	900.00	900.00	900.00	0.00	900.00	2,000.00	900.00	900.00	10,800.00	20,000.00
Tomball Leadership Day					5,000.00								5,000.00
Young Professionals	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Bank Fees	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	11,400.00
Board of Directors	300.00	100.00			200.00	200.00			3,000.00	3,700.00			7,500.00
Dues and Subscriptions	2,292.00				600.00			750.00			45.00		3,687.00
Employee Expense													
SUTA	350.00	350.00	200.00	100.00	100.00	2,000.00	1,550.00		300.00	1,500.00			1,000.00
Development	600.00	1,550.00	1,500.00	1,500.00	1,500.00								12,000.00
FUTA	150.00	40.00	30.00	5.00									225.00
Group Insurance	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	4,000.00	4,000.00	4,000.00	4,000.00	45,728.00
Cell Phone Allowance	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	3,360.00
Payroll Services	450.00	600.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	5,550.00
Payroll Taxes	1,993.00	2,060.00	1,993.00	2,060.00	1,993.00	1,993.00	1,993.00	2,060.00	1,993.00	1,993.00	2,060.00	1,993.00	24,184.00
Salaries													
TACC	30,132.00	31,132.00	30,132.00	31,132.00	30,132.00	30,132.00	30,132.00	31,132.00	30,132.00	30,132.00	31,132.00	30,132.00	365,584.00
Bonus													18,279.20
Contract Labor		200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	400.00		1,400.00
Total Salaries	30,132.00	31,332.00	30,332.00	31,132.00	30,132.00	30,332.00	30,132.00	31,332.00	30,132.00	30,332.00	31,532.00	48,411.20	385,263.20
Total Employee Expense	37,671.00	39,928.00	38,501.00	39,243.00	38,071.00	38,771.00	38,121.00	37,838.00	37,155.00	38,555.00	38,322.00	55,134.20	477,310.20
Insurance													
Worker's Compensation	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	498.00
Officer & Director Liability	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	1,843.92
General Liab.	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	7,963.92
Total Insurance	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	10,305.84
Membership/Misc. Expense	2,000.00	3,000.00	1,000.00	500.00	2,000.00	600.00	500.00	2,000.00	800.00	1,300.00	500.00	2,000.00	16,200.00
Office Equipment Expense													
Database		5,700.00											5,700.00
Computer Maintenance	300.00	1,200.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	4,500.00
Copier Lease	400.00	600.00	800.00	500.00	400.00	800.00	600.00	800.00	500.00	400.00	800.00	700.00	7,300.00
Pitney Bowes	528.30			591.60			528.30			528.30			1,648.20
Total Office Equip Expense	1,228.30	7,500.00	1,100.00	1,381.60	700.00	1,100.00	1,428.30	1,100.00	800.00	1,228.30	1,100.00	1,000.00	14,100.00

Item 6.

Greater Tomball Area Chamber of Commerce
2023 Budget Overview
 January through December 2023

	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	TOTAL
													Jan - Dec 23
Office Supplies	200.00	700.00	700.00	500.00	800.00	800.00	500.00	400.00	1,000.00	200.00	500.00	200.00	6,500.00
Postage & Delivery	0.00	500.00	500.00	500.00	0.00	500.00	500.00	0.00	0.00	500.00	0.00	100.00	3,100.00
Property Tax Expense	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	1,257.25	15,087.00
Income Tax Expense	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	387.25	4,647.00
Rent	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	1,380.00
Special Events													
Banquet		12,000.00											12,000.00
Golf Classic			3,000.00	8,000.00									11,000.00
Tomball Night					2,500.00		4,500.00	4,500.00				1,000.00	11,500.00
Holiday Parade											17,000.00		18,000.00
Miss Tomball Pageant											4,000.00		4,000.00
Scholarship Expense										500.00	12,500.00	3,000.00	16,000.00
Pageant - Other										500.00	16,500.00	3,000.00	20,000.00
Total Miss Tomball													
Total Special Events	0.00	12,000.00	3,000.00	8,000.00	2,500.00	0.00	4,500.00	4,500.00	0.00	500.00	33,500.00	4,000.00	72,500.00
Telephone Expenses	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	540.00	6,480.00
Travel & Entertainment	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	960.00
Total Expense	59,524.62	83,961.32	64,484.32	67,257.92	71,204.32	59,654.32	61,882.62	66,621.32	60,538.32	64,016.62	94,150.32	91,567.52	844,863.54
Net Ordinary Income	21,770.13	34,908.43	16,774.68	-8,001.42	-23,518.32	-7,817.32	1,104.63	-10,973.57	67,505.93	29,553.13	-25,903.82	-44,613.77	50,788.71
Principal Building Payment	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	3,815.00	45,780.00
xDepreciation Expense	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	20,460.00
Net Income	16,250.13	29,388.43	11,254.68	-13,521.42	-29,038.32	-13,337.32	-4,415.37	-16,493.57	61,985.93	24,033.13	-31,423.82	-50,133.77	-15,451.29

Greater Tomball Area Chamber of Commerce

Financial Statements and Independent Auditors' Report
for the Year Ended December 31, 2022 (Audited)
(with comparative totals for 2021 - Reviewed)



Tipton & Company
CERTIFIED PUBLIC ACCOUNTANTS

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Tipton & Company

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
 Greater Tomball Area Chamber of Commerce
 Tomball, Texas

Opinion

We have audited the accompanying financial statements of Greater Tomball Area Chamber of Commerce (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Tomball Area Chamber of Commerce as of December 31, 2022, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Greater Tomball Area Chamber of Commerce and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Tomball Area Chamber of Commerce's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered

material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Greater Tomball Area Chamber of Commerce's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Tomball Area Chamber of Commerce's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified.

Report on Summarized Comparative Information

The 2021 financial statements were reviewed by us and our report thereon, dated April 14, 2022, stated we were not aware of any material modifications that should be made to those financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements. The summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the reviewed financial statements from which it has been derived.

Tipton & Company LLC

Tipton & Company LLC
Certified Public Accountants
Houston, Texas

June 21, 2023

Greater Tomball Area Chamber of Commerce

Statement of Financial Position

Item 6.

<i>As of December 31, (with comparative totals for 2021)</i>	Audited 2022	Reviewed 2021
Assets		
Cash and cash equivalents	\$ 588,088	\$ 459,950
Accounts receivable, net	35,249	40,848
Prepaid expenses	10,098	9,835
Property and equipment, net	855,120	884,005
Total Assets	\$ 1,488,555	\$ 1,394,638
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 28,729	\$ 16,531
Deferred revenues	175,798	149,885
Long-term debt	527,582	573,315
Deposits	8,300	8,300
Total Liabilities	740,409	748,031
Net Assets		
Without donor restrictions	748,146	646,607
Total Net Assets	748,146	646,607
Total Liabilities and Net Assets	\$ 1,488,555	\$ 1,394,638

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

Greater Tomball Area Chamber of Commerce

Statement of Activities

Item 6.

<i>Year ended December 31, (with comparative totals for 2021)</i>	Audited 2022	Reviewed 2021
Without Donor Restrictions		
Revenue and Support		
Membership dues	\$ 431,425	\$ 395,831
Special events revenue	176,519	139,640
Direct benefits to donors	(19,129)	(10,151)
Capital improvement campaign	33,000	36,000
First Friday luncheon	29,402	15,452
Networking Breakfast	4,980	4,035
Women's Committee	37,823	-
City of Tomball hotel tax revenue	35,000	35,000
Rental income	64,624	64,624
Tenant reimbursements	11,182	10,635
Ads and ad commission	17,665	20,767
Contributed nonfinancial assets	40,943	47,180
Interest income	1,424	2,217
Other income	14,099	66,636
Total Revenue and Support	878,957	827,866
Expenses		
Program Services		
Business resources	270,070	242,698
Advocacy	289,561	253,513
Total Program Services	559,631	496,211
Supporting Services		
General and administrative	100,685	104,706
Fundraising	117,102	127,292
Total Supporting Services	217,787	231,998
Total Expenses	777,418	728,209
Change in Net Assets	101,539	99,657
Net Assets, Beginning of Year	646,607	546,950
Net Assets, End of Year	\$ 748,146	\$ 646,607

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

Greater Tomball Area Chamber of Commerce
Statement of Functional Expenses

Year ended December 31, (with comparative totals for 2021)	Program Services			Supporting Services			Audited 2022 Total	Reviewed 2021 Total
	Business Resources	Advocacy	Total Program Services	General and Administrative	Fundraising	Total Supporting Services		
Payroll and related expenses								
Salaries	\$ 95,173	\$ 95,173	\$ 190,346	\$ 23,793	\$ 23,793	\$ 47,586	\$ 237,932	\$ 246,066
Payroll taxes	7,642	7,642	15,284	1,911	1,911	3,822	19,106	17,936
Employee benefits	13,174	13,174	26,348	3,294	3,294	6,588	32,936	39,274
Total payroll and related expenses	115,989	115,989	231,978	28,998	28,998	57,996	289,974	303,276
Other expenses								
Advertising	2,455	2,455	4,910	2,455	17,185	19,640	24,550	24,799
Bad debt	19,330	19,330	38,660	19,330	19,330	38,660	77,320	86,080
Bank fees	1,119	1,119	2,238	4,475	4,475	8,950	11,188	7,890
Board expenses	-	-	-	8,809	-	8,809	8,809	6,935
Building expenses	100	100	200	25	25	50	250	325
Computer maintenance	1,736	1,736	3,472	434	434	868	4,340	4,216
Contract labor	26,923	26,923	53,846	6,730	6,730	13,460	67,306	1,252
Depreciation	12,042	12,042	24,084	3,010	3,010	6,020	30,104	30,042
Dues and subscriptions	-	3,971	3,971	-	-	-	3,971	2,688
Employee development	2,720	2,720	5,440	680	680	1,360	6,800	9,632
Equipment lease	4,039	4,039	8,078	1,010	1,010	2,020	10,098	9,970
First Friday	31,047	-	31,047	-	-	-	31,047	18,442
Health committee	6,918	-	6,918	-	-	-	6,918	4,859
Insurance	4,017	4,017	8,034	1,004	1,004	2,008	10,042	9,616
Interest	8,563	8,563	17,126	2,141	2,141	4,282	21,408	30,086
Miscellaneous	3,810	5,079	8,889	3,810	-	3,810	12,699	14,082
Networking breakfast	159	-	159	-	-	-	159	280
Office supplies	2,558	2,558	5,116	640	640	1,280	6,396	4,884
Payroll service	2,359	2,359	4,718	590	590	1,180	5,898	5,522
Postage and delivery	916	458	1,374	458	1,220	1,678	3,052	2,707
Professional fees	-	-	-	7,505	-	7,505	7,505	13,565
Rent	544	544	1,088	136	136	272	1,360	1,200
Repairs and maintenance	7,214	7,214	14,428	1,804	1,804	3,608	18,036	25,614
Software	2,246	2,246	4,492	561	561	1,122	5,614	4,850
Special events	-	27,489	27,489	-	43,097	43,097	70,586	78,595
Taxes - income	-	-	-	2,160	-	2,160	2,160	4,515
Taxes - property	5,568	5,568	11,136	1,392	1,392	2,784	13,920	13,920
Telephone	2,675	2,675	5,350	668	669	1,337	6,687	6,540
Travel and entertainment	-	-	-	760	-	760	760	760
Utilities	4,403	4,403	8,806	1,100	1,100	2,200	11,006	10,510
Womens Committee	-	25,964	25,964	-	-	-	25,964	-
Young professionals	620	-	620	-	-	-	620	708
Total other expenses	154,081	173,572	327,653	71,687	107,233	178,920	506,573	435,084
Subtotal	270,070	289,561	559,631	100,685	136,231	236,916	796,547	738,360
Less: Direct benefit to donor	-	-	-	-	(19,129)	(19,129)	(19,129)	(10,151)
Total Expenses	\$ 270,070	\$ 289,561	\$ 559,631	\$ 100,685	\$ 117,102	\$ 217,787	\$ 777,418	\$ 728,209

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

Greater Tomball Area Chamber of Commerce

Statement of Cash Flows

Item 6.

<i>Year Ended December 31, (with comparative totals for 2021)</i>	Audited 2022	Reviewed 2021
Cash Flows From Operating Activities		
Change in net assets	\$ 101,539	\$ 99,657
Adjustments to reconcile change in net assets to net change in operating activities:		
Depreciation	30,104	30,042
Bad debt expense	77,320	86,080
Changes in assets and liabilities:		
Accounts receivable	(71,721)	(73,454)
Prepaid expenses	(263)	(413)
Accrued expenses	12,198	(1,480)
Deferred revenues	25,913	6,773
Total Adjustments	73,551	47,548
Net Change in Operating Activities	175,090	147,205
Cash Flows From Investing Activities		
Purchases of property and equipment	(1,219)	-
Net Change in Investing Activities	(1,219)	-
Cash Flows From Financing Activities		
Payments on long-term debt	(45,733)	(37,055)
Net Change in Financing Activities	(45,733)	(37,055)
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, beginning of year	459,950	459,950
Net Change in Cash and Cash Equivalents	128,138	110,150
Cash and Cash Equivalents, end of year	\$ 588,088	\$ 459,950
Supplemental Disclosures:		
Interest paid	\$ 21,408	\$ 30,086

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

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Greater Tomball Area Chamber of Commerce (the “Chamber”) is a not-for-profit organization of citizens who are investing their time and money in a community development program working together to improve the economic, civic, and cultural fortitude of the region, community, or area. The Chamber’s mission is to provide resources and foster relationships that empower businesses to prosper in Tomball and its surrounding communities.

The Chamber is supported through membership dues, contributions, rental income and other miscellaneous revenue. The Chamber conducts the following programs:

- *Business resources* – The Business Resources Division is dedicated to providing and promoting value added, quality networking events to the Chamber’s diverse membership, by ensuring inclusion through new member mentorship programs and by presenting opportunities for personal and business growth. This division invites members to become involved in the Chamber’s programs that will allow relationships to be formed and sustained through a variety of networking events.
- *Advocacy* – The Advocacy Division is committed to being a strong voice for the Chamber’s members and the greater Tomball area community. This will be accomplished by addressing public policy issues with participation from the public, members and elected officials, and holding open discussions about issues that affect the business community including: economic development, education, workforce development, energy and healthcare.

Basis of Accounting

The financial statements of the Chamber have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Chamber reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

- *Net assets without donor restrictions* are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Chamber, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.
- *Net assets with donor restrictions* are resources that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-restricted endowment earnings are released when those earnings are appropriated with spending policies and are used for the specified purpose.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Cash and Cash Equivalents

The Chamber considers all monies in banks and highly liquid investments with maturities of three months or less from the date of purchase to be cash and cash equivalents. The carrying values of any cash and cash equivalents are deemed to approximate their fair values because of the short maturities of those financial instruments.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2022 and 2021, the allowance for bad debts was \$7,021 and \$7,021, respectively.

Property and Equipment

The Chamber capitalizes all expenditures for property, plant and equipment in excess of \$500. Maintenance and repairs are charged to operations when incurred. Major improvements and renewals that extend the life of the asset are capitalized. Purchased property, plant and equipment are carried at cost and are depreciated using the straight-line method based on their estimated useful lives as follows:

Buildings and improvements	39 years
Computers and software	3-5 years
Office equipment	5-7 years
Furniture and fixtures	5-7 years

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Chamber reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Chamber reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Deferred Revenue

Income from membership dues and subscription fees received in advance is deferred and recognized over the periods to which the dues and fees relate.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. The significant estimates included in the financial statements are the estimates of useful lives used for depreciating property and equipment items.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 6.

Membership Dues

Membership dues are recognized in the applicable membership period. Any unearned amounts are included in deferred revenue at the end of each accounting period.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Chamber. Many individuals volunteer their time and perform a variety of tasks that assist the Chamber with program services and fundraising events. No amounts have been reflected in the financial statements for these donated services as the recognition criteria were not met.

Functional Allocation of Expenses

Expenses are categorized in the Statement of Activities as program services, management and general and fundraising. The Chamber's expenses are allocated on a functional basis among these benefited categories:

- Program service expenses: include direct and indirect (allocated) expenses for the various programs offered by the Chamber to fulfill member investment expectations. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses, that are common to several functions, are allocated to program services based on time and effort.
- Management and general expenses: include those expenses, ranging from office management to financial services, that are not directly identifiable with any other specific function but provide for the overall support and direction of the Chamber. Those expenses include the basic necessities to be an accredited, well rounded, and effective organization.
- Fundraising expenses: represent costs incurred in connection with fundraising efforts to continue the Chamber's mission. The membership dues alone are not adequate enough to accomplish the Chamber's goals; therefore, fundraising events are held to fill the gap between membership dues and total expenses.

Income Taxes

The Chamber is operating as a not-for-profit corporation, under Section 501(c)(6) of the Internal Revenue Code, and is not subject to income taxes with the exception of unrelated business income. The Chamber conducted unrelated business activities during the current year. Therefore, the Chamber paid \$2,160 and \$4,515 for federal income taxes in the years ended December 31, 2022 and 2021, respectively.

The Chamber applies the provisions of FASB ASC Topic 740, Income Taxes, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Topic 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. As of December 31, 2022 and 2021, no uncertain tax positions were identified.

Leases

From time to time the Chamber enters into contracts to lease office equipment. At contract inception, the Chamber determines if an arrangement contains a lease and recognizes right-of-use (ROU) assets and lease liabilities for leases with terms greater than twelve months. Leases with an initial term of twelve months or less and immaterial leases with obligations of less than \$15,000 are not recognized in the statement of financial position.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 6.

Advertising Cost

Advertising costs are expensed when incurred. Advertising costs for the years ended December 31, 2022 and 2021 amounted to \$24,550 and \$24,799, respectively.

Newly Adopted Accounting Pronouncements

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities and changes in net assets, apart from contributions of cash or other financial assets. It also requires a not-for-profit organization to disclose contributed nonfinancial assets recognized within the statement of activities and changes in net assets disaggregated by category that depicts the type of contributed nonfinancial assets and includes additional disclosure requirements for each category of contributed nonfinancial assets recognized. The Chamber adopted the new guidance effective January 1, 2022. There was no significant impact as a result of the implementation.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The ASU requires most leases to be recognized on the statement of financial position as lease assets and lease liabilities and requires both quantitative and qualitative disclosures regarding key information about leasing arrangements. The Chamber adopted the new guidance effective January 1, 2022. There was no significant impact as a result of the implementation.

NOTE 2 – LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2022, comprise the following:

<u>Financial assets:</u>	
Cash and cash equivalents	\$588,088
Accounts receivable, net	35,249
Financial assets available to meet cash needs for general expenditures within one year	\$623,337

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Chamber considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Chamber sets a goal of having financial assets on hand to meet a minimum of 90 days of normal operating expenses, which are, on average, around \$56,000. As part of its liquidity management, the Chamber has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

NOTE 3 – CONCENTRATION OF CREDIT RISKS

The Chamber maintains its cash balances in a local bank. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Management periodically assesses the financial condition of the financial institutions and believes that any possible credit risk is minimal. As of December 31, 2022 and 2021, the Chamber had approximately \$338,000 and \$210,000, respectively, of cash balances that were not insured by the FDIC. The Chamber has not experienced any losses in such accounts and believes the risk of future loss is mitigated by monitoring the balances and the financial institutions where the cash is deposited.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 6.

NOTE 4 – PROPERTY AND EQUIPMENT

As of December 31, 2022 and 2021, property, plant and equipment consisted of the following:

	Audited 2022	Reviewed 2021
Building and improvements	\$1,112,383	\$1,112,383
Computers and software	17,517	17,517
Office equipment	14,321	13,102
Furniture and fixtures	17,990	17,990
Land	145,000	145,000
Total property and equipment, gross	1,307,211	1,305,992
Less: Accumulated depreciation	(452,091)	(421,987)
Total property and equipment, net	\$855,120	\$884,005

Depreciation expense charged to operations for the years ended December 31, 2022 and 2021 was \$30,104 and \$30,042, respectively.

NOTE 5 – RENTAL INCOME

From time to time the Chamber enters into contracts to lease office space to lessees. As the lessor, the Chamber is required to first determine whether the lease is an operating lease or a finance lease. A finance lease is one in which the risks and rewards inherent in the asset are transferred to the lessee. An operating lease is one in which the risks and rewards inherent in the asset are not transferred to the lessee. Only finance leases are required to be capitalized on the statement of financial position.

The Chamber leases office space to three other organizations as follows and has determined that these leases are operating leases:

	Current monthly rent	Lease initiation	Lease expiration	Lease renewal	Renewal expiration
TEDC	\$1,506	9/1/2008	10/31/2013	11/1/2013 11/1/2018	10/31/2018 10/31/2023
TRHF	\$3,729	11/1/2012	10/31/2017	11/1/2017	10/31/2022
TRHF	\$3,869	11/1/2017	10/31/2022	11/1/2022	10/31/2024
Envirocon	\$150	4/1/2016	3/31/2020	4/1/2020	3/31/2024

For the years ended December 31, 2022 and 2021, rental income was \$64,624 and \$64,624, respectively.

Future minimum rentals expected to be collected are as follows:

For the years ending December 31,	
2023	\$ 63,288
2024	39,140
2025	-
Total	\$ 102,428

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 6.

NOTE 6 – LEASE AGREEMENTS

The Chamber has entered into noncancelable operating leases that expire in 2024 and 2026. For the years ended December 31, 2022 and 2021, the total rental expense under these leases was \$11,458 and \$11,170, respectively. The Chamber's lease arrangements are not recognized in the statement of financial position as the total obligation is less than \$15,000. Future minimum lease payments are as follows:

For the years ending December 31,	
2023	6,651
2024	2,749
2025	1,969
2026	492
Thereafter	-
Total	\$11,862

NOTE 7 – LONG-TERM DEBT

The Chamber had a note payable due in monthly installments to a financial institution for an office building in the amount of \$6,729 for 83 months beginning January 10, 2010 through November 10, 2016. This note was secured by the Quinn Road office building, with interest at 5% through October 9, 2021. On December 10, 2016, a balloon payment of any unpaid principal and interest became due and payable, at which time the loan was modified to require monthly installments of \$5,595 at the same interest rate and terms and to become due and payable on December 10, 2023. Effective October 10, 2021, the interest rate was modified to 4%, requiring the same monthly installments and due date. The Chamber intends to refinance the debt.

As of December 31, 2022 and 2021, the balance was \$527,582 and \$573,315, respectively. Future scheduled maturities of the note payable are as follows:

For the years ending December 31,	
2023	\$ 527,582
Thereafter	-
Total	\$527,582

NOTE 8 – CONCENTRATIONS

For the years ended December 31, 2022 and 2021, respectively approximately fifty-one percent (51%) and forty-eight percent (48%) of the Chamber's total revenue and support came from membership dues.

The Chamber conducts its operations solely in the greater Tomball area, and, therefore, is subject to risks from changes in local economic conditions. A downturn in the local economy could cause a decrease in membership dues and revenue.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 6.

NOTE 9 – CONTRIBUTED NONFINANCIAL ASSETS

For the years ended December 31, 2022 and 2021, the Chamber's contributed nonfinancial assets consist of the following:

	2022	2021
Advertising	\$22,720	\$25,270
Repairs and maintenance	6,600	6,600
Supplies	3,500	6,750
Venues	5,300	5,300
Miscellaneous	2,823	3,260
Total contributed nonfinancial assets	\$40,943	\$47,180

Contributed advertising and repairs and maintenance are used in the Chamber's administrative activities. Contributed supplies are used in the Chamber's fundraising activities. Contributed venue costs are used in the Chamber's program activities and fundraising activities. Other miscellaneous donated assets are used across all Chamber activities. All contributed nonfinancial assets are valued at fair market value at the date of donation.

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 21, 2023, the date the financial statements were available to be issued. No events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

**GREATER TOMBALL AREA CHAMBER OF COMMERCE
2023 BOARD OF DIRECTORS**

CHAIR OF THE BOARD

Shane Boatman*

Boatman Construction

27905 Commercial Park Rd., Ste. 100

Tomball, TX 77375

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713.539.0176 cell

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Janna Hoglund*

Lone Star College-Tomball Community

Library

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Scott Marquardt

Clarity Hearing

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Allison Mundy

Mundy Legal Services

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Landon Reed

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Kyle Bertrand

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Curtis Morris

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Mikelyn Corkran

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Uriah Ortiz

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Al Herrera

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Dr. Martha Salazar-Zamora

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Kim Laurence Salsler*

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Retiring in 2025**Keith Barber**

Houston Methodist Willowbrook Hospital
18220 SH 249
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IMMEDIATE PAST CHAIRMAN OF THE BOARD**Dawna Dyson***

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EX-OFFICIO BOARD MEMBERS

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Kelly Violette

*Tomball Economic
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CHAMBER PRESIDENT**Bruce E. Hillegeist**

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Chamber Staff**Brandy Beyer**

Vice President
*Greater Tomball Area
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Alex Wellbrock

Membership Development Director
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Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Greater Tomball Area Chamber of Commerce

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor or single-member LLC

C Corporation

S Corporation

Partnership

Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

Other (see instructions) ▶ _____

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
29201 Quinn Road, Ste. B; PO Box 516

6 City, state, and ZIP code
Tomball, TX 77377-0516

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the Instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-				-				
--	--	--	---	--	--	--	---	--	--	--	--

OR

Employer identification number

7	4	-	1	4	9	5	1	2	5
---	---	---	---	---	---	---	---	---	---

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ▶ *[Handwritten Signature]* Date ▶ *1/16/2020*

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: July 25, 2023

Topic:

Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2023-2024 Hotel Occupancy Tax Funds for the Visitor Center.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Katherine Tapscott, Finance Director

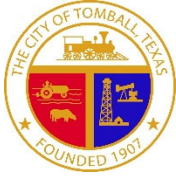
FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: 240-240-6351

If no, funds will be transferred from account _____ To account _____

Signed Katherine Tapscott, CPA Approved by _____
Finance Director 7/19/2023 City Manager Date



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 7/11/2023
 Name of Organization/Business: Greater Tomball Area Chamber of Commerce
 Street Address: 29201 Quinn Road, Suite B
 City: Tomball State: TX Zip Code: 77375
 Contact Name: Brandy Beyer
 Phone Number: 281.351.7222 Email: bbeyer@tomballchamber.org

Type of Organization/Business: Private/For-Profit Non-Profit
 Purpose of organization/business: The Greater Tomball Area Chamber of Commerce provides resources and fosters relationships that empower businesses to prosper in Tomball and its surrounding communities.

Does your event/expenditure pass Part One of the statutory Hotel Occupancy Tax test listed below?

Defined specifically as directly enhancing and promoting tourism in Tomball and directly promoting the overnight accommodation industry in Tomball by increasing overnight stays.

Yes No

Does your event/expenditure pass Part Two of the statutory Hotel Occupancy Tax test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one of more of the following categories?

Select all categories that apply.

- Establishment, improvement or maintenance of a convention or visitor center
- Administrative cost for facilitating convention registration
- Advertising, solicitations, and promotions that attracts tourists and delegates
- Encouragement, promotion, improvement, and application of the arts
- Historical restoration or preservation programs
- Signage directing tourists to attractions visited by hotel guests
- None of the above

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Visitor Center

Website address of event/expenditure: www.tomballchamber.org

Date(s) of event/expenditure: Monday-Friday 8am-5pm

Location of event/expenditure: 29201 Quinn Road, Ste. B

Description of event/expenditure: daily handling of walk-ins, calls and emails for people looking to visit Tomball for events as well as making trips to look at homes for relocating

Estimated local attendees: 200 Estimated out of town attendees: 500

If approved, how will the grant funds be used? reimbursement for visitor center costs maintaining office, supplies for mailing visitor packets, staff to handle visitors

How will you measure the impact of your event on local overnight accommodations? by tracking calls and email requests for local hotel information

Amount of funding requested: \$ 10,000

Current operating budget for the event/expenditure: \$ 69,174

Total funding dedicated to advertising/promotion of event/expenditure: \$ _____

Organization's direct contribution to the operating and advertising budget: \$ 69,174


Please indicate all promotion efforts your organization will utilize to alert visitors of the event/expenditure:

- Paid Advertising Radio Television Brochures
- Social Media Newspaper Online/Digital Press Release

How do you intend to advertise or promote your event to gain overnight stays in Tomball? as a visitor center, chambers of commerce have a long standing history of being the first place visitors stop when they come to a new town.

The GTACC is publicized through our website, in the World Chamber of Commerce Directory, as a member of the US Chamber of Commerce, Texas Association of Business, Texas Chamber of Commerce Executives and the American Chamber of Commerce Executives.

1. I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the event/expenditure to directly enhance and promote the tourism and hotel industry by attracting visitors from outside of Tomball to stay overnight in one of Tomball's lodging facilities.
2. I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.
3. I understand that all grant funds are provided on a reimbursement basis and only proven eligible expenses will be reimbursed.
4. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Tomball prior to receiving reimbursement for the event.

Applicant Signature: Brandy Beyer  Digitally signed by Brandy Beyer
 Date: 2023.07.11 14:51:24 -05'00'

Applicant Name: Brandy Beyer

Required Documents:

- Itemized budget of expenditures for grant funds
- Organization’s most recent annual budget
- Organization’s most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently on file with the City of Tomball
- Any other information that supports the request for funding

Please submit applications by email to finance@tomballtx.gov or mail/deliver to:

City of Tomball
 Attn: Finance Dept.
 501 James Street
 Tomball, Texas 77375

Visitor Center Budget

Rent	25,974.00
CAM Expense	12,000.00
Office Supplies/Postage	1,200.00
Personnel	30,000.00

Total Expenses: 69,174.00

Grant Request: 10,000.00

Greater Tomball Area Chamber of Commerce
2023 Budget Overview
 January through December 2023

Ordinary Income/Expense	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	TOTAL
	Jan - Dec 23												
Income													
Rent Income	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	64,620.00
Capital Campaign	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	36,000.00
Health & Wellness	1,000.00	1,000.00			1,000.00	4,000.00	1,000.00		2,000.00	1,000.00			10,000.00
Hotel/Motel Tax									35,000.00				35,000.00
First Friday	2,600.00	2,600.00	2,600.00	2,500.00	2,600.00	2,600.00	2,400.00	2,600.00	2,600.00	2,600.00	2,600.00	2,600.00	30,900.00
Networking Breakfast	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	500.00	500.00	5,000.00
Women's Committee	900.00	900.00	0.00	900.00	400.00	900.00	0.00	400.00	23,000.00	900.00	900.00	800.00	30,000.00
Tomball Leadership Day					5,000.00								5,000.00
Interest Income	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	1,320.00
Membership Dues													
New	8,000.00	10,000.00	9,000.00	9,000.00	8,000.00	6,000.00	6,000.00	8,000.00	8,000.00	10,000.00	10,000.00	8,000.00	100,000.00
Allowance Non-Renewal	-5,577.75	-7,252.75	-3,396.00	-2,973.50	-2,399.00	-2,138.00	-2,610.25	-3,394.75	-4,483.25	-4,052.75	-2,283.50	-2,928.75	-43,490.25
Renewal	55,777.50	72,527.50	33,960.00	29,735.00	23,990.00	21,380.00	26,102.50	33,947.50	44,832.50	40,527.50	22,835.00	29,287.50	434,902.50
Total Membership Dues	58,199.75	75,274.75	39,564.00	35,761.50	29,591.00	25,242.00	29,492.25	38,552.75	48,349.25	46,474.75	30,551.50	34,358.75	491,412.25
Miscellaneous Income	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
Publications/Products													
Magazine/Map/Website	500.00		10,000.00	11,000.00			1,000.00		1,000.00	500.00			24,000.00
Total Publications	500.00	0.00	10,000.00	11,000.00	0.00	0.00	1,000.00	0.00	1,000.00	500.00	0.00	0.00	24,000.00
Special Events													
Banquet	10,000.00	20,000.00											30,000.00
Golf Classic		10,000.00	20,000.00			10,000.00	20,000.00	5,000.00					30,000.00
Tomball Night									3,000.00	15,000.00	12,000.00		30,000.00
Holiday Parade									4,000.00	18,000.00	13,000.00		35,000.00
Miss Tomball Pageant									7,000.00	33,000.00	25,000.00		30,000.00
Total Special Events	10,000.00	30,000.00	20,000.00	0.00	0.00	10,000.00	20,000.00	5,000.00	7,000.00	33,000.00	25,000.00	0.00	160,000.00
Total Income	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Total Income	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Gross Profit	81,294.75	118,869.75	81,259.00	59,256.50	47,686.00	51,837.00	62,987.25	55,647.75	128,044.25	93,569.75	68,246.50	46,953.75	895,652.25
Expense													
Building Expense													
Alarm	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Cleaning	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	8,880.00
Electricity	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	10,800.00
Building Interest	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	1,780.00	21,360.00
Reimbursed by tenants	-1,400.00	-600.00	-700.00	-1,100.00	-700.00	-600.00	-1,200.00	-600.00	-600.00	-1,200.00	-600.00	-600.00	-6,000.00
Repairs/Maintenance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00

Greater Tomball Area Chamber of Commerce
2023 Budget Overview
 January through December 2023

	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	TOTAL
Total Building Expense	3,045.00	3,845.00	3,745.00	3,345.00	3,745.00	3,845.00	3,245.00	3,845.00	3,845.00	3,245.00	3,845.00	3,845.00	43,440.00
Accounting Expense		2,500.00	4,000.00	1,000.00	5,000.00						2,500.00		15,000.00
Advertising							1,000.00	500.00			1,000.00	500.00	3,000.00
Bad Debt Expense	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	6,000.00	50,000.00
Past Due Collections	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00
Health & Wellness		1,000.00			1,000.00			3,000.00		2,000.00			7,000.00
First Friday	2,500.00	2,600.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,400.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
Networking Breakfast	100.00	100.00	150.00	100.00	100.00	150.00	100.00	100.00	150.00	100.00	150.00	200.00	1,500.00
Women's Committee	900.00	900.00	0.00	900.00	900.00	900.00	0.00	900.00	2,000.00	900.00	900.00	10,800.00	20,000.00
Tomball Leadership Day					5,000.00								5,000.00
Young Professionals	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Bank Fees	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	11,400.00
Board of Directors	300.00	100.00				200.00			3,000.00	3,700.00			7,500.00
Dues and Subscriptions	2,292.00				600.00			750.00			45.00		3,687.00
Employee Expense													
SUTA	350.00	350.00	200.00	100.00									1,000.00
Development	600.00	1,550.00	1,500.00	1,500.00	1,500.00	2,000.00	1,550.00		300.00	1,500.00			12,000.00
FUTA	150.00	40.00	30.00	5.00									225.00
Group Insurance	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	3,716.00	4,000.00	4,000.00	4,000.00	4,000.00	45,728.00
Cell Phone Allowance	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	3,360.00
Payroll Services	450.00	600.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	5,550.00
Payroll Taxes	1,993.00	2,060.00	1,993.00	2,060.00	1,993.00	1,993.00	1,993.00	2,060.00	1,993.00	1,993.00	2,060.00	1,993.00	24,184.00
Salaries													
TACC	30,132.00	31,132.00	30,132.00	31,132.00	30,132.00	30,132.00	30,132.00	31,132.00	30,132.00	30,132.00	31,132.00	30,132.00	365,584.00
Bonus													18,279.20
Contract Labor		200.00	200.00			200.00		200.00		200.00	400.00		1,400.00
Total Salaries	30,132.00	31,332.00	30,332.00	31,132.00	30,132.00	30,332.00	30,132.00	31,332.00	30,132.00	30,332.00	31,532.00	48,411.20	385,263.20
Total Employee Expense	37,671.00	39,928.00	38,501.00	39,243.00	38,071.00	38,771.00	38,121.00	37,838.00	37,155.00	38,555.00	38,322.00	55,134.20	477,310.20
Insurance													
Worker's Compensation	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	498.00
Officer & Director Liability	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	153.66	1,843.92
General Liab.	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	663.66	7,963.92
Total Insurance	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	858.82	10,305.84
Membership/Misc. Expense	2,000.00	3,000.00	1,000.00	500.00	2,000.00	600.00	500.00	2,000.00	800.00	1,300.00	500.00	2,000.00	16,200.00
Office Equipment Expense													
Database		5,700.00											5,700.00
Computer Maintenance	300.00	1,200.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	4,500.00
Copier Lease	400.00	600.00	800.00	500.00	400.00	800.00	600.00	800.00	500.00	400.00	800.00	700.00	7,300.00
Pitney Bowes	528.30			591.60			528.30			528.30			1,648.20
Total Office Equip Expense	1,228.30	7,500.00	1,100.00	1,381.60	700.00	1,100.00	1,428.30	1,100.00	800.00	1,228.30	1,100.00	1,000.00	14,100.00

Item 7.

Greater Tomball Area Chamber of Commerce

Financial Statements and Independent Auditors' Report
for the Year Ended December 31, 2022 (Audited)
(with comparative totals for 2021 - Reviewed)



Tipton & Company
CERTIFIED PUBLIC ACCOUNTANTS

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Tipton & Company

CERTIFIED PUBLIC ACCOUNTANTS

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Houston, TX 77070
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Greater Tomball Area Chamber of Commerce
Tomball, Texas

Opinion

We have audited the accompanying financial statements of Greater Tomball Area Chamber of Commerce (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Tomball Area Chamber of Commerce as of December 31, 2022, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Greater Tomball Area Chamber of Commerce and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Tomball Area Chamber of Commerce's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered

material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Greater Tomball Area Chamber of Commerce's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Tomball Area Chamber of Commerce's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified.

Report on Summarized Comparative Information

The 2021 financial statements were reviewed by us and our report thereon, dated April 14, 2022, stated we were not aware of any material modifications that should be made to those financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements. The summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the reviewed financial statements from which it has been derived.

Tipton & Company LLC

Tipton & Company LLC
Certified Public Accountants
Houston, Texas

June 21, 2023

Greater Tomball Area Chamber of Commerce

Statement of Financial Position

Item 7.

<i>As of December 31, (with comparative totals for 2021)</i>	Audited 2022	Reviewed 2021
Assets		
Cash and cash equivalents	\$ 588,088	\$ 459,950
Accounts receivable, net	35,249	40,848
Prepaid expenses	10,098	9,835
Property and equipment, net	855,120	884,005
Total Assets	\$ 1,488,555	\$ 1,394,638
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 28,729	\$ 16,531
Deferred revenues	175,798	149,885
Long-term debt	527,582	573,315
Deposits	8,300	8,300
Total Liabilities	740,409	748,031
Net Assets		
Without donor restrictions	748,146	646,607
Total Net Assets	748,146	646,607
Total Liabilities and Net Assets	\$ 1,488,555	\$ 1,394,638

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

Greater Tomball Area Chamber of Commerce

Statement of Activities

Item 7.

<i>Year ended December 31, (with comparative totals for 2021)</i>	Audited 2022	Reviewed 2021
Without Donor Restrictions		
Revenue and Support		
Membership dues	\$ 431,425	\$ 395,831
Special events revenue	176,519	139,640
Direct benefits to donors	(19,129)	(10,151)
Capital improvement campaign	33,000	36,000
First Friday luncheon	29,402	15,452
Networking Breakfast	4,980	4,035
Women's Committee	37,823	-
City of Tomball hotel tax revenue	35,000	35,000
Rental income	64,624	64,624
Tenant reimbursements	11,182	10,635
Ads and ad commission	17,665	20,767
Contributed nonfinancial assets	40,943	47,180
Interest income	1,424	2,217
Other income	14,099	66,636
Total Revenue and Support	878,957	827,866
Expenses		
Program Services		
Business resources	270,070	242,698
Advocacy	289,561	253,513
Total Program Services	559,631	496,211
Supporting Services		
General and administrative	100,685	104,706
Fundraising	117,102	127,292
Total Supporting Services	217,787	231,998
Total Expenses	777,418	728,209
Change in Net Assets	101,539	99,657
Net Assets, Beginning of Year	646,607	546,950
Net Assets, End of Year	\$ 748,146	\$ 646,607

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

Greater Tomball Area Chamber of Commerce
Statement of Functional Expenses

Year ended December 31, (with comparative totals for 2021)	Program Services			Supporting Services			Audited 2022 Total	Reviewed 2021 Total
	Business Resources	Advocacy	Total Program Services	General and Administrative	Fundraising	Total Supporting Services		
Payroll and related expenses								
Salaries	\$ 95,173	\$ 95,173	\$ 190,346	\$ 23,793	\$ 23,793	\$ 47,586	\$ 237,932	\$ 246,066
Payroll taxes	7,642	7,642	15,284	1,911	1,911	3,822	19,106	17,936
Employee benefits	13,174	13,174	26,348	3,294	3,294	6,588	32,936	39,274
Total payroll and related expenses	115,989	115,989	231,978	28,998	28,998	57,996	289,974	303,276
Other expenses								
Advertising	2,455	2,455	4,910	2,455	17,185	19,640	24,550	24,799
Bad debt	19,330	19,330	38,660	19,330	19,330	38,660	77,320	86,080
Bank fees	1,119	1,119	2,238	4,475	4,475	8,950	11,188	7,890
Board expenses	-	-	-	8,809	-	8,809	8,809	6,935
Building expenses	100	100	200	25	25	50	250	325
Computer maintenance	1,736	1,736	3,472	434	434	868	4,340	4,216
Contract labor	26,923	26,923	53,846	6,730	6,730	13,460	67,306	1,252
Depreciation	12,042	12,042	24,084	3,010	3,010	6,020	30,104	30,042
Dues and subscriptions	-	3,971	3,971	-	-	-	3,971	2,688
Employee development	2,720	2,720	5,440	680	680	1,360	6,800	9,632
Equipment lease	4,039	4,039	8,078	1,010	1,010	2,020	10,098	9,970
First Friday	31,047	-	31,047	-	-	-	31,047	18,442
Health committee	6,918	-	6,918	-	-	-	6,918	4,859
Insurance	4,017	4,017	8,034	1,004	1,004	2,008	10,042	9,616
Interest	8,563	8,563	17,126	2,141	2,141	4,282	21,408	30,086
Miscellaneous	3,810	5,079	8,889	3,810	-	3,810	12,699	14,082
Networking breakfast	159	-	159	-	-	-	159	280
Office supplies	2,558	2,558	5,116	640	640	1,280	6,396	4,884
Payroll service	2,359	2,359	4,718	590	590	1,180	5,898	5,522
Postage and delivery	916	458	1,374	458	1,220	1,678	3,052	2,707
Professional fees	-	-	-	7,505	-	7,505	7,505	13,565
Rent	544	544	1,088	136	136	272	1,360	1,200
Repairs and maintenance	7,214	7,214	14,428	1,804	1,804	3,608	18,036	25,614
Software	2,246	2,246	4,492	561	561	1,122	5,614	4,850
Special events	-	27,489	27,489	-	43,097	43,097	70,586	78,595
Taxes - income	-	-	-	2,160	-	2,160	2,160	4,515
Taxes - property	5,568	5,568	11,136	1,392	1,392	2,784	13,920	13,920
Telephone	2,675	2,675	5,350	668	669	1,337	6,687	6,540
Travel and entertainment	-	-	-	760	-	760	760	760
Utilities	4,403	4,403	8,806	1,100	1,100	2,200	11,006	10,510
Womens Committee	-	25,964	25,964	-	-	-	25,964	-
Young professionals	620	-	620	-	-	-	620	708
Total other expenses	154,081	173,572	327,653	71,687	107,233	178,920	506,573	435,084
Subtotal	270,070	289,561	559,631	100,685	136,231	236,916	796,547	738,360
Less: Direct benefit to donor	-	-	-	-	(19,129)	(19,129)	(19,129)	(10,151)
Total Expenses	\$ 270,070	\$ 289,561	\$ 559,631	\$ 100,685	\$ 117,102	\$ 217,787	\$ 777,418	\$ 728,209

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

Greater Tomball Area Chamber of Commerce

Statement of Cash Flows

Item 7.

Year Ended December 31, (with comparative totals for 2021)	Audited 2022	Reviewed 2021
Cash Flows From Operating Activities		
Change in net assets	\$ 101,539	\$ 99,657
Adjustments to reconcile change in net assets to net change in operating activities:		
Depreciation	30,104	30,042
Bad debt expense	77,320	86,080
Changes in assets and liabilities:		
Accounts receivable	(71,721)	(73,454)
Prepaid expenses	(263)	(413)
Accrued expenses	12,198	(1,480)
Deferred revenues	25,913	6,773
Total Adjustments	73,551	47,548
Net Change in Operating Activities	175,090	147,205
Cash Flows From Investing Activities		
Purchases of property and equipment	(1,219)	-
Net Change in Investing Activities	(1,219)	-
Cash Flows From Financing Activities		
Payments on long-term debt	(45,733)	(37,055)
Net Change in Financing Activities	(45,733)	(37,055)
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, beginning of year	459,950	410,150
Cash and Cash Equivalents, end of year	\$ 588,088	\$ 459,950
Supplemental Disclosures:		
Interest paid	\$ 21,408	\$ 30,086

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

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Greater Tomball Area Chamber of Commerce (the “Chamber”) is a not-for-profit organization of citizens who are investing their time and money in a community development program working together to improve the economic, civic, and cultural fortitude of the region, community, or area. The Chamber’s mission is to provide resources and foster relationships that empower businesses to prosper in Tomball and its surrounding communities.

The Chamber is supported through membership dues, contributions, rental income and other miscellaneous revenue. The Chamber conducts the following programs:

- *Business resources* – The Business Resources Division is dedicated to providing and promoting value added, quality networking events to the Chamber’s diverse membership, by ensuring inclusion through new member mentorship programs and by presenting opportunities for personal and business growth. This division invites members to become involved in the Chamber’s programs that will allow relationships to be formed and sustained through a variety of networking events.
- *Advocacy* – The Advocacy Division is committed to being a strong voice for the Chamber’s members and the greater Tomball area community. This will be accomplished by addressing public policy issues with participation from the public, members and elected officials, and holding open discussions about issues that affect the business community including: economic development, education, workforce development, energy and healthcare.

Basis of Accounting

The financial statements of the Chamber have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Chamber reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

- *Net assets without donor restrictions* are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Chamber, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.
- *Net assets with donor restrictions* are resources that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-restricted endowment earnings are released when those earnings are appropriated with spending policies and are used for the specified purpose.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Cash and Cash Equivalents

The Chamber considers all monies in banks and highly liquid investments with maturities of three months or less from the date of purchase to be cash and cash equivalents. The carrying values of any cash and cash equivalents are deemed to approximate their fair values because of the short maturities of those financial instruments.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2022 and 2021, the allowance for bad debts was \$7,021 and \$7,021, respectively.

Property and Equipment

The Chamber capitalizes all expenditures for property, plant and equipment in excess of \$500. Maintenance and repairs are charged to operations when incurred. Major improvements and renewals that extend the life of the asset are capitalized. Purchased property, plant and equipment are carried at cost and are depreciated using the straight-line method based on their estimated useful lives as follows:

Buildings and improvements	39 years
Computers and software	3-5 years
Office equipment	5-7 years
Furniture and fixtures	5-7 years

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Chamber reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Chamber reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Deferred Revenue

Income from membership dues and subscription fees received in advance is deferred and recognized over the periods to which the dues and fees relate.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. The significant estimates included in the financial statements are the estimates of useful lives used for depreciating property and equipment items.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Membership Dues

Membership dues are recognized in the applicable membership period. Any unearned amounts are included in deferred revenue at the end of each accounting period.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Chamber. Many individuals volunteer their time and perform a variety of tasks that assist the Chamber with program services and fundraising events. No amounts have been reflected in the financial statements for these donated services as the recognition criteria were not met.

Functional Allocation of Expenses

Expenses are categorized in the Statement of Activities as program services, management and general and fundraising. The Chamber's expenses are allocated on a functional basis among these benefited categories:

- Program service expenses: include direct and indirect (allocated) expenses for the various programs offered by the Chamber to fulfill member investment expectations. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses, that are common to several functions, are allocated to program services based on time and effort.
- Management and general expenses: include those expenses, ranging from office management to financial services, that are not directly identifiable with any other specific function but provide for the overall support and direction of the Chamber. Those expenses include the basic necessities to be an accredited, well rounded, and effective organization.
- Fundraising expenses: represent costs incurred in connection with fundraising efforts to continue the Chamber's mission. The membership dues alone are not adequate enough to accomplish the Chamber's goals; therefore, fundraising events are held to fill the gap between membership dues and total expenses.

Income Taxes

The Chamber is operating as a not-for-profit corporation, under Section 501(c)(6) of the Internal Revenue Code, and is not subject to income taxes with the exception of unrelated business income. The Chamber conducted unrelated business activities during the current year. Therefore, the Chamber paid \$2,160 and \$4,515 for federal income taxes in the years ended December 31, 2022 and 2021, respectively.

The Chamber applies the provisions of FASB ASC Topic 740, Income Taxes, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Topic 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. As of December 31, 2022 and 2021, no uncertain tax positions were identified.

Leases

From time to time the Chamber enters into contracts to lease office equipment. At contract inception, the Chamber determines if an arrangement contains a lease and recognizes right-of-use (ROU) assets and lease liabilities for leases with terms greater than twelve months. Leases with an initial term of twelve months or less and immaterial leases with obligations of less than \$15,000 are not recognized in the statement of financial position.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Advertising Cost

Advertising costs are expensed when incurred. Advertising costs for the years ended December 31, 2022 and 2021 amounted to \$24,550 and \$24,799, respectively.

Newly Adopted Accounting Pronouncements

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities and changes in net assets, apart from contributions of cash or other financial assets. It also requires a not-for-profit organization to disclose contributed nonfinancial assets recognized within the statement of activities and changes in net assets disaggregated by category that depicts the type of contributed nonfinancial assets and includes additional disclosure requirements for each category of contributed nonfinancial assets recognized. The Chamber adopted the new guidance effective January 1, 2022. There was no significant impact as a result of the implementation.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The ASU requires most leases to be recognized on the statement of financial position as lease assets and lease liabilities and requires both quantitative and qualitative disclosures regarding key information about leasing arrangements. The Chamber adopted the new guidance effective January 1, 2022. There was no significant impact as a result of the implementation.

NOTE 2 – LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2022, comprise the following:

Financial assets:	
Cash and cash equivalents	\$588,088
Accounts receivable, net	35,249
Financial assets available to meet cash needs for general expenditures within one year	\$623,337

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Chamber considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Chamber sets a goal of having financial assets on hand to meet a minimum of 90 days of normal operating expenses, which are, on average, around \$56,000. As part of its liquidity management, the Chamber has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

NOTE 3 – CONCENTRATION OF CREDIT RISKS

The Chamber maintains its cash balances in a local bank. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Management periodically assesses the financial condition of the financial institutions and believes that any possible credit risk is minimal. As of December 31, 2022 and 2021, the Chamber had approximately \$338,000 and \$210,000, respectively, of cash balances that were not insured by the FDIC. The Chamber has not experienced any losses in such accounts and believes the risk of future loss is mitigated by monitoring the balances and the financial institutions where the cash is deposited.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 7.

NOTE 4 – PROPERTY AND EQUIPMENT

As of December 31, 2022 and 2021, property, plant and equipment consisted of the following:

	Audited 2022	Reviewed 2021
Building and improvements	\$1,112,383	\$1,112,383
Computers and software	17,517	17,517
Office equipment	14,321	13,102
Furniture and fixtures	17,990	17,990
Land	145,000	145,000
Total property and equipment, gross	1,307,211	1,305,992
Less: Accumulated depreciation	(452,091)	(421,987)
Total property and equipment, net	\$855,120	\$884,005

Depreciation expense charged to operations for the years ended December 31, 2022 and 2021 was \$30,104 and \$30,042, respectively.

NOTE 5 – RENTAL INCOME

From time to time the Chamber enters into contracts to lease office space to lessees. As the lessor, the Chamber is required to first determine whether the lease is an operating lease or a finance lease. A finance lease is one in which the risks and rewards inherent in the asset are transferred to the lessee. An operating lease is one in which the risks and rewards inherent in the asset are not transferred to the lessee. Only finance leases are required to be capitalized on the statement of financial position.

The Chamber leases office space to three other organizations as follows and has determined that these leases are operating leases:

	Current monthly rent	Lease initiation	Lease expiration	Lease renewal	Renewal expiration
TEDC	\$1,506	9/1/2008	10/31/2013	11/1/2013 11/1/2018	10/31/2018 10/31/2023
TRHF	\$3,729	11/1/2012	10/31/2017	11/1/2017	10/31/2022
TRHF	\$3,869	11/1/2017	10/31/2022	11/1/2022	10/31/2024
Envirocon	\$150	4/1/2016	3/31/2020	4/1/2020	3/31/2024

For the years ended December 31, 2022 and 2021, rental income was \$64,624 and \$64,624, respectively.

Future minimum rentals expected to be collected are as follows:

For the years ending December 31,

2023	\$ 63,288
2024	39,140
2025	-
Total	\$ 102,428

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 7.

NOTE 6 – LEASE AGREEMENTS

The Chamber has entered into noncancelable operating leases that expire in 2024 and 2026. For the years ended December 31, 2022 and 2021, the total rental expense under these leases was \$11,458 and \$11,170, respectively. The Chamber’s lease arrangements are not recognized in the statement of financial position as the total obligation is less than \$15,000. Future minimum lease payments are as follows:

For the years ending December 31,	
2023	6,651
2024	2,749
2025	1,969
2026	492
Thereafter	-
Total	\$11,862

NOTE 7 – LONG-TERM DEBT

The Chamber had a note payable due in monthly installments to a financial institution for an office building in the amount of \$6,729 for 83 months beginning January 10, 2010 through November 10, 2016. This note was secured by the Quinn Road office building, with interest at 5% through October 9, 2021. On December 10, 2016, a balloon payment of any unpaid principal and interest became due and payable, at which time the loan was modified to require monthly installments of \$5,595 at the same interest rate and terms and to become due and payable on December 10, 2023. Effective October 10, 2021, the interest rate was modified to 4%, requiring the same monthly installments and due date. The Chamber intends to refinance the debt.

As of December 31, 2022 and 2021, the balance was \$527,582 and \$573,315, respectively. Future scheduled maturities of the note payable are as follows:

For the years ending December 31,	
2023	\$ 527,582
Thereafter	-
Total	\$527,582

NOTE 8 – CONCENTRATIONS

For the years ended December 31, 2022 and 2021, respectively approximately fifty-one percent (51%) and forty-eight percent (48%) of the Chamber’s total revenue and support came from membership dues.

The Chamber conducts its operations solely in the greater Tomball area, and, therefore, is subject to risks from changes in local economic conditions. A downturn in the local economy could cause a decrease in membership dues and revenue.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 7.

NOTE 9 – CONTRIBUTED NONFINANCIAL ASSETS

For the years ended December 31, 2022 and 2021, the Chamber's contributed nonfinancial assets consist of the following:

	2022	2021
Advertising	\$22,720	\$25,270
Repairs and maintenance	6,600	6,600
Supplies	3,500	6,750
Venues	5,300	5,300
Miscellaneous	2,823	3,260
Total contributed nonfinancial assets	\$40,943	\$47,180

Contributed advertising and repairs and maintenance are used in the Chamber's administrative activities. Contributed supplies are used in the Chamber's fundraising activities. Contributed venue costs are used in the Chamber's program activities and fundraising activities. Other miscellaneous donated assets are used across all Chamber activities. All contributed nonfinancial assets are valued at fair market value at the date of donation.

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 21, 2023, the date the financial statements were available to be issued. No events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

**GREATER TOMBALL AREA CHAMBER OF COMMERCE
2023 BOARD OF DIRECTORS**

CHAIR OF THE BOARD

Shane Boatman*

Boatman Construction

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Uriah Ortiz

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Retiring in 2025**Keith Barber**

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Kyle Bertrand

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IMMEDIATE PAST CHAIRMAN OF THE BOARD**Dawna Dyson***

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Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Greater Tomball Area Chamber of Commerce

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor or single-member LLC

C Corporation

S Corporation

Partnership

Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

Other (see instructions) ▶ _____

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
29201 Quinn Road, Ste. B; PO Box 516

6 City, state, and ZIP code
Tomball, TX 77377-0516

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the Instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-				-			
--	--	--	---	--	--	--	---	--	--	--

OR

Employer identification number

7	4	-	1	4	9	5	1	2	5
---	---	---	---	---	---	---	---	---	---

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ▶ *[Handwritten Signature]* Date ▶ *1/16/2020*

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: July 25, 2023

Topic:

Consideration of Application from the Houston Repertoire Ballet for use of FY 2023-2024 Hotel Occupancy Tax Funds for the 2023 The Nutcracker Performance Series.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Katherine Tapscott, Finance Director

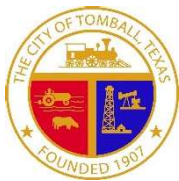
FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: 240-240-6359

If no, funds will be transferred from account _____ To account _____

Signed Katherine Tapscott, CPA Approved by _____
Finance Director 7/19/2023 City Manager Date



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: July 6, 2023

Name of Organization/Business: Houston Repertoire Ballet

Street Address: 8515 Jackrabbit Road

City: Houston State: TX Zip Code: 77095

Contact Name: Denise Rosas

Phone Number: 8327296781 Email: denise.rosas10@gmail.com

Type of Organization/Business: Private/For-Profit Non-Profit

Purpose of organization/business: HRB is a non-profit performing arts company dedicated to the pursuit of excellence in the art of classical ballet. With more than 25 years of performing arts experience

combined with exceptional dance instruction, HRB has developed a reputation as the premier youth ballet in the NW Houston region, with many of its dancers going on to prestigious ballet companies. HRB provides young, talented, dedicated

dancers necessary training to enter the professional world of dance while also providing cultural education and community service to surrounding cities in the Greater Houston area.

Does your event/expenditure pass Part One of the statutory Hotel Occupancy Tax test listed below?

Defined specifically as directly enhancing and promoting tourism in Tomball and directly promoting the overnight accommodation industry in Tomball by increasing overnight stays.

Yes No

Does your event/expenditure pass Part Two of the statutory Hotel Occupancy Tax test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one of more of the following categories?

Select all categories that apply.

Establishment, improvement or maintenance of a convention or visitor center

Administrative cost for facilitating convention registration

Advertising, solicitations, and promotions that attracts tourists and delegates

Encouragement, promotion, improvement, and application of the arts

Historical restoration or preservation programs

Signage directing tourists to attractions visited by hotel guests

None of the above

Is this a new event/expenditure? Yes No

Name of the event/expenditure: The Nutcracker Series

Website address of event/expenditure: www.hrbdance.com

Date(s) of event/expenditure: November 27-Dec 3, 2023

Location of event/expenditure: Tomball HS, 30330 Quinn Rd, Tomball, TX 77375

Description of event/expenditure: HRB's "The Nutcracker" is a classic holiday ballet enjoyed by all ages at affordable prices (\$20-\$25) bringing approximately 3,500 patrons and 160 artists

annually to Tomball's easily accessible venue. The performance series features professional guest artists, elaborate costumes and sets along with

exquisite dancing in a professionally staged performance drawing an audience from Houston and neighboring communities, and includes a free school performance for all TISD 3rd graders.

Estimated local attendees: 420 Estimated out of town attendees: 3080

If approved, how will the grant funds be used? HRB will use grant funds to pay for production costs associated with our show. Our budgeted items

account for stage manager and crew, security services, theater rental, as well as programs and other marketing graphics all sourced from Tomball vendors.

How will you measure the impact of your event on local overnight accommodations? _____

By partnering with Tomball hotels chains/rv parks, HRB will be able to advertise and promote hotel stays with block rate prices

in conjunction with ticket sales on our HRBDance.com website. Through follow up with these vendors, HRB can surmise its impact on overnight accommodations in Tomball.

Amount of funding requested: \$ 21,000

Current operating budget for the event/expenditure: \$ 98,100

Total funding dedicated to advertising/promotion of event/expenditure: \$ 6,000

Organization's direct contribution to the operating and advertising budget: \$ \$77,100

Please indicate all promotion efforts your organization will utilize to alert visitors of the event/expenditure:


- Paid Advertising Radio Television Brochures
- Social Media Newspaper Online/Digital Press Release

How do you intend to advertise or promote your event to gain overnight stays in Tomball? HRB will advertise

accommodations on its Nutcracker ticket sales page. This page will provide links to Tomball hotel chains/rv parks

reservations pages that have partnered with HRB to offer block-rate rooms for HRB patrons.

1. I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the event/expenditure to directly enhance and promote the tourism and hotel industry by attracting visitors from outside of Tomball to stay overnight in one of Tomball's lodging facilities.
2. I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.
3. I understand that all grant funds are provided on a reimbursement basis and only proven eligible expenses will be reimbursed.
4. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Tomball prior to receiving reimbursement for the event.

Applicant Signature: Denise Rosas  Digitally signed by Denise Rosas
 Date: 2023.07.18 09:29:47 -05'00'

Applicant Name: Denise Rosas

Required Documents:

- Itemized budget of expenditures for grant funds
- Organization’s most recent annual budget
- Organization’s most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently on file with the City of Tomball
- Any other information that supports the request for funding

Please submit applications by email to finance@tomballtx.gov or mail/deliver to:

City of Tomball
 Attn: Finance Dept.
 501 James Street
 Tomball, Texas 77375

Houston Repertoire Ballet
Tomball HOT Grant Budgeted Expenses

Item 8.

Grants & Corporate Giving_ City of Tomball	0.00	21,000.00	
Total Grants & Corporate Giving_	0.00	21,000.00	
Aug '23 - Jul 24	Budget	\$ Over Budget	% of Budget
Expense Administration_			
Materials_Production Crew	0.00	200.00	
Security	0.00	800.00	
Stage Crew & Facility	0.00	20,000.00	
Total Production_NUTCRACKER	0.00	21,000.00	
Total Expense	0.00	21,000.00	
Net Income	0.00	0.00	

Houston Repertoire Ballet
 Tomball HOT Grant Budgeted Expenses

Item 8.

-21,000.00	0.0%	
-21,000.00		0.0%
-200.00	0.0%	
-800.00	0.0%	
-20,000.00	0.0%	
-86,100.00		0.0%
-21,000.00		0.0%
0.00	0.0%	

Houston Repertoire Ballet
Nutcracker Production Cost Budget

Item 8.

Aug '23 - Jul 24 Expense Administration_	Budget	<u>\$ Over Budget</u>	<u>% of Budget</u>		
	<u>Aug '23 - Jul 24</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	
Production_NUTCRACKER Black Box	0.00	1,600.00	-1,600.00	0.0%	
Costumes	0.00	4,000.00	-4,000.00	0.0%	
Guest Artist - travel & other	0.00	2,000.00	-2,000.00	0.0%	
Guest Artist_	0.00	15,000.00	-15,000.00	0.0%	
Materials_Production Crew	0.00	200.00	-200.00	0.0%	
Orchestra	0.00	39,000.00	-39,000.00	0.0%	
Rentals_Transportation	0.00	1,000.00	-1,000.00	0.0%	
Security	0.00	800.00	-800.00	0.0%	
Stage Crew & Facility	0.00	20,000.00	-20,000.00	0.0%	
Videographer_	0.00	2,500.00	-2,500.00	0.0%	
Total Production_NUTCRACKER	0.00	86,100.00	-86,100.00	0.0%	
Public Relations_ Advertising_	0.00	6,000.00	-6,000.00	0.0%	
Programs_	0.00	6,000.00	-6,000.00	0.0%	
Public Relations_ - Other	0.00	0.00	0.00	0.0%	
Total Public Relations_	0.00	12,000.00	-12,000.00	0.0%	
Total Expense	0.00	98,100.00	-98,100.00	0.0%	
Net Income	0.00	0.00	0.00	0.0%	

Houston Repertoire Ballet Profit & Loss Budget vs. Actual August 2023 through July 2024

	Aug '23 - Jul 24	Budget	\$ Over Budget	% of Budget
Income				
Boutique				
Nutcracker	0.00	20,000.00	-20,000.00	0.0%
Nutcraker - Silent Auction	0.00	6,300.00	-6,300.00	0.0%
Recital	0.00	6,000.00	-6,000.00	0.0%
Spring Show	0.00	3,000.00	-3,000.00	0.0%
Boutique - Other	0.00	0.00	0.00	0.0%
Total Boutique	0.00	35,300.00	-35,300.00	0.0%
Donations_				
Annual Campaign	0.00	6,300.00	-6,300.00	0.0%
Board Donations	0.00	750.00	-750.00	0.0%
Donations_ - Other	0.00	0.00	0.00	0.0%
Total Donations_	0.00	7,050.00	-7,050.00	0.0%
Dues/Fees_				
Audition Fees	0.00	1,750.00	-1,750.00	0.0%
HRB Company Dues	0.00	25,000.00	-25,000.00	0.0%
Non-member fees	0.00	9,000.00	-9,000.00	0.0%
Total Dues/Fees_	0.00	35,750.00	-35,750.00	0.0%
Fundraisers_				
Childrens Guild	0.00	2,000.00	-2,000.00	0.0%
Events and Promotions	0.00	0.00	0.00	0.0%
HRB apparel	0.00	1,000.00	-1,000.00	0.0%
Total Fundraisers_	0.00	3,000.00	-3,000.00	0.0%
Grants & Corporate Giving_				
City of Tomball	0.00	21,000.00	-21,000.00	0.0%
Grants & Corporate Giving_ - Other	0.00	22,900.00	-22,900.00	0.0%
Total Grants & Corporate Giving_	0.00	43,900.00	-43,900.00	0.0%
Ticket Sales_				
Nutcracker_	0.00	80,000.00	-80,000.00	0.0%
Spring_	0.00	14,000.00	-14,000.00	0.0%
Total Ticket Sales_	0.00	94,000.00	-94,000.00	0.0%
Uncategorized Income_	0.00	0.00	0.00	0.0%
Total Income	0.00	219,000.00	-219,000.00	0.0%
Gross Profit	0.00	219,000.00	-219,000.00	0.0%

Houston Repertoire Ballet Profit & Loss Budget vs. Actual August 2023 through July 2024

Expense	Aug '23 - Jul 24	Budget	\$ Over Budget	% of Budget
Administration_				
Bank Charges_	0.00	30.00	-30.00	0.0%
Credit Card fees	0.00	1,200.00	-1,200.00	0.0%
Office Expenses	0.00	600.00	-600.00	0.0%
Professional Fees_	0.00	900.00	-900.00	0.0%
Ticket Sales Fee_	0.00	12,000.00	-12,000.00	0.0%
Administration_ - Other	0.00	0.00	0.00	0.0%
Total Administration_	0.00	14,730.00	-14,730.00	0.0%
Boutique_				
Flowers	0.00	6,500.00	-6,500.00	0.0%
Merchandise	0.00	11,000.00	-11,000.00	0.0%
Silent Auction	0.00	250.00	-250.00	0.0%
Boutique_ - Other	0.00	150.00	-150.00	0.0%
Total Boutique_	0.00	17,900.00	-17,900.00	0.0%
Community Engagement Expenses_				
Daisy Rome Scholarships_	0.00	2,250.00	-2,250.00	0.0%
Events/Children Guild_	0.00	0.00	0.00	0.0%
HRB Scholarship_	0.00	1,300.00	-1,300.00	0.0%
Master Class	0.00	200.00	-200.00	0.0%
Tomball Stage Scholarships	0.00	1,500.00	-1,500.00	0.0%
Youth/Outreach Programs_	0.00	3,000.00	-3,000.00	0.0%
Total Community Engagement Expenses_	0.00	8,250.00	-8,250.00	0.0%
Contract Labor_				
Artistic Staff	0.00	19,500.00	-19,500.00	0.0%
Contract Labor_ - Other	0.00	6,850.00	-6,850.00	0.0%
Total Contract Labor_	0.00	26,350.00	-26,350.00	0.0%
Depreciation Expense	0.00	930.00	-930.00	0.0%
Facility_				
Insurance_	0.00	6,000.00	-6,000.00	0.0%
Rent_	0.00	11,820.00	-11,820.00	0.0%
Utilities_	0.00	5,800.00	-5,800.00	0.0%
Total Facility_	0.00	23,620.00	-23,620.00	0.0%
Production - Misc				
Chorography Project	0.00	4,500.00	-4,500.00	0.0%
Production - Misc - Other	0.00	0.00	0.00	0.0%
Total Production - Misc	0.00	4,500.00	-4,500.00	0.0%

Houston Repertoire Ballet Profit & Loss Budget vs. Actual August 2023 through July 2024

Item 8.

	Aug '23 - Jul 24	Budget	\$ Over Budget	% of Budget
Production_NUTCRACKER				
Black Box	0.00	1,600.00	-1,600.00	0.0%
Costumes	0.00	4,000.00	-4,000.00	0.0%
Guest Artist - travel & other	0.00	2,000.00	-2,000.00	0.0%
Guest Artist_	0.00	15,000.00	-15,000.00	0.0%
Materials_Production Crew	0.00	200.00	-200.00	0.0%
Orchestra	0.00	39,000.00	-39,000.00	0.0%
Rentals_Transportation	0.00	1,000.00	-1,000.00	0.0%
Security	0.00	800.00	-800.00	0.0%
Stage Crew & Facility	0.00	20,000.00	-20,000.00	0.0%
Videographer_	0.00	2,500.00	-2,500.00	0.0%
Total Production_NUTCRACKER	0.00	86,100.00	-86,100.00	0.0%
Production_SPRING				
Costumes	0.00	4,000.00	-4,000.00	0.0%
Guest artist	0.00	5,000.00	-5,000.00	0.0%
Guest artist - travel & other	0.00	2,000.00	-2,000.00	0.0%
Guest Choreographer	0.00	1,500.00	-1,500.00	0.0%
Materials	0.00	2,000.00	-2,000.00	0.0%
Rentals	0.00	800.00	-800.00	0.0%
Stage Crew & Facility	0.00	8,320.00	-8,320.00	0.0%
Videographer	0.00	1,000.00	-1,000.00	0.0%
Production_SPRING - Other	0.00	0.00	0.00	0.0%
Total Production_SPRING	0.00	24,620.00	-24,620.00	0.0%
Public Relations_				
Advertising_	0.00	6,000.00	-6,000.00	0.0%
Programs_	0.00	6,000.00	-6,000.00	0.0%
Public Relations_ - Other	0.00	0.00	0.00	0.0%
Total Public Relations_	0.00	12,000.00	-12,000.00	0.0%
Total Expense	0.00	219,000.00	-219,000.00	0.0%
Net Income	0.00	0.00	0.00	0.0%

Houston Repertoire Ballet
Balance Sheet
As of June 4, 2023

	Jun 4, 23
ASSETS	
Current Assets	
Checking/Savings	
BBVA / PNC Checking	172,167.84
PayPal	4,178.08
Total Checking/Savings	176,345.92
Accounts Receivable	
HRB Dues Receivable	10.00
Total Accounts Receivable	10.00
Total Current Assets	176,355.92
Fixed Assets	
LHI-AC Unit	13,000.00
Lights	
Accumulated Depreciation	-9,300.86
Lights - Other	11,343.90
Total Lights	2,043.04
Sewing Machine	608.61
Total Fixed Assets	15,651.65
TOTAL ASSETS	192,007.57
LIABILITIES & EQUITY	
Equity	
Opening Bal Equity	86,012.47
Retained Earnings	78,099.67
Net Income	27,895.43
Total Equity	192,007.57
TOTAL LIABILITIES & EQUITY	192,007.57



8515 Jackrabbit Road | +1 281 940 4721
Houston, Texas 77095 | hrbdance.org

2023-2024 Board of Directors

President – Michael Stewart
8519 Star Hollow Lane
Houston, TX 77095
713-569-7853

Vice-President – Jason Althaus
20802 Oak Orchard Ct
Cypress, TX 77433
713-252-3418

Members at Large

Donna Barnett
22907 Cable Terrace Drive
Katy, TX 77494
832-367-4638

Beri Brown
2206 Parkside Trace Ct
Katy, TX 77493
832-202-3824

Lorena deAlejandro
16402 Northumberland Dr
Houston, TX 77095
832-264-0246

Kaci Decou
8634 Golden Chord Circle
Houston, TX 77040
713-443-4906

Treasurer – Vickie Schmidt
18811 S Bee Cave Springs Cir
Cypress, TX 77433
305-469-1537

Secretary – Shanan Burkhart
16711 Highland Country Dr
Cypress, TX 77433
817-229-9207

Denise Rosas
16651 Highland Country Dr
Cypress, TX 77433
832-729-6781

Missy Vuyk
10230 Grape Creek Grove Lane
Cypress, TX 77433
713-398-3410

Susan Wheelock
10602 Greet Plains Ln
Houston, TX 77064
281-636-6372

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: July 25, 2023

Topic:

Consideration of Application from the Spring Creek County Historical Association for use of FY 2023-2024 Hotel Occupancy Funds for 2023-2024 Operations Activities.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Katherine Tapscott, Finance Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: 240-240-6352

If no, funds will be transferred from account _____ To account _____

Signed Katherine Tapscott, CPA Approved by _____
Finance Director 7/19/2023 City Manager Date



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 7/18/2023
 Name of Organization/Business: Spring Creek County Historical Association
 Street Address: 510 N. Pines Street
 City: Tomball State: TX Zip Code: 77375
 Contact Name: Henry Reid
 Phone Number: 281-831-0738 Email: tomballmuseumcenter@gmail.com

Type of Organization/Business: Private/For-Profit Non-Profit

Purpose of organization/business: To preserve and raise historical awareness of Tomball area through the discovery, collection, and preservation of history and daily life of Tomball residents

Does your event/expenditure pass Part One of the statutory Hotel Occupancy Tax test listed below?

Defined specifically as directly enhancing and promoting tourism in Tomball and directly promoting the overnight accommodation industry in Tomball by increasing overnight stays.

Yes No

Does your event/expenditure pass Part Two of the statutory Hotel Occupancy Tax test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one of more of the following categories?

Select all categories that apply.

- Establishment, improvement or maintenance of a convention or visitor center
- Administrative cost for facilitating convention registration
- Advertising, solicitations, and promotions that attracts tourists and delegates
- Encouragement, promotion, improvement, and application of the arts
- Historical restoration or preservation programs
- Signage directing tourists to attractions visited by hotel guests
- None of the above

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Tomball Museum Center

Website address of event/expenditure: tomballmuseumcenter.com

Date(s) of event/expenditure: All year

Location of event/expenditure: 510 N. Pine Street

Description of event/expenditure: Various events, which including tours of our facilities, our annual Antique Car Social, Kids Days at the museum including a special Halloween night, informative talks about the history of Tomball and Texas, our quarterly Tea and Chats and our annual Christmas Candlelight Tours

Estimated local attendees: 2500 Estimated out of town attendees: 400

If approved, how will the grant funds be used? _____

To maintain the historical integrity of our buildings and property.

How will you measure the impact of your event on local overnight accommodations? Our goal is to provide another reason for families and visitors to come explore the history of Tomball.

Amount of funding requested: \$ 45,000

Current operating budget for the event/expenditure: \$ 88,000

Total funding dedicated to advertising/promotion of event/expenditure: \$ 9,000

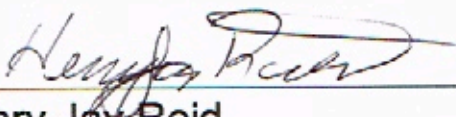
Organization's direct contribution to the operating and advertising budget: \$ 43,000

Please indicate all promotion efforts your organization will utilize to alert visitors of the event/expenditure:

Paid Advertising Radio Television Brochures
 Social Media Newspaper Online/Digital Press Release

How do you intend to advertise or promote your event to gain overnight stays in Tomball? _____

1. I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the event/expenditure to directly enhance and promote the tourism and hotel industry by attracting visitors from outside of Tomball to stay overnight in one of Tomball's lodging facilities.
2. I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.
3. I understand that all grant funds are provided on a reimbursement basis and only proven eligible expenses will be reimbursed.
4. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Tomball prior to receiving reimbursement for the event.

Applicant Signature: 

Applicant Name: Henry Jay Reid

Required Documents:

- Itemized budget of expenditures for grant funds
- Organization's most recent annual budget
- Organization's most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently on file with the City of Tomball
- Any other information that supports the request for funding

Please submit applications by email to finance@tomballtx.gov or mail/deliver to:

City of Tomball
 Attn: Finance Dept.
 501 James Street
 Tomball, Texas 77375

ORGANIZED BUDGET FOR 2023-2024

	CITY FUNDS	OTHER FUNDS	TOTAL
PERSONNEL		\$18,000	\$18,000
UTILITIES		\$12,000	\$12,000
REPAIRS AND MAINTANENCE	\$20,000	\$4,000	\$24,000
ADVERTISING	\$5,000	\$4,000	\$9,000
FEES - Yearly Dry-wood Termite Inspections/ Insurance	\$8,000	\$2,000	\$10,000
MISCELLANEOUS EXPENSES	\$2,000	\$2,000	\$4,000
CONTRACTED SERVICES - MOWING, ACCOUNTING, ETC	\$10,000	\$1,000	\$11,000
TOTAL	\$45,000	\$43,000	\$88,000

FUNDS FROM OTHER SOURCES

Other Investors/Contributors

Corporate	\$ 5,000
Foundations	\$ 2,000
Royalties	\$ 3,000
Grants	\$ 10,000

Fees

Admissions (Wedding and Events)	\$ 5,000
Application (Tours and Donations)	\$ 5,000
Vendors (Photographers)	\$ 3,000

Membership

	\$ 5,000
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Others (Memorials)

	\$ 5,000
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Total	\$ 43,000
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**Spring Creek County Historical Association
Budget 2023**

	<u>Total</u>
Income	
Building Use Income	\$5,000.00
Direct Public Support	
City of Tomball Contributions	\$30,000.00 *
Grants	\$20,000.00 **
Total Direct Public Support	<u>\$50,000.00</u>
Donations	
Donations - Undesignated	\$10,000.00
Cobb Family Foundation	\$1,500.00
Memorial Donations	\$2,000.00
Photography Donations	\$3,000.00
Total Donations - Undesignated	<u>\$16,500.00</u>
Program Income	
Candlelight Tour Income	\$3,000.00
Membership Dues Income	\$2,500.00
Membership Corporate	\$3,000.00
Tours Income	\$5,000.00
Total Program Income	<u>\$13,500.00</u>
Other income - Sale of books, etc	\$500.00
Total Income	<u>\$85,500.00</u>
Gross Profit	<u>\$85,500.00</u>
Expenses	
Contract Services	
Accounting Fees	\$300.00 *
Total Contract Services	<u>\$300.00</u>
Events Expense	
Antique Car Show Expenses	\$2,000.00 *
Candlelight Tour Expense	\$500.00
Total Events Expense	<u>\$2,500.00</u>
Insurance	
Property Insurance	\$3,500.00 *
D & O Insurance	\$1,000.00 *
Liability	\$2,500.00 *
Total Insurance	<u>\$7,000.00</u>
Office Expenses	\$150.00
Operations	

Postage, Mailing Service	\$200.00 *
Supplies	\$500.00 +
Total Operations	\$700.00
Repairs & Maintenance	
Buildings & Grounds Maintenance	\$10,000.00 *
Cleaning	\$1,000.00 +
Lawn Service	\$8,000.00 *
Exterior Contract Painting	\$20,000.00 **
Total Repairs & Maintenance	\$39,000.00
Salaries	\$13,680.00
Security	\$500.00
Taxes	
Payroll Taxes	\$1,100.00
Property Taxes	\$15.00
Total Taxes	\$1,115.00
Telephone	\$2,000.00
Utilities	\$15,000.00
Website	\$1,000.00 *
Total Expenses	\$85,445.00
Net Operating Income	\$55.00
Other Income	
Interest Income - CD	\$4,000.00
Royalty Income	
Americo Energy Resources	\$4,000.00
Total Royalty Income	\$4,000.00
Total Other Income	\$8,055.00
Net Other Income	\$8,055.00
Net Income	\$8,110.00

*. City of Tomball Direct Support reimburses for direct expenses. For accounting purposes, on the P&L statement this support is applied directly to their expense and therefore the majority of this support is not included as income or expenses on that statement.

** We will be applying for various grants to cover the cost of painting our three (3) main buildings.

Spring Creek County Historical Association

Profit and Loss
January - December 2022

	TOTAL
Income	2,775.00
Building Use Income	
Direct Public Support	0.00
City of Tomball Contributions	0.00
Total Direct Public Support	45.00
Donations	9,308.00
Donations - Undesignated	1,500.00
Cobb Family Foundation	605.00
Memorial Donations	1,256.00
Photography Donations	12,700.00
Total Donations - Undesignated	12,745.00
Total Donations	
Program Income	1,361.13
Candlelight Tour Income	1,765.00
Membership Dues Income	480.00
Program Service Fees	3,943.00
Tours Income	7,549.13
Total Program Income	20.00
Sales of Product Income	360.00
Books	380.00
Total Sales of Product Income	0.00
Uncategorized Income	\$23,449.13
Total Income	\$23,449.13
GROSS PROFIT	\$23,449.13
Expenses	10.00
Bank Service Charges	
Contract Services	0.00
Accounting Fees	0.00
Total Contract Services	289.33
Credit Fees	75.00
Dues & Subscriptions	
Events Expense	3,385.72
Antique Car Show Expenses	822.64
Candlelight Tour Expense	
Total Events Expense	4,208.36
Facilities and Equipment	
Property Insurance	3,297.80
Total Facilities and Equipment	935.00
Insurance	
Insurance -COMMERCIAL LIABILITY	2,228.00
Office Expenses	97.96
Operations	

Profit and Loss
January - December 2022

	TOTAL
	120.00
Postage, Mailing Service	228.54
Supplies	348.54
Total Operations	650.00
Repairs & Maintenance	1,587.74
Buildings & Grounds Maintenance	60.07
Cleaning	2,100.00
Lawn Service	4,397.81
Total Repairs & Maintenance	13,680.00
Salaries	495.41
Security	
Taxes	1,046.52
Payroll Taxes	13.75
Property Taxes	1,060.27
Total Taxes	1,432.80
Telephone	11,534.78
Utilities	0.00
Website	\$44,091.06
Total Expenses	\$ -20,641.93
NET OPERATING INCOME	
Other Income	20.00
Bank Rewards	626.42
Interest Income - CD	
Royalty Income	2,477.81
Americo Energy Resources	2,477.81
Total Royalty Income	\$3,124.23
Total Other Income	\$3,124.23
NET OTHER INCOME	\$ -17,517.70
NET INCOME	

SPRING CREEK COUNTY HISTORICAL ASSOCIATION			
2023-20254 BOARD OF DIRECTORS			
Name	Position	Phone	Email
Henry Reid	President	281-831-0738	Henryreid4466@gmail.com
Michael Bradfield	Vice President	281-831-7139	michobbrad@gmail.com
Rebecca Clepper	Secretary	713-702-3513	bclepper72681@aol.com
Mary McCoy	Treasurer	281-507-8693	marymcoy@gmail.com
Kyle Stallones	Board Member	713-899-3586	kylestallones@gmail.com
JoAnn Ehrhardt	Board Member	713-376-0188	joanne6607@gmail.com
Pamela Kaiser	Board Member	281-636-1824	pkaiser54@yahoo.com
Celila Lang	Board Member	832-934-2363	grlang@yahoo.com
Rayford McCoy	Board Member	281-384-2621	rayford.mccoy@gmail.com
Dwana McShan	Board Member	832-475-0321	ddesigns76@yahoo.com
Bob Russell	Board Member	281-610-6685	bearkats73@aol.com
Robert Watts	Board Member	832-562-1518	rwatts1944@yahoo.com

P.O. BOX 421

City Tomball	State TX	Zip Code 77377
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Foreign Country	Foreign Province	Foreign Zip
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Principal Officer of Organization

Name HENRY REID	Check here if Officer is a business <input type="checkbox"/>	SSN or EIN
--------------------	--	------------

Street 11102 OLDE MINT HOUSE LANE	Room/Suite
--------------------------------------	------------

City TOMBALL	State TX	Zip Code 77375
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Foreign Country

Organization's annual gross receipts are still normally \$50,000 or less

If applicable, organization is terminating (going out of business)

Electronic Filing

Return Name: SPRING CREEK COUNTY HISTORICAL ASSOCIATION
SSN: 746070572
Submission ID: 7627322023078md8f5ow **Refund:** 0
Status: Accepted **Status Date:** 6/5/2023
Jurisdiction: Federal
Type: 990-N
Sub Type: Federal
Service Center: Unknown

Current Acknowledgement Detail
Acceptance Code: Accepted **Ack Status Date:** 6/5/2023
Debt Code: **Expected Refund:** 0
PIN Indicator: **EIC Indicator:**
Payment Ack: --- **State-Only Code:**
Birth Date Validity: --- **State Packet:**
Number of Errors: 0
Error Rejected Codes: