

**NOTICE OF REGULAR CITY COUNCIL MEETING  
CITY OF TOMBALL, TEXAS**



**Monday, June 05, 2023  
6:00 PM**

Notice is hereby given of a Regular meeting of the Tomball City Council, to be held on Monday, June 05, 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 Tomball City Council 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.

**THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, WILL CONDUCT THE MEETING SCHEDULED FOR DATE, 2022, 6:00 PM, AT 401 MARKET STREET, TOMBALL, TEXAS, 77375. THIS MEETING AGENDA AND THE AGENDA PACKET ARE POSTED ONLINE AT:**

<https://tomball-tx.municodemeetings.com/>

The public toll-free dial-in numbers to participate in the telephonic meeting are any one of the following (dial by your location): +1 312 626 6799 US (Chicago); +1 646 876 9923 US (New York); +1 301 715 8592 US; +1 346 248 7799 US (Houston); +1 408 638 0968 US (San Jose); +1 669 900 6833 US (San Jose); or +1 253 215 8782 US (Tahoma) - Meeting ID: 852 9862 4836 Passcode: 138814. The public will be permitted to offer public comments telephonically, as provided by the agenda and as permitted by the presiding officer during the meeting.

- A. Call to Order
- B. Invocation - Led by Pastor Courtney White - Fountain of Love Church
- C. Pledges to U.S. and Texas Flags
- D. 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.]*

E. Reports and Announcements

1. Announcements

I. **Kids Club Dates:**

June 9: Soccer Clinic with HTX Soccer (formerly Dynamo/Dash Youth Soccer) at Broussard Park (1414 E. Huffsmith Rd) from 9-11 a.m.

July 14: Reptile show-n-tell and Reading games (Texas Snakes & More and LSC-Tomball Community Library) at Juergens Park (1331 Ulrich Rd) from 10 a.m. to 12 p.m.

August 11: Learn about emergency vehicles and Splash Day at Tomball Depot Plaza (201 S. Elm St). from 10 a.m. to 12 p.m.

**2023 Swim Season (Jerry Matheson Park Pool):**

Monday-Closed

Tuesday thru Friday - 10am - 6pm

Saturday & Sunday – 12pm - 8pm

**REGULAR SEASON HOURS 2023**

May 30th (Start Date) thru August 13th (Sunday) End Date

**END OF SEASON HOURS 2023**

August 19th (Saturday) Noon – 8pm

August 20th (Sunday) Noon – 8pm

August 26th (Saturday) Noon – 8pm

August 27th (Sunday) Noon – 8pm

September 2nd (Saturday) Noon – 8pm

September 3rd (Sunday) Noon – 8pm

September 4th (Monday) 10am – 6p

The Pool will be open to the public on weekends until Labor Day

**Depot Splash Pad:**

Opens May 26, 2023

2. Reports by City staff and members of council about items of community interest on which no action will be taken:

I. Katherine Tapscott – Quarterly Financial Update for Period Ending March 31, 2023.

F. Old Business

1. Adopt, on Second Reading, Ordinance No. 2023-10, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision from Single Family Residential Estate – 20 (SF-20-E) to Commercial (C). The property is located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.
2. Adopt, on Second Reading, Ordinance No. 2023-12, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No.1 from Commercial (C) to Office (O) zoning. The property is generally located within the 1200-1300 blocks (south side) of Rudel Drive, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

G. New Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]*

1. Approve the Minutes of the May 15, 2023, Tomball Legacy Fund Annual Meeting, and the Regular City Council Meeting.
2. Consideration to approve an amendment to a professional services agreement with Freese & Nichols, Inc. for on-call GIS, planning, and engineering services for an amount of \$50,000 (contract total not to exceed amount of \$150,000), approve the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This project was included in the FY 2022-2023 budget.
3. Approve a master services agreement with Water Utility Services, Inc. for water sampling and laboratory services, and water and wastewater chemicals for a total not-to-exceed amount of \$170,000, approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchase. This service is included in the FY 2022-2023 Budget.

4. Authorize annual purchases exceeding \$50,000 from Morton Morrow Survival Air Systems Inc., in accordance with the Purchasing and Bidding Policy for Fiscal Year 2022-2023. These purchases are within the Fiscal Year 2022-2023 budget.

H. New Business

1. Accept the Annual Comprehensive Financial Report for fiscal year ending September 30, 2022.
2. Approve Resolution No. 2023-30, A Resolution of The City Council of The City of Tomball, Texas, Authorizing the Consolidation of Vital Records from The City of Tomball, Texas, To Harris County, Texas.
3. Adopt on First Reading Ordinance No. 2023-18, An Ordinance of The City Of Tomball, Texas Amending Section 2-326 Of Its Code Of Ordinances, Designated, Of Division II, Records Management Officer, Of Article V, Records Management, Of Chapter II, Administration; Providing For Severability, Making Findings Of Fact; And Providing For Other Related Matters
4. Consideration to approve Resolution 2023-31, a Resolution of the City Council of the City of Tomball, Texas, accepting the Preliminary Service and Assessment Plan for Authorized Improvements within the Winfrey Estates Public Improvement District; Setting a Date for a Public Hearing on the Proposed Levy of Assessments; Authorizing the Publication and Mailing of Notice; and Enacting Other Provisions Relating thereto.
5. Approve the Tomball Economic Development Corporation (TEDC) 2023-2024 Strategic Work Plan.
6. Presentation of the Tomball Economic Development Corporation (TEDC) 2022-2023 Annual Report.

I. Adjournment

## CERTIFICATION

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 1st day of June 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) 290-1002 or FAX (281) 351-6256 for further information.

AGENDAS MAY BE VIEWED ONLINE AT [www.ci.tomball.tx.us](http://www.ci.tomball.tx.us).

# City Council Meeting

## Agenda Item

### Data Sheet

Meeting Date: June 5, 2023

**Topic:**

- **Kids Club Dates:**
  - June 9: Soccer Clinic with HTX Soccer (formerly Dynamo/Dash Youth Soccer) at Broussard Park (1414 E. Huffsmith Rd) from 9-11 a.m.
  - July 14: Reptile show-n-tell and Reading games (Texas Snakes & More and LSC-Tomball Community Library) at Juergens Park (1331 Ulrich Rd) from 10 a.m. to 12 p.m.
  - August 11: Learn about emergency vehicles and Splash Day at Tomball Depot Plaza (201 S. Elm St). from 10 a.m. to 12 p.m.
- **2023 Swim Season (Jerry Matheson Park Pool):**
  - Monday-Closed
  - Tuesday thru Friday - 10am - 6pm
  - Saturday & Sundry – 12pm - 8pm

**REGULAR SEASON HOURS 2023**

  - May 30th (Start Date) thru August 13th (Sunday) End Date

**END OF SEASON HOURS 2023**

  - August 19th (Saturday) Noon – 8pm
  - August 20th (Sunday) Noon – 8pm
  - August 26th (Saturday) Noon – 8pm
  - August 27th (Sunday) Noon – 8pm
  - September 2nd (Saturday) Noon – 8pm
  - September 3rd (Sunday) Noon – 8pm
  - September 4th (Monday) 10am – 6p

The Pool will be open to the public on weekends until Labor Day
- **Depot Splash Pad:**
  - Opens May 26, 2023

**Background:**

**Origination:**

**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 # \_\_\_\_\_

# City Council Meeting Agenda Item Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Katherine Tapscott – Quarterly Financial Update for Period Ending March 31, 2023.

**Background:**

**Origination:** Finance Director

**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: \_\_\_\_\_ No: \_\_\_\_\_ If yes, specify Account Number: # \_\_\_\_\_

If no, funds will be transferred from account # \_\_\_\_\_ To account # \_\_\_\_\_

Signed	<u>Katherine Tapscott</u>	<u>5/30/2023</u>	Approved by	_____
	Staff Member	Date		City Manager
				Date



# City Council Agenda Item Data Sheet

Meeting Date: 05/15/2023

## Topic:

Consideration to approve **Zoning Case Z23-04**: Request by Rosehill Estates, LLC represented by George Jarkey to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision from Single Family Residential Estate – 20 (SF-20-E) to Commercial (C). The property is located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas.

## Conduct Public Hearing on **Zoning Case Z23-04**

Adopt, on First Reading, Ordinance No. 2023-10, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision from Single Family Residential Estate – 20 (SF-20-E) to Commercial (C). The property is located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

## Background:

The subject property has been within the City Limits of Tomball since at least 1907. According to Harris County Appraisal District records a single-family residential dwelling has been located on the subject property since at least 1990. In September of 2022 it was brought to city staff's attention that the property is being utilized for commercial purposes and subsequent notices of zoning violation for unlawful land use within Single Family Residential -20 zoning were sent to the owner of the property. Following conversations with the applicant it has been confirmed that the property is presently being utilized for office purposes. To bring the property into legal land use conformance the applicant is seeking a change of zoning to the Commercial (C) zoning district to continue to allow the use of the property for commercial purposes. If the zoning is to be approved, the site will need to obtain all necessary building permits and plan approvals from the City of Tomball to bring the building and site up to commercial building standards.

## Origination:

## Recommendation:

City staff recommends approval of Zoning Case Z23-04. Planning and Zoning Commission recommends Approval Unanimously (5 Votes Aye).

**Party(ies) responsible for placing this item on agenda:** Nathan Dietrich (Community Development Director)

---

**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:** \_\_\_\_\_ **Approved by:** \_\_\_\_\_  
                  Staff Member                      Date                      City Manager                      Date

**ORDINANCE NO. 2023-10**

**AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY CHANGING THE ZONING DISTRICT CLASSIFICATION OF APPROXIMATELY 5.11 ACRES OF LAND LEGALLY DESCRIBED AS BEING LOT 2, BLOCK 1 OF SWINGHAMMER/HAUCK SUBDIVISION FROM SINGLE FAMILY RESIDENTIAL ESTATES – 20 (SF-20-E) ZONING DISTRICT TO COMMERCIAL (C), BEING LOCATED AT 1820 S. CHERRY STREET; PROVIDING FOR SEVERABILITY; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF, MAKING FINDINGS OF FACT; AND PROVIDING FOR OTHER RELATED MATTERS.**

---

**Whereas**, Rosehill Estates LLC., represented by George Jarkesy has requested that approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision, located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas (the “Property”), be rezoned; and

**Whereas**, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing and at least ten (10) days after written notice of that hearing was mailed to the owners of land within three hundred feet of the Property in the manner required by law, the Planning & Zoning Commission held a public hearing on the requested rezoning; and

**Whereas**, the public hearing was held before the Planning & Zoning Commission at least forty (40) calendar days after the City’s receipt of the requested rezoning; and

**Whereas**, the Planning & Zoning Commission recommended in its final report that City Council approve the requested rezoning; and

**Whereas**, the City Council deems it appropriate to grant the requested rezoning.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, THAT:**

**Section 1.** The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

**Section 2.** The rezoning classification of the Property is hereby changed and is subject to the regulations, restrictions, and conditions hereafter set forth.

**Section 3.** The Official Zoning Map of the City of Tomball, Texas shall be revised and amended to show the designation of the Property as hereby stated, with the appropriate reference thereon to the number and effective date of this Ordinance and a brief description of the nature of the change.

**Section 4.** This Ordinance shall in no manner amend, change, supplement or revise any provision of any ordinance of the City of Tomball, save and except the change in zoning classification for the Property as described above.

**Section 5.** In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

**Section 6.** Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction, shall be fined in an amount not to exceed \$2,000. Each day of violation shall constitute a separate offense.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON \_\_\_\_\_ DAY OF \_\_\_\_\_ 2023.

COUNCILMAN FORD \_\_\_\_\_  
COUNCILMAN STOLL \_\_\_\_\_  
COUNCILMAN DUNAGIN \_\_\_\_\_  
COUNCILMAN TOWNSEND \_\_\_\_\_  
COUNCILMAN PARR \_\_\_\_\_

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON \_\_\_\_\_ DAY OF \_\_\_\_\_ 2023.

COUNCILMAN FORD \_\_\_\_\_  
COUNCILMAN STOLL \_\_\_\_\_  
COUNCILMAN DUNAGIN \_\_\_\_\_  
COUNCILMAN TOWNSEND \_\_\_\_\_  
COUNCILMAN PARR \_\_\_\_\_

\_\_\_\_\_  
LORI KLEIN QUINN, Mayor

ATTEST:

\_\_\_\_\_  
Tracylynn Garcia, City Secretary

Exhibit "A"



Location: 1820 S. Cherry Street. Being Lot 2, Block 1 of Swinghammer/Hauck Subdivision, City of Tomball, Harris County, Texas

**NOTICE OF PUBLIC HEARING  
CITY OF TOMBALL  
PLANNING & ZONING COMMISSION (P&Z)  
MAY 8, 2023  
&  
CITY COUNCIL  
MAY 15, 2023**



Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, May 8, 2023 at 6:00 P.M.** and by the City Council of the City of Tomball on **Monday, May 15, 2023 at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

**Zoning Case Z23-03:** Request by Chris & Tiona Campbell, to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 4.94 acres of land legally described as being a portion of Lot 48 in Tomball Townsite from Single Family Residential Estate – 20 (SF-20-E) to General Retail (GR) zoning. The property is generally located within the 11100-11200 blocks (east side) of Rudolph Road, within the City of Tomball, Harris County, Texas.

**Zoning Case Z23-04:** Request by Rosehill Estates, LLC represented by George Jarkey to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision from Single Family Residential Estate – 20 (SF-20-E) to Commercial (C). The property is located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas.

**Zoning Case Z23-05:** Request by Michael Kirtley represented by Sam Jackson of Black Mountain Energy Storage II LLC., to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 5 acre of land legally described as being all of Lot 265 in Tomball Townsite from Agricultural (AG) to Light Industrial (LI) zoning. The property is generally located within the 900-1000 blocks (west side) of S. Pitchford Road, within the City of Tomball, Harris County, Texas.

**Zoning Case Z23-06:** Request by Red Grip LLC., represented by Mike Matheson to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No.1 from Commercial (C) to Office (O) zoning. The property is generally located within the 1200-1300 blocks (south side) of Rudel Drive, within the City of Tomball, Harris County, Texas.

**Case CUP23-03:** Request by Chris & Tiona Campbell, for a Conditional Use Permit to allow “Residential Use” within General Retail (GR) zoning. Affecting approximately 4.94 acres of land legally described as being a portion of Lot 48 in Tomball Townsite. The property is generally located within the 11100-11200 blocks (east side) of Rudolph Road, within the City of Tomball, Harris County, Texas.

**Case CUP23-04:** Request by Michael Kirtley, represented by Sam Jackson of Black Mountain Energy Storage II LLC., for a Conditional Use Permit to allow an “Electric Storage System” within Light Industrial (LI) zoning. Affecting land legally described as being all of Lot 265 in Tomball Townsite. The property is generally located within the 900-1000 blocks (west side) of S. Pitchford Road, within the City of Tomball, Harris County, Texas.

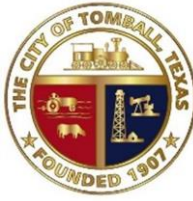
At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, and the Public Works Buildings, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contact the City Planner, Jared Smith, at (281) 290-1491 or at [jasmith@tomballtx.gov](mailto:jasmith@tomballtx.gov).

### CERTIFICATION

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 5<sup>th</sup> day of May 2023 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Jared Smith  
Jared Smith  
City Planner

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 feel free to contact the City Secretary’s office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT [www.tomballtx.gov](http://www.tomballtx.gov).



**City of Tomball**  
**Community Development Department**

HLJ SPEARS INVESTMENTS LLC  
23722 WILLOW SWITCH RD

SPRING, TX 77389-3473

**NOTICE OF PUBLIC HEARING**

**RE: Zone Change Case Number Z23-04**

**04/14/2023**

The Planning & Zoning Commission will hold a public hearing on **May 8, 2023 at 6:00 PM**, in City Council Chambers at City Hall, 401 Market Street, Tomball, Texas to recommend approval or denial to City Council on a request by Rosehill Estates, LLC represented by George Jarkesy to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision from Single Family Residential Estate – 20 (SF-20-E) to Commercial (C) . The property is located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas.

This hearing is open to any interested person. Opinions, objections and/or comments relative to this matter may be expressed in writing or in person at the hearing. At the bottom of this letter is a form that you may cut off, fill out, and mail. Comments are also accepted by email as listed below. All responses must be signed.

The attached map shows the area of this request. Only that area which is bounded by the cross-hatched line on the map is being considered for **rezoning**. The solid boundary line around the subject area is only a notification area. All owners of property within 300-feet of the subject property are required to be notified. Whether approved or denied by the Planning & Zoning Commission, this case will be heard by City Council for First Reading with public hearing on **May 15, 2023 at 6:00 PM** in City Council Chambers at City Hall, 401 Market Street, Tomball, Texas.

If you have any questions, please contact Jared Smith, City Planner at telephone 281-290-1491 or by email address [jasmith@tomballtx.gov](mailto:jasmith@tomballtx.gov)

For the PLANNING & ZONING COMMISSION  
Please call (281) 290-1491 if you have any questions about this notice.

**CASE #: Z23-04**

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: HLJ SPEARS INVESTMENTS LLC  
Parcel I.D.: 1187930010002  
Address: 211 S PERSIMMON ST

Mailing To: Community Development Department  
501 James St., Tomball TX 77375

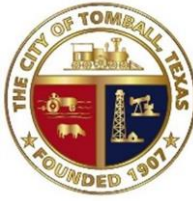
Email: [jasmith@tomballtx.gov](mailto:jasmith@tomballtx.gov)

I am in favor   
Additional Comments:

I am opposed

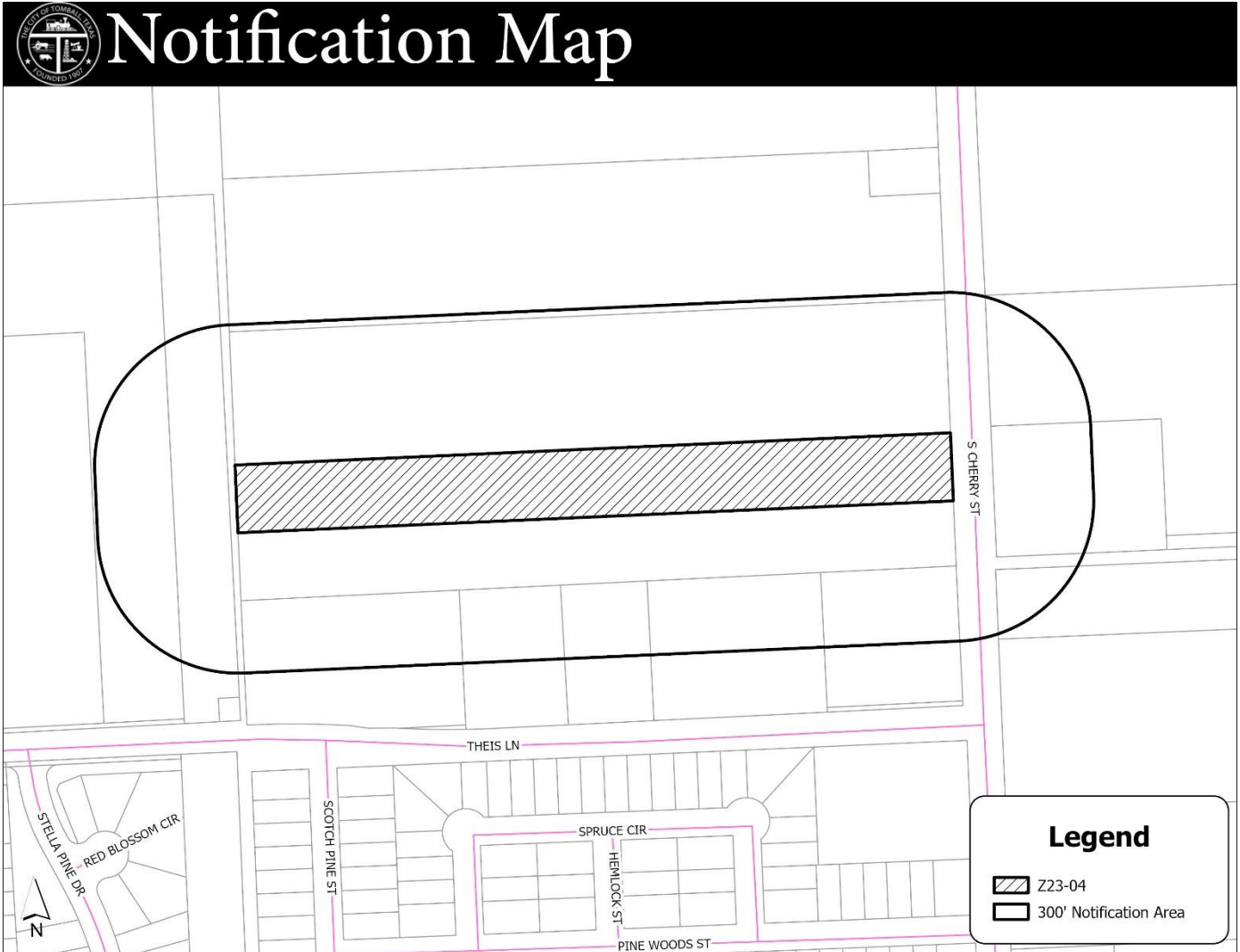
Signature: \_\_\_\_\_





*City of Tomball*  
*Community Development Department*

**Z23-04**



**Jared Smith**

---

**From:** Wilson Lori - Houston <Lori.Wilson4@hcahealthcare.com>  
**Sent:** Friday, April 21, 2023 12:07 PM  
**To:** Jared Smith  
**Subject:** 1820 s. Cherry Zone Change Case #Z23-04

**Caution:** This is an external email and may be malicious. Please take care when clicking links or opening attachments.

I am perfectly fine with the zoning change. Lori

---

For the PLANNING & ZONING COMMISSION  
Please call (281) 290-1491 if you have any questions about this notice.

**CASE #: Z23-04**

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: WALLACE LORI A  
Parcel I.D.: 0352880000193  
Address: 1821 S CHERRY ST

Mailing To: Community Development Department  
501 James St., Tomball TX 77375

Email: [jasmith@tomballtx.gov](mailto:jasmith@tomballtx.gov)

I am in favor  I am opposed   
Additional Comments:

Signature: 

---

501 James Street • TOMBALL, TEXAS 77375

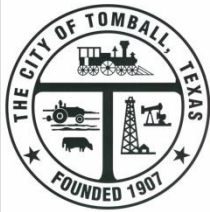
**Lori Wilson**  
Director, Physician and Provider Relations

**HCA Houston Healthcare Tomball**  
P 281-401-7215 | M 832-549-4079  
605 Holderrieth Blvd, Tomball, TX, 77375

[Lori.Wilson4@hcahealthcare.com](mailto:Lori.Wilson4@hcahealthcare.com) | [HCAHoustonHealthcare.com](http://HCAHoustonHealthcare.com)

**HCA Mission: Above all else, we are committed to the care and improvement of human life.**

*CONFIDENTIAL – Contains proprietary information. Not intended for external distribution.*



## Rezoning Staff Report

Planning & Zoning Commission Public Hearing Date: May 8, 2023  
City Council Public Hearing Date: May 15, 2023

**Rezoning Case:** Z23-04  
**Property Owner(s):** Rosehill Estates, LLC  
**Applicant(s):** Rosehill Estates, LLC  
**Legal Description:** Lot 2, Block 1 of Swinghammer/Hauck Subdivision  
**Location:** 1820 S. Cherry St. (Exhibit “A”)  
**Area:** 5.11 acres  
**Comp Plan Designation:** Business Park & Industrial (Exhibit “B”)  
**Present Zoning:** Single-Family Residential -20 Estate District (Exhibit “C”)  
**Request:** Commercial (C) zoning  
**Adjacent Zoning & Land Uses:**  
**North:** Commercial (C)/ Office/warehouse and Electronic Assembly  
**South:** Single-Family Residential – 20 (SF-20)/ Single-Family Residence  
**West:** Agricultural (AG) / City of Tomball Drainage Channel  
**East:** Single-Family Residential – 20 (SF-20) / Single-Family Residence

### **BACKGROUND**

The subject property has been within the City Limits of Tomball since at least 1907. According to Harris County Appraisal District records a single-family residential dwelling has been located on the subject property since at least 1990. In September of 2022 it was brought to city staff’s attention that the property is being utilized for commercial purposes and subsequent notices of zoning violation for unlawful land use within Single Family Residential -20 zoning were sent to the owner of the property. Following conversations with the applicant it has been confirmed that the property is presently being utilized for office purposes. To bring the property into legal land use conformance the applicant is seeking a change of zoning to the Commercial (C) zoning district to continue to allow the use of the property for commercial purposes. If the zoning is to be approved, the site will need to obtain all necessary building permits and plan approvals from the City of Tomball to bring the building and site up to commercial building standards.

## **ANALYSIS**

**Description:** The subject property comprises about 5.11 acres, located 1820 S. Cherry Street. Currently the property is located within the Single Family Residential – 20 (SF-20) zoning district and has been within this zoning classification since the City of Tomball adopted zoning in 2008. Properties east and south of the subject property are also located within the Single Family Residential – 20 district and occupied by single family residences. North of the subject property is existing Commercial (C) zoning which was adopted in 2009 by City Council (P09-099) this Commercial zoning is presently occupied by an office/warehouse and electronic assembly land use. West of the subject property is Agricultural (AG) zoning and is a City of Tomball drainage channel.

**Comprehensive Plan Recommendation:** The property is designated as “Business Park & Industrial” by the Comprehensive Plans Future Land Use Map. This Business Park & Industrial category is intended to create opportunities for employment. This area is intended to be located near adequate thoroughfares which provide convenient access for vehicular traffic including freight. These areas may require intensive screening and buffering from surrounding development.

According to the Comprehensive Plan, appropriate land uses include office, warehouse, light manufacturing (with indoor operations), breweries/distilleries, equipment sales, contractor services, and corporate campuses.

The Comprehensive Plan recommends the zoning districts of – Light Industrial (LI), Commercial (C), Office (O), or Planned Developments (PD).

### **Staff Review Comments:**

The request to rezone the subject property to Commercial (C) is in direct alignment with the Comprehensive Plans goal and objective of establishing the Business Park & Industrial land use category. Further, the subject property and the neighboring property to the south are remnant Single Family Residential zoning districts wedged between Commercial zoning to the north (adopted in 2009) and south (adopted in 2015). This current arrangement of large lot single family residential zoning districts wedged between two commercial zoning districts is creating a residential spot zoning instance which could be considered an undesirable arrangement. The request to rezone to commercial zoning will help to improve this arrangement. Lastly, the subject property fronts on S. Cherry Street and is approximately 400-linear feet north of the intersection of S. Cherry Street and Theis Lane, two minor arterial streets. Thoroughfares such as this are customarily considered appropriate for commercial zoning districts and activities as they provide convenient vehicular access as well as exposure to large volumes of traffic which is often considered necessary for commercial success.

## **PUBLIC COMMENT**

A Notice of Public Hearing was published in the paper and property owners within 300 feet of the project site were mailed notification of this proposal on April 18, 2023. Any public comment forms will be provided in the Planning & Zoning Commission and City Council packets or during the public hearing.

## **RECOMMENDATION**

Based on the findings outlined in the analysis section of this staff report, City staff recommends approval of Zoning Case Z23-04.

## **EXHIBITS**

- A. Location Map
- B. Future Land Use Map
- C. Zoning Map
- D. Site Photo
- E. Rezoning Application

Exhibit "A"  
Aerial Location Map



# Location Map

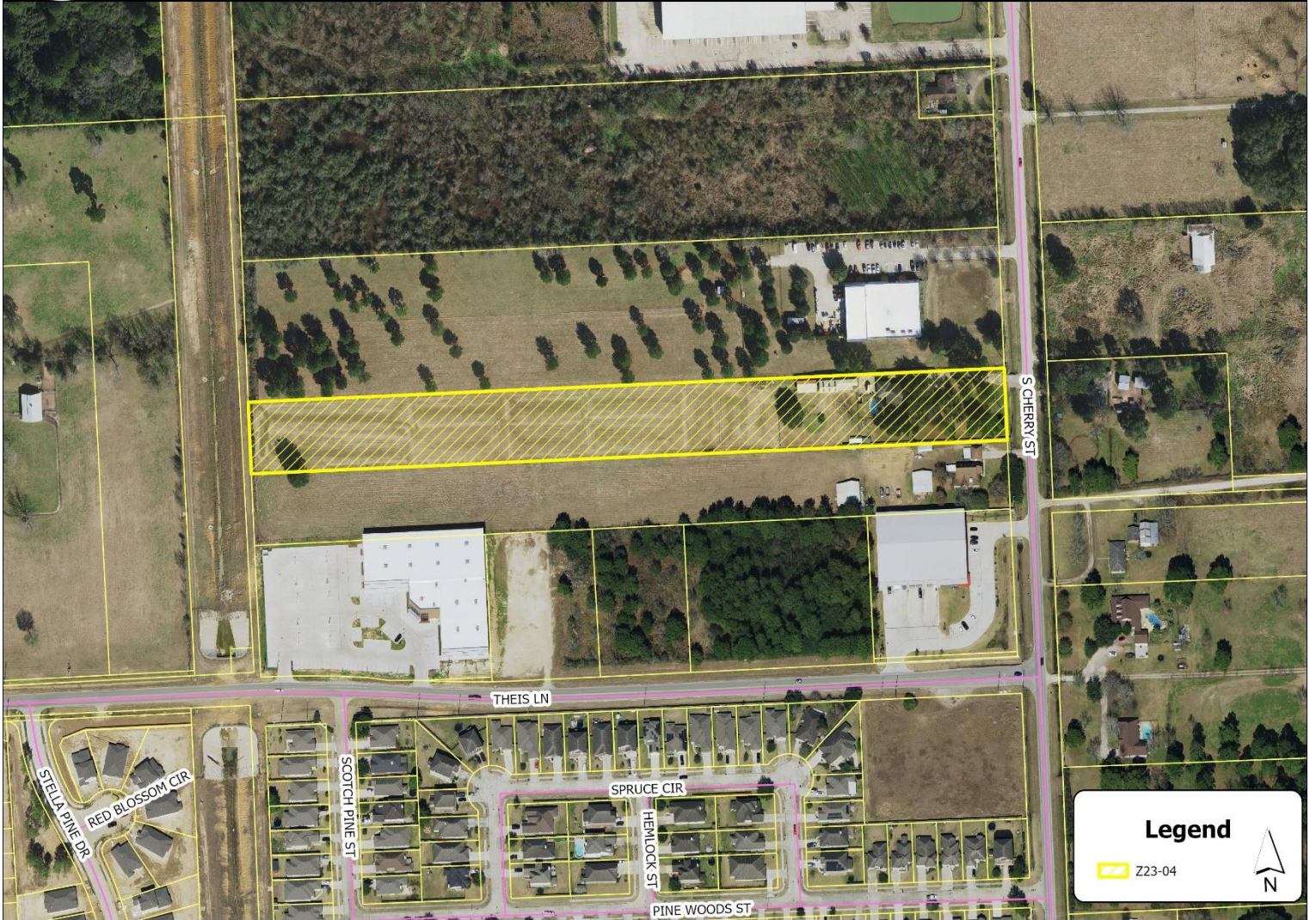
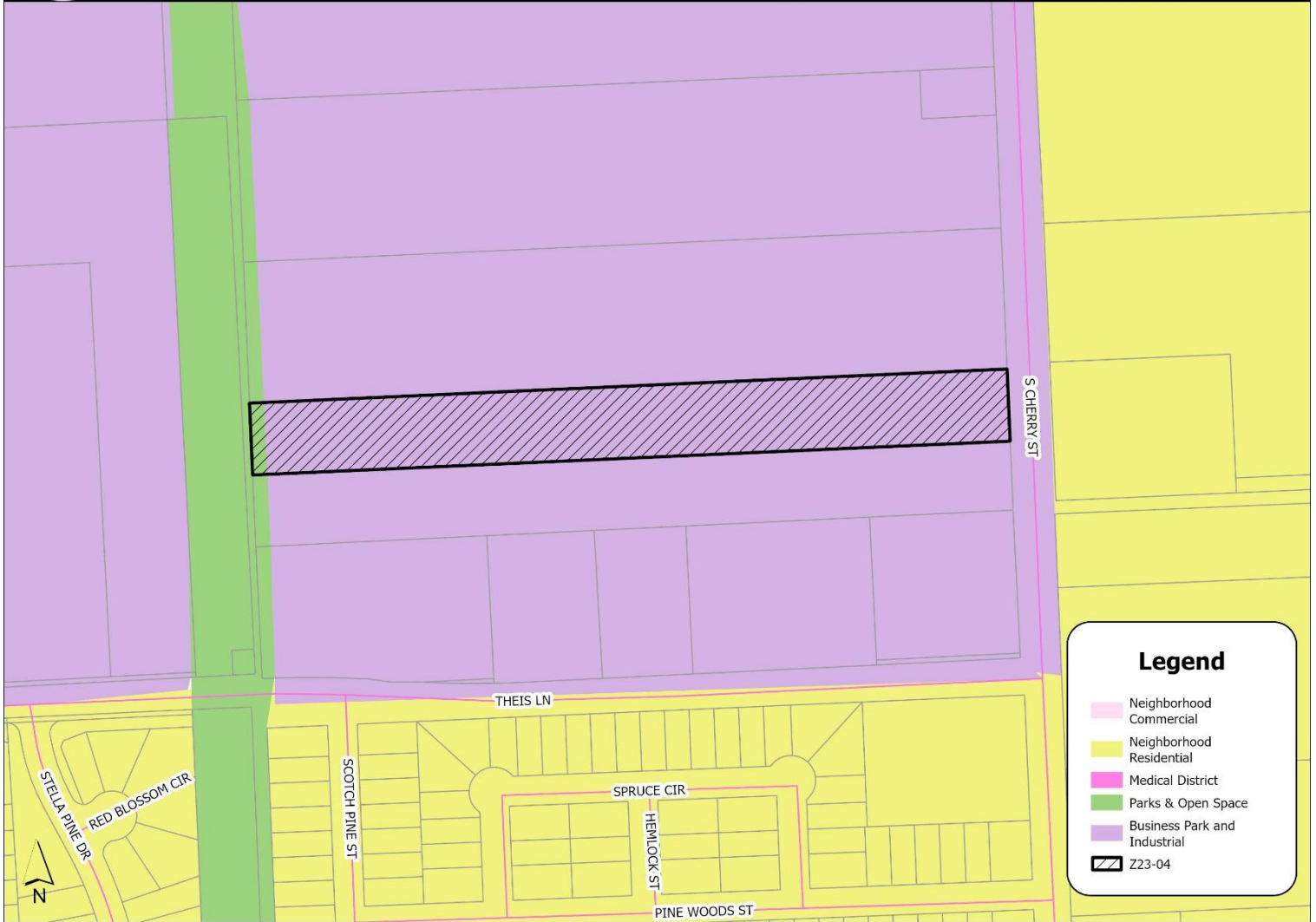


Exhibit "B"  
Future Land Use Plan



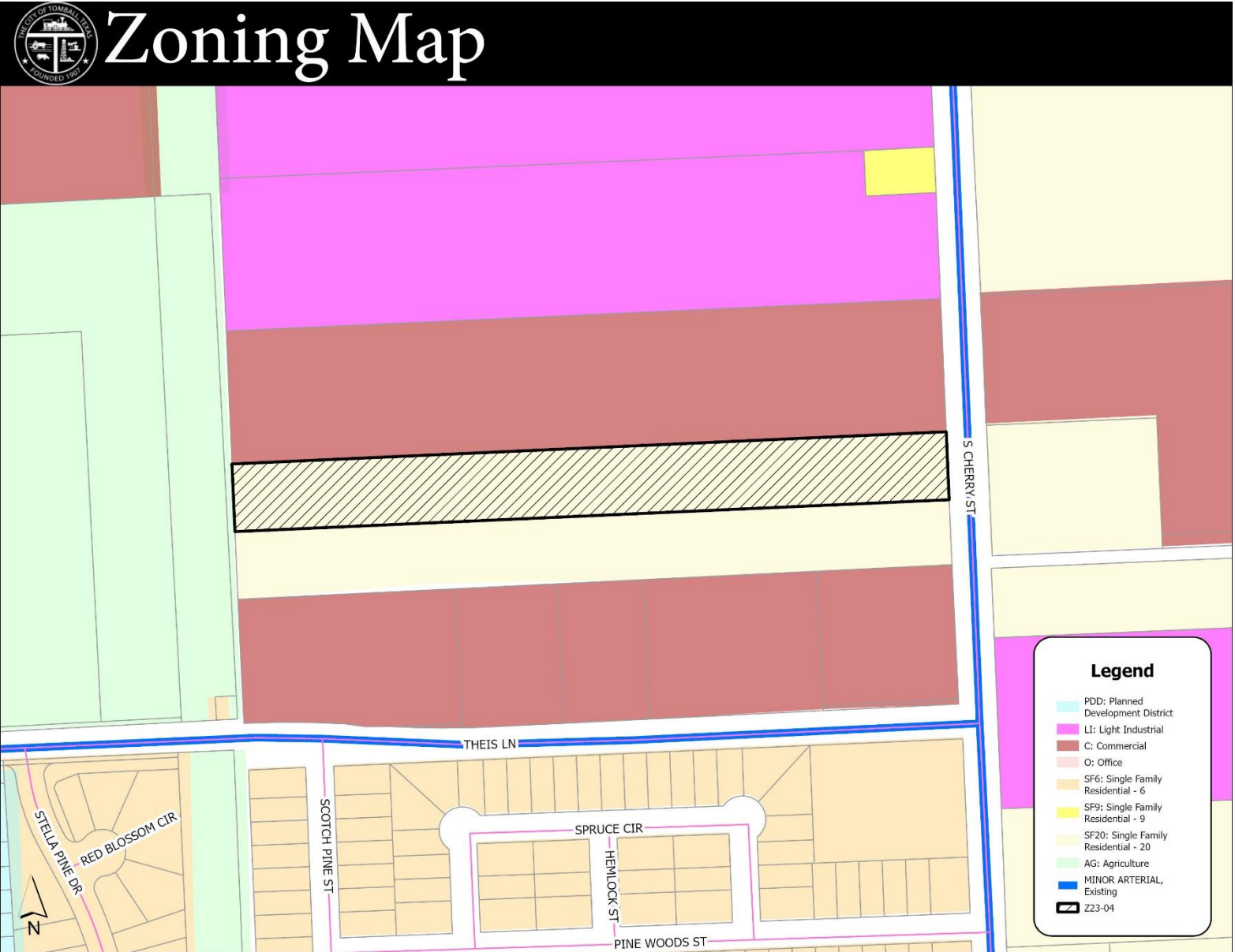
# Future Land Use Map



**Legend**

- Neighborhood Commercial
- Neighborhood Residential
- Medical District
- Parks & Open Space
- Business Park and Industrial
- Z23-04

Exhibit "C"  
Zoning Map





**Exhibit "D"**  
**Site Photo(s)**

**Subject Site**



**Neighbor (South)**



## Neighbor (North)

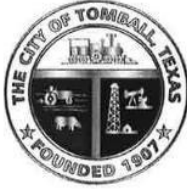


## Neighbor (East)



# Exhibit "E" Rezoning Application

Revised: 10/1/2022



## APPLICATION FOR RE-ZONING

Community Development Department  
Planning Division

**APPLICATION REQUIREMENTS:** Applications will be *conditionally* accepted on the presumption that the information, materials and signatures are complete and accurate. If the application is incomplete or inaccurate, your project may be delayed until corrections or additions are received.

There is a \$1,000.00 application fee that must be paid at time of submission or the application will not be processed.

### DIGITAL PLAN SUBMITTALS:

PLEASE SUBMIT YOUR APPLICATIONS AND PLANS DIGITALLY IN A SINGLE PDF BY FOLLOWING THE WEBSITE BELOW:

WEBSITE: [tomballtx.gov/securesend](http://tomballtx.gov/securesend)  
USERNAME: **tombalcedd**  
PASSWORD: **Tomball1**

### **Applicant**

Name: Rosehill Estates, L.L.C., by George Jarquesy Title: Manager  
Mailing Address: 1820 S. Cherry St. City: Tomball State: Texas  
Zip: 77375 Contact: George Jarquesy  
Phone: (281) 290 - 6655 Email: george@jarquesy.com

### **Owner**

Name: Rosehill Estates, L.L.C., by George Jarquesy Title: Manager  
Mailing Address: 1820 S. Cherry St. City: Tomball State: Texas  
Zip: 77375 Contact: George Jarquesy  
Phone: (281) 290- 6655 Email: george@jarquesy.com

### **Engineer/Surveyor (if applicable)**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
Zip: \_\_\_\_\_ Contact: \_\_\_\_\_  
Phone: (\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

**Description of Proposed Project:** Use residence as office space, and for future commercial development.

Physical Location of Property: 1820 S. Cherry St Tomball, Tx 77375

[General Location – approximate distance to nearest existing street corner]

Legal Description of Property: Lot Two, in Block One (1), of SWINGHAMMER/HAUCK SUBDIVISION

[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Current Zoning District: SF-20

City of Tomball, Texas 501 James Street, Tomball, Texas 77375 Phone: 281-290-1405 [www.tomballtx.gov](http://www.tomballtx.gov)

Current Use of Property: Home Office

Proposed Zoning District: Commercial - C

Proposed Use of Property: Office

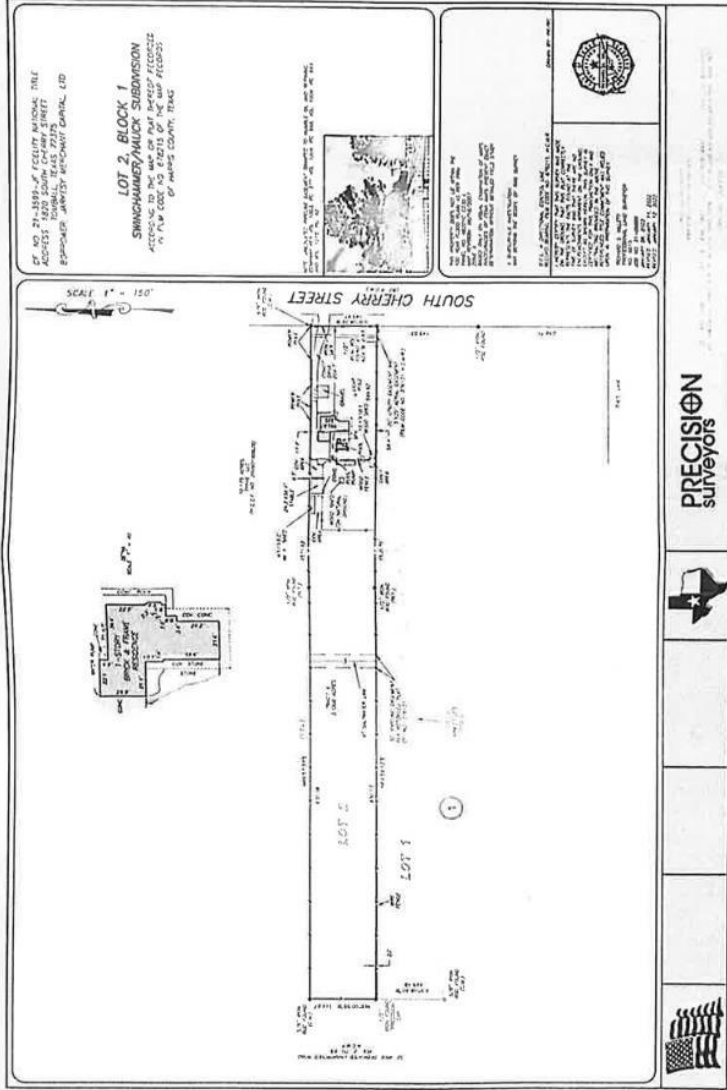
HCAD Identification Number: 13798600010002 Acreage: 5.1 Acre

**Please note: A courtesy notification sign will be placed on the subject property during the public hearing process and will be removed when the case has been processed.**

**This is to certify that the information on this form is COMPLETE, TRUE, and CORRECT and the under signed is authorized to make this application. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.**

X  \_\_\_\_\_ 3-14-2023  
Signature of Applicant Date

X  \_\_\_\_\_ 3-14-2023  
Signature of Owner Date



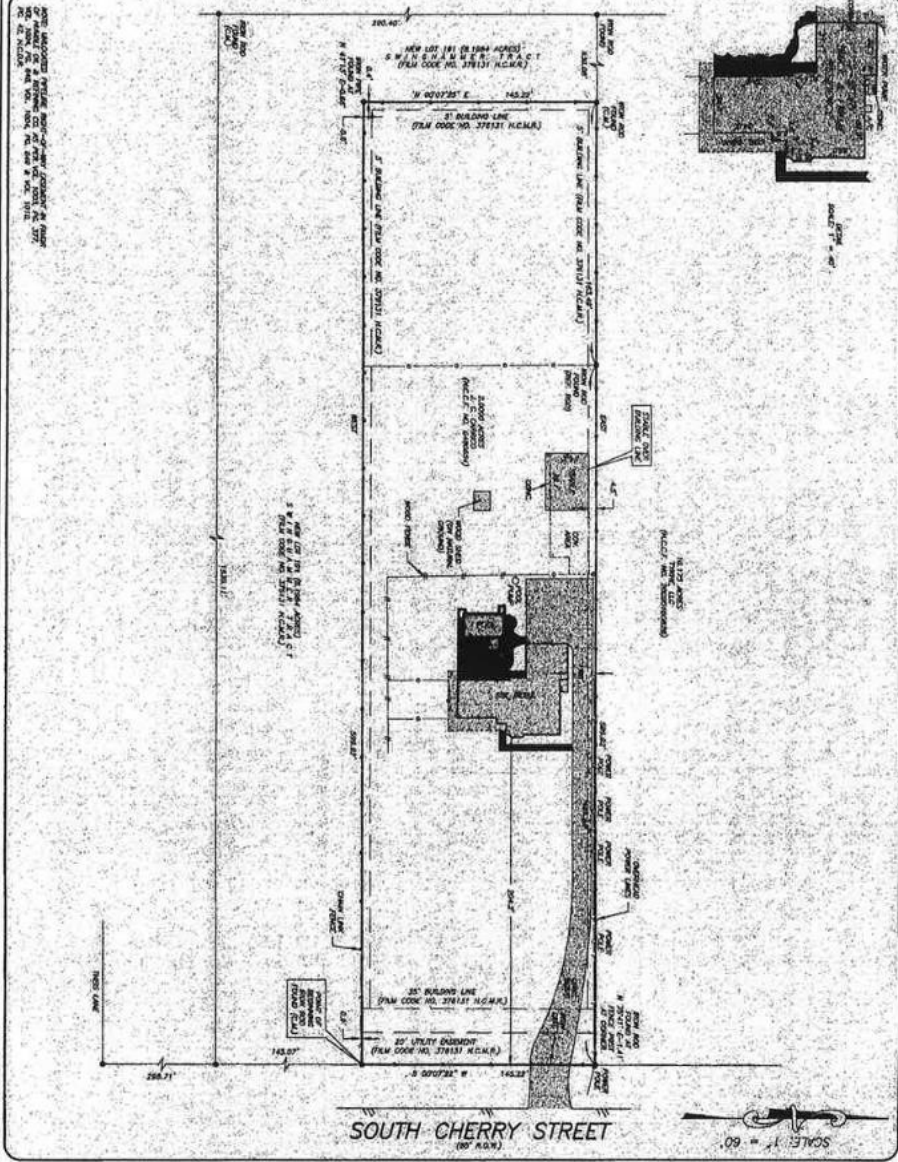


STATE OF MISSISSIPPI  
 ROBERT L. LAMORE  
 201-536-1555



**PRECISION**  
 surveyors

201-536-1555  
 201-536-1556  
 201-536-1557  
 201-536-1558  
 201-536-1559  
 201-536-1560  
 201-536-1561  
 201-536-1562  
 201-536-1563  
 201-536-1564  
 201-536-1565  
 201-536-1566  
 201-536-1567  
 201-536-1568  
 201-536-1569  
 201-536-1570  
 201-536-1571  
 201-536-1572  
 201-536-1573  
 201-536-1574  
 201-536-1575  
 201-536-1576  
 201-536-1577  
 201-536-1578  
 201-536-1579  
 201-536-1580  
 201-536-1581  
 201-536-1582  
 201-536-1583  
 201-536-1584  
 201-536-1585  
 201-536-1586  
 201-536-1587  
 201-536-1588  
 201-536-1589  
 201-536-1590  
 201-536-1591  
 201-536-1592  
 201-536-1593  
 201-536-1594  
 201-536-1595  
 201-536-1596  
 201-536-1597  
 201-536-1598  
 201-536-1599  
 201-536-1600



**SURFACE ONLY:  
 2.0000 ACRES  
 BEING OUT OF AND PART OF LOT 192  
 TOWERBELL TOWNSHIP**

ACCORDING TO THE MAP OF SAID TOWNSHIP RECORDED  
 IN VOLUME 10 OF PLATS, RECORDS  
 (SEE ATTACHED PLATS AND BOUNDS)

OF NO. 1020114-000 SURFACE TITLE  
 ADDRESS: 10201 SOUTH LAMORE STREET  
 BIRMINGHAM, ALABAMA 35202

THIS INSTRUMENT BEING MADE THIS 15TH DAY OF  
 APRIL, 2011, AT BIRMINGHAM, ALABAMA, BY  
 ROBERT L. LAMORE, SURVEYOR, AND  
 CLARENCE K. SANDERS, REGISTERED  
 PROFESSIONAL LAND SURVEYOR,  
 AND NOTARY PUBLIC.

ROBERT L. LAMORE  
 CLARENCE K. SANDERS

STATE OF MISSISSIPPI  
 DEPARTMENT OF REVENUE  
 15364  
 MISSISSIPPI  
 AND SURVEYORS



*Rosehill Estates LLC, 1820 S. Cherry St. Tomball, Tx 77375*

---

To the City of Tomball,

We are submitting this request asking to Re-zone our residential property to a commercial property.

We would like to use this residential property as our home office for our 5 Employees. We are willing to take necessary action to bring this space up to code standards. This Office space will not be open to the public and has no plans of ever doing so.

# City Council Agenda Item Data Sheet

Meeting Date: 05/15/2023

**Topic:**

Consideration to approve **Zoning Case Z23-06**: Request by Red Grip LLC., represented by Mike Matheson to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No.1 from Commercial (C) to Office (O) zoning. The property is generally located within the 1200-1300 blocks (south side) of Rudel Drive, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z23-06**

Adopt, on First Reading, Ordinance No. 2023-12, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No.1 from Commercial (C) to Office (O) zoning. The property is generally located within the 1200-1300 blocks (south side) of Rudel Drive, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

**Background:**

The subject property is presently vacant. City staff has met on multiple occasions over the course of the past year to discuss the potential development of an office complex on the subject property. According to information provided by the applicant, there are plans to construct two office buildings which will be divided into suites. The intention is to split these buildings by property boundaries so that each respective suite occupant can own their respective office spaces. To achieve this goal and create the desired number of suites for purchase the applicants are requesting to rezone to Office (O) zoning which has a minimum lot area of 6,000 square feet as opposed to the current Commercial (C) zoning minimum lot area of 10,000 square feet.

**Origination:**

**Recommendation:**

City staff recommends approval of Zoning Case Z23-06. Planning and Zoning Commission recommends Approval Unanimously (5 Votes Aye).

**Party(ies) responsible for placing this item on agenda:** Nathan Dietrich (Community Development Director)

**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:** \_\_\_\_\_ **Approved by:** \_\_\_\_\_  
Staff Member Date City Manager Date

**ORDINANCE NO. 2023-12**

**AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY CHANGING THE ZONING DISTRICT CLASSIFICATION OF APPROXIMATELY 1.04 ACRES OF LAND LEGALLY DESCRIBED AS BEING LOT 72, BLOCK 1 OF ACQUEST TOMBALL REPLAT NO. 1 FROM COMMERCIAL (C) ZONING DISTRICT TO OFFICE (O), BEING LOCATED WITHIN THE 1200-1300 BLOCKS (SOUTH SIDE) OF RUDEL DRIVE; PROVIDING FOR SEVERABILITY; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF, MAKING FINDINGS OF FACT; AND PROVIDING FOR OTHER RELATED MATTERS.**

---

**Whereas**, Red Grip LLC, represented by Mike Matheson, has requested that approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No. 1, generally located in the 1200-1300 blocks (south side) of Rudel Drive, within the City of Tomball, Harris County, Texas (the “Property”), be rezoned; and

**Whereas**, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing and at least ten (10) days after written notice of that hearing was mailed to the owners of land within three hundred feet of the Property in the manner required by law, the Planning & Zoning Commission held a public hearing on the requested rezoning; and

**Whereas**, the public hearing was held before the Planning & Zoning Commission at least forty (40) calendar days after the City’s receipt of the requested rezoning; and

**Whereas**, the Planning & Zoning Commission recommended in its final report that City Council approve the requested rezoning; and

**Whereas**, the City Council deems it appropriate to grant the requested rezoning.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, THAT:**

**Section 1.** The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

**Section 2.** The rezoning classification of the Property is hereby changed and is subject to the regulations, restrictions, and conditions hereafter set forth.

**Section 3.** The Official Zoning Map of the City of Tomball, Texas shall be revised and amended to show the designation of the Property as hereby stated, with the appropriate reference thereon to the number and effective date of this Ordinance and a brief description of the nature of the change.

**Section 4.** This Ordinance shall in no manner amend, change, supplement or revise any provision of any ordinance of the City of Tomball, save and except the change in zoning classification for the Property as described above.

**Section 5.** In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

**Section 6.** Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction, shall be fined in an amount not to exceed \$2,000. Each day of violation shall constitute a separate offense.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON \_\_\_\_\_ DAY OF \_\_\_\_\_ 2023.

COUNCILMAN FORD \_\_\_\_\_  
COUNCILMAN STOLL \_\_\_\_\_  
COUNCILMAN DUNAGIN \_\_\_\_\_  
COUNCILMAN TOWNSEND \_\_\_\_\_  
COUNCILMAN PARR \_\_\_\_\_

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON \_\_\_\_\_ DAY OF \_\_\_\_\_ 2023.

COUNCILMAN FORD \_\_\_\_\_  
COUNCILMAN STOLL \_\_\_\_\_  
COUNCILMAN DUNAGIN \_\_\_\_\_  
COUNCILMAN TOWNSEND \_\_\_\_\_  
COUNCILMAN PARR \_\_\_\_\_

\_\_\_\_\_  
LORI KLEIN QUINN, Mayor

ATTEST:

\_\_\_\_\_  
Tracylynn Garcia, City Secretary

Exhibit "A"



Location: 1200-1300 block (south side) of Rudel Dr. Being Lot 72, Block 1 of Acquest Tomball Replat No. 1, City of Tomball, Harris County, Texas

**NOTICE OF PUBLIC HEARING  
CITY OF TOMBALL  
PLANNING & ZONING COMMISSION (P&Z)  
MAY 8, 2023  
&  
CITY COUNCIL  
MAY 15, 2023**



Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, May 8, 2023 at 6:00 P.M.** and by the City Council of the City of Tomball on **Monday, May 15, 2023 at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

**Zoning Case Z23-03:** Request by Chris & Tiona Campbell, to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 4.94 acres of land legally described as being a portion of Lot 48 in Tomball Townsite from Single Family Residential Estate – 20 (SF-20-E) to General Retail (GR) zoning. The property is generally located within the 11100-11200 blocks (east side) of Rudolph Road, within the City of Tomball, Harris County, Texas.

**Zoning Case Z23-04:** Request by Rosehill Estates, LLC represented by George Jarkey to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision from Single Family Residential Estate – 20 (SF-20-E) to Commercial (C). The property is located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas.

**Zoning Case Z23-05:** Request by Michael Kirtley represented by Sam Jackson of Black Mountain Energy Storage II LLC., to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 5 acre of land legally described as being all of Lot 265 in Tomball Townsite from Agricultural (AG) to Light Industrial (LI) zoning. The property is generally located within the 900-1000 blocks (west side) of S. Pitchford Road, within the City of Tomball, Harris County, Texas.

**Zoning Case Z23-06:** Request by Red Grip LLC., represented by Mike Matheson to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No.1 from Commercial (C) to Office (O) zoning. The property is generally located within the 1200-1300 blocks (south side) of Rudel Drive, within the City of Tomball, Harris County, Texas.

**Case CUP23-03:** Request by Chris & Tiona Campbell, for a Conditional Use Permit to allow “Residential Use” within General Retail (GR) zoning. Affecting approximately 4.94 acres of land legally described as being a portion of Lot 48 in Tomball Townsite. The property is generally located within the 11100-11200 blocks (east side) of Rudolph Road, within the City of Tomball, Harris County, Texas.

**Case CUP23-04:** Request by Michael Kirtley, represented by Sam Jackson of Black Mountain Energy Storage II LLC., for a Conditional Use Permit to allow an “Electric Storage System” within Light Industrial (LI) zoning. Affecting land legally described as being all of Lot 265 in Tomball Townsite. The property is generally located within the 900-1000 blocks (west side) of S. Pitchford Road, within the City of Tomball, Harris County, Texas.

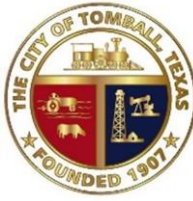
At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, and the Public Works Buildings, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contact the City Planner, Jared Smith, at (281) 290-1491 or at [jasmith@tomballtx.gov](mailto:jasmith@tomballtx.gov).

### CERTIFICATION

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 5<sup>th</sup> day of May 2023 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Jared Smith  
Jared Smith  
City Planner

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 feel free to contact the City Secretary’s office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT [www.tomballtx.gov](http://www.tomballtx.gov).



**City of Tomball**  
**Community Development Department**

«mailto»  
«mail\_addr\_»  
«mail\_addr1»  
«mail\_city», «mail\_state» «mail\_zip»

**NOTICE OF PUBLIC HEARING**

**RE: Zone Change Case Number Z23-06**

**04/17/2023**

The Planning & Zoning Commission will hold a public hearing on **May 8, 2023 at 6:00 PM**, in City Council Chambers at City Hall, 401 Market Street, Tomball, Texas to recommend approval or denial to City Council on a request by Red Grip LLC., represented by Mike Matheson to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No.1 from Commercial (C) to Office (O) zoning. The property is generally located within the 1200-1300 blocks (southside) of Rudel Drive, within the City of Tomball, Harris County, Texas.

This hearing is open to any interested person. Opinions, objections and/or comments relative to this matter may be expressed in writing or in person at the hearing. At the bottom of this letter is a form that you may cut off, fill out, and mail. Comments are also accepted by email as listed below. All responses must be signed.

The attached map shows the area of this request. Only that area which is bounded by the cross-hatched line on the map is being considered for **rezoning**. The solid boundary line around the subject area is only a notification area. All owners of property within 300-feet of the subject property are required to be notified. Whether approved or denied by the Planning & Zoning Commission, this case will be heard by City Council for First Reading with public hearing on **May 15, 2023 at 6:00 PM** in City Council Chambers at City Hall, 401 Market Street, Tomball, Texas.

If you have any questions, please contact Jared Smith, City Planner at telephone 281-290-1491 or by email address [jasmith@tomballtx.gov](mailto:jasmith@tomballtx.gov)

For the PLANNING & ZONING COMMISSION  
Please call (281) 290-1491 if you have any questions about this notice.

**CASE #: Z23-06**

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: «mailto»  
Parcel I.D.: «HCAD\_NUM»  
Address: «LocAddr»

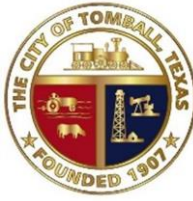
Mailing To: Community Development Department  
501 James St., Tomball TX 77375

Email: [jasmith@tomballtx.gov](mailto:jasmith@tomballtx.gov)

I am in favor   
Additional Comments:

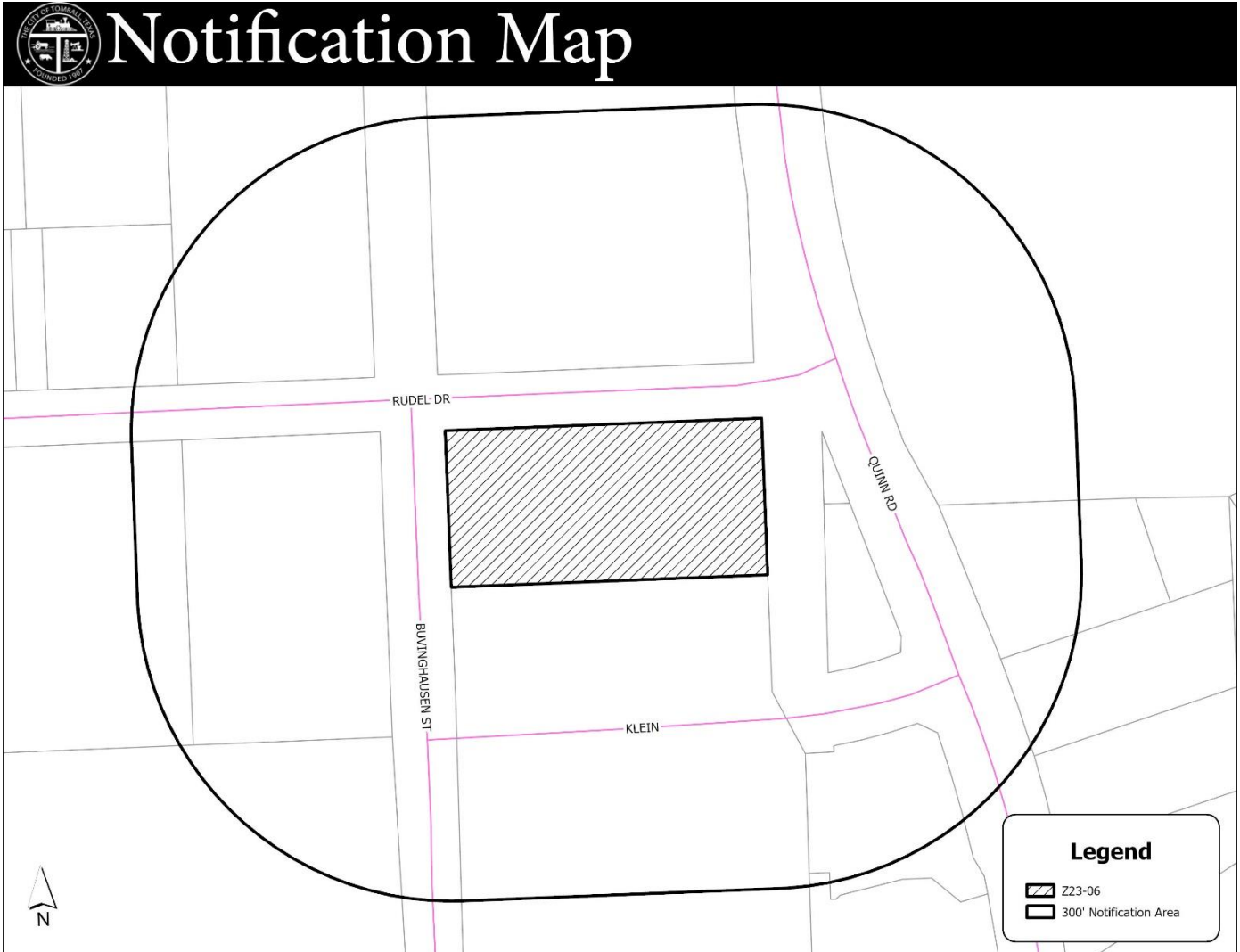
I am opposed

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

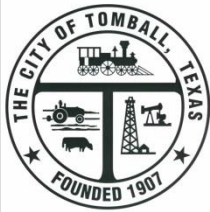


*City of Tomball*  
*Community Development Department*

**Z23-06**







**Rezoning  
Staff Report**

Planning & Zoning Commission Public Hearing Date: May 8, 2023  
City Council Public Hearing Date: May 15, 2023

**Rezoning Case:** Z23-06  
**Property Owner(s):** Mike Matheson  
**Applicant(s):** Red Grip LLC.  
**Legal Description:** Lot 72, Block 1 of Acquest Tomball Replat No.1  
**Location:** 1200-1300 blocks (southside) of Rudel Drive. (Exhibit “A”)  
**Area:** 1.04 acres  
**Comp Plan Designation:** Neighborhood Commercial (Exhibit “B”)  
**Present Zoning:** Commercial District (Exhibit “C”)  
**Request:** Rezone from Commercial (C) to the Office (O) district  
**Adjacent Zoning & Land Uses:**  
**North:** Old Town & Mixed Use (OT&MU)/Fire Station #1  
**South:** Commercial (C)/Office, professional and general business  
**West:** Multi-Family Residential (MF)/Apartments  
**East:** Commercial (C)/Drainage/Detention Pond

**BACKGROUND**

The subject property is presently vacant. City staff has met on multiple occasions over the course of the past year to discuss the potential development of an office complex on the subject property. According to information provided by the applicant, there are plans to construct two office buildings which will be divided into suites. The intention is to split these buildings by property boundaries so that each respective suite occupant can own their respective office spaces. To achieve this goal and create the desired number of suites for purchase the applicants are requesting to rezone to Office (O) zoning which has a minimum lot area of 6,000 square feet as opposed to the current Commercial (C) zoning minimum lot area of 10,000 square feet.

**ANALYSIS**

**Description:** The subject property comprises approximately 1.04 acres, located in the 1200-1300 block (south side) of Rudel Drive. Currently the subject property is located within the Commercial zoning district and has been within this zoning designation since the City of Tomball adopted zoning in 2008. Immediately north of the subject property is Old Town & Mixed Use zoning which is presently occupied by Fire Station #1. West of the subject property is existing Multi-Family zoning within which an apartment complex is presently being constructed. East of the subject site

is existing Commercial zoning which is occupied by detention/drainage facilities. Immediately south of the subject property is existing Commercial zoning presently occupied by a clinical office building.

**Comprehensive Plan Recommendation:** The property is designated as “Neighborhood Commercial” by the Comprehensive Plans Future Land Use Map. This Neighborhood Commercial category is intended for commercial uses that are developed with the appropriate context, scale and design to complement residential development. These areas are intended to be accessible by both vehicles and pedestrians.

According to the Comprehensive Plan, land uses should consist of restaurants, retail, professional services, clinics, and offices. Appropriate secondary uses may include places of assembly or event venues, local utility services, and government facilities.

The Comprehensive Plan recommends the zoning districts of – Office (O), General Retail (GR) or Planned Developments (PD) for the Business Park & Industrial land use category.

The Comprehensive Plan states that Neighborhood Commercial developments should be located adjacent to an intersection of a collector street or greater functional classification. Additionally, the Comprehensive Plan identifies the need to promote development that creates complimentary relationships between differing land uses. According to the Comprehensive Plan locating community facilities, services, and limited commercial uses within and near existing and proposed neighborhoods has the potential to create mutually beneficial synergies and promote a higher quality of life for Tomball residents. The Comprehensive Plan encourages development that creates complimentary relationships between differing land uses. According to the Comprehensive Plan it is important to transition or buffer land uses by “stepping down” land uses from more intense to less intense uses.

**Staff Review Comments:**

The request to rezone to Office zoning is in direct alignment with the Future Land Use Plan. The adoption of Office zoning will promote an appropriate transitional land use buffering, “stepping down” the intensity of land use as you move further north from FM 2920 and closer to existing multi-family and single-family residential land uses. According to the Comprehensive Plan locating limited commercial services near residential neighborhoods/communities can encourage a mutually beneficial relationship between these land uses.

**PUBLIC COMMENT**

A Notice of Public Hearing was published in the paper and property owners within 300 feet of the project site were mailed notification of this proposal on April 18, 2023. Any public comment forms will be provided in the Planning & Zoning Commission and City Council packets or during the public hearing.

**RECOMMENDATION**

Based on the findings outlined in the analysis section of this staff report, City staff recommends approval of Zoning Case Z23-06.

**EXHIBITS**

- A. Location Map
- B. Future Land Use Map
- C. Zoning Map
- D. Site Photo
- E. Rezoning Application

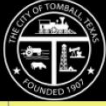
Exhibit "A"  
Aerial Location Map



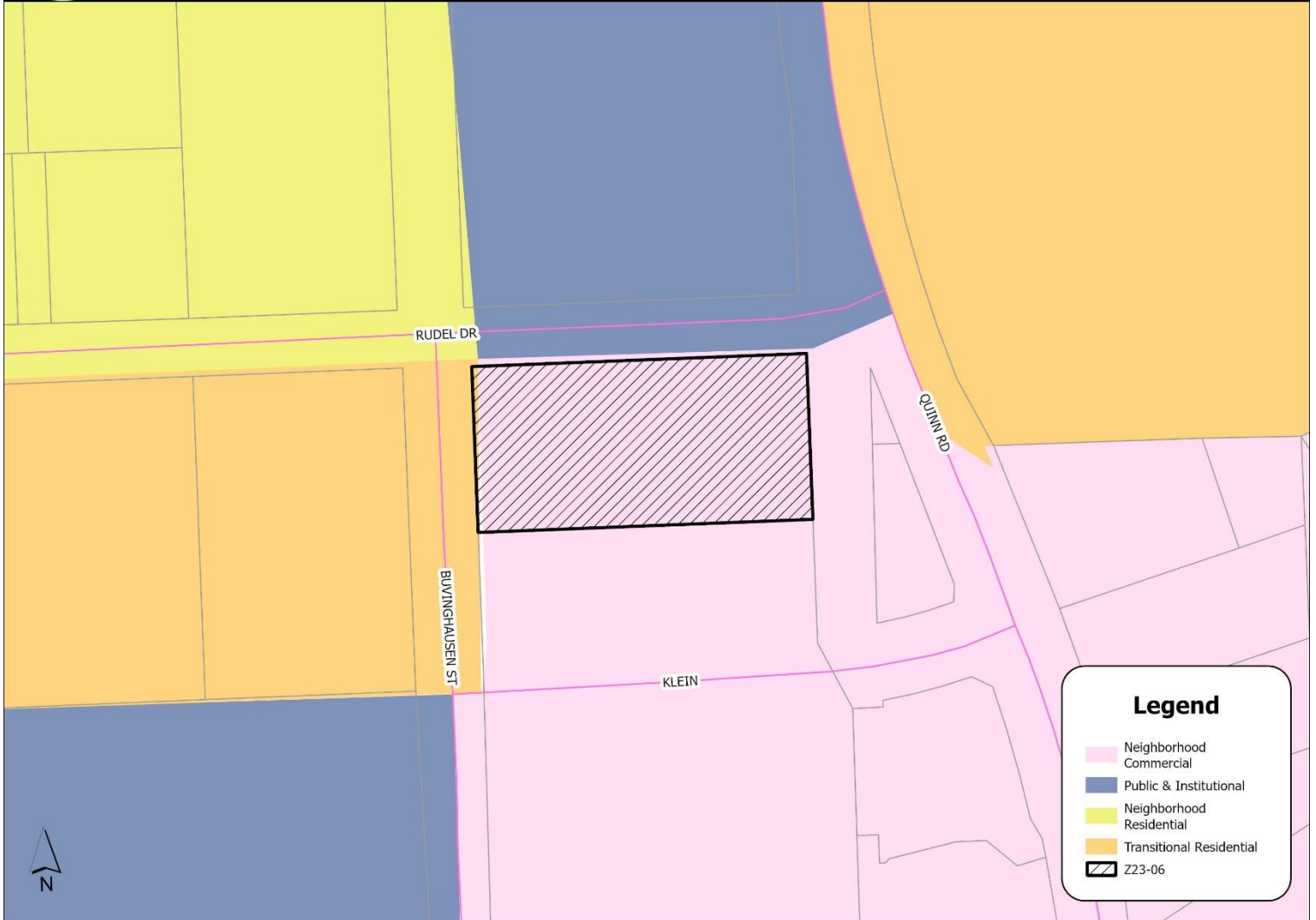
# Location Map



Exhibit "B"  
Future Land Use Plan



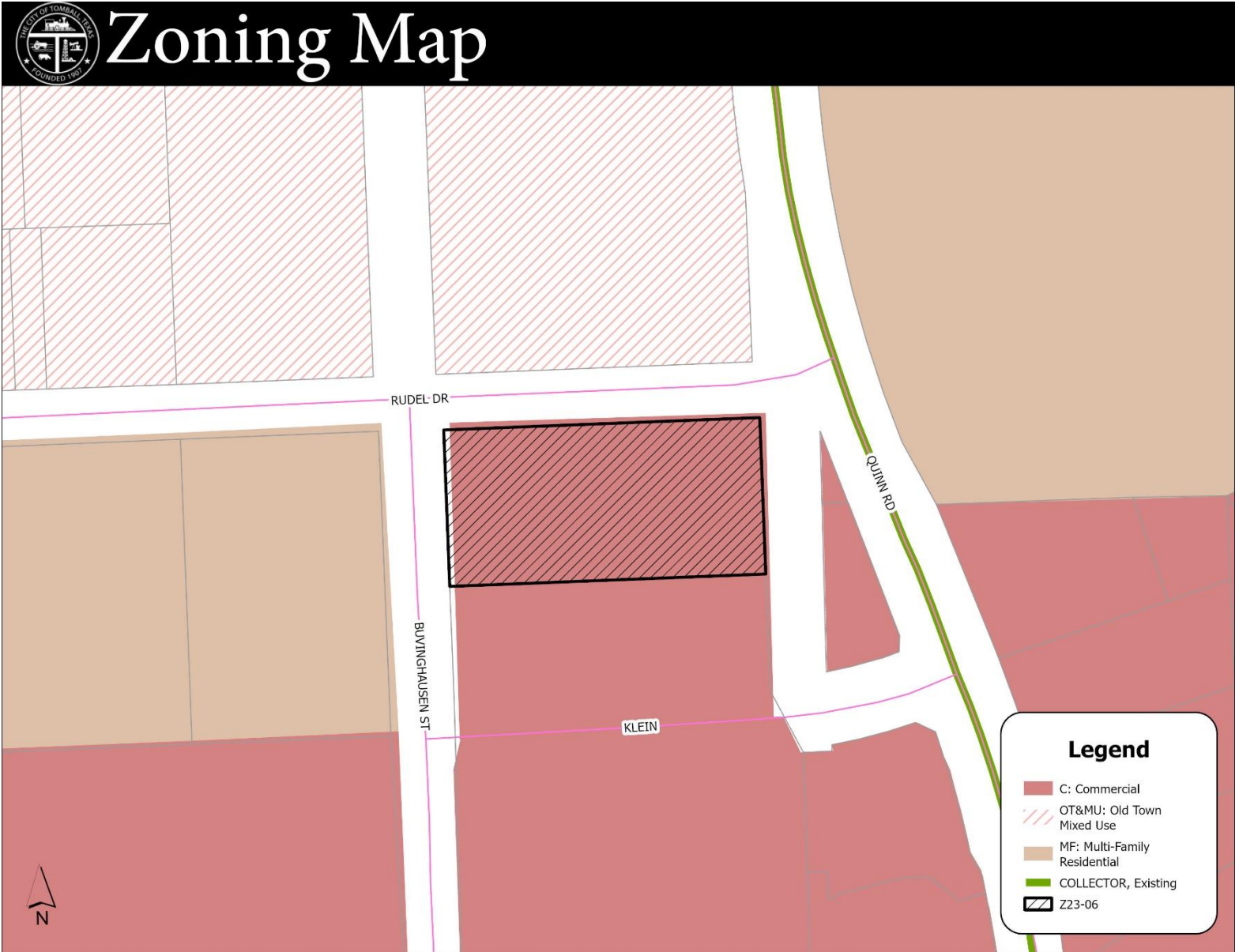
# Future Land Use Map



**Legend**

- Neighborhood Commercial
- Public & Institutional
- Neighborhood Residential
- Transitional Residential
- Z23-06

Exhibit "C"  
Zoning Map



**Exhibit "D"**  
**Site Photo(s)**

**Subject Site**



**Neighbor (West)**



## Neighbor (East)



## Neighbor (North)



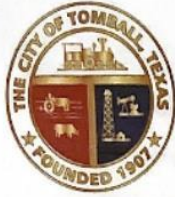


# Neighbor (South)



Exhibit "E"  
Rezoning Application

Revised: 10/1/2022



**APPLICATION FOR RE-ZONING**

Community Development Department  
Planning Division

**APPLICATION REQUIREMENTS:** Applications will be *conditionally* accepted on the presumption that the information, materials and signatures are complete and accurate. If the application is incomplete or inaccurate, your project may be delayed until corrections or additions are received.

There is a \$1,000.00 application fee that must be paid at time of submission or the application will not be processed.

**DIGITAL PLAN SUBMITTALS:**

PLEASE SUBMIT YOUR APPLICATIONS AND PLANS DIGITALLY IN A SINGLE PDF BY FOLLOWING THE WEBSITE BELOW:

WEBSITE: [tomballtx.gov/secure send](http://tomballtx.gov/secure send)  
USERNAME: tomballdd  
PASSWORD: Tomball1

**Applicant**

Name: Mike Matheson Title: Owner  
Mailing Address: 14315 Arlington Place City: Cypress State: TX  
Zip: 77429 Contact: 281-658-7526  
Phone: (281) 658-7526 Email: info@redgrip llc.com

**Owner**

Name: Same as above Title: \_\_\_\_\_  
Mailing Address: 11750 Katy Freeway City: Katy State: \_\_\_\_\_  
Zip: \_\_\_\_\_ Contact: \_\_\_\_\_  
Phone: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

**Engineer/Surveyor (if applicable)**

Name: Patrick Rummel Title: Civil Eng.  
Mailing Address: 11750 Katy Freeway City: Katy State: TX  
Zip: 77079 Contact: \_\_\_\_\_  
Phone: (404) 285-9267 Fax: (\_\_\_\_) \_\_\_\_\_ Email: prummel@ardurra.com

Description of Proposed Project: Office Buildings @ Rudel

Physical Location of Property: 72 Block 1 on Rudel Street, 77375  
[General Location - approximate distance to nearest existing street corner]

Legal Description of Property: Tomball Acquestrop LAT NO. 1, HCMR Vol 658 Pg. 107  
[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Current Zoning District: 7214 Commercial (C)

City of Tomball, Texas 501 James Street, Tomball, Texas 77375 Phone: 281-290-1405 [www.tomballtx.gov](http://www.tomballtx.gov)

Current Use of Property: Vacant  
Proposed Zoning District: 7214 Office (O)  
Proposed Use of Property: Office Buildings  
HCAD Identification Number: 133395002001 Acreage: 1.04

Please note: A courtesy notification sign will be placed on the subject property during the public hearing process and will be removed when the case has been processed.

This is to certify that the information on this form is COMPLETE, TRUE, and CORRECT and the under signed is authorized to make this application. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

Michael Matheson 3-28-23  
Signature of Applicant Date

Michael Matheson 3-28-23  
Signature of Owner Date

METES AND BOUNDS DESCRIPTION OF 1.0401 ACRE TRACT – RED GRIP, LLC, A TEXAS LIMITED LIABILITY COMPANY

A TRACT OR PARCEL OF LAND CONTAINING 1.0401 ACRE BEING LOT 72, BLOCK 1 OF ACQUEST TOMBALL REPLAT NO. 1, AN ADDITION IN HARRIS COUNTY ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 658, PAGE 107 OF THE HARRIS COUNTY MAP RECORDS IN THE JOSEPH HOUSE SURVEY, ABTRACT 34 IN HARRIS COUNTY, TEXAS, SAID 1.0401 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS TO-WIT:

BEGINNING at a 3/8 inch iron rod set with cap marking the Northwest corner of the herein described tract being at the intersection of the East right-of-way line of Buvinghausen Street (60 ft. right-of-way) and the South right-of-way line of Rudel Drive (60 ft. right-of-way);

THENCE North 87 degrees 27 minutes 09 seconds East with the Southerly right-of-way line of said Rudel Drive a distance of 302.50 ft. to a 5/8 inch iron rod found with cap at the Northeast corner of the herein described tract being in the West right-of-way line of Cody Drive (undeveloped);

THENCE South 02 degrees 30 minutes 51 seconds East with the West right-of-way line of said Cody Drive a distance of 149.78 ft. to a 5/8 inch iron rod found with cap marking the Southeast corner of the herein described tract and the Northeast corner of Lot 73;

THENCE South 87 degrees 27 minutes 09 seconds West with the division line between Lots 72 and 73 a distance of 302.50 ft. to a mag nail found in asphalt marking the Southwest corner of the herein described tract, the Northwest corner of Lot 73 in the East right-of-way line of said Buvinghausen Street;

THENCE North 02 degrees 30 minutes 51 seconds West with the Easterly right-of-way line of said Buvinghausen Street a distance of 149.78 ft. to the PLACE OF BEGINNING and containing 1.0401 acre of land.



## **RED GRIP LLC**

---

CYPRESS, TEXAS

**March 24<sup>th</sup>, 2023**

City Planning and Zoning Commission  
TomballTx.gov/securisent

**Dear City Planning and Zoning Commission:**

We are requesting that the property located at Lot 72 Block 1 on Rudel Street in Tomball, Texas 77375 be rezoned from Commercial to Office. Currently in Google and HCAD # is 1333950020001

The recorded plat for this property is Tomball Acquestrep LAT NO. 1, HCMR VOL 658 PG. 107. The development intends to erect 2 separate buildings and subdivide the one lot into three separate lots based on the city's ordinances, the site plan does not comply with the minimum commercial lot size of 10,000 sq./ft. therefore we are requesting a rezoning to office with a minimum of 6,000 sq./ft.

This was discussed in a pre-development meeting with the City Planner on March 9<sup>th</sup> with myself Mike Matheson, Juan Lozano, Kyle Bertrand, Jared Smith and Patrick Rummel present.

Reference: 50-77 Tomball Ordinance

We appreciate your consideration in this matter.

**Sincerely,**

**Mike Matheson and Juan Lozano**

**Owners of Red Grip LLC**



# City Council Meeting Agenda Item Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Approve the Minutes of the May 15, 2023, Tomball Legacy Fund Annual Meeting, and the Regular City Council Meeting.

**Background:**

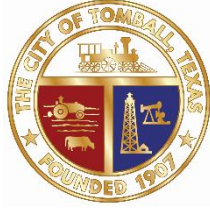
**Origination:** City Secretary

**Recommendation:**

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



**MINUTES OF TOMBALL LEGACY FUND, INC. CORPORATION  
ANNUAL MEETING  
CITY OF TOMBALL, TEXAS**



**Monday, May 15, 2023  
5:30 PM**

- A. The meeting was called to order at 5:30pm., by President Klein Quinn.

**PRESENT**

Council 1 John Ford  
Council 2 Mark Stoll  
Council 4 Derek Townsend, Sr.  
Project Coordinator – Meagan Mageo

**ABSENT**

Council 3 Dane Dunagin (excused)  
Council 5 Randy Parr (excused)

**OTHERS PRESENT:**

City Manager – David Esquivel  
Assistant City Manager – Jessica Rogers  
City Attorney – Loren Smith  
City Secretary – Tracylynn Garcia  
Finance Director – Katherine Tapscott  
Assistant City Secretary- Sasha Luna  
Director of Public Works – Drew Huffman  
PD Captain - Brandon Patin  
Records Specialist – Johnita Robinson  
Records Specialist - Fae Morris

- B. No public comments were received.

- C. Approval of Minutes

1. Approve the Minutes of the May 2, 2022 Regular Tomball Legacy Fund Annual Meeting

Motion made by Council 2 Stoll, Seconded by Council 1 Ford.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr.

Motion carried unanimously.

D. New Business

1. Elect Officers for the 2023 Tomball Legacy Fund, Inc. Board of Directors as Required under Sec. 4.02, Bylaws

Motion made by Council 2 Stoll, Seconded by Council 4 Townsend, Sr.. to replace the following slate of officers to serve as the 2023 Officers for the Tomball Legacy Fund, Inc. Board of Directors:

President – Lori Klein Quinn  
Vice President - John Ford  
Treasurer – Dane Dunagin  
Secretary – Derek Townsend  
Director – Randy Parr  
Director – Mark Stoll  
Director – Meagan Mageo  
Assistant Treasurer – Katherine Tapscott  
Assistant Secretary – Tracylynn Garcia

2. Katherine Tapscott presented the Financial Report (Unaudited)

Motion made by Director Stoll, Seconded by Vice President Ford.

Motion carried unanimously.

E. Adjournment

Motion made by Director Stoll, Seconded by Vice President Ford.

Motion carried unanimously.

PASSED AND APPROVED this 5<sup>th</sup> day of June 2023.

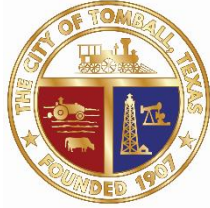
---

Tracylynn Garcia  
City Secretary, TRMC, CMC, CPM

---

Lori Klein Quinn  
Mayor

**MINUTES OF REGULAR CITY COUNCIL MEETING  
CITY OF TOMBALL, TEXAS**



**Monday, May 15, 2023  
6:00 PM**

The City Council of the City of Tomball, Texas, conducted the meeting scheduled for May 15, 2023, 6:00 PM, at 401 Market Street, Tomball, Texas 77375, via physical attendance and video/telephone conference.

- A. Mayor L. Klein-Quinn called the meeting of the City of Tomball Council to Order at 6:02 p.m.

**PRESENT**

Council 1 John Ford  
Council 2 Mark Stoll  
Council 4 Derek Townsend, Sr.  
Council 5 Randy Parr

**ABSENT**

Council 3 Dane Dunagin

**OTHERS PRESENT:**

City Manager – David Esquivel  
Assistant City Manager – Jessica Rogers  
City Attorney – Loren Smith  
City Secretary – Tracylynn Garcia  
Assistant City Secretary- Sasha Luna  
Director of Public Works – Drew Huffman  
Director of Community Development – Nathan Dietrich  
Human Resource Director - Kristie Lewis  
Finance Director - Katherine Tapscott  
Fire Chief - Joe Sykora  
Police Chief - Jeff Bert  
Marketing Director - Chrislord Templonuevo  
Community Center Manager - Rosalie Dillon  
PD Captain - Brandon Patin  
Project Coordinator – Meagan Mageo  
Records Specialist – Johnita Robinson  
Records Specialist - Fae Morris

- B. Invocation - Led by Pastor Tim Niekerk - Salem Lutheran Church
- C. Pledges to U.S. and Texas Flags Joe Sykora
- D. 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.]*

L. Smith (Olson & Olson) explained 3 mins designated per person for Public for item D.

Becky Nelson – sent in email; asked that it be read  
103 Covington Ct. concerns over lithium-ion batteries.  
Tomball, Texas

Tom Weatherford - spoke about the striping at tennis  
20203 Mahogany Rich Dr. court for pickleball.  
Magnolia, Texas

- E. Canvas of Election  
Escrutinio de la Elección  
Kiểm Phiếu của Cuộc Bầu Cử  
拉票選舉

- 1. Canvass of Election *Escrutinio de la Elección* Kiểm Phiếu của Cuộc Bầu Cử  
拉票選舉

Resolution No. 2023-14, a Resolution of the City of Tomball, Texas, Canceling the Regular City Officer's Election Scheduled to be Held on the 6th Day of May 2023, in Accordance with Section 2.053(A) of the Texas Election Code; Directing the Giving of Notice of Such Cancellation of Election; and Providing Details Relating to the Cancellation of Such Election

*Resolución Nro. 2023-14 Cancelando la Elección Regular de Funcionarios Municipales programada para celebrarse el día 6 de mayo de 2023 de acuerdo con la Sección 2.053(a) del Código Electoral de Texas; instruyendo que se de aviso de tal cancelación de elección; y proveyendo detalles relativos a la cancelación de tal elección.*

Nghị Quyết số 2023-14, Hủy Bỏ Cuộc Bầu Cử Viên Chức Thành Phố Thường Kỳ Dự Kiến sẽ được tổ chức vào ngày 6 tháng Năm, 2023, Chiếu theo Mục 2.053(a) của Bộ Luật Tuyển Cử Texas; Chỉ thị việc đưa ra Thông Báo về Hủy Bỏ Cuộc

Bầu Cử đó; và Cung Cấp Thông Tin Chi Tiết Liên quan đến việc Hủy Bỏ Cuộc Bầu Cử đó.

案2023-

14, 取消一般市府官員應於2023年5月6日的選舉計畫, 其是根據德克薩斯州選舉法2.053(a)節; 茲此通知該選舉取消; 以及提供關於取消該選舉的詳情。

Motion made by Council 5 Parr, Seconded by Council 2 Stoll.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Dunagin, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

2. Administer Oath of Office to Elected Officials  
*Administrar el juramento al cargo de los funcionarios electos*  
Làm lễ Tuyên Thệ Nhậm Chức cho các Viên Chức Được Bầu Chọn  
管管理選舉官員宣誓就職

No action necessary taken; City Secretary administered the Oath of Office to Councilman Ford during the meeting. (City Secretary T. Garcia did formally administer the Oath of Office to both Councilman Ford and Councilman Parr prior to the start of the meeting).

3. Consideration to Elect Mayor Pro-Tem, in Accordance with Section 6.08 of the City of Tomball Home Rule Charter  
*Considerar elegir un Alcalde Interino, de acuerdo con la Sección 6.08 de la Carta Orgánica de Gobierno Local de al Ciudad de Tomball*  
Xem xét Bầu Chọn Thị Trưởng Tam Thời, chiếu theo Mục 6.08 của Hiến Chương Điều Lệ Địa Phương Thành Phố Tomball  
考慮選出暫替市長, 根據Tomball市自治憲章6.08節

Motion made by Councilman Parr to nominate Councilman D. Dunagin; Motion made by Councilman Stoll to nominate D. Townsend.

Voting for Councilman D. Dunagin  
Voting Nay: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr.,  
Voting Yea: Council 5 Parr  
Motion fails.

Voting for Councilman D. Townsend  
Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr.,  
Voting Nay: Council 5 Parr

Motion carries 3 votes yea, 1 vote nay.  
Councilman Townsend was elected Mayor Pro-Tem.

F. Reports and Announcements

1. Announcements

*Proclamation* for Tomball H.S. Color Guard was presented after a short video of their performance was viewed.

**Kids Club Dates:**

June 9: Soccer Clinic with HTX Soccer (formerly Dynamo/Dash Youth Soccer) at Broussard Park (1414 E. Huffsmith Rd) from 9-11 a.m. This event is open to kids aged 7-12 years of age only.

July 14: Reptile show-n-tell and Reading games (Texas Snakes & More and LSC-Tomball Community Library) at Juergens Park (1331 Ulrich Rd) from 10 a.m. to 12 p.m. This event is open to kids ages 5-12.

August 11: Learn about emergency vehicles and Splash Day at Tomball Depot Plaza (201 S. Elm St). from 10 a.m. to 12 p.m. This event is open to kids ages 5-12.

**2023 Swim Season (Jerry Matheson Park Pool):**

Monday-Closed

Tuesday thru Friday - 10am - 6pm

Saturday & Sunday - 12pm - 8pm

**PRESEASON HOURS 2023**

May 27th (Saturday) Noon - 8pm

May 28th (Sunday) Noon - 8pm

May 29th (Monday) 10am - 6pm

**REGULAR SEASON HOURS 2023**

May 30th (Tuesday) 10am - 6PM Start Date

August 13th (Sunday) Noon - 8pm End Date

**END OF SEASON HOURS 2023**

August 19th (Saturday) Noon - 8pm

August 20th (Sunday) Noon - 8pm

August 26th (Saturday) Noon - 8pm

August 27th (Sunday) Noon - 8pm

September 2nd (Saturday) Noon – 8pm  
September 3rd (Sunday) Noon – 8pm  
September 4th (Monday) 10am – 6p  
The pool will be open to the public on Memorial Day Weekend.  
The pool will be open to the public on Memorial Day.  
The Pool will be open to the public on weekends until Labor Day

**Depot Splash Pad:**  
Opens May 26, 2023

- G. New Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]*
1. Approve the Minutes of the May 1, 2023, Special Joint City Council Meeting and Capital Improvements Plan Advisory Committee and the Regular City Council Meeting.
  2. Approve a contract with Hassell Construction Group, LLC for the construction of the Alley Improvement Project for E&P Project 2017-10033 (RFP 2023-07) for a not-to-exceed amount of \$1,586,683.22, authorize the expenditure of funds therefor, and authorize the City Manager to execute contract. The amount is included in the Fiscal Year 2022-2023 budget.
  3. Consider approval of Resolution No. 2023-27, a Resolution of the City of Tomball, Texas, determining the Construction Manager at Risk (CMAR) delivery method for the expansion of the South Wastewater Treatment Plant (SWWTP) provides the best value to the City and stating the award of the CMAR Contract will be based on best value; and providing an effective date.
  4. Approve a Professional Services Agreement with Civil System Engineering, Inc., for Project Number 2023-10008, Drainage Master Plan and Impact Fee Update for a not-to-exceed amount of \$844,000, authorize the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This amount is included in the FY 2022-2023 budget.
  5. Consideration to approve Supplemental Number Two to Oller Engineering, Inc. for Project Number 2021-10037, S. Persimmon Water Line Replacement for an amount of \$46,706.84 (total not-to-exceed contract amount of \$139,256.84), approve the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This project was included in the FY 2022-2023 budget.

6. Approve a contract with ISJ Underground Utilities, LLC. for the construction of the S. Persimmon Water Line Replacement for E&P Project 2021-10037 (Bid 2023-10) for a not-to-exceed amount of \$305,970, authorize the expenditure of funds therefor, and authorize the City Manager to execute contract. The amount is included in the Fiscal Year 2022-2023 budget.
7. Approve a contract with Heartland Park & Recreation, LLC for the purchase and construction of a splashpad and necessary components at Jerry Matheson Park through a BuyBoard Contract (Contract No. 592-19) for a not-to-exceed amount of \$514,570.24, approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchase. This expenditure is included in the FY 2022-2023 Budget.
8. Consider action to approve Resolution No. 2023-29, a Resolution of the City of Tomball, Texas, authorizing the use of the BuyBoard Purchasing Cooperative for the purchase of equipment and components for Jerry Matheson Park as required as a recipient of the Texas Parks and Wildlife Non-Urban Outdoor Recreation Grant; and providing an effective date.

Motion made by Council 4 Townsend, Sr., Seconded by Council 2 Stoll.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

#### H. New Business

New Business and we will be considering items in a different order; but all items were posted in accordance with the Open Meetings Act. Items were voted in the following order 3, 1, 5, 2, 4, 6 through 15.

1. Consideration to approve **Case CUP23-03**: Request by Chris & Tiona Campbell, for a Conditional Use Permit to allow “Residential Use” within General Retail (GR) zoning. Affecting approximately 4.94 acres of land legally described as being a portion of Lot 48 in Tomball Townsite. The property is generally located within the 11100-11200 blocks (east side) of Rudolph Road, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Case CUP23-03**

Adopt, on First Reading, Ordinance No. 2023-13, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances



by issuing a Conditional Use Permit to allow “Residential Use” within General Retail (GR) zoning. Affecting approximately 4.94 acres of land legally described as being a portion of Lot 48 in Tomball Townsite. The property is generally located within the 11100-11200 blocks (east side) of Rudolph Road, within the City of Tomball, Harris County, Texas; providing for the amendment of the Official Zoning Map of the City; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

No action

2. Consideration to approve **Case CUP23-04**: Request by Michael Kirtley, represented by Sam Jackson of Black Mountain Energy Storage II LLC., for a Conditional Use Permit to allow an “Electric Storage System” within Light Industrial (LI) zoning. Affecting land legally described as being all of Lot 265 in Tomball Townsite. The property is generally located within the 900-1000 blocks (west side) of S. Pitchford Road, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Case CUP23-04**

Adopt, on First Reading, Ordinance No. 2023-14, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by issuing a Conditional Use Permit to allow an “Electric Storage System” within Light Industrial (LI) zoning. Affecting land legally described as being all of Lot 265 in Tomball Townsite. The property is generally located within the 900-1000 blocks (west side) of S. Pitchford Road, within the City of Tomball, Harris County, Texas; providing for the amendment of the Official Zoning Map of the City; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

No action taken was taken on this item.

3. Consideration to Approve **Zoning Case Z23-03**: Request by Chris & Tiona Campbell, to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 4.94 acres of land legally described as being a portion of Lot 48 in Tomball Townsite from Single Family Residential Estate – 20 (SF-20-E) to General Retail (GR) zoning. The property is generally located within the 11100-11200 blocks (east side) of Rudolph Road, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z23-03**

Adopt, on First Reading, Ordinance No. 2023-09, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 4.94 acres of land legally described as being a portion of Lot 48 in Tomball Townsite from Single Family Residential Estate – 20 (SF-20-E) to General Retail (GR) zoning. The property is generally located within the 11100-11200 blocks (east side) of Rudolph Road, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

- Mayor Klein Quinn called the PH to order at 6:37 pm.

Tiona & Chris Campbell (Presenter) -  
19611 Glennflinch Ln.,  
Spring, Texas

- Hearing no further comments Mayor Klein Quinn closed the PH at 6:42 pm.

Motion made by Council 4 Townsend, Sr., Seconded by Council 2 Stoll to read Ordinance No 2023-09 by caption only on First Reading.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

Motion made by Council 4 Townsend, Sr., Seconded by Council 1 Ford to adopt on First Reading.

Voting Nay: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion fails unanimously.

4. Consideration to approve **Zoning Case Z23-04**: Request by Rosehill Estates, LLC represented by George Jarkey to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision from Single Family Residential Estate – 20 (SF-20-E) to Commercial (C). The property is located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z23-04**

Adopt, on First Reading, Ordinance No. 2023-10, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 5.11 acres of land legally described as being Lot 2, Block 1 of Swinghammer/Hauck Subdivision from Single Family Residential Estate – 20 (SF-20-E) to Commercial (C). The property is located at 1820 S. Cherry Street, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

- Mayor Klein Quinn called the PH to order at 7:25 pm.
- Hearin no public comments Mayor Klein Quinn closed the PH at 7:26pm.

Motion made by Council 4 Townsend, Sr., Seconded by Council 5 Parr to read Ordinance No. 2023-10 by caption only on First Reading.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carries unanimously.

Motion made by Council 5 Parr, Seconded by Council 4 Townsend, Sr. adopt on First Reading as amended Ordinance No. 2023-10.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carries unanimously.

5. Conduct a Public Hearing and Consideration to Approve **Zoning Case Z23-05**: Request by Michael Kirtley represented by Sam Jackson of Black Mountain Energy Storage II LLC., to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 5 acre of land legally described as being all of Lot 265 in Tomball Townsite from Agricultural (AG) to Light Industrial (LI) zoning. The property is generally located within the 900-1000 blocks (west side) of S. Pitchford Road, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z23-05**

Adopt, on First Reading, Ordinance No. 2023-11, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of

Ordinances by rezoning approximately 5 acre of land legally described as being all of Lot 265 in Tomball Townsite from Agricultural (AG) to Light Industrial (LI) zoning. The property is generally located within the 900-1000 blocks (west side) of S. Pitchford Road, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

- Mayor Klein Quinn called the PH to order at 7:15 pm.
- Hearing no public comments Mayor Klein Quinn closed the PH at 7:16 pm.

No further action was taken on this item.

6. Consideration to approve **Zoning Case Z23-06**: Request by Red Grip LLC., represented by Mike Matheson to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No.1 from Commercial (C) to Office (O) zoning. The property is generally located within the 1200-1300 blocks (south side) of Rudel Drive, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z23-06**

Adopt, on First Reading, Ordinance No. 2023-12, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 1.04 acres of land legally described as being Lot 72, Block 1 of Acquest Tomball Replat No.1 from Commercial (C) to Office (O) zoning. The property is generally located within the 1200-1300 blocks (south side) of Rudel Drive, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

- Mayor Klein Quinn called the PH to order at 7:36 pm.
- Hearing no comments Mayor Klein Quinn closed the PH at 7:37 pm.

Motion made by Council 4 Townsend, Sr., Seconded by Council 2 Stoll to read Ordinance No. 2023-12 by caption only on First Reading.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

Motion made by Council 1 Ford, Seconded by Council 4 Townsend, Sr. to adopt on First Reading Ordinance No. 2023-12.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

7. Approve Resolution No. 2023-28, a Resolution of the City of Tomball (COT), Texas regarding Compliance with the Major Thoroughfare extension of Telge Road (North) regarding approximately 18.739-Acre Tract of Land located at 16000 FM 2920 being released from the Extraterritorial Jurisdiction of the City of Houston (Tomball Golf Driving Range) into the COT ETJ.

Motion made by Council 2 Stoll, Seconded by Council 1 Ford.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

Mayor L. Klein-Quinn called for a brief recess from 7:48 pm until 8:00 pm.

8. Approve request from MAD for Vets for City Support and In-Kind Services for the MAD for Vets 3rd Annual Freedom 5k Ruck March at the Depot and around downtown Tomball, on Saturday, September 16, 2023.

Motion made by Council 4 Townsend, Sr., Seconded by Council 1 Ford.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

9. Approve a Professional Services Agreement with Freese and Nichols Inc., for project number 2023-10017, to update current City guiding documents which includes the Comprehensive Plan (Comp Plan), the Major Thoroughfare Plan (MTFP), and the creation of a Unified Development Code (UDC). The contract is for an amount not-to-exceed \$450,000, authorizes the expenditure of funds, and authorizes the City Manager to execute the agreement. This amount is included in the FY 2022-2023 budget.

Motion made by Council 4 Townsend, Sr., Seconded by Council 2 Stoll.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

10. Authorize the City Manager and the Fire Chief to execute a First Responder Organization Agreement with Harris County Emergency Services District 8 to provide first responder medical services within the jurisdiction of the Tomball Fire Department.

Motion made by Council 5 Parr, Seconded by Council 4 Townsend, Sr..

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

11. Authorize expenditure of greater than \$50,000 with- RSM US related to the procurement of information technology consulting services, software, and hardware for Fiscal Year 2022-2023.

Motion made by Council 4 Townsend, Sr., Seconded by Council 2 Stoll.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

12. Approve the purchase of one (1) Chevrolet Silverado 1500 2WD Crew Cab truck through the TIPS USA (Contract No. 210907) for a not-to-exceed amount of \$44,579.25, approve the expenditure of funds therefore, and authorize the City Manager to execute any and all documents related to the purchase. This purchase is included in the FY 2022-2023 Budget. This vehicle is in place of one (1) Ford

F-150 Crew Cab Truck authorized November 7, 2022 because the dealership cancelled the purchase due to lack of inventory. The difference in price for the two vehicles is \$3,226.25.

Motion made by Council 4 Townsend, Sr., Seconded by Council 2 Stoll.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Voting Abstaining: Mayor Klein Quinn

13. J. Rogers provided update regarding Legislative Items at the 2023 Texas Legislative Session.
14. Council held discussion regarding Private Detention Ponds.
15. Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

Sec. 551.071 – Consultation with the City Attorney regarding a matter which the Attorney’s duty requires to be discussed in closes session.

Sec. 551.074 – Personnel Matters; Deliberation of the Appointment, Employment, and Duties of a Public Officer or Employee-City Manager

Sec. 551.087 – Deliberations regarding Economic Development

Executive Session Started: 8:35 PM

Executive Session Ended: 8:55 PM

I. Adjournment

Motion made by Council 4 Townsend, Sr., Seconded by Council 5 Parr.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

PASSED AND APPROVED this 5<sup>th</sup> day of June 2023.

---

Tracylynn Garcia  
City Secretary, TRMC, CMC, CPM

---

Lori Klein Quinn  
Mayor

# City Council Meeting

## Agenda Item

### Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Consideration to approve an amendment to a professional services agreement with Freese & Nichols, Inc. for on-call GIS, planning, and engineering services for an amount of \$50,000 (contract total not to exceed amount of \$150,000), approve the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This project was included in the FY 2022-2023 budget.

**Background:**

The City entered into a professional services agreement with Freese & Nichols, Inc. (FNI) for on-call GIS, planning, and engineering services earlier this year to supplement City staff efforts due to vacancies in key positions, and to provide on-call services for water and wastewater modeling. Through this contract, FNI has also provided both on-site and off-site support to City staff, including full-time onsite interim City Engineer services. The total not-to-exceed amount of the original contract was \$50,000, with an executed supplemental of \$50,000 making the total not-to-exceed amount \$150,000.

Due to a continued vacancy in the City Engineer position and the ongoing needs for the City due to increased development, this contract amendment increases the total contract amount by \$50,000, for a total not-to-exceed amount of \$150,000, and ensures assistance can be provided until September 30, or until an Assistant Public Works Director/City Engineer can be hired. This amendment will also allow FNI to continue providing supplemental on-call services for GIS updates and water and wastewater modeling even after positions are filled.

**Origination:** Project Management

**Recommendation:**

Staff recommends approving the contract addendum with Freese & Nichols, Inc. totaling \$50,000.

**Party(ies) responsible for placing this item on agenda:** Meagan Mageo, Project Manager

**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: #100-156-6304

If no, funds will be transferred from account # \_\_\_\_\_ To account # \_\_\_\_\_

Signed Meagan Mageo  
Staff Member \_\_\_\_\_ Date \_\_\_\_\_

Approved by \_\_\_\_\_  
City Manager \_\_\_\_\_ Date \_\_\_\_\_



**SUPPLEMENTAL 2  
TO  
PROFESSIONAL SERVICES AGREEMENT  
FOR  
ENGINEERING SERVICES  
RELATED TO  
CONTRACT NO. 0000-10076  
CITY OF TOMBALL  
ON-CALL PLAN AND PLAT REVIEW AND  
WATER AND WASTEWATER MODELING**

**THE STATE OF TEXAS           §**

**COUNTY OF HARRIS           §**

THIS IS A SUPPLEMENTAL AGREEMENT amending an AGREEMENT between the CITY OF TOMBALL, TEXAS (the “City”), a municipal corporation of the State of Texas, and GUNDA CORPORATION, LLC. (“Engineer”), executed the 6<sup>th</sup> day of October 2022, relative to professional services for On-Call Plan and Plat Review and Water and Wastewater Modeling.

**WITNESSETH:**

WHEREAS, the City desires to execute a supplemental amendment to the Professional Services Agreement for the On-Call Engineering Services for Plan and Plat Review and Water and Wastewater Modeling (the “Project”); and

WHEREAS, the services of a professional engineering firm are necessary to project planning and design, and

WHEREAS, the Engineer represents that it is fully capable and qualified to provide professional services to the City related to professional engineering;

NOW, THEREFORE, the City and Engineer, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

**SECTION I.  
SCOPE OF AGREEMENT**

Engineer agrees to perform certain professional services as outlined and defined in the Proposal attached hereto as Exhibit A, and made a part hereof for all purposes, hereinafter sometimes referred to as “Scope of Work,” and for having rendered such services, the City agrees to pay Engineer compensation as stated in the Section VII.

**SECTION II.**

## **CHARACTER AND EXTENT OF SERVICES**

Engineer shall do all things necessary to render the engineering services and perform the Scope of Work in a manner consistent with the professional skill and care ordinarily provided by competent engineering practicing in the same or similar locality and under the same or similar circumstances and professional license. It is expressly understood and agreed that Engineer is an Independent Contractor in the performance of the services agreed to herein. It is further understood and agreed that Engineer shall not have the authority to obligate or bind the City, or make representations or commitments on behalf of the City or its officers or employees without the express prior approval of the City. The City shall be under no obligation to pay for services rendered not identified in Exhibit "A" without prior written authorization from the City.

### **SECTION III. OWNERSHIP OF WORK PRODUCT**

Engineer agrees that the City shall have the right to use all exhibits, maps, reports, analyses and other documents prepared or compiled by Engineer pursuant to this Agreement. The City shall be the absolute and unqualified owner of all studies, exhibits, maps, reports, analyses, determinations, recommendations, computer files, and other documents prepared or acquired pursuant to this Agreement with the same force and effect as if the City had prepared or acquired the same. It is further understood and agreed that ownership and usage rights associated with the above referenced documents and analyses, hereinafter referred to as instruments, are contingent upon Engineer's completion of the services which will result in the production of such instruments and Engineer's receipt of payment, in full, for said services. Additionally, City understands and agrees that the rights described and provided hereunder shall not preclude or prevent Engineer from continuing to use those processes, analyses and data.

### **SECTION IV. TIME FOR PERFORMANCE**

The time for performance is an estimated 365 calendar day duration beginning from the execution date of this Agreement. Upon written request of the Engineer, the City may grant time extensions to the extent of any delays caused by the City or other agencies with which the work must be coordinated and over which Engineer has no control.

### **SECTION V. COMPLIANCE AND STANDARDS**

Engineer agrees to perform the work hereunder in accordance with generally accepted standards applicable thereto and shall use that degree of care and skill commensurate with the applicable profession to comply with all applicable state, federal, and local laws, ordinances, rules, and regulations relating to the work to be performed hereunder and Engineer's performance.

**SECTION VI.  
INDEMNIFICATION**

**To the fullest extent permitted by Texas Local Government Code Section 271.904, Engineer shall and does hereby agree to indemnify, hold harmless and defend the City, its officers, agents, and employees against liability for damage caused by or resulting from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the Engineer, the Engineer's agent, consultant under contract, or another entity over which the Engineer exercises control.**

**SECTION VII.  
ENGINEER'S COMPENSATION**

For and in consideration of the services rendered by Consultant pursuant to this Agreement, the City shall amend the Professional Services Agreement and pay Engineer only for the actual work performed under the Scope of Work, on the basis set forth in Exhibit "A," up to an amount not to exceed \$50,000, including reimbursable expenses as identified in Exhibit "A", for a total contract amount not to exceed \$150,000.

**SECTION VIII.  
INSURANCE**

Engineer shall procure and maintain insurance in accordance with the terms and conditions set forth in Exhibit "B," for protection from workers' compensation claims, claims for damages because of bodily injury, including personal injury, sickness, disease, or death, claims or damages because of injury to or destruction of property, including loss of use resulting therefrom, and claims of errors and omissions.

**SECTION IX.  
TERMINATION**

The City may terminate this Agreement at any time by giving seven (7) days prior written notice to Engineer. Upon receipt of such notice, Engineer shall discontinue all services in connection with the performance of this Agreement and shall proceed to promptly cancel all existing orders and contracts insofar as such orders or contracts are chargeable to the Agreement. As soon as practicable after receipt of notice of termination, Engineer shall submit a statement, showing in detail the services performed under this Agreement to the date of termination. The City shall then pay Engineer that proportion of the prescribed charges which the services actually performed under this Agreement bear to the total services called for under this Agreement, less such payments on account of the charges as have been previously made. Copies of all completed or partially completed maps, studies, reports, documents and other work product prepared under this Agreement shall be delivered to

the City when and if this Agreement is terminated.

**SECTION X.  
ADDRESSES, NOTICES AND COMMUNICATIONS**

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to Consultant at the following address:

Freese & Nichols, Inc.  
Attn: Matthew Cartwright  
10497 Town and Country Way, Suite 600  
Houston, Texas 77024

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to the City at the following address:

City of Tomball  
Attn: Project Manager  
501 James Street  
Tomball, Texas 77375

**SECTION XI.  
LIMIT OF APPROPRIATION**

Prior to the execution of this Agreement, Engineer has been advised by the City and Engineer clearly understands and agrees, such understanding and agreement being of the absolute essence to this Agreement, that the City shall have available only those sums as expressly provided for under this Agreement to discharge any and all liabilities which may be incurred by the City and that the total compensation that Engineer may become entitled to hereunder and the total sum that the City shall become liable to pay to Engineer hereunder shall not under any conditions, circumstances, or interpretations hereof exceed the amounts as provided for in this Agreement.

**SECTION XII.  
SUCCESSORS AND ASSIGNS**

The City and Engineer bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Neither the City nor Engineer shall assign, sublet, or transfer its interest in this Agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be a party hereto.

**SECTION XIII.  
DISCLOSURE OF INFORMATION**

Engineer shall under no circumstances release any material or information developed in the performance of its services hereunder without the express written permission of the City.

**SECTION XIV.  
MODIFICATIONS**

This instrument, including Exhibits A and B, contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral or written representations or modifications concerning this instrument shall be of no force and effect excepting a subsequent modification in writing signed by both parties hereto.

**SECTION XV.  
ADDITIONAL SERVICES OF ENGINEER**

If authorized in writing by the City, Engineer shall furnish, or obtain from others, Additional Services that may be required because of significant changes in the scope, extent or character of the portions of the Project designed or specified by the Engineer, as defined in Exhibit "A". These Additional Services, plus reimbursable expenses, will be paid for by the Owner on the basis set forth in Exhibit "A," up to the amount authorized in writing by the City.

**SECTION XVI.  
CONFLICTS OF INTEREST**

Pursuant to the requirements of the Chapter 176 of the Texas Local Government Code, Consultant shall fully complete and file with the City Secretary a Conflict of Interest Questionnaire.

**SECTION XVII.  
PAYMENT TO ENGINEER FOR SERVICES AND  
REIMBURSABLE EXPENSES**

Invoices for Basic and Additional Services and reimbursable expenses will be prepared in accordance with Engineer's standard invoicing practices and will be submitted to the City by Engineer at least monthly. Invoices are due and payable thirty (30) days after receipt by the City.

**XVIII.  
MISCELLANEOUS PROVISIONS**

A. This Agreement is subject to the provisions of the Texas Prompt Payment Act, Chapter 2250 of the Texas Government Code. The approval or payment of any invoice shall not be considered to be evidence or performance by Engineer or of the receipt of or acceptance by the City of the work covered by such invoice.

B. Venue for any legal actions arising out of this Agreement shall lie exclusively in the federal and state courts of Harris County, Texas.

C. This Agreement is for sole benefit of the City and Engineer, and no provision of this Agreement shall be interpreted to grant or convey to any other person any benefits or rights.

D. Engineer further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.

E. In accordance with Chapter 2270, Texas Government Code, a government entity may not enter into a contract with a company for goods or services unless the Engineer covenants and agrees that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Furthermore, the Engineer is prohibited from engaging in business with Iran, Sudan or Foreign Terrorist Organizations.

F. In accordance with Chapter 2274 of the Texas Government Code, Engineer covenants that it: (1) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (2) will not discriminate during the term of this contract against a firearm entity or firearm trade associations.

IN WITNESS WHEREOF, the City of Tomball, Texas, has lawfully caused this Agreement to be executed by its Mayor; and Engineer, acting by its duly authorized officer/representative does now sign, execute and deliver this instrument.

EXECUTED on this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**Freese & Nichols, Inc.:**

DocuSigned by:  
*Matthew Cartwright*  
5FD859D63741462...

Name: Matthew Cartwright  
Title: Associate

**CITY OF TOMBALL, TEXAS**

\_\_\_\_\_  
David Esquivel, City Manager

ATTEST:

\_\_\_\_\_  
Tracy Garcia, City Secretary



PROFESSIONAL SERVICES AGREEMENT  
AMENDMENT #2

City of Tomball  
401 Market Street  
Tomball, Texas 77375

FNI Project: TMB22806  
Client Contract:  
Date: 5/16/2023

<b>Project Name:</b>	City of Tomball On-Call Services
<b>Description of Services:</b>	Extension of On-Call Engineer Services. See attachment SC.
<b>Deliverables:</b>	See attachment SC.
<b>Schedule:</b>	See attachment SC.
<b>Compensation Type:</b>	Not to Exceed Fee
<b>Current Contract Amount:</b>	\$100,000
<b>Amount of this Amendment:</b>	\$50,000
<b>Revised Total Amount Authorized:</b>	\$150,000

*The services described above shall proceed as amended upon execution of this Amendment. All other provisions, terms, and conditions of the Professional Services Agreement which are not expressly amended shall remain in full force and effect.*

**City of Tomball**

**FREESE AND NICHOLS, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

DocuSigned by:  
*Matt Cartwright*  
5FD859D63741462...  
By: \_\_\_\_\_  
Name: Matt Cartwright  
Title: Associate  
Date: 5/19/2023

**SCOPE OF SERVICES AND RESPONSIBILITIES OF CLIENT****PROJECT UNDERSTANDING**

Freese and Nichols, Inc. (FNI) will conduct on call planning and engineering services for the City of Tomball (City) during its Fiscal Year 2023. It is understood that the City will authorize one \$50,000 Purchase Order for plan and plat review related planning and engineering services.

**ARTICLE I**

**BASIC SERVICES:** Freese and Nichols, Inc. (FNI) shall render the following professional services to the City of Tomball (OWNER) in connection with the project, described as: Plan and Plat Engineering Review Services.

**ENGINEERING REVIEW SERVICES**

At the City's request, FNI will provide plan and plat review planning and engineering services, in support to City staff. This could include, but is not limited to:

- Attending virtual or in-person meeting with City staff
- Public Infrastructure Plan review
- Residential/Commercial Plat review
- GIS Updates - FNI will update the City's existing GIS shapefiles for water, wastewater, storm sewer, and gas utilities. These shapefiles have been updated recently by FNI as part of the 2021 Utility GIS Update project and the current On-call Plan and Plat Review projects. For the continuation of the GIS update effort, the City will provide the as-built plans and other available information for the recently constructed projects that have not been included in the GIS. FNI will utilize the City's existing GIS shapefiles as base information and add recently constructed facilities into the GIS. FNI will utilize the City's existing schema and attribute data fields when updating the GIS database. This effort does not include field survey of utilities.

**ARTICLE II**

**SPECIAL SERVICES:** FNI shall render the following professional services, which are not included in the Basic Services described above, in connection with the development of the Project: N/A

**ARTICLE III**

**ADDITIONAL SERVICES:** Any services performed by FNI that are not included in the Basic Services or Special Services described above are Additional Services. N/A

**ARTICLE IV**

**TIME OF COMPLETION:** On-Call Services 1/1/2023 – 9/30/2023



ARTICLE V

**RESPONSIBILITIES OF CLIENT:** Client shall perform the following in a timely manner so as not to delay the services of FNI:

- A. Client recognizes and expects that change orders may be required to be issued during construction. The responsibility for the costs of change orders will be determined on the basis of applicable contractual obligations and professional liability standards. FNI will not be responsible for any change order costs due to unforeseen site conditions, changes made by or due to the Client or Contractor, or any change order costs not caused by the negligent errors or omissions of FNI. Nothing in this provision creates a presumption that, or changes the professional liability standard for determining if, FNI is liable for change order costs. It is recommended that the Client budget a minimum of 5% for new construction and a minimum of 10% for construction that includes refurbishing existing structures.
- B. Designate in writing a person to act as Client's representative with respect to the services to be rendered under this Agreement. Such person shall have contract authority to transmit instructions, receive information, interpret and define Client's policies and decisions with respect to FNI's services for the Project.
- C. Provide all criteria and full information as to Client's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which Client will require to be included in the drawings and specifications.
- D. Assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project.
- E. Examine all studies, reports, sketches, drawings, specifications, proposals and other documents presented by FNI, obtain advice of an attorney, insurance counselor and other consultants as Client deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay, or cause rework in, the services of FNI.
- F. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as Client may require or FNI may reasonably request with regard to legal issues pertaining to the Project including any that may be raised by Contractor(s), such auditing service as Client may require to ascertain how or for what purpose any Contractor has used the moneys paid under the construction contract, and such inspection services as Client may require to ascertain that Contractor(s) are complying with any law, rule, regulation, ordinance, code or order applicable to their furnishing and performing the work.
- G. Give prompt written notice to FNI whenever Client observes or otherwise becomes aware of any development that affects the scope or timing of FNI's services, or any defect or nonconformance of the work of any Contractor.
- H. Bear all costs incident to compliance with the requirements of this Article V.

ARTICLE VI

**DESIGNATED REPRESENTATIVES:** FNI and Client designate the following representatives:

Client's Designated Representative – Meagan Mageo  
501 James Street  
Tomball, TX 77375  
(281) 290-1411  
MMageo@tomballtx.com

Client's Accounting Representative – Meagan Mageo  
501 James Street  
Tomball, TX 77375  
(281) 290-1411  
MMageo@tomballtx.com

FNI's Designated Representative – Matthew Cartwright  
10497 Town and Country Way, Ste 600  
Houston, TX 77204  
(713)600-6800  
Matt.Cartwright@freese.com

FNI's Accounting Representative – Marissa Mendoza  
10431 Morado Circle, Building 5 Suite 300  
Austin, TX 78759  
(512) 381-1837  
Marissa.Mendoza@freese.com

# City Council Meeting

## Agenda Item

### Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Approve a master services agreement with Water Utility Services, Inc. for water sampling and laboratory services, and water and wastewater chemicals for a total not-to-exceed amount of \$170,000, approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchase. This service is included in the FY 2022-2023 Budget.

**Background:**

Water Utility Services is a Spring, TX based lab specializing in sampling and analysis of drinking water and provides proprietary blends of chemicals used in the water and wastewater treatment process.

Water Utility Services performs sampling and analysis required by the Environmental Protection Agency (EPA) and Texas Commission on Environmental Quality (TCEQ) for City of Tomball's drinking water distribution system and groundwater treatment plants to remain within Texas Commission on Environmental Quality (TCEQ) and Environmental Protection Agency (EPA) compliance.

Water Utility Services also provides proprietary blends of chemicals needed in the treatment process for the City of Tomball's groundwater treatment (polyphosphate) and wastewater treatment (magnesium hydroxide).

This agreement authorizes a contract with Water Utility Services, Inc. to perform the required water sampling and lab analysis and provide necessary water and wastewater treatment chemicals.

This is a one-year contract, with four additional one-year extensions. The total authorized expenditures in year 1 of the contract is \$170,000.

This procurement is exempt from the competitive bidding requirements under Local Government Code 252.002(2).

**Origination:** Public Works Department

**Recommendation:**

Staff recommends approval of the agreement with Water Utility Services, Inc.

**Party(ies) responsible for placing this item on agenda:**

Drew Huffman, Public Works  
Director

---

**FUNDING (IF APPLICABLE)**

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



# GENERAL SERVICE AGREEMENT

THIS GENERAL SERVICE AGREEMENT (the "Agreement") is dated this 14<sup>th</sup>  
day of February, 2023.

## CLIENT

City of Tomball 501 James Street Tomball, TX 77375  
(the "Client")

## CONTRACTOR

Water Utility Services, Inc. P.O. Box 2628 Spring, TX 77383  
(the "Contractor")

### A. BACKGROUND

- A. The Client is of the opinion that the Contractor has the necessary qualifications, experience and abilities to provide services to the Client.
- B. The Contractor is agreeable to providing such services to the Client on the terms and conditions set out in this Agreement.

**IN CONSIDERATION OF** the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Client and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

### 1. SERVICES PROVIDED

1. The Client hereby agrees to engage the Contractor to provide the Client with the following services (the "Services"):
  - Provide Chemical Products: Thioguard, Polyphosphate, Calcium Hypochlorite; and
  - Bacteriological Sampling & Analysis.
2. The Services will also include any other tasks which the Parties may agree on. The Contractor hereby agrees to provide such Services to the Client.

### **3. TERM OF AGREEMENT**

3. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect until February 14, 2024, subject to earlier termination as provided in this Agreement. The Term may be extended with the written consent of the Parties.
4. In the event that either Party wishes to terminate this Agreement prior to February 14, 2024, that Party will be required to provide 30 days' written notice to the other Party.

### **5. PERFORMANCE**

5. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

### **6. CURRENCY**

6. Except as otherwise provided in this Agreement, all monetary amounts referred to in this Agreement are in USD (US Dollars).

### **7. COMPENSATION**

7. The Contractor will charge the Client for the Services as follows (the "Compensation"):
  - o The Client will pay the Contractor at the billable cost of each service provided; per the attached Pricing List. Not-to-exceed amount of \$170,000 for duration of one year with four one-year extensions.
8. Invoices submitted by the Contractor to the Client are due within 45 days of receipt.
9. In the event that this Agreement is terminated by the Client prior to completion of the Services but where the Services have been partially performed, the Contractor will be entitled to pro rata payment of the Compensation to the date of termination provided that there has been no breach of contract on the part of the Contractor.

### **10. REIMBURSEMENT OF EXPENSES**

10. The Contractor will be reimbursed from time to time for reasonable and necessary expenses incurred by the Contractor in connection with providing the Services.
11. All expenses must be pre-approved by the Client.

## **12. INTEREST ON LATE PAYMENTS**

12. Interest payable on any overdue amounts under this Agreement is charged at a rate of 3.50% per annum or at the maximum rate enforceable under applicable legislation, whichever is lower.

## **13. CONFIDENTIALITY**

13. Confidential information (the "Confidential Information") refers to any data or information relating to the business of the Client which would reasonably be considered to be proprietary to the Client including, but not limited to, accounting records, business processes, and client records and that is not generally known in the industry of the Client and where the release of that Confidential Information could reasonably be expected to cause harm to the Client.
14. The Contractor agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Contractor has obtained, except as authorized by the Client or as required by law. The obligations of confidentiality will apply during the Term and will survive indefinitely upon termination of this Agreement.
15. All written and oral information and material disclosed or provided by the Client to the Contractor under this Agreement is Confidential Information regardless of whether it was provided before or after the date of this Agreement or how it was provided to the Contractor.

## **16. OWNERSHIP OF INTELLECTUAL PROPERTY**

16. All intellectual property and related material, including any trade secrets, moral rights, goodwill, relevant registrations or applications for registration, and rights in any patent, copyright, trademark, trade dress, industrial design and trade name (the "Intellectual Property") that is developed or produced under this Agreement, is a "work made for hire" and will be the sole property of the Client. The use of the Intellectual Property by the Client will not be restricted in any manner.
17. The Contractor may not use the Intellectual Property for any purpose other than that contracted for in this Agreement except with the written consent of the Client. The Contractor will be responsible for any and all damages resulting from the unauthorized use of the Intellectual Property.

## **18. RETURN OF PROPERTY**

18. Upon the expiration or termination of this Agreement, the Contractor will return to the Client any property, documentation, records, or Confidential Information which is the property of the Client.

## **19. CAPACITY/INDEPENDENT CONTRACTOR**

19. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Client acknowledge that this Agreement does not create a partnership or joint venture between them, and is exclusively a contract for service. The Client is not required to pay, or make any contributions to, any social security, local, state or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible for paying, and complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

## **20. RIGHT OF SUBSTITUTION**

20. Except as otherwise provided in this Agreement, the Contractor may, at the Contractor's absolute discretion, engage a third party sub-contractor to perform some or all of the obligations of the Contractor under this Agreement and the Client will not hire or engage any third parties to assist with the provision of the Services.

21. In the event that the Contractor hires a sub-contractor:

- the Contractor will pay the sub-contractor for its services and the Compensation will remain payable by the Client to the Contractor.
- for the purposes of the indemnification clause of this Agreement, the sub-contractor is an agent of the Contractor.

## **22. AUTONOMY**

22. Except as otherwise provided in this Agreement, the Contractor will have full control over working time, methods, and decision making in relation to provision of the Services in accordance with the Agreement. The Contractor will work autonomously and not at the direction of the Client. However, the Contractor will be responsive to the reasonable needs and concerns of the Client.



## **23. EQUIPMENT**

23. Except as otherwise provided in this Agreement, the Contractor will provide at the Contractor's own expense, any and all tools, machinery, equipment, raw materials, supplies, workwear and any other items or parts necessary to deliver the Services in accordance with the Agreement.

## **24. NO EXCLUSIVITY**

24. The Parties acknowledge that this Agreement is non-exclusive and that either Party will be free, during and after the Term, to engage or contract with third parties for the provision of services similar to the Services.

## **25. NOTICE**

25. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the following addresses:

- City of Tomball  
501 James Street Tomball, TX 77375
- Water Utility Services, Inc.  
P.O. Box 2628 Spring, TX 77383

or to such other address as either Party may from time to time notify the other, and will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

## **26. INDEMNIFICATION**

26. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

## **27. MODIFICATION OF AGREEMENT**

27. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

## **28. TIME OF THE ESSENCE**

28. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

## **29. ASSIGNMENT**

29. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Client.

## **30. ENTIRE AGREEMENT**

30. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

## **31. ENUREMENT**

31. This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators and permitted successors and assigns.

## **32. TITLES/HEADINGS**

32. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

## **33. GENDER**

33. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

## **34. GOVERNING LAW**

34. This Agreement will be governed by and construed in accordance with the laws of the State of Texas.

**35. SEVERABILITY**

35. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

**36. WAIVER**

36. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

**IN WITNESS WHEREOF** the Parties have duly affixed their signatures under hand and seal on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

City of Tomball

Per: \_\_\_\_\_ (Seal)

Officer's Name: \_\_\_\_\_

Water Utility Services, Inc.

Per: Steve Grychka (Seal)

Officer's Name: 

©2002-2023 LawDepot.com®

# Water Utility Services, Inc.

P.O. Box 2628  
Spring, Texas 77383  
281-290-0704

## City of Tomball

<b>Chemical</b>	<b>2023 Cost/gallon</b>
Aquamag 9100	\$12.00
Thioguard	\$4.85
<b>Chemical</b>	<b>Cost/unit</b>
Calcium Hypochlorite 100 lb	\$290.00

# Water Utility Services, Inc.

P.O. Box 2628  
Spring, Texas 77383  
281-290-0704

## Bacteriological Sampling & Analysis 2023 Pricing

**Routine:**

Quantity	Price \$
1	60.00
2	92.00
3	115.00
4	140.00
5	170.00
6	232.00
7	256.00
8	280.00
9	310.00
10	340.00
11	395.00
12	420.00
13	455.00
14	483.00
15	510.00
20	680.00
25	850.00

**Specials:**

Quantity	Price \$ Each
1	50.00

## Nitrification Sampling & Analysis

Price \$ Each
105.00

# Water Utility Services, Inc.

P.O. Box 2628  
Spring, Texas 77383  
281-290-0704

May 15, 2023

William Goff  
City of Tomball

Subject: City of Tomball Phosphate Treatment Chemical

Mr. Goff,

Water Utility Services, Inc. is the sole distributor of the Aquamag 9100 polyphosphate for the Houston region. Aquamag 9100 is manufactured by the Carus Corporation. The Aquamag 9100 polyphosphate is a patented product. My sales rep for Carus Corporation is Craig Principi (704)904-9570.

Cordially,

**Steve Grychka**  
Steve Grychka  
President

# City Council Meeting

## Agenda Item

### Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Authorize annual purchases exceeding \$50,000 from Morton Morrow Survival Air Systems Inc., in accordance with the Purchasing and Bidding Policy for Fiscal Year 2022-2023. These purchases are within the Fiscal Year 2022-2023 budget.

**Background:**

Administrative Policy No. 9 – Purchasing and Bidding Policy requires City Council approval for individual or aggregate vendor purchases exceeding \$50,000. The annual spend for vendor, Morton Morrow Survival Air Systems currently exceeds \$50,000 for Fiscal Year 2022-2023. To ensure compliance with the Purchasing and Bidding Policy, Staff is requesting approval of the purchases.

Morton Morrow Survival Air Systems is a vendor that tests, supplies, and maintains self-contained breathing apparatus refill stations at each Tomball and ESD 15 Firehouse. Due to supply chain issues, 2 previous purchase orders that were carried over into the FY23 budget for 2 filling stations at firehouses 2 and 5, have caused the annual spent to exceed \$50,000.

**Origination:** Fire Department

**Recommendation:**

Approval

**Party(ies) responsible for placing this item on agenda:** Joe Sykora, Fire Chief

**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	<u>Joe Sykora</u>	<u>05/31/2023</u>	Approved by	_____
	Staff Member	Date		City Manager
				Date

# City Council Meeting Agenda Item Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Annual Comprehensive Financial Report for fiscal year ending September 30, 2022.

**Background:**

Weaver and Tidwell, LLP was engaged to audit the financial statements for fiscal year ending September 30, 2022. This was the third audit performed under the current contract.

**Origination:** Finance

**Recommendation:**

Acceptance of the Annual Comprehensive Financial Report for fiscal year ending September 30, 2022.

**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: # 100-116-6301

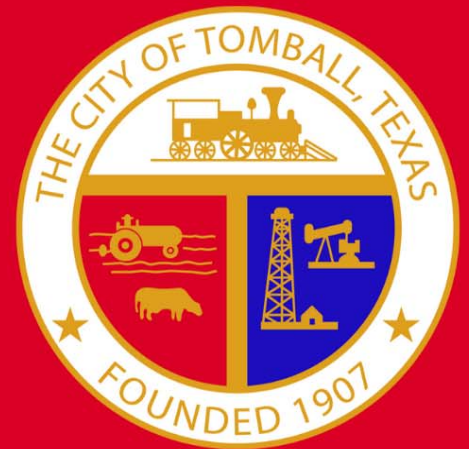
If no, funds will be transferred from account: # \_\_\_\_\_ To Account: # \_\_\_\_\_

**Signed:** Katherine Tapscott 05/31/2023 **Approved by:** \_\_\_\_\_  
Staff Member Date City Manager Date





# ANNUAL COMPREHENSIVE FINANCIAL REPORT



**FISCAL YEAR ENDED  
SEPTEMBER 30, 2022**



# **City of Tomball, Texas**

## Annual Comprehensive Financial Report For the Fiscal Year Ended September 30, 2022

Issued by:  
Finance Department

David Esquivel  
City Manager

Jessica Rogers  
Assistant City Manager

Katherine Tapscott, CPA  
Finance Director



**City of Tomball, Texas**  
 Annual Comprehensive Financial Report  
 For the Fiscal Year Ended September 30, 2022  
 Table of Contents

**Page  
Number**

**Introductory Section (Unaudited)**

Letter of Transmittal .....	1
Principal Officials.....	5
Organizational Chart.....	6
GFOA Certificate of Achievement.....	7

**Financial Section**

Independent Auditor's Report .....	10
Management's Discussion and Analysis (Unaudited) .....	14

**Basic Financial Statements**

Government-Wide Financial Statements:	
Statement of Net Position .....	24
Statement of Activities .....	25
Fund Financial Statements:	
Balance Sheet - Governmental Funds .....	27
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	30
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds .....	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	34
Statement of Net Position - Proprietary Funds .....	36
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds .....	37
Statement of Cash Flows - Proprietary Funds .....	38
Statement of Fiduciary Net Position - Fiduciary Fund .....	39
Statement of Changes in Fiduciary Net Position - Fiduciary Fund .....	40
Notes to the Basic Financial Statements .....	42

**Required Supplementary Information (Unaudited)**

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Major Fund - General Fund.....	79
Notes to Required Supplementary Information.....	80
Schedule of Changes in the Net Pension Liability and Related Ratios - Texas Municipal Retirement System .....	81
Schedule of the City's Contributions - Texas Municipal Retirement System.....	83
Schedule of Changes in Total OPEB Liability and Related Ratios - Retiree Health Care Plan.....	85
Schedule of Changes in Total OPEB Liability and Related Ratios - Supplemental Death Benefits Fund .....	86

**City of Tomball, Texas**  
 Annual Comprehensive Financial Report  
 For the Fiscal Year Ended September 30, 2022  
 Table of Contents - Continued

**Page  
Number**

**Supplementary Information**

Nonmajor Governmental Funds	
Combining Balance Sheet – Nonmajor Governmental Funds .....	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds .....	92
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Nonmajor Special Revenue Fund – Court Security Fund .....	95
Nonmajor Special Revenue Fund – Court Technology Fund .....	96
Nonmajor Special Revenue Fund – Hotel Occupancy Tax Fund .....	97
Nonmajor Special Revenue Fund – Child Safety Fund .....	98
Nonmajor Special Revenue Fund – Public Improvement Districts Fund .....	99
Major Fund – Debt Service Fund .....	100
Internal Service Funds	
Combining Statement of Net Position – Internal Service Funds .....	102
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds .....	103
Combining Statement of Cash Flows – Internal Service Funds .....	104
Discretely Presented Component Unit Fund Based Financial Statements –	
Tomball Economic Development Corporation	
Balance Sheet – Governmental Fund .....	107
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund .....	108

**Statistical Section (Unaudited)**

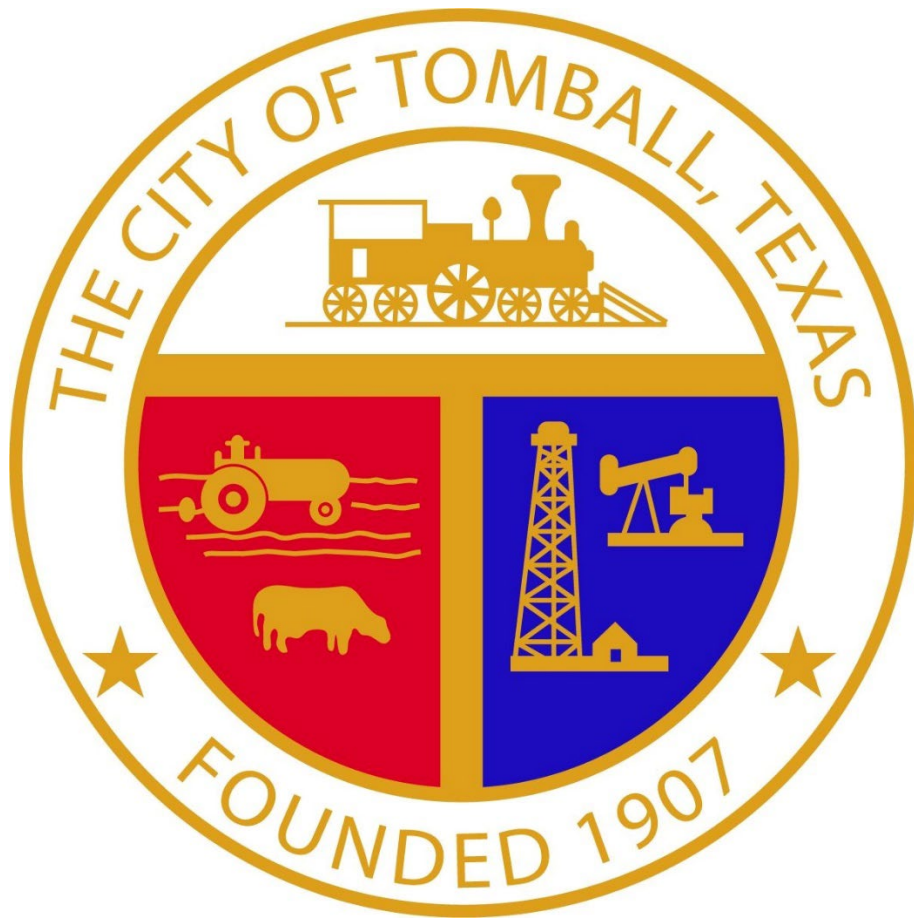
Net Position by Component .....	113
Changes in Net Position .....	115
Fund Balances of Governmental Funds .....	119
Changes in Fund Balances of Governmental Funds .....	121
Tax Revenues by Source .....	123
Assessed Value and Estimated Actual Value of Taxable Property .....	125
Direct and Overlapping Property Tax Rates .....	127
Principal Property Taxpayers .....	130
Ad Valorem Tax Levies and Collections .....	131

**City of Tomball, Texas**  
 Annual Comprehensive Financial Report  
 For the Fiscal Year Ended September 30, 2022  
 Table of Contents - Continued

**Page  
Number**

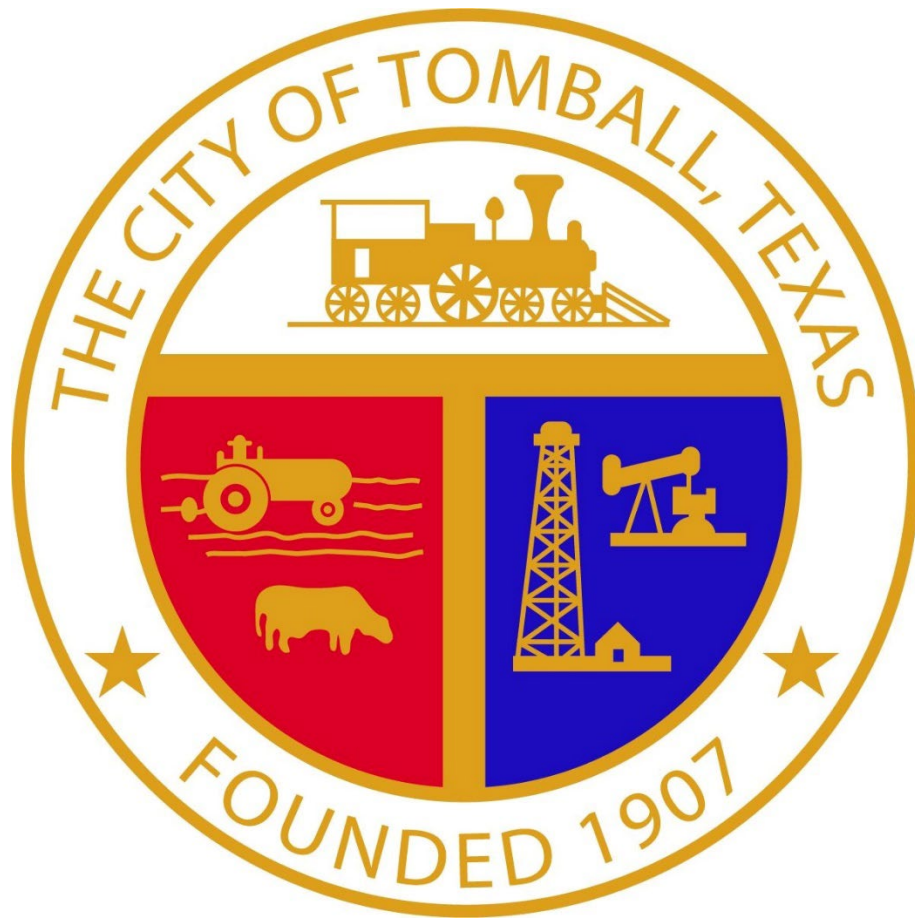
**Statistical Section (Unaudited) – Continued**

Sales Tax Revenues by Industry .....	132
Ratios of Outstanding Debt by Type .....	133
Ratio of Net General Bonded Debt to Assessed Value, Net General Bonded Debt per Capita and Assessed and Estimated Actual Value of Taxable Property .....	135
Direct and Overlapping Governmental Activities Debt .....	137
Legal Debt Margin Information .....	138
Pledged Revenue Coverage .....	139
Demographic and Economic Statistics .....	141
Principal Employers .....	142
Full-Time Equivalent City Government Employees by Function/Program .....	143
Operating Indicators by Function/Program .....	145
Capital Asset Statistics by Function/Program.....	147



# Introductory Section







# City of Tomball

*Lori Klein Quinn*  
Mayor

*David Esquivel, PE*  
City Manager

June 1, 2023

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Tomball, Texas:

It is with great pleasure that we present to you a copy of the Annual Financial Report of the City of Tomball, Texas (the City) for the fiscal year ended September 30, 2022. The responsibility for both the accuracy of the presented information and the completeness and fairness of the presentation of the data, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the results of operations of the various funds of the City, as well as the fund balances. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the City's organizational chart, and a list of principal officials, elected and appointed. The Financial Section includes Management's Discussion and Analysis (MD&A), Basic Financial Statements, Required Supplementary Information, Combining and Individual Fund Financial Statements and Schedules, as well as the independent auditors' report. The Statistical Section includes selected financial and demographic information generally presented on a multi-year basis.

MD&A immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter and should be read in conjunction with it.

## **Profile of the Government**

The City, incorporated on July 18, 1933, is located northwest of Houston, Texas, in a rapidly growing area of Harris County. The City currently occupies a land area of 12.34 square miles and serves an estimated population of 12,341. The City of Tomball is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs when deemed appropriate by the governing council.

The City has operated under the Council-manager form of government since 1980. Policy-making and legislative authority are vested in a governing council consisting of the Mayor and five Council members. The Council is elected on a non-partisan basis. Council members serve three-year terms, with two Council members elected every year. The mayor is elected to serve a three-year term. The Mayor and Council are elected at large. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing Council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; recreational activities and cultural events. Solid waste services are provided through a contract with GFL Environmental, formally Waste Corporation of America.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the Finance Director. These requests serve as a starting point for developing a proposed budget. The Finance Director provides the information to the City Manager who then presents this proposed budget to the Council for review. The Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function, and department. Department heads may make requests to the City Manager for transfers of appropriations within a department. Transfers of appropriations between departments, however, require the approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on Page 79 as part of required supplementary information. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the non-major governmental fund subsection of this report, which starts on Page 95.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is better understood when it is considered from the broader perspective of the specific environment within which the City of Tomball operates.

### **Local Economy**

The City is located approximately 32 miles northwest of Houston and is primarily surrounded by various taxing districts, making it one of the only incorporated areas in this portion of Harris County. As a result, the City has evolved into the area's principal commercial center. Assessed values for Fiscal 2022 reflect an increase of 5.13% percent to \$2.31 billion. This property value increase is the result of continued development within the City including both residential and commercial. The City is experiencing major residential growth with over 1,000 homes currently in development. Additionally, two Public Improvement Districts for residential development were created during the year.

For fiscal year 2022, sales tax revenues increased by 22.1% compared to prior year. The City had anticipated this revenue source remaining level when the budget was adopted, but then later amended to increase the budget after identifying the growth, inflation and post COVID-19 recovery.

The region (which covers an area within a five-mile radius from the center of the City) has an employed labor force of approximately 26,000. The largest groups of employers are in service and retail trade.

### **Long-term Financial Planning**

The City issued \$20,240,000 Certificates of Obligation in 2016 for the construction of Medical Complex Drive, Section 4B and the extension of Persimmon Street. The projects was substantially completed at year-end.

Additionally, infrastructure projects for water, sewer, drainage, and natural gas distribution continue to be funded through the budget process. All capital projects and major infrastructure needs are reviewed periodically during the year to assess both the progress of construction and the actual versus projected costs.

### **Major Initiatives**

The largest revenue source in the General Fund is sales tax. The City has experienced significant commercial and retail growth over the last several years. The City continued a conservative approach in budgeting sales tax revenues. For fiscal year 2022, sales tax revenues were projected at \$14,805,000.

The City made application to the Harris Galveston Area Council in 2015 for a grant to fund major improvements along FM 2920 (Main Street) from the downtown area to State Highway 249. At that time, the City Council approved local funding in the amount of \$3,000,000 to assist in expediting the project. At this time, construction is expected to begin summer 2026.

The Capital Project Fund includes major funding for park improvements, streets, sidewalks, and infrastructure for fiscal year 2023.

### **Financial Information**

The City's management team is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of the controls should not exceed the benefits likely to be derived and (2) the valuation of cost and benefits requires estimates and judgments to be made by management.

### **Budgeting Controls**

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Debt Service Fund, Special Revenue Funds, Utility Fund, and Internal Service Funds are included in the annual operating budget. The TEDC, a component unit of the City, is budgeted separately. A capital improvement plan is approved each year by the City Council and funded through a separate capital projects fund. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is established at the Department level within an individual fund. The City maintains an encumbrance accounting system as a means of accomplishing budgetary controls and a technique of budgetary "lock out" which will prevent a transaction from exceeding legally appropriated budgetary amounts. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

### **Debt Administration**

The City may issue General Obligation bonds that are approved by voters in a capital improvements plan. Certificates of Obligation can be used for major construction projects and for the financing of vehicles and equipment. When available, sales tax revenue in excess of budgeted projections can be dedicated to one-time capital purchases.

### **Independent Audit**

The City Charter requires an independent audit of the accounts of the City by an independent auditor. The firm of Weaver and Tidwell, LLP, Certified Public Accountants, has issued unmodified (clean) opinions on the City of Tomball's financial statements for the year ended September 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

## Awards

The Government Finance Officers' Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021. This was the 32<sup>nd</sup> consecutive year that the City has received this award. In order to be awarded the Certificate of Achievement, the City published an easily readable and efficiently organized Annual Financial Report. This report satisfies both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is held for a period of one year only. Our current Annual Financial Report continues to meet the Certificate of Achievement requirements, and will be submitted to GFOA to determine its eligibility for another certificate.

The City also received the Distinguished Budget Presentation Award for the fiscal year beginning October 1, 2022. This is the 14<sup>th</sup> consecutive year that the City has received this award from the GFOA. The award is made to those cities whose budget presentations meet very stringent presentation guidelines. The budget document must be of the very highest quality that reflects both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's recommended practices on budgeting.

## Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the administrative staff of the City and the members of the Finance Department. We also would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Tomball's finances.

Respectfully submitted,



David Esquivel  
City Manager

**City of Tomball, Texas  
Principal Officials**

**City Officials**

Lori Klein Quinn  
John F. Ford  
Mark Stoll  
Dane Dunagin  
Derek Townsend  
Randy Parr

**Elected Position**

Mayor  
Council Member Position 1  
Council Member Position 2  
Council Member Position 3  
Council Member Position 4  
Council Member Position 5

**Term Expires**

2025  
2023  
2024  
2025  
2024  
2023

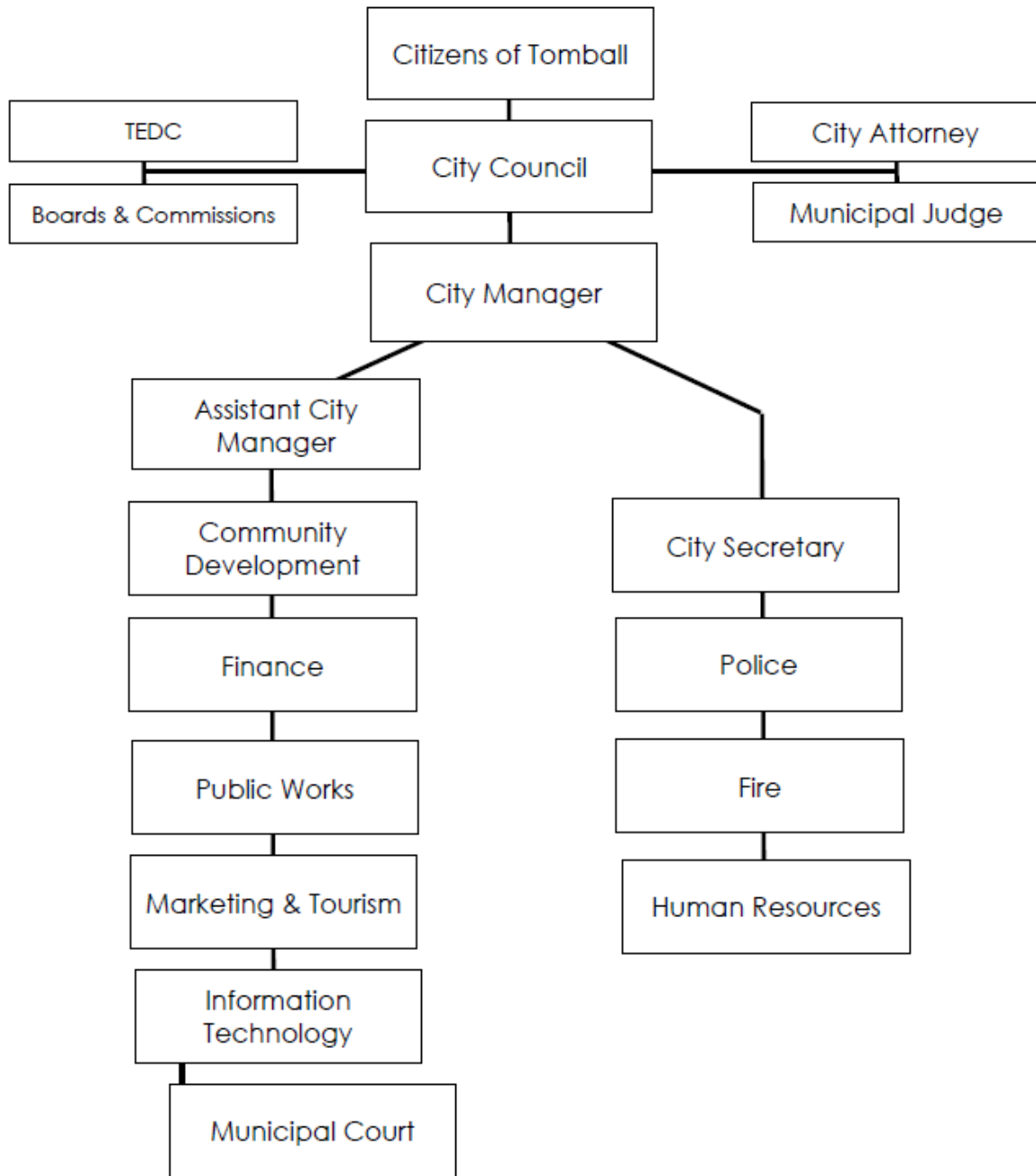
**Administrative Officials**

David Esquivel  
Jessica Rogers  
Tracylynn Garcia  
Jeff Bert  
Joe Sykora  
Katherine Tapscott  
Drew Huffman  
Nathan Dietrich  
Kristie Lewis  
Doug Tippey  
Kelly Violette  
Loren Smith

**Position**

City Manager  
Assistant City Manager  
City Secretary  
Chief of Police  
Fire Chief  
Director of Finance  
Director of Public Works  
Director of Community Development  
Director of Human Resources  
Director of Information Technology  
Director of TEDC  
City Attorney

# City of Tomball, Texas Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Tomball  
Texas**

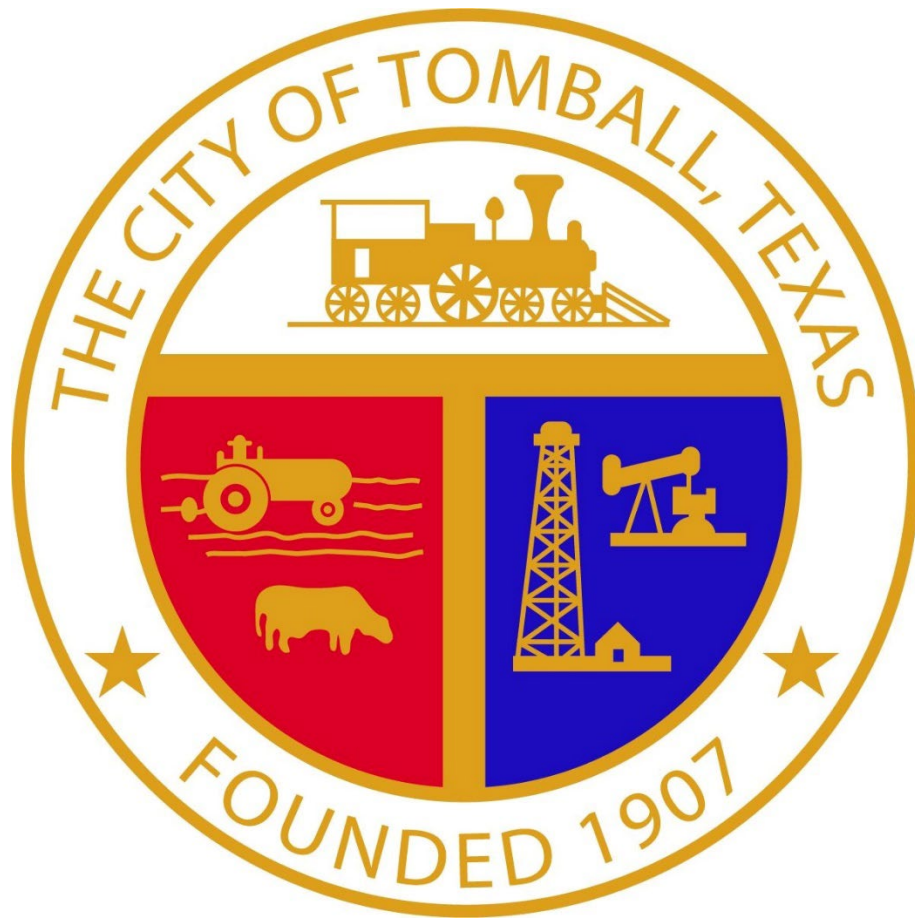
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2021

*Christopher P. Morill*

Executive Director/CEO





# Financial Section

## Independent Auditor's Report

The Honorable Mayor  
and Members of the City Council  
City of Tomball, Texas

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Tomball, Texas (the "City") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the City 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 opinions.

#### Emphasis of Matter

As discussed in Note 1 to the basic financial statements, during the year ended September 30, 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Beginning balances for right-to-use assets, lease liabilities, lease receivables and deferred inflows for leases have been restated as a result of the implementation of this statement. Our opinions are not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the 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 the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

The Honorable Mayor  
and Members of the City Council  
City of Tomball, Texas

### ***Auditor's 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 opinions. 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 GAAS and *Government 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 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 GAAS and *Government 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 the City'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 the City'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 during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Honorable Mayor  
and Members of the City Council  
City of Tomball, Texas

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Supplementary Information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information Included in the Annual Comprehensive Financial Report (ACFR)**

Management is responsible for the other information included in the ACFR. The other information comprises the Introductory Section and Statistical Section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

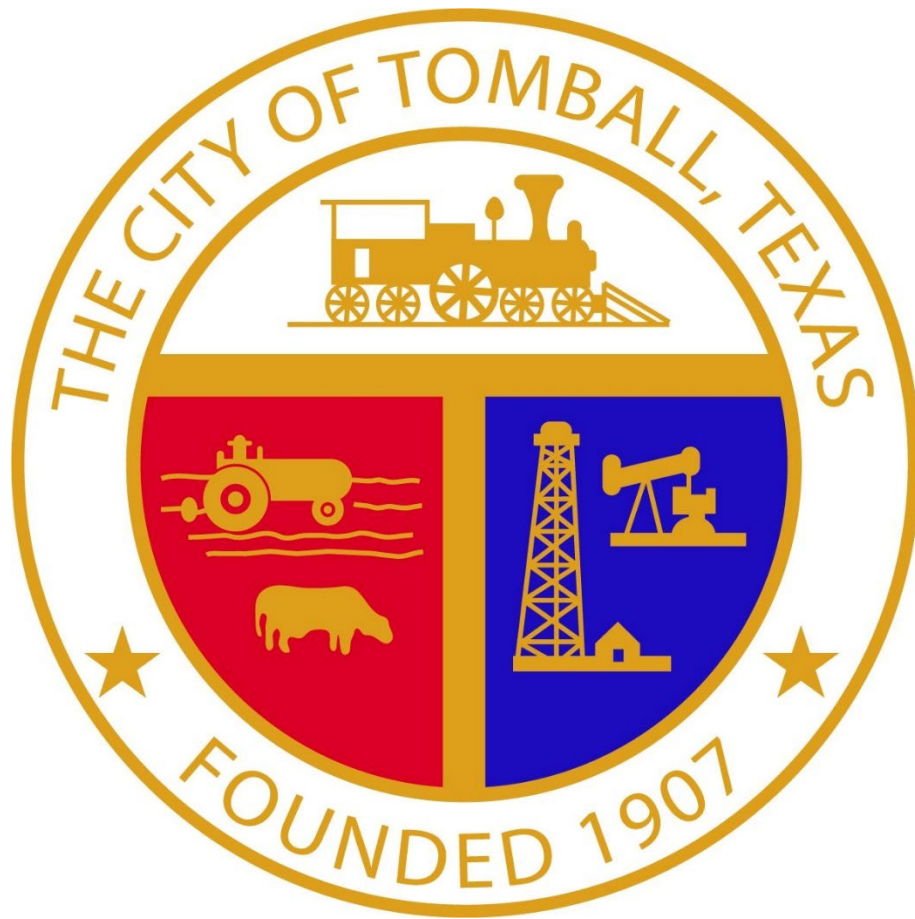
**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Conroe, Texas  
June 1, 2023



## Management's Discussion and Analysis (Unaudited)

The management of the City of Tomball (the "City") offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and statistical section as listed in the table of contents.

### Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$155.1 million (*net position*). Of this amount, \$45.5 million (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$48.0 million, an increase of \$5.7 million over the prior year. Approximately 55% of this total amount, \$26.5 million, is *available for spending* at the government's discretion (*unassigned fund balance*).
- The City's total long-term debt decreased by \$2.5 million due primarily to scheduled repayment of bonded debt.

### Overview of the Financial Statements

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

Refer to the table of contents for the location of each of these components.

### Government-wide Financial Statements

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, tourism and arts, community development, and interest and fiscal agent fees. The business-type activities of the City include utility system administration, water, wastewater and gas operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate entity (*Tomball Economic Development Corporation*) for which the City is financially accountable. Financial information for this *discretely presented component unit* is reported separately from the financial information presented for the primary government itself.

## **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

The City maintains 10 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Capital Projects Fund and State and Federal Grants Fund, which are considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements as noted in the table of contents.

**Proprietary Funds** - The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its gas system and water and sewer system. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for fleet replacement and health benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Enterprise Fund, which is considered to be a major fund. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements as noted in the table of contents.

**Fiduciary Funds** - The City maintains one type of fiduciary fund. *Custodial funds* are used to report fiduciary activities that are not required to be reported in a trust fund. The City maintains one custodial fund to account for private developer contributions, bond proceeds, assessments, and related debt associated with the issuance of bonds issued by the City as the custodian for the Public Improvement Districts (PIDs) within the City.

## **Notes to the Financial Statements**

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



## Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. The City adopts an annual appropriated budget for the general fund and certain other governmental funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets as noted in the table of contents.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$155.1 million at the close of the most recent fiscal year.

### City of Tomball, Texas Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 56,102,500	\$ 50,365,580	\$ 17,284,604	\$ 12,144,012	\$ 73,387,104	\$ 62,509,592
Capital assets	87,669,872	82,249,629	41,830,070	40,057,607	129,499,942	122,307,236
Total assets	143,772,372	132,615,209	59,114,674	52,201,619	202,887,046	184,816,828
Deferred outflows	1,980,825	1,917,896	371,489	343,391	2,352,314	2,261,287
Total deferred outflows of resources	1,980,825	1,917,896	371,489	343,391	2,352,314	2,261,287
Long-term liabilities outstanding	38,568,867	43,522,853	1,530,634	1,767,356	40,099,501	45,290,209
Other liabilities	4,946,218	5,248,663	1,520,873	1,307,039	6,467,091	6,555,702
Total liabilities	43,515,085	48,771,516	3,051,507	3,074,395	46,566,592	51,845,911
Deferred inflows	3,005,363	1,426,204	560,980	260,555	3,566,343	1,686,759
Total deferred inflows of resources	3,005,363	1,426,204	560,980	260,555	3,566,343	1,686,759
Net position:						
Net investment in capital assets	60,199,236	52,259,872	41,830,070	40,057,607	102,029,306	92,317,479
Restricted	7,597,934	6,829,497	-	-	7,597,934	6,829,497
Unrestricted	31,435,579	25,246,016	14,043,606	9,152,453	45,479,185	34,398,469
<b>Total net position</b>	<b>\$ 99,232,749</b>	<b>\$ 84,335,385</b>	<b>\$ 55,873,676</b>	<b>\$ 49,210,060</b>	<b>\$ 155,106,425</b>	<b>\$ 133,545,445</b>

By far the largest portion of the City's net position, 65.8% or \$102.0 million, reflects its net investment in capital assets (e.g., land, construction in progress, buildings and improvements, machinery and equipment, vehicles, right-to-use assets, gas system, water and sewer system and infrastructure), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, 4.9% or \$7.6 million, represents resources that are subject to restrictions on how they may be used. The remaining balance of *unrestricted net position* of 29.3% or \$45.5 million, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Governmental activities and business-type activities increased the City's net position by \$21.6 million in 2022. The following table provides a summary of the City's operations for the year ended September 30, 2022.

**City of Tomball, Texas Change in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 5,947,758	\$ 4,965,064	\$ 18,625,282	\$ 16,208,763	\$ 24,573,040	\$ 21,173,827
Operating grants and contributions	892,201	1,358,419	-	-	892,201	1,358,419
Capital grants and contributions	5,840,595	4,869,087	3,156,833	989,795	8,997,428	5,858,882
General revenues:						
Property taxes	7,339,362	7,213,050	-	-	7,339,362	7,213,050
Sales taxes	16,312,753	13,361,050	-	-	16,312,753	13,361,050
Franchise and other taxes	1,583,488	1,459,571	-	-	1,583,488	1,459,571
Gain on sale of capital assets	73,732	260,345	32,177	195,593	105,909	455,938
Contributions not restricted	784,885	782,885	370,000	370,000	1,154,885	1,152,885
Special assessments	1,039,308	769,412	-	-	1,039,308	769,412
Unrestricted investment earnings	4,595	39,807	85,211	6,041	89,806	45,848
Other	669,965	533,098	361,868	661,412	1,031,833	1,194,510
<b>Total revenues</b>	<b>40,488,642</b>	<b>35,611,788</b>	<b>22,631,371</b>	<b>18,431,604</b>	<b>63,120,013</b>	<b>54,043,392</b>
Expenses:						
General government	8,114,100	7,453,414	-	-	8,114,100	7,453,414
Public safety	11,982,088	10,642,757	-	-	11,982,088	10,642,757
Public works	5,081,755	4,998,747	-	-	5,081,755	4,998,747
Parks and recreation	864,122	850,842	-	-	864,122	850,842
Tourism and arts	672,983	551,323	-	-	672,983	551,323
Community development	515,531	532,472	-	-	515,531	532,472
Interest and fiscal agent fees	868,205	1,017,122	-	-	868,205	1,017,122
Utility administration	-	-	2,163,551	1,908,989	2,163,551	1,908,989
Water	-	-	6,457,929	5,132,543	6,457,929	5,132,543
Wastewater	-	-	2,218,239	2,041,666	2,218,239	2,041,666
Gas	-	-	2,620,530	4,474,541	2,620,530	4,474,541
<b>Total expenses</b>	<b>28,098,784</b>	<b>26,046,677</b>	<b>13,460,249</b>	<b>13,557,739</b>	<b>41,559,033</b>	<b>39,604,416</b>
Change in net position before transfers	12,389,858	9,565,111	9,171,122	4,873,865	21,560,980	14,438,976
Transfers	2,507,506	1,206,112	(2,507,506)	(1,206,112)	-	-
Change in net position	14,897,364	10,771,223	6,663,616	3,667,753	21,560,980	14,438,976
Net position - beginning	84,335,385	71,779,751	49,210,060	44,706,859	133,545,445	116,486,610
Cumulative effect of adoption of GASB 84	-	67,645	-	-	-	67,645
Prior period adjustments	-	1,716,766	-	835,448	-	2,552,214
Net position - beginning, restated	84,335,385	73,564,162	49,210,060	45,542,307	133,545,445	119,106,469
<b>Net position - ending</b>	<b>\$ 99,232,749</b>	<b>\$ 84,335,385</b>	<b>\$ 55,873,676</b>	<b>\$ 49,210,060</b>	<b>\$ 155,106,425</b>	<b>\$ 133,545,445</b>

**Governmental Activities**

Governmental activities increased the City's net position by \$14.9 million, which is primarily due to 1) \$2.9 million increase in sales tax revenues and 2) \$2.5 million in transfers from business type activities related to subsidies. Expenses held stable with a 7.8% increase over the prior year, which was less than 13.7% increase in revenues.

**Business-type Activities**

Business-type activities increased the City's net position by \$6.7 million, due primarily to 1) \$2.2 million increase in capital grants and contributions in 2022 and 2) \$2.4 million increase in charges for services. Expenses decreased \$0.1 million primarily due to an unprecedented \$2.7 million natural gas bill from the City's provider resulting from extreme price spikes due to the winter storms that occurred during February 2021. This event did not occur in 2022, resulting in the decrease of expense.

## Financial Analysis of the City's Funds

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

**Governmental Funds** - The focus of the City's governmental funds is to provide information of near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements, in particular, unassigned fund balance may serve as a useful measure of the City's net resources available for discretionary use as it represents a portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by City Council.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$48.0 million, an increase of \$5.7 million over the prior year. Approximately 55.2% of this total amount, \$26.5 million, is unassigned fund balance and 44.4%, or \$21.3 million, is restricted fund balance. The remaining fund balance is less than 1% of the total.

Fund balance in the General Fund increased from the prior year by \$5.2 million, resulting in an ending fund balance of \$26.6 million at year end. The unassigned fund balance of \$26.5 million represents 99.5% of total fund balance and 107.9% of total General Fund expenditures. Total general fund revenues increased \$4.0 million from 2021 to 2022, of which property tax revenues increased \$0.4 million and sales tax revenues increased \$3.0 million as a result of the strong growth in the local population and tax base. Total general fund expenditures increased \$2.1 million, or 9.3%, by comparison due primarily to an average 3% cost of living adjustment in 2022 as well as increases in staffing and post COVID-19 inflation.

The Debt Service Fund has a total fund balance of \$6.6 million at year end, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year in the Debt Service Fund was \$0.7 million, due primarily to a tax revenues remaining slightly higher than debt service requirements in the current year.

The Capital Projects Fund has a total fund balance of \$13.6 million at year end, all of which is restricted for capital projects. The net decrease in fund balance during the current year in the Capital Projects Fund was \$0.2 million, due primarily to planned expenditures of bond proceeds. The City also transferred a net \$1.3 million into the Capital Projects Fund from other funds to supplement the bond proceeds.

The State and Federal Grants Fund has \$14k of fund balance at year end since this represents grant awards that are reimbursement based or are advance funded, usually resulting in a net zero change in fund balance. The fund recognized \$0.1 million in both grant revenues and expenditures during the current year.

**Proprietary Funds** - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Enterprise Fund has unrestricted net position at fiscal year-end of \$13.6 million and total net position of \$55.4 million. Other factors concerning the finances of the City's Proprietary Funds have already been addressed in the discussion of the City's business-type activities.

## General Fund Budgetary Highlights

Budget estimates for revenues between the original and final amended budget increased by \$3.2 million due primarily to refined property and sales tax collection estimates resulting from partial economic recovery from impacts of COVID-19.

During the year there was a net increase between the original and final amended budget expenditure appropriations of \$0.9 million due to mild fluctuations from initial estimates.

The City budgeted a net increase in fund balance of the General Fund of \$2.0 million for the year ended September 30, 2022. The actual change in fund balance was an increase of \$5.2 million, a favorable variance of \$3.1 million. The City had a favorable variance of \$1.8 million between actual revenues and budgeted revenues resulting primarily from receiving more sales taxes than anticipated. The City also had a favorable variance of \$1.3 million between budgeted expenditures and actual expenditures due primarily to unanticipated savings in public safety.

## Capital Assets and Debt Administration

### Capital Assets

At the end of the current fiscal year 2022, the City's governmental activities and business-type activities had invested \$87.7 million and \$41.8 million, respectively, in a variety of capital assets and infrastructure, as reflected in the following schedule. This represents a net increase of \$5.4 million or 6.6% over the end of last fiscal year for governmental activities and an increase of \$1.8 million or 4.4% for business-type activities.

#### City of Tomball, Texas Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land	\$ 7,982,088	\$ 7,982,088	\$ 1,897,333	\$ 1,897,333	\$ 9,879,421	\$ 9,879,421
Construction in progress	721,657	15,847,571	791,153	452,845	1,512,810	16,300,416
Buildings and improvements	6,055,393	6,184,301	-	-	6,055,393	6,184,301
Gas system	-	-	3,482,214	2,989,062	3,482,214	2,989,062
Water and wastewater system	-	-	33,667,798	32,589,970	33,667,798	32,589,970
Machinery and equipment	1,638,306	1,872,946	1,991,572	2,128,397	3,629,878	4,001,343
Vehicles	2,752,625	2,469,357	-	-	2,752,625	2,469,357
Infrastructure	68,480,365	47,893,366	-	-	68,480,365	47,893,366
Right-to-use lease assets*	39,438	-	-	-	39,438	-
<b>Totals</b>	<b>\$ 87,669,872</b>	<b>\$ 82,249,629</b>	<b>\$ 41,830,070</b>	<b>\$ 40,057,607</b>	<b>\$ 129,499,942</b>	<b>\$ 122,307,236</b>

\*Beginning balance was restated as of October 1, 2021 due to adoption of GASB 87. See Note 1.H.

The overall increase in capital assets for governmental activities is due primarily to \$1.6 million of additions to construction in progress related to on-going and new infrastructure projects and \$5.5 million of infrastructure contributions from private developers of master planned communities. The business-type activities reported \$3.5 million of additions and \$1.7 million of depreciation expense.

Additional information on the City's capital assets can be found in Note 5 to the basic financial statements.

## Long-Term Debt

At the end of the current fiscal year, the City reported total long-term liabilities of \$40.1 million. The City had bonds payable of \$27.9 million (\$29.6 million, net of premiums). Of this amount, \$13.3 million was general obligation refunding debt and \$14.6 million represents certificates of obligation. The City's other long-term liabilities include its contractual obligations, leases payable, compensated absences, landfill post closure costs, and net pension and total other post employments benefits liabilities.

### City of Tomball, Texas Long-term Liabilities Outstanding

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Certificates of obligation	\$ 14,565,000	\$ 15,540,000	\$ -	\$ -	\$ 14,565,000	\$ 15,540,000
General obligation refunding bonds	13,315,000	14,875,000	-	-	13,315,000	14,875,000
Unamortized premiums	1,762,518	1,913,996	-	-	1,762,518	1,913,996
Public property finance contractual obligations	909,868	1,039,868	-	-	909,868	1,039,868
Leases payable*	39,219	-	-	-	39,219	-
Compensated absences	2,027,024	1,801,201	292,528	268,326	2,319,552	2,069,527
Landfill postclosure care costs	361,500	351,375	-	-	361,500	351,375
Net pension liability	2,734,695	4,943,051	467,353	830,778	3,202,048	5,773,829
Total OPEB liability	2,854,043	3,058,362	770,753	668,252	3,624,796	3,726,614
<b>Total</b>	<b>\$ 38,568,867</b>	<b>\$ 43,522,853</b>	<b>\$ 1,530,634</b>	<b>\$ 1,767,356</b>	<b>\$ 40,099,501</b>	<b>\$ 45,290,209</b>

\*Beginning balance was restated as of October 1, 2021 due to adoption of GASB 87. See Note 1.H.

Bond debt decreased by \$2.5 million as a result of scheduled debt service requirements.

The most recent ratings on debt issues are as follows:

	Standard and Poor's	Moody's
General obligation bonds	AA+	
Certificates of obligation	AA+	Aa2

Additional information on the City's long-term debt can be found in Note 6 to the basic financial statements.

## Economic Factors and Next Year's Budgets and Rates

The City continues to focus on economic development initiatives, including the revitalization of historic Old Town Tomball and commercial businesses. Construction of a 240 acre industrial development is currently underway and multiple large commercial developments are in the pre-construction phase. The City is also experiencing significant residential growth with the development of 1,000 homes currently underway. During fiscal year 2022, City Council approved two Public Improvement Districts for residential developments. As a result of the development, the City's taxable valuation is expected to increase.

On September 19, 2022, City Council adopted a \$102.2 million operating budget for fiscal year 2023. The City's largest source of revenue is sales tax, which has experienced significant increases compared to prior years. The fiscal year 2023 budget included a property tax rate of \$0.287248 per \$100 of valuation, which was a decrease of \$0.046091 or 13.8% compared to fiscal year 2022. The City expects to maintain a stabilized property tax rate due to increases in the taxable valuation.

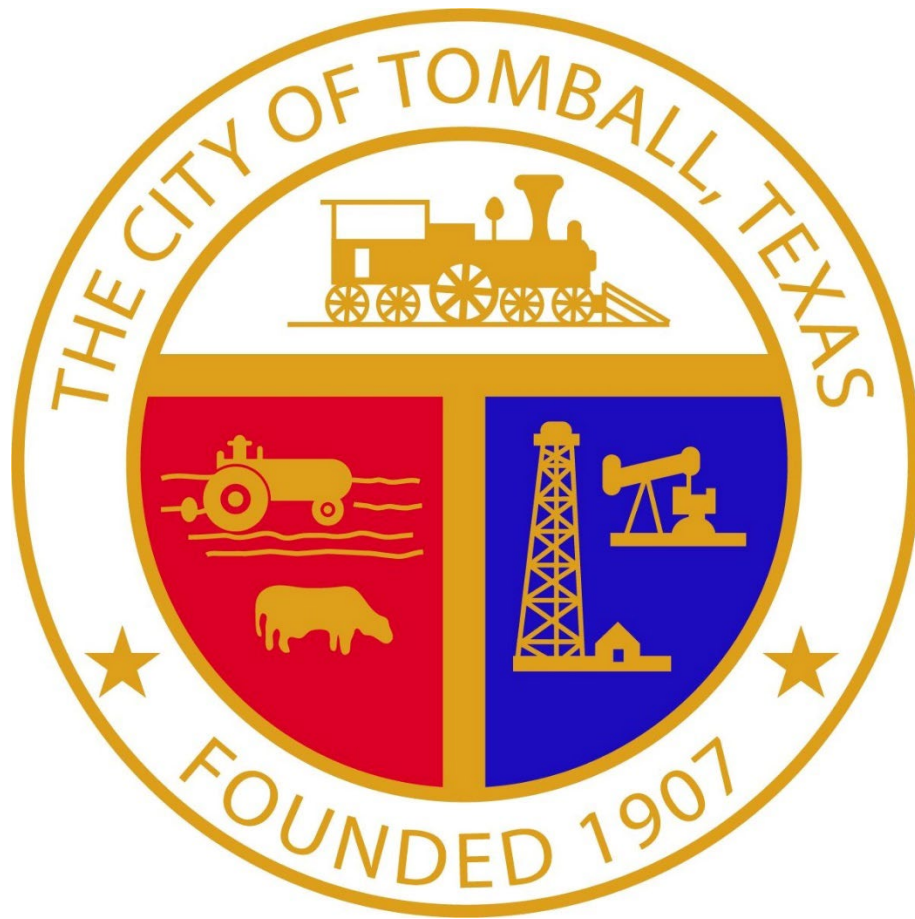
Utility and solid waste rates increased by six percent in the adopted budget. During fiscal year 2023, the City will perform a utility cost of service study to evaluate the current rates and overall rate structure. The City is also reviewing all other fees and service charges to ensure cost recovery.

## **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the resources it receives. Questions concerning this report or requests for additional financial information should be directed to phone (281) 290-1417 or:

Finance Department  
501 James Street  
Tomball, Texas 77375

Or for general City information, please visit the City's website at <https://www.tomballtx.gov> .



# Basic Financial Statements



**City of Tomball, Texas**  
**Statement of Net Position**  
**September 30, 2022**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Tomball Economic Development Corporation</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 40,826,330	\$ 14,310,645	\$ 55,136,975	\$ 16,332,467
Investments	8,140,890	-	8,140,890	6,282,515
Receivables, net of allowance	3,478,367	1,845,646	5,324,013	1,366,987
Lease receivable	-	-	-	833,221
Due from other governments	397,747	-	397,747	-
Due from component unit	149,774	-	149,774	-
Due from fiduciary	26,606	-	26,606	-
Internal balances	(443,375)	443,375	-	-
Prepaid Items	294,718	-	294,718	-
Restricted cash and cash equivalents	3,231,443	684,938	3,916,381	-
Capital assets - nondepreciable	8,703,745	2,688,486	11,392,231	3,573,659
Capital assets - depreciable, net	78,966,127	39,141,584	118,107,711	3,726,806
<b>Total assets</b>	<b>143,772,372</b>	<b>59,114,674</b>	<b>202,887,046</b>	<b>32,115,655</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pensions	1,594,139	272,435	1,866,574	-
Other post employment benefits	386,686	99,054	485,740	-
<b>Total deferred outflows of resources</b>	<b>1,980,825</b>	<b>371,489</b>	<b>2,352,314</b>	<b>-</b>
<b>Total assets and deferred outflows of resources</b>	<b>145,753,197</b>	<b>59,486,163</b>	<b>205,239,360</b>	<b>32,115,655</b>
<b>LIABILITIES</b>				
Accounts payable	1,543,473	774,555	2,318,028	135,419
Accrued liabilities	373,749	61,380	435,129	-
Deposits payable	10,935	684,938	695,873	10,869
Unearned revenue	2,870,107	-	2,870,107	-
Due to primary government	-	-	-	149,774
Accrued interest payable	147,954	-	147,954	-
Noncurrent liabilities:				
Due within one year	3,418,577	87,758	3,506,335	17,929
Due in more than one year	35,150,290	1,442,876	36,593,166	1,505
<b>Total liabilities</b>	<b>43,515,085</b>	<b>3,051,507</b>	<b>46,566,592</b>	<b>315,496</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pensions	2,617,320	447,294	3,064,614	-
Other post employment benefits	388,043	113,686	501,729	-
Leases	-	-	-	811,840
<b>Total deferred inflows of resources</b>	<b>3,005,363</b>	<b>560,980</b>	<b>3,566,343</b>	<b>811,840</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>46,520,448</b>	<b>3,612,487</b>	<b>50,132,935</b>	<b>1,127,336</b>
<b>NET POSITION</b>				
Net investment in capital assets	60,199,236	41,830,070	102,029,306	7,281,031
Restricted for				
Debt service	6,450,577	-	6,450,577	-
Court security	196,548	-	196,548	-
Court technology	133,559	-	133,559	-
Hotel occupancy tax	776,380	-	776,380	-
Child safety	26,113	-	26,113	-
Grants	14,757	-	14,757	-
Unrestricted	31,435,579	14,043,606	45,479,185	23,707,288
<b>TOTAL NET POSITION</b>	<b>\$ 99,232,749</b>	<b>\$ 55,873,676</b>	<b>\$ 155,106,425</b>	<b>\$ 30,988,319</b>

**City of Tomball, Texas**  
**Statement of Activities**  
**For the Fiscal Year Ended September 30, 2022**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental activities				
General government	\$ 8,114,100	\$ 130,831	\$ 127,688	\$ 5,840,595
Public safety	11,982,088	1,605,967	764,513	-
Public works	5,081,755	2,116,075	-	-
Parks and recreation	864,122	-	-	-
Tourism and arts	672,983	-	-	-
Community development	515,531	2,094,885	-	-
Interest and fiscal agent fees	868,205	-	-	-
Total governmental activities	28,098,784	5,947,758	892,201	5,840,595
Business-type activities				
Utility administration	2,163,551	3,075,491	-	-
Water	6,457,929	8,660,204	-	963,899
Wastewater	2,218,239	2,920,807	-	1,533,354
Gas	2,620,530	3,968,780	-	659,580
Total business-type activities	13,460,249	18,625,282	-	3,156,833
Total primary government	<u>\$ 41,559,033</u>	<u>\$ 24,573,040</u>	<u>\$ 892,201</u>	<u>\$ 8,997,428</u>
<b>COMPONENT UNIT</b>				
Tomball Economic Development Corporation	3,762,360	316,832	-	-
	<u>\$ 3,762,360</u>	<u>\$ 316,832</u>	<u>\$ -</u>	<u>\$ -</u>

**GENERAL REVENUES**

- Taxes:
  - Property taxes
  - Sales taxes
  - Franchise and other taxes
- Gain on sale of capital assets
- Contributions not restricted to specific programs
- Special assessments
- Unrestricted investment earnings (loss)
- Other
- Transfers

Total general revenues and transfers

Change in net position

NET POSITION, beginning of year

**NET POSITION, end of year**

**Net (Expense) Revenue and Changes in Net Position**

<b>Primary Government</b>			<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Tomball Economic Development Corporation</b>
\$ (2,014,986)	\$ -	\$ (2,014,986)	\$ -
(9,611,608)	-	(9,611,608)	-
(2,965,680)	-	(2,965,680)	-
(864,122)	-	(864,122)	-
(672,983)	-	(672,983)	-
1,579,354	-	1,579,354	-
(868,205)	-	(868,205)	-
(15,418,230)	-	(15,418,230)	-
-	911,940	911,940	-
-	3,166,174	3,166,174	-
-	2,235,922	2,235,922	-
-	2,007,830	2,007,830	-
-	8,321,866	8,321,866	-
<u>\$ (15,418,230)</u>	<u>\$ 8,321,866</u>	<u>\$ (7,096,364)</u>	<u>\$ -</u>
-	-	-	(3,445,528)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,445,528)</u>
7,339,362	-	7,339,362	-
16,312,753	-	16,312,753	5,386,245
1,583,488	-	1,583,488	-
73,732	32,177	105,909	1,722,565
784,885	370,000	1,154,885	8,000
1,039,308	-	1,039,308	-
4,595	85,211	89,806	(58,336)
669,965	361,868	1,031,833	14,741
2,507,506	(2,507,506)	-	-
<u>30,315,594</u>	<u>(1,658,250)</u>	<u>28,657,344</u>	<u>7,073,215</u>
14,897,364	6,663,616	21,560,980	3,627,687
84,335,385	49,210,060	133,545,445	27,360,632
<u>\$ 99,232,749</u>	<u>\$ 55,873,676</u>	<u>\$ 155,106,425</u>	<u>\$ 30,988,319</u>

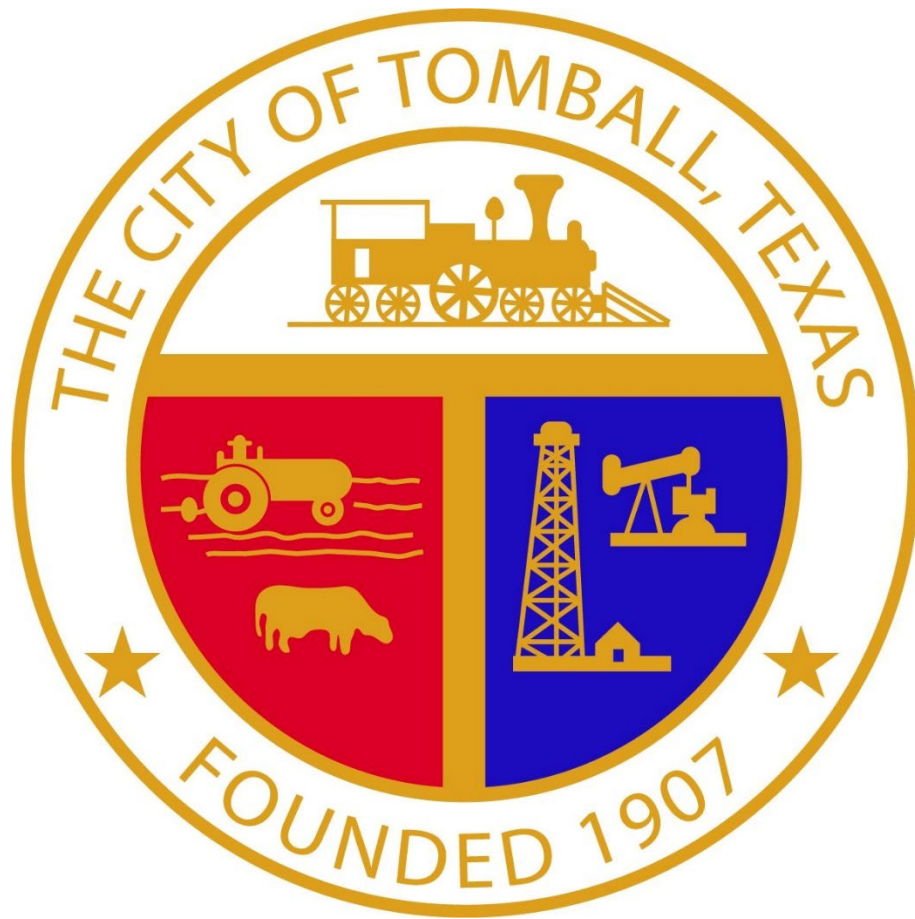
**City of Tomball, Texas**

Balance Sheet - Governmental Funds

September 30, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 21,869,650	\$ 6,568,112
Investments	2,405,357	-
Receivables, net of allowance	3,447,200	-
Due from other governments	344,497	-
Due from component unit	131,933	-
Due from fiduciary	26,606	-
Prepaid Items	29,966	-
Restricted cash and cash equivalents - deposits	10,935	-
Restricted cash and cash equivalents - construction	-	-
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<u>\$ 28,266,144</u>	<u>\$ 6,568,112</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 1,254,154	\$ -
Accrued liabilities	373,749	-
Deposits payable	10,935	-
Unearned revenue	-	-
	<hr/>	<hr/>
Total liabilities	1,638,838	-
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - other	-	-
	<hr/>	<hr/>
Total deferred inflows of resources	-	-
<b>FUND BALANCES</b>		
Nonspendable:		
Prepaid items	29,966	-
Restricted:		
Debt service	-	6,568,112
Construction	-	-
Court security	-	-
Court technology	-	-
Hotel occupancy tax	-	-
Child safety	-	-
Grants	-	-
Committed:		
City programs	-	-
Assigned:		
Special projects	104,745	-
Unassigned	26,492,595	-
	<hr/>	<hr/>
Total fund balances	26,627,306	6,568,112
	<hr/>	<hr/>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 28,266,144</u>	<u>\$ 6,568,112</u>

<b>Capital Projects Fund</b>	<b>State and Federal Grants Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 4,700,303	\$ 2,884,864	\$ 1,263,605	\$ 37,286,534
5,735,533	-	-	8,140,890
18,943	-	12,224	3,478,367
-	-	-	344,497
-	-	-	131,933
-	-	-	26,606
-	-	-	29,966
-	-	-	10,935
3,220,508	-	-	3,220,508
<b>\$ 13,675,287</b>	<b>\$ 2,884,864</b>	<b>\$ 1,275,829</b>	<b>\$ 52,670,236</b>
\$ 99,539	\$ -	\$ 68,993	\$ 1,422,686
-	-	-	373,749
-	-	-	10,935
-	2,870,107	-	2,870,107
99,539	2,870,107	68,993	4,677,477
-	-	7,224	7,224
-	-	7,224	7,224
-	-	-	29,966
-	-	-	6,568,112
13,575,748	-	-	13,575,748
-	-	196,548	196,548
-	-	133,559	133,559
-	-	776,380	776,380
-	-	26,113	26,113
-	14,757	-	14,757
-	-	67,012	67,012
-	-	-	104,745
-	-	-	26,492,595
13,575,748	14,757	1,199,612	47,985,535
<b>\$ 13,675,287</b>	<b>\$ 2,884,864</b>	<b>\$ 1,275,829</b>	<b>\$ 52,670,236</b>



**City of Tomball, Texas**

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
September 30, 2022

**TOTAL FUND BALANCES - GOVERNMENTAL FUNDS** \$ 47,985,535

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources, and therefore are not reported in the governmental funds balance sheet.

Capital assets, cost	\$ 112,159,029	
Capital assets, accumulated depreciation	<u>(27,552,138)</u>	84,606,891

Hotel occupancy taxes receivable, which will be collected subsequent to year-end, are not available soon enough to pay expenditures of the current period and, therefore, are deferred in the funds.		7,224
--	--	-------

Long-term liabilities are not due and payable in the current period, and therefore are not reported in the fund financial statements. The components of long-term liabilities are:

Bonds payable, par	\$ (27,880,000)	
Bonds payable, premiums	(1,762,518)	
Leases payable	(39,219)	
Accrued interest payable	(117,535)	
Landfill post closure care costs	(361,500)	
Compensated absences payable	(2,027,024)	
Net pension liability	(2,734,695)	
Total OPEB liability	<u>(2,854,043)</u>	(37,776,534)

The deferred outflows and inflows of resources related to the net pension liability and the total OPEB liability are recognized on the statement of net position:

Deferred outflows - pensions	\$ 1,594,139	
Deferred outflows - OPEB	386,686	
Deferred inflows - pensions	(2,617,320)	
Deferred inflows - OPEB	<u>(388,043)</u>	(1,024,538)

Internal service funds are used by management to charge the cost of certain activities, such as fleet management and health benefits, to individual funds. A portion of the assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.

5,434,171

**TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES** \$ 99,232,749

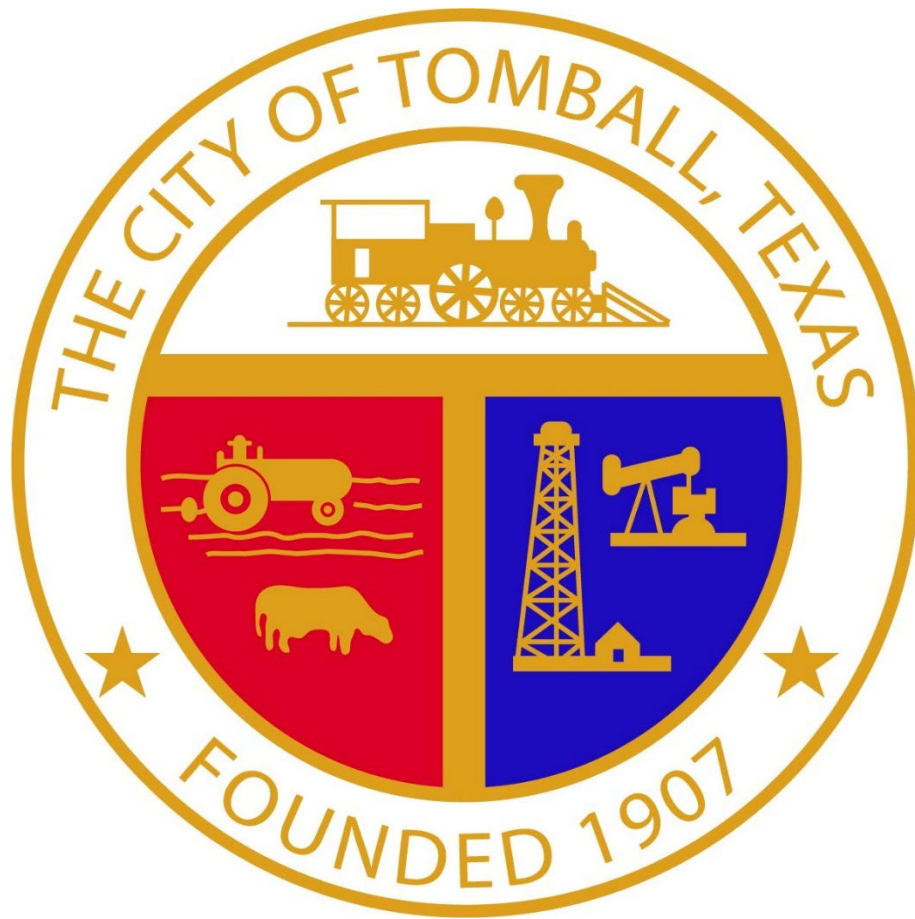
# City of Tomball, Texas

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended September 30, 2022

	<b>General Fund</b>	<b>Debt Service Fund</b>
<b>REVENUES</b>		
Property tax	\$ 3,915,320	\$ 3,424,042
Sales tax	16,312,753	-
Franchise and other taxes	948,804	-
Licenses and permits	2,099,085	-
Fines and forfeitures	311,384	-
Charges for services	3,530,408	-
Intergovernmental	882,201	-
Special assessments	-	-
Contributions from component unit for debt service	-	759,885
Investment earnings (loss)	(9,627)	51,925
Impact fees	-	-
Capital contributions from developers	-	-
Other	207,984	-
	<hr/>	<hr/>
Total revenues	28,198,312	4,235,852
<b>EXPENDITURES</b>		
Current		
General government	6,703,198	-
Public safety	11,433,462	-
Public works	4,719,770	-
Parks and recreation	864,199	-
Tourism and arts	-	-
Community development	369,924	-
Debt service		
Principal	24,406	2,535,000
Interest	650	988,998
Issuance costs and fiscal agent fees	-	11,100
Capital outlay	442,177	-
	<hr/>	<hr/>
Total expenditures	24,557,786	3,535,098
Excess (deficiency) of revenues over expenditures	3,640,526	700,754
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds from sale of capital assets	23,934	-
Insurance recoveries	39,967	-
Transfers in	2,021,994	-
Transfers out	(556,000)	-
	<hr/>	<hr/>
Total other financing sources (uses)	1,529,895	-
Net change in fund balances	5,170,421	700,754
Fund balances, beginning of year	21,456,885	5,867,358
	<hr/>	<hr/>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 26,627,306</b>	<b>\$ 6,568,112</b>



<b>Capital Projects Fund</b>	<b>State and Federal Grants Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ -	\$ 7,339,362
-	-	-	16,312,753
-	-	627,460	1,576,264
-	-	-	2,099,085
-	-	31,881	343,265
-	-	-	3,530,408
-	68,841	-	951,042
-	-	1,039,308	1,039,308
-	-	-	759,885
(60,216)	-	7,293	(10,625)
429,685	-	-	429,685
149,856	-	-	149,856
-	-	8,362	216,346
<hr/>	<hr/>	<hr/>	<hr/>
519,325	68,841	1,714,304	34,736,634
-	54,084	1,058,080	7,815,362
-	-	42,375	11,475,837
-	-	-	4,719,770
-	-	-	864,199
-	-	672,983	672,983
-	-	-	369,924
-	-	-	2,559,406
-	-	-	989,648
-	-	-	11,100
2,010,974	-	43,747	2,496,898
<hr/>	<hr/>	<hr/>	<hr/>
2,010,974	54,084	1,817,185	31,975,127
(1,491,649)	14,757	(102,881)	2,761,507
-	-	-	23,934
-	-	-	39,967
1,274,500	-	126,000	3,422,494
(20,680)	-	-	(576,680)
<hr/>	<hr/>	<hr/>	<hr/>
1,253,820	-	126,000	2,909,715
(237,829)	14,757	23,119	5,671,222
13,813,577	-	1,176,493	42,314,313
<hr/>	<hr/>	<hr/>	<hr/>
\$ 13,575,748	\$ 14,757	\$ 1,199,612	\$ 47,985,535



# City of Tomball, Texas

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended September 30, 2022

<b>Net change in fund balances - total governmental funds</b>		<b>\$ 5,671,222</b>
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount of capital asset additions recorded in the current period.		2,496,898
Depreciation expense on capital assets is reported in the statement of activities, but does not require the use of current financial resources. Therefore, depreciation/amortization expense is not reported as expenditures in the governmental funds.		(2,282,809)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, transfers, non-cash capital asset contributions) is not reported in the governmental funds.		5,211,774
The issuance of long term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of bond premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effect of these differences in the treatment of long-term debt and related items was:		
Amortization of premium on bonds payable	\$ 151,478	
Accrued interest payable decreased	12,179	
Principal paid on bonds and other debt	<u>2,559,406</u>	2,723,063
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The following long-term liabilities (increased) / decreased:		
Landfill post closure care costs	\$ (10,125)	
Compensated absences	(225,823)	
Net pension liability	2,208,356	
Total OPEB liability	<u>204,319</u>	2,176,727
Some deferred outflows and deferred inflows reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds. The following deferred outflows and deferred inflows of resources changed:		
Deferred outflows of resources - pensions	\$ 157,654	
Deferred outflows of resources - OPEB	(94,725)	
Deferred inflows of resources - pensions	(1,540,646)	
Deferred inflows of resources - OPEB	<u>(38,513)</u>	(1,516,230)
An internal service fund is used by management to charge the cost of certain activities, such as fleet management and health benefits, to individual funds. A portion of the change in the net position of the internal service funds is included in governmental activities in the statement of activities.		<u>416,719</u>
Change in net position - governmental activities		<u>\$ 14,897,364</u>

**City of Tomball, Texas**  
Statement of Net Position  
Proprietary Funds  
September 30, 2022

	<b>Business-type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Fund</b>	<b>Internal Service</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 14,310,645	\$ 3,539,796
Receivables, net of allowance	1,845,646	-
Due from other governments	-	53,250
Due from component unit	-	17,841
Prepaid Items	-	264,752
Total current assets	<u>16,156,291</u>	<u>3,875,639</u>
Noncurrent assets		
Restricted cash and cash equivalents - deposits	684,938	-
Capital assets		
Capital assets - nondepreciable	2,688,486	-
Capital assets - depreciable, net	39,141,584	3,062,981
Net capital assets	<u>41,830,070</u>	<u>3,062,981</u>
Total noncurrent assets	<u>42,515,008</u>	<u>3,062,981</u>
Total assets	<u>58,671,299</u>	<u>6,938,620</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pensions	272,435	-
Other post employment benefits	99,054	-
Total deferred outflows of resources	<u>371,489</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>59,042,788</u>	<u>6,938,620</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 774,555	\$ 120,787
Accrued liabilities	61,380	-
Deposits payable	684,938	-
Accrued interest payable	-	30,419
Public property finance contract obligation, current	-	130,000
Compensated absences, current	87,758	-
Total current liabilities	<u>1,608,631</u>	<u>281,206</u>
Noncurrent liabilities		
Public property finance contract obligation	-	779,868
Compensated absences	204,770	-
Net pension liability	467,353	-
Total OPEB liability	770,753	-
Total noncurrent liabilities	<u>1,442,876</u>	<u>779,868</u>
Total liabilities	<u>3,051,507</u>	<u>1,061,074</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pensions	447,294	-
Other post employment benefits	113,686	-
Total deferred inflows of resources	<u>560,980</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>3,612,487</u>	<u>1,061,074</u>
<b>NET POSITION</b>		
Net investment in capital assets	41,830,070	2,153,113
Unrestricted	13,600,231	3,724,433
<b>TOTAL NET POSITION</b>	<u>55,430,301</u>	<u>\$ 5,877,546</u>
<b>Reconciliation to government-wide statement of net position</b>		
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise fund over time	443,375	
<b>NET POSITION OF BUSINESS-TYPE ACTIVITIES</b>	<u>\$ 55,873,676</u>	

**City of Tomball, Texas**

Statement of Revenues, Expenses, and Changes  
in Net Position - Proprietary Funds  
For the Fiscal Year Ended September 30, 2022

	<b>Business Type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Fund</b>	<b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>		
Charges for sales and services		
Water sales	\$ 8,660,204	\$ -
Sewer sales	2,920,807	-
Gas sales	3,968,780	-
Internal service charges	-	3,966,171
Impact fees	3,075,491	-
Other	361,868	-
	<hr/>	<hr/>
Total operating revenues	18,987,150	3,966,171
<b>OPERATING EXPENSES</b>		
Personnel services	2,366,702	-
Materials, supplies and contracted services	9,467,971	3,031,105
Depreciation and amortization	1,722,678	506,284
	<hr/>	<hr/>
Total operating expenses	13,557,351	3,537,389
Operating income	5,429,799	428,782
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment earnings	85,211	15,220
Intergovernmental	-	67,168
Contributions from component unit for debt service	370,000	-
Gain (loss) on disposal of capital assets	32,177	33,765
Interest	-	(31,114)
	<hr/>	<hr/>
Total nonoperating revenues (expenses)	487,388	85,039
Income before transfers and capital contributions	5,917,187	513,821
Capital asset contributions from governmental activities	338,308	-
Capital asset contributions from developers	3,156,833	-
Transfers out	(2,845,814)	-
	<hr/>	<hr/>
Change in net position	6,566,514	513,821
Net position, beginning of year	48,863,787	5,363,725
	<hr/>	<hr/>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 55,430,301</b>	<b>\$ 5,877,546</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>RECONCILIATION TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES</b>		
Change in net position	\$ 6,566,514	
Adjustment for the net effect of the current year activity between the internal service fund and the enterprise fund	97,102	
	<hr/>	
<b>CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 6,663,616</b>	
	<hr/> <hr/>	

**City of Tomball, Texas**  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended September 30, 2022

	<b>Business Type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Fund</b>	<b>Internal Service Fund</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 18,558,842	\$ -
Receipts from interfund charges	-	3,895,080
Other receipts	361,868	-
Payments to suppliers and service providers	(9,318,623)	(3,080,488)
Payments to employees for salaries and benefits	(2,431,748)	-
Net cash provided by operating activities	7,170,339	814,592
<b>NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers to other funds	(2,845,814)	-
Net cash used for noncapital financing activities	(2,845,814)	-
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	-	(414,277)
Proceeds from sale of capital assets	32,177	112,383
Receipts from component unit for debt service	370,000	-
Principal paid on long-term debt	-	(130,000)
Interest paid on long-term debt	-	(38,548)
Intergovernmental capital grants	-	67,168
Net cash provided by (used for) capital and related financing activities	402,177	(403,274)
<b>INVESTING ACTIVITIES</b>		
Investment earnings	85,211	15,220
Net cash provided by investing activities	85,211	15,220
Net change in cash and cash equivalents	4,811,913	426,538
Cash and cash equivalents, beginning of year	10,183,670	3,113,258
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 14,995,583</b>	<b>\$ 3,539,796</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION</b>		
Cash and cash equivalents	\$ 14,310,645	\$ 3,539,796
Restricted cash and cash equivalents	684,938	-
<b>CASH AND CASH EQUIVALENTS</b>	<b>\$ 14,995,583</b>	<b>\$ 3,539,796</b>

**City of Tomball, Texas**

Statement of Cash Flows - Continued

Proprietary Funds

For the Fiscal Year Ended September 30, 2022

	<b>Business Type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Fund</b>	<b>Internal Service Fund</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET</b>		
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating income	\$ 5,429,799	\$ 428,782
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	1,722,678	506,284
(Increase) decrease in assets and deferred outflows		
Accounts receivable	(231,577)	-
Due from other governments	-	(53,250)
Other receivables	-	(17,841)
Prepaid items	-	7,207
Deferred outflows of resources - pension and OPEB	(133,807)	-
Increase (decrease) in liabilities and deferred inflows		
Accounts payable	149,348	(51,396)
Accrued liabilities	(100,651)	-
Due to other governments	-	(5,194)
Deposits payable	165,137	-
Compensated absences	24,202	-
Pension and OPEB liability	(158,330)	-
Deferred inflows of resources - pension and OPEB	303,540	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 7,170,339</b>	<b>\$ 814,592</b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital asset contributions from governmental activities	\$ 338,308	\$ -
Capital asset contributions from developers	\$ 3,156,833	\$ -
Capital asset purchases on account	\$ -	\$ 108,604

**City of Tomball, Texas**  
 Statement of Fiduciary Net Position  
 Fiduciary Fund  
 September 30, 2022

	<b>Public Improvement Districts</b>
	<b>Custodial Fund</b>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 461,001
Total assets	461,001
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	\$ 1,212
Due to other governments	26,606
Total liabilities	27,818
<b>NET POSITION</b>	
Restricted for debt service	433,183
<b>TOTAL NET POSITION</b>	<b>\$ 433,183</b>



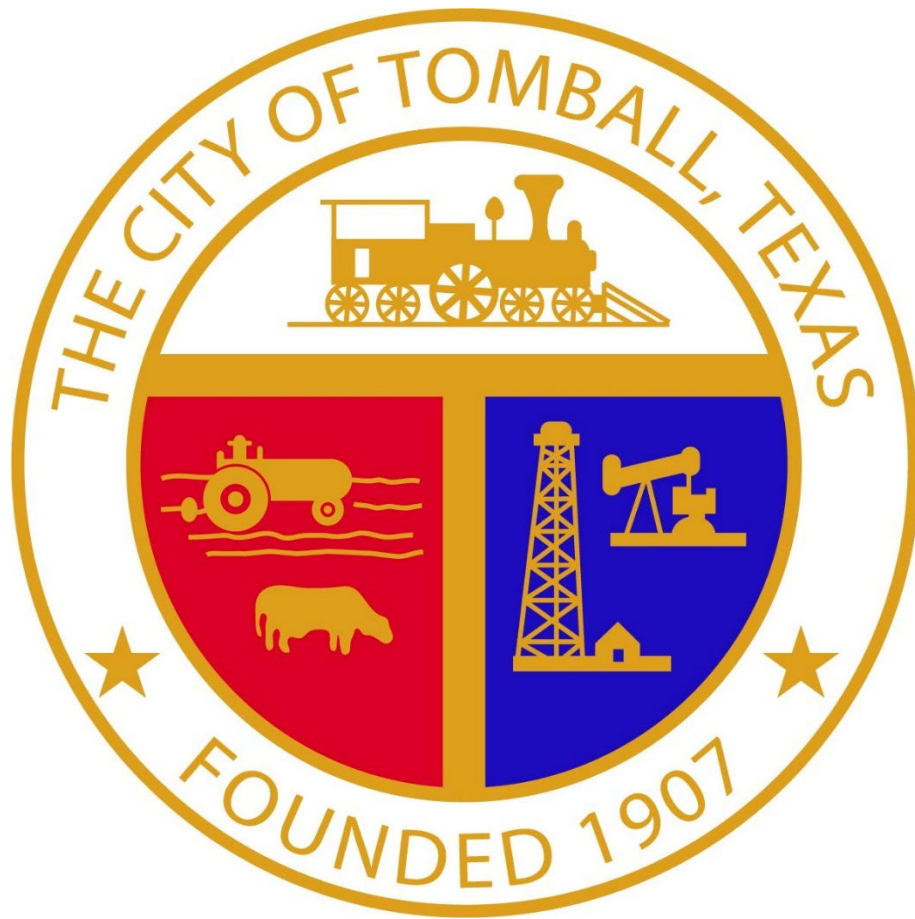
**City of Tomball, Texas**

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

For the Fiscal Year Ended September 30, 2022

	<b>Public Improvement Districts Custodial Fund</b>
<b>ADDITIONS</b>	
Special assessments	\$ 331,607
Capital contributions from developers	186,000
Investment earnings	1,216
Total additions	518,823
<b>DEDUCTIONS</b>	
Materials, supplies and contracted services	183,127
Payments to bondholders	141,631
Total deductions	324,758
Change in net position	194,065
Net position, beginning of year	239,118
<b>NET POSITION, END OF YEAR</b>	<b>\$ 433,183</b>



## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Note 1. Summary of Significant Accounting Policies

##### A. Financial Reporting Entity

The City of Tomball, Texas, (the "City") was incorporated on July 18, 1933. The City has operated under a "Home Rule Charter", which provides for a Council-City Manager form of government, since 1987. The City Council is the principle legislative body of the City.

The City Manager is appointed by a majority vote of the City Council and is responsible to the Council for the administration of all the affairs of the City. The City Manager is responsible for the appointment and removal of department directors and employees, supervision and control of all City departments, and preparation of the annual budget.

The City provides the following services: public safety to include police and fire services; municipal court; streets; drainage; water, wastewater and gas services; solid waste collection and disposal; community development; and general administration.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by accounting principles generally accepted in the United States of America (GAAP), these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity utilizing criteria prescribed by GAAP. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under GAAP include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Tomball Economic Development Corporation, Employee Benefits Trust, and Tomball Legacy Fund, Inc., although legally separate organizations, are considered part of the reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

##### Discretely Presented Component Unit

###### Tomball Economic Development Corporation

The Tomball Economic Development Corporation (the Corporation) was formed in 1994 pursuant to the *Development Corporation Act of 1979* (the Act), governed under Section 4B of the Act. It receives and utilizes the proceeds of a one-half cent sales tax to promote and assist in the economic development of the City. The seven directors of the Corporation are appointed by the governing body of the City. Directors are removable by the governing body of the City at any time without cause. Separately issued audited financial statements are not available for the Corporation. Financial information for the Corporation may be obtained from the following address:

Tomball Economic Development Corporation  
401 West Market Street  
Tomball, Texas 77375

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Blended Component Units

##### Employee Benefits Trust

The Employee Benefits Trust (the Trust) has been included in the reporting entity as a blended component unit. The Trust is a revocable trust and a not-for-profit entity and is organized under Section 222.002(c)(5) of the Texas Insurance Code. The Trust's Board of Trustees are the members of City Council. The Trust is organized for the purpose of providing or offering City officers, employees, and qualified retirees and their dependents with life, disability, sickness, accident, and other health benefits either directly or through the purchase of insurance. The operations of the Trust are presented as a proprietary fund type in the Health Benefits internal service fund. The Trust does not issue separate financial statements.

##### Tomball Legacy Fund, Inc.

Tomball Legacy Fund, Inc. has been included in the reporting entity as a blended component unit. Tomball Legacy Fund, Inc. is a not-for-profit 501(c)3 foundation managed by a seven-member Board of Directors consisting of the Mayor and City Council of the City of Tomball, plus one appointed individual. Tomball Legacy Fund, Inc. was established to allow the City to receive private and corporate grant funds to be used on behalf of the City. The operations of Tomball Legacy Fund, Inc. are presented as a governmental fund type in a special revenue fund. Tomball Legacy Fund, Inc. does not issue separate financial statements.

#### B. Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information about the City as a whole. These statements include all activities of the primary government and its discretely presented component unit. Governmental activities, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from discretely presented component units for which the primary government is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column in the government-wide financial statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise fund.

As a general rule, the effect of interfund activity has been eliminated from the government-wide statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's business-type and governmental activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

#### C. Fund Financial Statements

The fund financial statements provide information about the City's funds, including its blended component units. Separate statements for each fund category—governmental, proprietary and fiduciary—are presented, even though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

*Governmental funds* are those funds through which most governmental functions are typically financed.

The City reports the following major governmental funds:

The *General Fund* is used to account for all financial transactions not reported in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, parks and recreation, community development, and capital outlay.

The *Debt Service Fund* is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of the City. The principal source of revenue for debt service is local property taxes.

The *Capital Projects Fund* is used to account for the expenditures of resources accumulated from the sale of bonds, appropriations of local resources from other funds and related interest earnings for capital improvement projects, other than Public Improvement Districts (PIDs), within the City. Capital projects activities related to PIDs within the City are accounted for in a separate, nonmajor capital projects fund as described below.

The *State and Federal Grants Fund* is used to account for the expenditures of resources awarded or provided for state and federal grant programs.

In addition, the City reports the following nonmajor fund types:

*Special revenue funds* are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects. The City's special revenue funds are aggregated and reported as nonmajor funds.

*Proprietary funds* are used to account for activities that are similar to those often found in the private sector, and include all assets, liabilities, deferred outflows and inflow of resources, net position, revenues, expenses and interfund transfers related to enterprise funds and internal service funds.

The City reports the following proprietary funds:

The *Enterprise Fund* is a major fund used to account for the City's water, wastewater and gas operations. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges.

The *Internal Service Fund* is a type of proprietary fund used to account for the financing of goods or services provided by one department or program to other departments or programs of the City on a cost-reimbursement basis. Goods and services provided by the internal service fund include fleet replacement and employee health benefits.

The City reports the following fiduciary funds:

The *Public Improvement Districts Custodial Fund* accounts for special assessment collections and proceeds from special assessment bonds used to service debt on the special assessment bonds issued by the City as the custodian for the PIDs within the City. Private developer contributions associated with the debt issuance are also recorded here until project completion, when the developer will convey the infrastructure assets to the City.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### **D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. *Measurement focus* indicates the type of resources being measured such as current financial resources or economic resources. The *basis of accounting* indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means that the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as required under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Interest associated with the current period is considered to be susceptible to accrual, and has been recognized as revenues of the current period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period. All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the City.

#### **E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

##### **1. Cash and Cash Equivalents**

The City's cash and cash equivalents are considered to be cash on hand, bank demand or time deposits, money market mutual funds and local government investment pools with original maturities of three months or less from the date of acquisition. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost or net asset value. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

##### **2. Investments**

Investments for the City are reported at fair value.

##### **3. Restricted Cash and Investments**

The City has restricted certain cash and investments for refundable customer deposits. The remaining unspent proceeds from bonded debt are restricted in the capital projects fund.

# City of Tomball, Texas

## Notes to the Basic Financial Statements

### 4. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from the Enterprise Fund are recognized at the end of each fiscal year on a pro rata basis, based on billings during the month following the close of the fiscal year.

### 5. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

### 6. Capital Assets

Capital assets, including land, construction in progress, buildings and improvements, machinery and equipment, vehicles, right-to-use lease assets, infrastructure (e.g., roads, bridges and similar items) and water, wastewater and gas system, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and are reported in the proprietary fund statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$20,000, and an estimated useful life in excess of one year.

In the case of the initial capitalization of infrastructure assets, the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of some of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Land and construction in progress are not depreciated. The remaining capital assets of the City are depreciated using the straight line method over the following estimated useful lives:

<u>Capital Asset Classification</u>	<u>Estimated Useful Life</u>
Buildings and improvements	20 to 50 years
Machinery and equipment	3 to 40 years
Vehicles	3 to 15 years
Infrastructure	40 to 50 years
Water, wastewater and gas system	20 to 40 years

### 7. Leases

#### Lessee

The City is a lessee for noncancellable leases of property and equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value of \$20,000 or more.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

#### Lessor

The City is a lessor for noncancellable leases of property and equipment. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### **8. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until then. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.



## City of Tomball, Texas

### Notes to the Basic Financial Statements

The City has the following items that qualify for reporting in these categories:

- Deferred outflows of resources - contributions to the pension and OPEB plans after the measurement date of each plan are recognized as reductions of the applicable liability in the subsequent year.
- Deferred outflows/inflows of resources from other pension and OPEB activities are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and OPEB plan, except for projected and actual earnings differences on investments which are amortized on a closed basis over a 5-year period.
- Deferred inflows of resources from leases are amortized over the life of the lease.

#### **9. Compensated Absences**

The City's policy permits employees to accumulate earned but unused vacation, sick and compensatory time benefits. Eligible time accumulated, up to certain limits, may be paid to employees upon separation from service.

The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

#### **10. Landfill Post-Closure Care Costs**

The City reports municipal solid waste landfill costs in accordance with Governmental Accounting Standards Board (GASB) Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Post-Closure Care Costs*. The liability for landfill post-closure costs is reported as long-term debt.

#### **11. Pensions**

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

#### **12. Other Post-Employment Benefits**

The City participates in two single-employer defined benefit other post-employment benefit (OPEB) plans (the Plans). For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms for the Plans.

#### **13. Net Position Policies**

Net position within the government-wide, proprietary fund and custodial fund financial statements is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City classifies net position as follows:

*Net investment in capital assets* – the component of net position that reports capital assets, net of accumulated depreciation, and net of related debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

*Restricted* - the component of net position that is constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

*Unrestricted* - the component of net position that includes the residual difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources that is not classified in the categories mentioned above.

#### **14. Net Position Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### **15. Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City classifies governmental fund balances as follows:

*Nonspendable* – includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes prepaid items and inventories, when applicable.

*Restricted* – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation.

*Committed* – includes amounts that are constrained for specific purposes that are internally imposed by the City through formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by action or adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by City Council action or the resolution remains in place until a similar action is taken (the action or adoption of another resolution) to remove or revise the limitation.

*Assigned* – includes fund balance amounts that are self-imposed by the City to be used for specific purposes, but do not meet the criteria to be classified as nonspendable, restricted or committed. City Council has, by policy, authorized the City Manager or his/her designee to assign fund balance. City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

*Unassigned* – includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. The general fund should be the only fund that reports a positive unassigned fund balance. Unassigned fund balance may also include deficit balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

The City strives to maintain an unassigned fund balance of not less than 25 percent of the budgeted operational expenditures in all City funds. Due to the volatile nature of a majority of its revenues, it is not deemed excessive for the City to maintain an unassigned fund balance in the general fund at levels greater than 33 percent of the budgeted operational expenditures. The purpose of this unassigned balance is to alleviate significant unanticipated budget shortfalls and to ensure the orderly provisions of service to citizens. Should unassigned fund balance fall below the goal or have a deficiency, the City will seek to reduce expenditures prior to increasing revenues to replenish fund balance within a reasonable timeframe.

#### **16. Fund Balance Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

### **F. Revenues and Expenditures / Expenses**

#### **1. Program Revenues**

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

#### **2. Property Taxes**

Property values are determined by the Harris County Appraisal District as of January 1 of each year. Prior to October 1 of each year, the City must adopt its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for the current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of July 1 of each year.

#### **3. Proprietary Fund Operating and Nonoperating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. The enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### **G. Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### H. Implementation of New Accounting Standards

GASB Statement No. 87, *Leases* (GASB 87), establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2019; however, issuance of GASB 95 extended the effective date of GASB 87 to reporting periods beginning after June 15, 2021, with earlier application encouraged. GASB 87 was implemented in the City's 2022 financial statements, resulting in recognition of \$100,801 in lease liabilities and lease assets (\$63,625 City, \$37,176 Tomball Economic Development Corporation) and recognition of \$1,014,800 in lease receivable and deferred inflows of resources for leases (Tomball Economic Development Corporation) as of October 1, 2021, to net position in the government-wide financial statements to conform to the new standard.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* (GASB 89), establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by GASB 89. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2019; however, issuance of GASB 95 extended the effective date of GASB 89 to reporting periods beginning after December 15, 2020, with earlier application encouraged. GASB 89 was implemented in the City's fiscal year 2022 financial statements with no impact to amounts reported under previous standards.

#### I. Upcoming Accounting Pronouncements

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (GASB 94), improves financial reporting by addressing issues related to public-private and public-public partnership arrangements and provides guidance for accounting and financial reporting for availability payment arrangements. The requirements of this statement are effective for reporting periods beginning after June 15, 2022, with earlier application encouraged. GASB 94 will be implemented in the City's fiscal year 2023 financial statements and the impact has not yet been determined.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96), provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset - and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments; and 4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for reporting periods beginning after June 15, 2022, with earlier application encouraged. GASB 96 will be implemented in the City's fiscal year 2023 financial statements and the impact has not yet been determined.

GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100), enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement 1) defines accounting changes and corrections of errors; 2) prescribes the accounting and financial reporting for each type of accounting change and error corrections; and 3) clarifies required note disclosures. The requirements of this statement are effective for reporting periods beginning after June 15, 2023, with earlier application encouraged. GASB 100 will be implemented in the City's fiscal year 2024 financial statements and the impact has not yet been determined.

# City of Tomball, Texas

## Notes to the Basic Financial Statements

GASB Statement No. 101, *Compensated Absences* (GASB 101), improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 will be implemented in the City's fiscal year 2025 financial statements and the impact has not yet been determined.

### Note 2. Stewardship, Compliance and Accountability

#### Budget

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, debt service fund, court security fund, court technology fund, hotel occupancy tax fund, child safety fund, and public improvement districts fund. The capital projects funds and the state and federal grant major special revenue fund are appropriated on a project-length basis.

The original budget is adopted by the City Council prior to the beginning of the fiscal year. The legal level of budgetary control as defined by the City Charter is the department level in the general fund, and fund level for all other funds. The City Manager may transfer appropriations within departments without seeking approval from City Council.

#### Encumbrances

Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget. Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances.

As of September 30, 2022, the City had the following outstanding encumbrances that were re-appropriated in the subsequent year:

	Encumbrances Included in <hr/> Restricted Fund Balance
Capital projects fund	<hr/> \$ 904,407
<b>Total encumbrances</b>	<hr/> <hr/> \$ 904,407

### Note 3. Deposits and Investments

#### A. Cash Deposits

The City's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas Public Funds Collateral Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the City's and the depository banks' agent bank. The pledged securities shall be in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

# City of Tomball, Texas

## Notes to the Basic Financial Statements

### Custodial Credit Risk - Cash Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of September 30, 2022, the City's bank balances were not exposed to custodial credit risk because they were fully insured and collateralized.

### B. Investments

The Public Funds Investment Act (PFIA) (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the City to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity, allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

The City is authorized to invest in the following instruments provided that they meet the guidelines of the investment policy:

1. Obligations of, or guaranteed by governmental entities as permitted by Government Code 2256.009
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011
4. Commercial paper as permitted by Government Code 2256.013
5. No-load money market mutual funds and no-load mutual funds as permitted by Government Code 2256.014
6. Public funds investment pools as permitted by Government Code 2256.016.

The Council has adopted a written investment policy regarding the investment of City funds as required by the PFIA. The City's investment policy is more restrictive than the PFIA requires. The City's investment policy does not allow investments in bankers' acceptances.

Cash, cash equivalents and investments as of September 30, 2022 are classified in the financial statements as follows:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents	Investments
Governmental funds	\$ 37,286,534	\$ 3,231,443	\$ 8,140,890
Internal service fund	3,539,796	-	-
<b>Total governmental activities</b>	<b>40,826,330</b>	<b>3,231,443</b>	<b>8,140,890</b>
Enterprise fund	14,310,645	684,938	-
<b>Total business-type activities</b>	<b>14,310,645</b>	<b>684,938</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 55,136,975</b>	<b>\$ 3,916,381</b>	<b>\$ 8,140,890</b>
<b>Total Discretely Presented Component Unit</b>	<b>\$ 16,332,467</b>	<b>\$ -</b>	<b>\$ 6,282,515</b>

# City of Tomball, Texas

## Notes to the Basic Financial Statements

As of September 30, 2022, the City had the following cash, cash equivalents and investments:

	Amount	%	Fair Value Level 2	Weighted Average Maturity (Years)	Credit Risk Rating S&P	Credit Risk Rating Moody's
<b>Primary Government</b>						
Investments measured at fair value:						
Municipal bonds	\$ 5,752,075	71%	5,752,075	1.1	AA- to AAA	Aa3 to Aaa
U.S. agency bonds	2,388,815	29%	2,388,815	1.5	AA+	Aaa
<b>Total investments</b>	<b>\$ 8,140,890</b>	<b>100%</b>	<b>8,140,890</b>	<b>1.2</b>		
Cash	\$ 3,458,403					
Cash equivalents:						
Local government investment pools:						
TexPool	44,469,009				AAAm	
TexPool Prime	3,220,509				AAAm	
Texas CLASS	5,848,123				AAAm	
Money market	2,057,312					
<b>Total cash and cash equivalents</b>	<b>\$ 59,053,356</b>					
<b>Discretely Presented Component Unit</b>						
Investments measured at fair value:						
Municipal bonds	\$ 4,881,640	78%	4,881,640	0.8	AA to AAA	Aa2 to Aaa
U.S. agency bonds	1,400,875	22%	1,400,875	2.0	AA+	Aaa
<b>Total investments</b>	<b>\$ 6,282,515</b>	<b>100%</b>	<b>6,282,515</b>	<b>1.1</b>		
Cash	\$ 265,310					
Cash equivalents:						
Local government investment pools:						
TexPool	15,083,093				AAAm	
Texas CLASS	984,064				AAAm	
<b>Total cash and cash equivalents</b>	<b>\$ 16,332,467</b>					

### Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Municipal bonds and U.S. agency bonds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Local Government Investment Pools

Local government investment pools are considered cash equivalents and are measured at either amortized cost or net asset value (NAV), depending on the valuation policies of the underlying portfolio.

#### TexPool and TexPool Prime

TexPool is duly chartered and overseen by the State Comptroller's Office, administered and managed by Federated Investors, Inc. State Street Bank serves as the custodial bank. The TexPool portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; and AAA rated money market mutual funds. The TexPool Prime portfolio consists of these instruments as well as commercial paper and certificates of deposit.

TexPool and TexPool Prime transact at a net asset value of \$1.00 per share, have a weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by a nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. The investment pools have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

#### Texas Cooperative Liquid Asset Securities System Trust (Texas CLASS)

Texas CLASS was created in accordance with the requirements contained in section 2256.016 of the PFIA. The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and Wells Fargo Bank Texas, N.A. as Custodian.

Texas CLASS is an external investment pool measured at fair value, i.e. net asset value. The investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. Texas CLASS has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. The Texas CLASS portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; AAA rated money market mutual funds; and commercial paper.

#### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The City monitors interest rate risk utilizing weighted average maturity analysis and specific identification. In accordance with its investment policy, the City reduces its exposure to declines in fair values by limiting the weighted average maturity of any internally created pool to no more than 90 days and any individual investment not to exceed four years from the date of purchase, unless approved by the governing body. During the year ended September 30, 2022, the City did not invest in any securities which were highly sensitive to interest rate fluctuations.



## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The minimum rating required by the Public Funds Investment Act for local government investment pools is AAA or AAAm. Obligations of federal, state or local government securities and must be rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent. During the year ended September 30, 2022, the City was not significantly exposed to credit risk, and its investment pools, municipal bonds and U.S. agency bonds met the minimum required rating as noted in the preceding table.

#### Concentration of Credit Risk

The investment policy of the City requires the investment portfolio to be diversified in terms of investment instruments, maturity scheduling, and financial institutions in order to reduce the risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

#### Custodial Credit Risk – Investments

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party custodian.

#### Note 4. Receivables

Receivables at September 30, 2022, consist of the following:

	Governmental Activities					Business-Type Activities	Tomball	
	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds	Internal Service Fund	Enterprise Fund	Economic Development Corporation
Property taxes	\$ 89,358	\$ 113,619	\$ -	\$ -	\$ 202,977	\$ -	\$ -	\$ -
Sales and other taxes	2,851,947	-	-	-	2,851,947	-	-	930,796
Utility receivable	463,248	-	-	-	463,248	-	2,302,490	-
Interest	-	-	-	-	-	-	-	2,638
Other	304,286	-	18,943	12,224	335,453	-	9,390	433,553
Due from other governments	344,497	-	-	-	344,497	53,250	-	-
Due from component unit	131,933	-	-	-	131,933	17,841	-	-
Due from fiduciary	26,606	-	-	-	26,606	-	-	-
Lease receivable	-	-	-	-	-	-	-	833,221
Less: allowance for uncollectibles	(261,639)	(113,619)	-	-	(375,258)	-	(466,234)	-
<b>Totals</b>	<b>\$ 3,950,236</b>	<b>\$ -</b>	<b>\$ 18,943</b>	<b>\$ 12,224</b>	<b>\$ 3,981,403</b>	<b>\$ 71,091</b>	<b>\$ 1,845,646</b>	<b>\$ 2,200,208</b>

#### Leases Receivable

The discretely presented component unit has entered into agreements with other parties to allow the right-to-use warehouse and office space. Lease receivables and deferred inflows at September 30, 2022, are reported within the government-wide statement of net position. Lease revenue of \$316,832 was recognized in the statement of activities in the current year.

# City of Tomball, Texas

## Notes to the Basic Financial Statements

### Note 5. Capital Assets

Changes in the capital assets for governmental activities for the year ended September 30, 2022, are summarized as follows:

	Beginning Balance	Increases	Decreases	Reclass and Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 7,982,088	\$ -	\$ -	\$ -	\$ 7,982,088
Construction in progress	15,847,571	1,630,856	-	(16,756,770)	721,657
Total capital assets, not being depreciated or amortized	23,829,659	1,630,856	-	(16,756,770)	8,703,745
Capital assets, being depreciated or amortized:					
Buildings and improvements	11,485,435	149,647	-	-	11,635,082
Machinery and equipment	6,495,699	101,815	(120,259)	-	6,477,255
Vehicles	6,422,202	735,470	(97,239)	-	7,060,433
Infrastructure	62,167,906	5,564,730	-	16,798,581	84,531,217
Machinery and equipment - right to use*	63,625	-	-	-	63,625
Total capital assets, being depreciated or amortized	86,634,867	6,551,662	(217,498)	16,798,581	109,767,612
Less accumulated depreciation and amortization for:					
Buildings and improvements	(5,301,134)	(278,555)	-	-	(5,579,689)
Machinery and equipment	(4,622,753)	(307,421)	91,225	-	(4,838,949)
Vehicles	(3,952,845)	(402,618)	47,655	-	(4,307,808)
Infrastructure	(14,274,540)	(1,776,312)	-	-	(16,050,852)
Machinery and equipment - right to use	-	(24,187)	-	-	(24,187)
Total accumulated depreciation and amortization	(28,151,272)	(2,789,093)	138,880	-	(30,801,485)
Total depreciable capital assets, net	58,483,595	3,762,569	(78,618)	16,798,581	78,966,127
<b>Governmental activities capital assets, net</b>	<b>\$ 82,313,254</b>	<b>\$ 5,393,425</b>	<b>\$ (78,618)</b>	<b>\$ 41,811</b>	<b>\$ 87,669,872</b>

\*Beginning balance was restated as of October 1, 2021 due to adoption of GASB 87. See Note 1.H.

# City of Tomball, Texas

## Notes to the Basic Financial Statements

Changes in the capital assets for business-type activities for the year ended September 30, 2022, are summarized as follows:

	Beginning Balance	Increases	Decreases	Reclass and Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 1,897,333	\$ -	\$ -	\$ -	\$ 1,897,333
Construction in progress	452,845	380,119	-	(41,811)	791,153
Total capital assets, not being depreciated or amortized	2,350,178	380,119	-	(41,811)	2,688,486
Capital assets, being depreciated or amortized:					
Gas system	6,707,119	659,580	-	-	7,366,699
Water and wastewater system	58,725,044	2,497,253	-	-	61,222,297
Machinery and equipment	4,375,808	-	(48,088)	-	4,327,720
Total capital assets, being depreciated or amortized	69,807,971	3,156,833	(48,088)	-	72,916,716
Less accumulated depreciation and amortization for:					
Gas system	(3,718,057)	(166,428)	-	-	(3,884,485)
Water and wastewater system	(26,135,074)	(1,419,425)	-	-	(27,554,499)
Machinery and equipment	(2,247,411)	(136,825)	48,088	-	(2,336,148)
Total accumulated depreciation and amortization	(32,100,542)	(1,722,678)	48,088	-	(33,775,132)
Total depreciable capital assets, net	37,707,429	1,434,155	-	-	39,141,584
<b>Business-type activities capital assets, net</b>	<b>\$ 40,057,607</b>	<b>\$ 1,814,274</b>	<b>\$ -</b>	<b>\$ (41,811)</b>	<b>\$ 41,830,070</b>

Depreciation and amortization was charged to governmental and business-type activities as follows:

Governmental activities:	
General government	\$ 705,254
Public safety	1,000,058
Public works	411,303
Community development	166,194
Internal service fund	506,284
<b>Total depreciation and amortization expense, governmental activities</b>	<b>\$ 2,789,093</b>
Business-type activities:	
Utility administration	\$ 136,825
Water	725,967
Wastewater	693,458
Gas	166,428
<b>Total depreciation and amortization expense, business-type activities</b>	<b>\$ 1,722,678</b>

Completed infrastructure, gas system and water and wastewater system assets were donated to the City from third party developers during 2022. These contributions are reported in the governmental activities and business-type activities of the primary government at \$5,564,730 and \$3,156,833, respectively.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

The City has active construction projects and remaining commitments under related contracts. As of September 30, 2022, the City's contractual commitments on projects for governmental and business-type activities were as follows:

Project Description	Project Authorization	Total Expended	Remaining Commitment
Governmental activities:			
Medical Complex Drive	\$ 16,225,410	\$ 16,050,615	\$ 174,795
Alley Improvement Project	248,499	182,729	65,770
Matheson Park Rebuild	695,859	33,350	662,509
FM 2920 Access Management & Improvements	94,685	93,352	1,333
<b>Total governmental activities</b>	<b>\$ 17,264,453</b>	<b>\$ 16,360,046</b>	<b>\$ 904,407</b>
Business-type activities:			
Design of SCADA	\$ 14,500	\$ 14,482	\$ 18
DRI Prime System - 2920 Lift Station	31,850	18,610	13,240
Grand Parkway EST	499,000	158,062	340,938
S. Persimmon Water Line Replacement	92,550	74,879	17,671
<b>Total business-type activities</b>	<b>\$ 637,900</b>	<b>\$ 266,033</b>	<b>\$ 371,867</b>

These commitments are included in encumbrances as described previously in Note 2.

Changes in the capital assets for the discretely presented component unit for the year ended September 30, 2022, are summarized as follows:

	Beginning Balance	Increases	Decreases	Reclass and Transfers	Ending Balance
Discretely presented component unit:					
Capital assets, not being depreciated or amortized:					
Land	\$ 3,871,115	\$ -	\$ (297,456)	\$ -	\$ 3,573,659
Total capital assets, not being depreciated or amortized	3,871,115	-	(297,456)	-	3,573,659
Capital assets, being depreciated or amortized:					
Buildings and improvements	4,233,068	-	-	-	4,233,068
Buildings and improvements - right to use*	37,176	-	-	-	37,176
Total capital assets, being depreciated or amortized	4,270,244	-	-	-	4,270,244
Less accumulated depreciation and amortization for:					
Buildings and improvements	(313,940)	(211,653)	-	-	(525,593)
Buildings and improvements - right to use	-	(17,845)	-	-	(17,845)
Total accumulated depreciation and amortization	(313,940)	(229,498)	-	-	(543,438)
Total depreciable capital assets, net	3,956,304	(229,498)	-	-	3,726,806
<b>Discretely presented component unit capital assets, net</b>	<b>\$ 7,827,419</b>	<b>\$ (229,498)</b>	<b>\$ (297,456)</b>	<b>\$ -</b>	<b>\$ 7,300,465</b>

\*Beginning balance was restated as of October 1, 2021 due to adoption of GASB 87. See Note 1.H.

# City of Tomball, Texas

## Notes to the Basic Financial Statements

### Note 6. Long-Term Debt

#### Changes in Long-Term Liabilities

The City's long-term liabilities consist of bond indebtedness, public property finance contractual obligations, leases payable, compensated absences, landfill postclosure care costs, and net pension liability and total OPEB liability.

Certificates of obligation are issued to acquire and construct major capital facilities. General obligation refunding bonds are issued to legally defease previously issued bonded debt. The debt service requirements for the certificates and general obligation bonds are paid through the Debt Service Fund from tax revenues, transfers from the Enterprise Fund and contributions from the Discretely Presented Component Unit. Public property finance contractual obligations are accounted for and serviced through the Internal Service Fund. Other long-term liabilities are typically liquidated by the General Fund (Governmental Activities) and the Enterprise Fund (Business-Type Activities).

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

The following is a summary of changes in the City's long-term liabilities for the year ended September 30, 2022.

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Certificates of obligation	\$ 15,540,000	\$ -	\$ (975,000)	\$ 14,565,000	\$ 975,000
General obligation refunding bonds	14,875,000	-	(1,560,000)	13,315,000	1,620,000
Unamortized premiums	1,913,996	-	(151,478)	1,762,518	-
Bonds payable, net	32,328,996	-	(2,686,478)	29,642,518	2,595,000
Public property finance contractual obligation	1,039,868	-	(130,000)	909,868	130,000
Leases payable*	63,625	-	(24,406)	39,219	24,670
Compensated absences	1,801,201	1,330,101	(1,104,278)	2,027,024	608,107
Landfill postclosure care costs	351,375	64,275	(54,150)	361,500	60,800
Net pension liability	4,943,051	5,041,180	(7,249,536)	2,734,695	-
Total OPEB liability	3,058,362	192,082	(396,401)	2,854,043	-
<b>Total governmental activities</b>	<b>\$ 43,586,478</b>	<b>\$ 6,627,638</b>	<b>\$ (11,645,249)</b>	<b>\$ 38,568,867</b>	<b>\$ 3,418,577</b>
Business-type activities:					
Compensated absences	\$ 268,326	\$ 169,321	\$ (145,119)	\$ 292,528	\$ 87,758
Net pension liability	830,778	873,459	(1,236,884)	467,353	-
Total OPEB liability	668,252	179,595	(77,094)	770,753	-
<b>Total business-type activities</b>	<b>\$ 1,767,356</b>	<b>\$ 1,222,375</b>	<b>\$ (1,459,097)</b>	<b>\$ 1,530,634</b>	<b>\$ 87,758</b>

\*Beginning balance was restated as of October 1, 2021 due to adoption of GASB 87. See Note 1.H.

# City of Tomball, Texas

## Notes to the Basic Financial Statements

### General Obligation Bonds and Certificates of Obligation

A summary of the terms of general obligation bonds and certificates of obligation, as of September 30, 2022, follows:

Description	Original Issue	Final Maturity	Interest Rates (%)	Balance
Certificates of obligation				
Series 2016	\$ 20,240,000	2037	3.00-5.00	<u>\$ 14,565,000</u>
Total certificates of obligation				14,565,000
General obligation refunding bonds				
Series 2013	6,370,000	2023	1.00-1.65	580,000
Series 2019	9,100,000	2032	2.00-4.00	7,840,000
Series 2020	5,255,000	2033	2.00-4.00	<u>4,895,000</u>
Total general obligation refunding bonds				<u>13,315,000</u>
<b>Total governmental activities bonds payable</b>				<u><b>\$ 27,880,000</b></u>

### Public Property Finance Contractual Obligations

The City previously issued \$1,300,000 in Public Property Finance Obligations to finance acquisition of equipment for the Fire Department. Principal and interest payments are due in annual installments through November 1, 2028, with interest at 3.65 percent through November 1, 2023 and at a fixed rate equal to the Wall Street Journal Prime Rate minus 1.35 percent per annum from November 1, 2023 through 2028.

### Debt Service Requirements

The annual debt service requirements to maturity for general obligation refunding bonds, certificates of obligation and public property finance contractual obligations outstanding at September 30, 2022, are as follows:

Year Ending September 30,	Governmental Activities					
	General Obligation Refunding Bonds and Certificates of Obligation			Public Property Finance Contractual Obligations		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 2,595,000	\$ 890,323	\$ 3,485,323	\$ 130,000	\$ 33,215	\$ 163,215
2024	2,060,000	796,262	2,856,262	130,000	28,470	158,470
2025	2,105,000	707,238	2,812,238	130,000	23,725	153,725
2026	2,135,000	616,862	2,751,862	130,000	18,980	148,980
2027	2,185,000	534,738	2,719,738	130,000	14,235	144,235
2028	2,225,000	460,637	2,685,637	130,000	9,490	139,490
2029	2,270,000	389,163	2,659,163	129,868	4,745	134,613
2030	2,295,000	327,312	2,622,312	-	-	-
2031	2,320,000	270,856	2,590,856	-	-	-
2032	2,340,000	212,188	2,552,188	-	-	-
2033	1,470,000	160,200	1,630,200	-	-	-
2034	970,000	121,250	1,091,250	-	-	-
2035	970,000	87,300	1,057,300	-	-	-
2036	970,000	52,744	1,022,744	-	-	-
2037	970,000	17,581	987,581	-	-	-
<b>Totals</b>	<u><b>\$ 27,880,000</b></u>	<u><b>\$ 5,644,654</b></u>	<u><b>\$ 33,524,654</b></u>	<u><b>\$ 909,868</b></u>	<u><b>\$ 132,860</b></u>	<u><b>\$ 1,042,728</b></u>

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Debt Issuances and Prior Defeased Debt

In prior years, the City legally defeased certain bonds and certificates of obligation by placing cash and/or proceeds of refunding bond issues in an irrevocable trust to provide for all future debt services payments on the refunded debt. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of September 30, 2022, there were no outstanding balances of defeased bonds.

#### Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed or are not performed correctly, a liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the Internal Revenue Service's rules and regulations. The City did not identify arbitrage liability as of September 30, 2022.

#### Leases Payable

The City has entered into lease agreements as lessee which allows the right-to-use equipment over the term of the lease. The City is required to make monthly payments at its incremental borrowing rate or the interest rate stated or implied within the leases.

The lease rate, term and ending lease liability at September 30, 2022 are as follows:

	Interest Rate(s)	Lease Term in Years	Ending Balance
Governmental activities:			
Copiers	1.38%	2.6	\$ 39,219
<b>Total governmental activities</b>			<b>\$ 39,219</b>
Discretely presented component unit:			
Office space	1.27%	2.1	\$ 19,434
<b>Total discretely presented component unit</b>			<b>\$ 19,434</b>

The future principal and interest lease payments as of fiscal year end are as follows:

Year Ending September 30,	Governmental Activities			Discretely Presented Component Unit		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 24,670	\$ 386	\$ 25,056	\$ 17,929	\$ 143	\$ 18,072
2024	14,549	67	14,616	1,505	2	1,507
<b>Total</b>	<b>\$ 39,219</b>	<b>\$ 453</b>	<b>\$ 39,672</b>	<b>\$ 19,434</b>	<b>\$ 145</b>	<b>\$ 19,579</b>

The value of the right-to-use assets as of the end of the current fiscal year is reported in Note 5.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Note 7. Commitments and Contingencies

##### A. Risk Management

###### Property Damage / General Liability

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; law enforcement operations; cyber security; pollution; injuries to employees, and natural disasters for which the City participates in the Texas Municipal League's Intergovernmental Risk Pool (the Pool). In accordance with an interlocal agreement, the Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels. The City has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums and claims above the City's deductibles. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts in the past three years.

###### Workers' Compensation

The City participates in the Texas Municipal League's Intergovernmental Risk Pool (the Pool) for workers' compensation. In accordance with an interlocal agreement, the Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels. The City has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums and claims above the City's deductibles. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts in the past three years.

##### B. Contingent Liabilities

The City is a party to various legal action due to nature of its operations. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. It is the opinion of the City's management that the resolution of these matters, although the outcome is not presently determinable, will not have a material adverse effect on the financial condition of the City.

The City participates in a number of federal and state financial assistance programs. Although the City's financial statements have been audited through September 30, 2022, these programs are subject to financial and compliance audits by the grantor agencies. These audits could result in questioned costs or refunds to be paid back to the granting agencies.

#### Note 8. Interfund Transactions

##### Interfund Receivables and Payables

Outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The City did not report interfund receivables and payables as of September 30, 2022.



## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Interfund Transfers

The composition of interfund transfers in and out for the year ended September 30, 2022 is as follows:

Transfers In	Governmental Funds		Proprietary	Total
	Transfers Out			
	General Fund	Capital Projects Fund	Enterprise Fund	
General fund	\$ -	\$ 20,680	\$ 2,001,314	\$ 2,021,994
Capital projects fund	430,000	-	844,500	1,274,500
Nonmajor governmental funds	126,000	-	-	126,000
<b>Total</b>	<b>\$ 556,000</b>	<b>\$ 20,680</b>	<b>\$ 2,845,814</b>	<b>\$ 3,422,494</b>

Transfers are primarily used to:

- move enterprise fund resources to provide an annual subsidy to the general fund
- move available resources to fund special revenue programs, and
- move available resources to provide funding for capital projects

In addition, the City transferred \$338,308 of capital assets between governmental activities and business-type activities, which is reflected in the government-wide financial statements as transfers and proprietary fund financial statements as "capital asset contributions from governmental activities".

#### Note 9. Pension Plan

##### Plan Description and Provisions

The City participates as one of 901 plans in the defined benefit cash-balance pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the "TMRS Act") as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available annual comprehensive financial report that can be obtained at [www.tmr.com](http://www.tmr.com).

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

##### Benefits Provided

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven actuarially equivalent payments options. Members may also choose to receive a portion of their benefit as a partial lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. A summary of plan provisions for the City is as follows:

	Plan Year 2022	Plan Year 2021
Employee deposit rate	7.00%	7.00%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating
Supplemental death benefit:		
to active employees	Yes	Yes
to retirees	Yes	Yes

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	103
Inactive employees entitled to but not yet receiving benefits	108
Active employees	185
<b>Total</b>	<b>396</b>

### Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the State law governing TMRS, the contribution rate for each City is determined annually by the consulting actuary, using the Entry Age Normal (EAN) actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rate for the City was 13.31% in calendar year 2021 and 12.98% in calendar year 2022. For the fiscal year ended September 30, 2022, the City made contributions of \$1,800,366, which were equal to the required contributions.

### Net Pension Liability

The City's net pension liability (NPL) was measured as of December 31, 2021, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of that date.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

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

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements.

For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for annuity purchase rates is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013.

Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global equity	30.0%	5.30%
Core fixed income	10.0%	1.25%
Non-core fixed income	20.0%	4.14%
Real return	10.0%	3.85%
Real estate	10.0%	4.00%
Absolute return	10.0%	3.48%
Private equity	10.0%	7.75%
<b>Total</b>	<b>100%</b>	

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Discount Rate

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

#### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2020	\$ 51,058,470	\$ 45,284,641	\$ 5,773,829
Changes for the year:			
Service cost	2,049,053	-	2,049,053
Interest	3,443,939	-	3,443,939
Difference between expected and actual experience	382,398	-	382,398
Changes in assumptions	-	-	-
Employer contributions	-	1,681,436	(1,681,436)
Employee contributions	-	884,302	(884,302)
Net investment income	-	5,908,562	(5,908,562)
Benefit payments, including refunds of employee contributions	(2,123,342)	(2,123,342)	-
Administrative expense	-	(27,315)	27,315
Other changes	-	186	(186)
Net changes	3,752,048	6,323,829	(2,571,781)
<b>Balance at December 31, 2021</b>	<b>\$ 54,810,518</b>	<b>\$ 51,608,470</b>	<b>\$ 3,202,048</b>

#### Sensitivity of the Net Pension Liability

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

	1% Decrease to 5.75%	Current Single Discount Rate Assumption 6.75%	1% Increase to 7.75%
City's net pension liability (asset)	\$ 11,920,097	\$ 3,202,048	\$ (3,789,558)

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued TMRS financial report. That report may be obtained at [www.tmr.com](http://www.tmr.com).

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

For the year ended September 30, 2022, the City recognized pension expense of \$846,909.

At September 30, 2022, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 435,162	\$ 37,987
Changes in actuarial assumptions used	104,937	-
Differences between projected and actual investment earnings	-	3,026,627
Contributions subsequent to the measurement date	1,326,475	-
<b>Totals</b>	<b>\$ 1,866,574</b>	<b>\$ 3,064,614</b>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$1,326,475 will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2022 (i.e. recognized in the City's fiscal year 2023 financial statements). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in the City's fiscal years as follows:

Year Ending September 30,	Net Deferred Outflows (Inflows) of Resources
2023	\$ (356,903)
2024	(1,078,561)
2025	(551,856)
2026	(537,195)
<b>Totals</b>	<b>\$ (2,524,515)</b>

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Note 10. Other Postemployment Benefits Plans

The City offers two other postemployment benefit (OPEB) plans: Texas Municipal Retirement System's (TMRS) Supplemental Death Benefits Fund, and the City's Retiree Health Care Plan.

##### Plan Descriptions and Provisions, Benefits, Contributions

###### TMRS Supplemental Death Benefits Fund (SDBF)

The City participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an OPEB.

As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e., no plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75).

Contributions are made monthly based on the covered payroll of employee members of the participating member city. The contractually required contribution rate is determined annually for each city. The rate is based on the mortality and service experience of all employees covered by the SDBF and the demographics specific to the workforce of the city. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect. The funding policy of this plan is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. As such, contributions are utilized to fund active member deaths on a pay-as-you-go basis; any excess contributions and investment income over payments then become net position available for benefits.

The retiree portion of contribution rates to the SDBF for the City was 0.12% and 0.11% in calendar years 2022 and 2021, respectively. The City's contributions to the SDBF for the year ended September 30, 2022 were \$16,180, and were equal to the required contributions.

###### Retiree Health Care Plan (RHCP)

The City's administers a single employer defined benefit OPEB plan, City of Tomball Retiree Health Care Plan (RHCP), where the City will pay a portion of the premium for continuation of the medical and dental insurance coverage of certain retirees. Enrollment for retiree coverage must be completed no later than 30 days after the date of retirement. Later enrollment is not permitted. Any retiree eligible for medical coverage with another group plan shall not qualify for medical coverage with the City.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

The RHCP is closed to new entrants as the benefit is only provided to employees who were hired prior to October 1, 2014.

In order to be eligible for this benefit, the retiree must meet the following criteria:

- Retiree must be vested, age 55 or older and a current recipient of retirement benefits from the Texas Municipal System
- Retiree must have been a full-time equivalent of the City for 10 consecutive years immediately prior to retirement
- Retiree must satisfy the application plan requirements for the extension of retiree coverage under the medical and dental insurance benefit plan offered by the City at the time of retirement

Beginning with retirement and ending when the person is eligible for Medicare coverage, the City may pay a portion of the retiree medical and dental coverage premiums in accordance with the following schedule:

- 40% of the premium costs for retirees having at least 10 year, but less than 15 years, of full-time service with the City
- 55% of the premium costs for retirees having at least 15 years, but less than 20 years, of full-time service with the City
- 70% of the premium costs for retirees having at least 20 years, but less than 25 years, of full-time service with the City
- 85% of the premium costs for retirees having at least 25 years of full-time service with the City

Eligible retirees shall pay 100% of vision premiums and 100% of the premiums for basic life insurance. Presently, a retiree's spouse and dependent(s) are also eligible for continued coverage if they are already covered at the time of retirement. Retirees may not add dependents after retiring. Each retiree is responsible for all costs, including premiums, associated with spouse and dependent benefits. The benefit includes the same medical coverage approved by City Council and selected for current employees and excludes accidental death and life coverage.

The City will no longer pay any retiree premiums once the retiree is eligible for Medicare coverage. Retirees who are eligible for Medicare coverage may, at their sole expense, continue to purchase coverage for themselves and their eligible dependents as provided under the applicable terms of the City's policies. The City's policy will be a secondary policy to Medicare.

The benefit levels and contribution rates are approved annually by the City management and City Council as part of the budget process. Since the City does not contribute toward the RHCP in advance, the City employs a pay-as-you-go method ensuring the annually retiree contributions are equal to the benefits that are paid on behalf of the retirees.

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to fund the future requirements of the RHCP.

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Plan Membership

Membership in the plans as of the measurement date of December 31, 2021 was as follows:

	SDBF	RHCP
Inactive plan members or beneficiaries currently receiving benefits	85	31
Inactive plan members entitled to but not yet receiving benefits	41	-
Active employees	185	65
<b>Total plan members</b>	<b>311</b>	<b>96</b>

#### Total OPEB Liability

The City's total OPEB liability for each of its OPEB plans was determined by an actuarial valuation and measured as of December 31, 2021. The total OPEB liabilities reported in the City's September 30, 2022 financial statements were as follows:

SDBF	\$ 763,825
RHCP	2,860,971
	<u>\$ 3,624,796</u>

#### Actuarial Methods and Assumptions

The total OPEB liabilities were determined using the following actuarial assumptions and other inputs.

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate	1.84% - based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

The retiree's share of benefit-related costs for the SDBF OPEB is assumed to be \$0, and the healthcare trend cost rate for the RHCP actuarial valuation is assumed at an initial rate of 7.00%, declining to an ultimate rate of 4.15% after 15 years.

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

The actuarial assumptions were developed primarily from the actuarial investigation over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation.



## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### Change in Actuarial Methods and Assumptions

The discount rate changed from 2.00% as of December 31, 2020 to 1.84% as of December 31, 2021.

#### Changes in the Total OPEB Liability

	SDBF	RHCP
Service cost	\$ 35,372	\$ 106,726
Interest	14,474	59,946
Changes in benefit terms	-	-
Difference between expected and actual experience	(9,958)	(124,428)
Changes in assumptions or other inputs	24,879	(55,532)
Benefit payments	(13,896)	(139,401)
Net changes	50,871	(152,689)
Total OPEB liability - beginning	712,954	3,013,660
<b>Total OPEB liability - ending</b>	<b>\$ 763,825</b>	<b>\$ 2,860,971</b>

#### Sensitivity Analysis

The following presents the City's total OPEB liabilities calculated using the discount rate of 1.84%, as well as what the liabilities would be if they were calculated using a discount rate that is 1 percentage point lower (0.84%) or 1 percentage point higher (2.84%) than the current rate.

	1% Decrease to 0.84%	Current Discount Rate Assumption 1.84%	1% Increase to 2.84%
SDBF	\$ 949,212	\$ 763,825	\$ 624,590
RHCP	3,148,665	2,860,971	2,600,813

The following presents the RHCP plan's total OPEB liability, calculated using the assumed healthcare cost trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher. Note that the healthcare cost trend rate does not affect the total SDBF OPEB liability, therefore the sensitivity to the healthcare cost trend rate is not shown for SDBF.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
RHCP	\$ 2,521,392	\$ 2,860,971	\$ 3,269,926

## City of Tomball, Texas

### Notes to the Basic Financial Statements

#### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2022, the City recognized OPEB expense of \$87,801 relating to the SDBF plan and OPEB expense of \$120,509 relating to the RHCP plan. Total OPEB expense for the two plans was \$208,310.

As of September 30, 2022, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	SDBF		RHCP	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,522	\$ 12,317	\$ 7,074	\$ 370,903
Changes in assumptions and other inputs	133,678	10,478	249,631	108,031
Contributions subsequent to the measurement date	12,263	-	76,572	-
<b>Total</b>	<b>\$ 152,463</b>	<b>\$ 22,795</b>	<b>\$ 333,277</b>	<b>\$ 478,934</b>

The amounts reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending September 30, 2023.

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense in the City's fiscal years as follows:

Year Ending September 30,	Net Deferred Outflows (Inflows) of Resources	
	SDBF	RHCP
2023	\$ 37,600	\$ (46,163)
2024	32,413	(46,163)
2025	34,117	(52,455)
2026	12,299	(61,368)
2027	976	(2,882)
Thereafter	-	(13,198)
<b>Totals</b>	<b>\$ 117,405</b>	<b>\$ (222,229)</b>

## **City of Tomball, Texas**

### Notes to the Basic Financial Statements

#### **Note 11. Deferred Compensation Plan**

The City has a deferred compensation plan for its employees, created in accordance with Internal Revenue Code, Section 457. Participation in the plan is open to all regular employees and is voluntary. The City does not contribute to, own or administer the amount deferred by employees and, therefore, the liability and corresponding investments are not reflected in the basic financial statements.

#### **Note 12. Landfill Post Closure Care Costs**

The City's municipal solid waste landfill is in the post closure process as the landfill has been closed. State and federal laws and regulations required that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site until approved for final regulatory closure by the Texas Commission on Environmental Quality.

The estimated liability for landfill post closure care costs of \$361,500 as of September 30, 2022, represents the remaining estimated post closure costs required to achieve regulatory approval for closure including costs through 2027. However, the actual cost of remaining post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

#### **Note 13. Tax Abatements**

State law authorizes subdivisions of the State of Texas to grant tax abatements to any person, organization or corporation in order to stimulate economic development within the State under Chapter 312 of the Texas Tax Code. Consequently, the City Council has adopted a resolution establishing criteria whereby the City will, on a case-by-case basis, give consideration to providing tax abatement to any qualifying applicant. Generally, the period of abatement is for a maximum period of up to ten years subsequent to meeting the minimum criteria outlined in the agreement. The percentage of tax abated shall be determined based upon the level capital investment and number of new jobs created. Notwithstanding the resolution adopted by the City Council, or the criteria attendant thereto, it is not implied or suggested that the City is under any obligation to provide tax abatement to any applicant. The abatements are provided as a reduction of taxable assessed value of the property, and the recipient receives a tax bill that is already net of the abated amount.

For the fiscal year ended September 30, 2022, the estimated value of property in the City that was subject to tax abatement was \$10,930,372, as one participant met the minimum criteria identified in the agreements; therefore, the amount of property tax abated during the year was \$36,435.

#### **Note 14. Special Assessment Bonds**

The Raburn Reserve Public Improvement District (PID) was created by City Council ordinance in September 2020 under the Texas PID Act (Texas Local Government Code Chapter 372) principally to finance certain capital improvement projects for the master planned development known as "Raburn Reserve". In order to finance the capital improvements, the City can issue special assessment bonds up to a maximum principal amount of \$15,000,000, per an amended development agreement between the City and the developer.

## **City of Tomball, Texas**

### Notes to the Basic Financial Statements

On October 20, 2020, the City issued \$2,490,000 of Special Assessment Revenue Bonds, Series 2020 (Raburn Reserve Public Improvement Area #1) (the PID bonds). The PID bonds were issued to fund authorized improvements related to the Raburn Reserve Public Improvement Area #1, PID formation costs and pay for the costs of issuance. The PID bonds pay interest of 3.375 – 4.000%, and are scheduled to mature on September 15, 2030 at \$475,000 and September 15, 2050 at \$2,015,000. The PID bonds are subject to mandatory sinking fund redemption prior to their respective maturities and require annual sinking fund installments starting September 15, 2022 and ranging from \$45,000 to \$150,000. The remaining balance as of fiscal year ended September 30, 2022 for the PID bonds is \$2,445,000.

The City is authorized by the Texas PID Act and an Assessment Ordinance to collect assessments levied on the properties within the improvement area, which is pledged to pay the scheduled principal and interest payments on the PID bonds.

The City is in no way liable for repayment of the PID bonds, and is only acting as a custodian for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings, if appropriate.

#### **Note 15. Related Parties**

During the fiscal year ended September 30, 2022, transactions with related parties of the City and the Corporation were as follows:

The City incurred \$42 thousand of expenditure transactions with a company controlled by a director of the Corporation during the fiscal year.

#### **Note 16. Subsequent Events**

##### **Issuance of Certificates of Obligation**

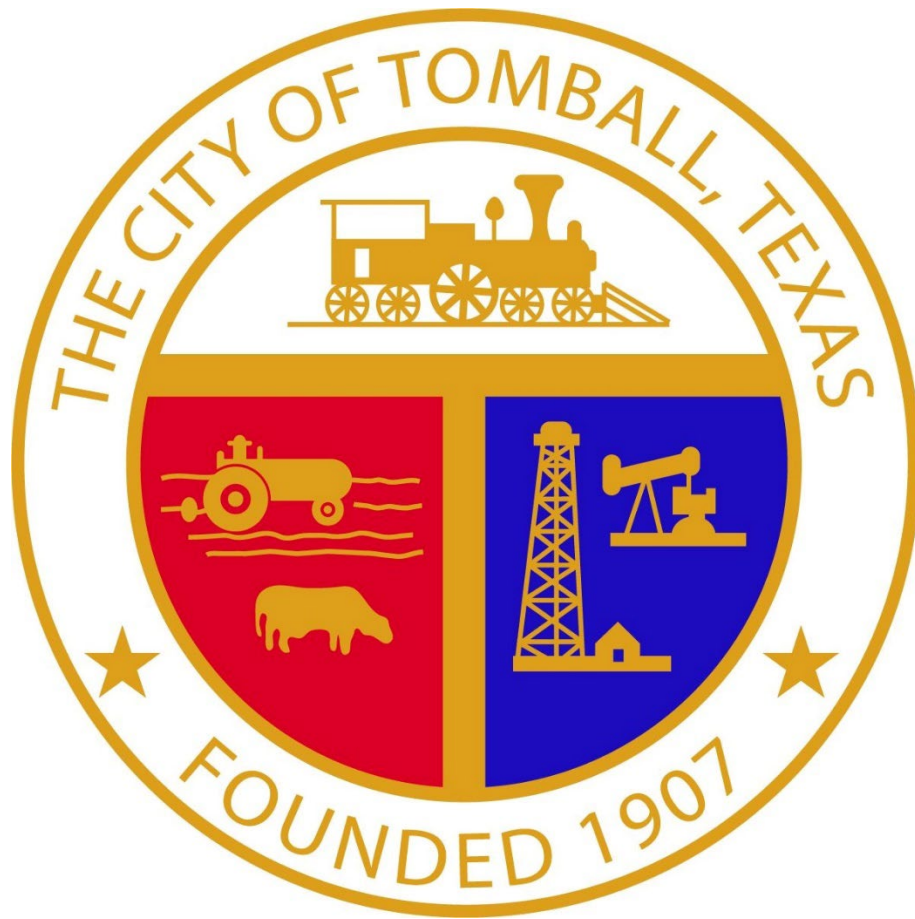
On October 27, 2022, the City issued \$19,570,000 of Combination Tax and Revenue Certificates of Obligation, Series 2022. The bonds were issued to fund various infrastructure projects and to pay the costs of issuance. The bonds were issued with interest rates ranging from 4.125% to 5.000% and are scheduled to mature on February 15, 2042.

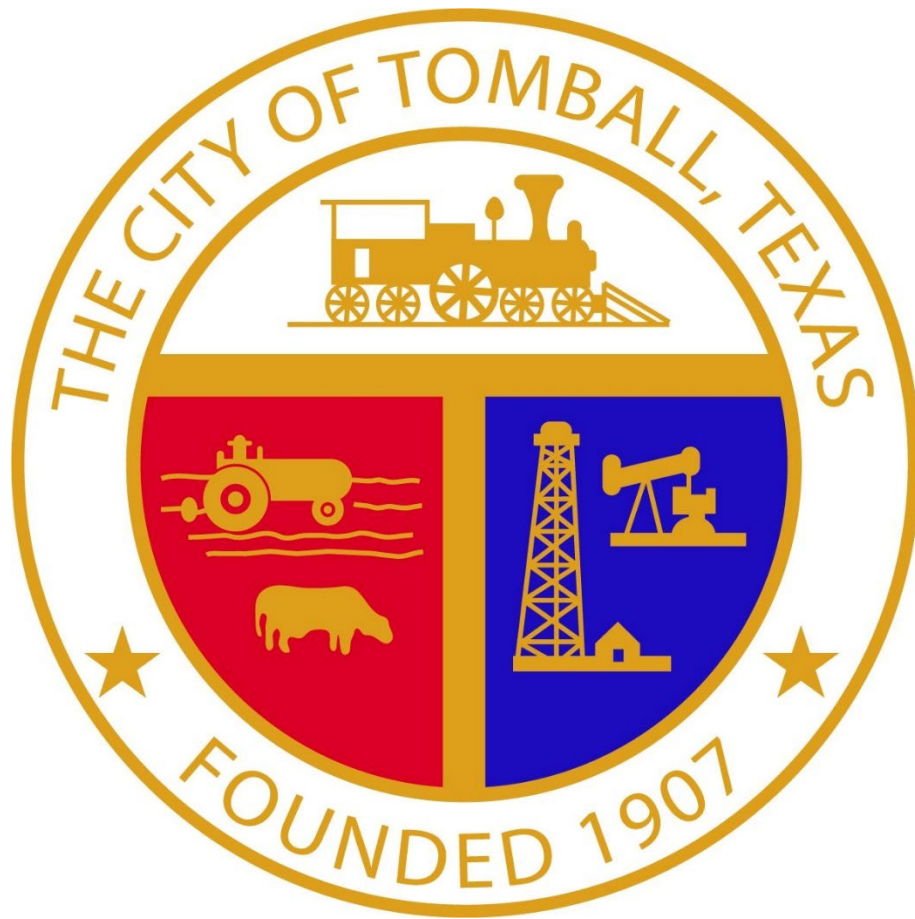
##### **Issuance of Special Assessment Bonds**

During October 2022, the City issued three separate series of special assessment bonds totaling \$8,524,000 to finance certain capital improvement projects for master planned developments. The bonds were issued with interest rates ranging from 4.75% to 6.25% and are scheduled to fully mature in 2052. The City is in no way liable for repayment of the bonds and is only acting as a custodian for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings, if appropriate.

##### **Cybersecurity Breach**

During December 2022, the City became aware of a ransomware attack that affected the City's information technology infrastructure, resulting in the loss of use of critical financial and operational data. The City subsequently filed with its insurance carrier and obtained a recovery team in order to retrieve its data. The City has recovered substantially all of its original information and has initiated multiple corrective measures since the incident to prevent any future attacks. Given the pervasive effect of the incident, future discovery could result in unanticipated corrections to the financial statements.





# **Required Supplementary Information (Unaudited)**

**City of Tomball, Texas**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance – Budget and Actual  
 Major Fund - General Fund  
 For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property tax	\$ 3,545,000	\$ 3,940,000	\$ 3,915,320	\$ (24,680)
Sales tax	12,590,000	14,805,000	16,312,753	1,507,753
Franchise and other taxes	1,050,000	937,000	948,804	11,804
Licenses and permits	1,542,500	1,892,500	2,099,085	206,585
Fines and forfeitures	350,000	299,350	311,384	12,034
Charges for services	3,319,867	3,357,425	3,530,408	172,983
Intergovernmental	723,000	799,000	882,201	83,201
Investment earnings (loss)	7,670	150,520	(9,627)	(160,147)
Other	68,650	211,550	207,984	(3,566)
Total revenues	23,196,687	26,392,345	28,198,312	1,805,967
<b>EXPENDITURES</b>				
Current				
General government				
City manager's office	412,818	388,375	383,028	5,347
Mayor and council	87,660	78,430	58,875	19,555
City secretary	465,409	455,575	403,799	51,776
Human resources	478,812	532,500	531,623	877
Finance	858,441	844,775	822,875	21,900
Information systems	875,120	906,425	751,470	154,955
Legal	140,000	145,000	132,075	12,925
Non-departmental	3,783,419	3,694,682	3,619,453	75,229
Total	7,101,679	7,045,762	6,703,198	342,564
Public safety				
Police	7,014,095	7,265,700	7,118,722	146,978
Fire	3,296,791	3,651,785	3,213,087	438,698
Municipal court	472,246	440,950	416,676	24,274
Emergency management	21,800	26,850	5,855	20,995
ESD# 15 - Station 5	1,057,918	1,063,900	973,684	90,216
Total	11,862,850	12,449,185	11,728,024	721,161
Public works				
Public works administration	90,666	87,650	79,959	7,691
Garage	194,220	202,550	188,679	13,871
Streets	1,241,328	1,300,625	1,057,334	243,291
Engineering and planning	578,875	596,175	628,399	(32,224)
Sanitation	1,815,200	1,902,200	1,893,113	9,087
Facilities maintenance	852,958	984,300	1,019,901	(35,601)
Total	4,773,247	5,073,500	4,867,385	206,115
Parks and recreation				
Parks	681,864	721,450	692,531	28,919
Community center	179,318	187,250	171,668	15,582
Total	861,182	908,700	864,199	44,501
Community development				
Permits and inspections	428,631	408,750	369,924	38,826
Debt service				
Principal	-	-	24,406	(24,406)
Interest	-	-	650	(650)
Total expenditures	25,027,589	25,885,897	24,557,786	1,328,111
Excess (deficiency) of revenues over expenditures	(1,830,902)	506,448	3,640,526	3,134,078
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	40,000	24,000	23,934	(66)
Insurance recoveries	-	40,000	39,967	(33)
Transfers in	2,668,418	2,001,314	2,021,994	20,680
Transfers out	(556,000)	(556,000)	(556,000)	-
Total other financing sources (uses)	2,152,418	1,509,314	1,529,895	20,581
Net change in fund balances	321,516	2,015,762	5,170,421	3,154,659
Fund balances, beginning of year	21,456,885	21,456,885	21,456,885	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 21,778,401</b>	<b>\$ 23,472,647</b>	<b>\$ 26,627,306</b>	<b>\$ 3,154,659</b>

The Notes to the Required Supplementary Information are an integral part of this schedule.



## City of Tomball, Texas

Notes to the Required Supplementary Information  
For the Fiscal Year Ended September 30, 2022

### A. Budget – General Fund

Annual budgets are adopted on a basis consistent with generally accepted accounting principles, which is the modified accrual basis of accounting for the general fund.

The original budget is adopted by the City Council prior to the beginning of the fiscal year. The legal level of budgetary control as defined by the City Charter is the department level in the general fund, and fund level for all other funds. The City Manager may transfer appropriations within departments without seeking approval from City Council. Capital outlay is budgeted within the respective department.

Expenditures exceeded budget at the legal level of control for the following departments:

	Final Budget	Actual Amount	Variance With Final Budget Positive (Negative)
Public works - engineering and planning	\$ 596,175	\$ 628,399	\$ (32,224)
Public works - facilities maintenance	984,300	1,019,901	(35,601)
Debt service - principal and interest	-	25,056	(25,056)

**City of Tomball, Texas**  
 Schedule of Changes in the Net Pension Liability  
 and Related Ratios  
 Texas Municipal Retirement System  
 For the Measurement Years Ended December 31\*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>TOTAL PENSION LIABILITY</b>				
Service cost	\$ 2,049,053	\$ 1,966,144	\$ 1,952,260	\$ 1,799,563
Interest	3,443,939	3,227,601	2,978,534	2,801,748
Differences between expected and actual experience	382,398	20,291	363,731	(223,279)
Changes in assumptions	-	-	295,730	-
Benefit payments, including refunds of employee contributions	<u>(2,123,342)</u>	<u>(1,977,624)</u>	<u>(1,837,004)</u>	<u>(1,833,649)</u>
Net change in total pension liability	3,752,048	3,236,412	3,753,251	2,544,383
Total pension liability - beginning	<u>51,058,470</u>	<u>47,822,058</u>	<u>44,068,807</u>	<u>41,524,424</u>
<b>TOTAL PENSION LIABILITY - ENDING (a)</b>	<u>\$ 54,810,518</u>	<u>\$ 51,058,470</u>	<u>\$ 47,822,058</u>	<u>\$ 44,068,807</u>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 1,681,436	\$ 1,610,602	\$ 1,562,039	\$ 1,431,544
Contributions - employee	884,302	835,747	810,547	746,707
Net investment income	5,908,562	3,165,401	5,515,598	(1,091,540)
Benefit payments, including refunds of employee contributions	(2,123,342)	(1,977,624)	(1,837,004)	(1,833,649)
Administrative expense	(27,315)	(20,468)	(31,144)	(21,086)
Other	<u>186</u>	<u>(799)</u>	<u>(937)</u>	<u>(1,101)</u>
Net change in plan fiduciary net position	6,323,829	3,612,859	6,019,099	(769,125)
Plan fiduciary net position - beginning	<u>45,284,641</u>	<u>41,671,782</u>	<u>35,652,683</u>	<u>36,421,808</u>
<b>PLAN FIDUCIARY NET POSITION - ENDING (b)</b>	<u>\$ 51,608,470</u>	<u>\$ 45,284,641</u>	<u>\$ 41,671,782</u>	<u>\$ 35,652,683</u>
<b>NET PENSION LIABILITY - ENDING (a)-(b)</b>	<u>\$ 3,202,048</u>	<u>\$ 5,773,829</u>	<u>\$ 6,150,276</u>	<u>\$ 8,416,124</u>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	94.16%	88.69%	87.14%	80.90%
<b>Covered payroll</b>	\$ 12,632,881	\$ 11,937,726	\$ 11,579,239	\$ 10,667,238
<b>Net pension liability as a percentage of covered payroll</b>	25.35%	48.37%	53.11%	78.90%

\*GASB Statement No. 68 requires 10 years of data; however, seven years of data is presented as the data for the years prior to 2014 is not available. Additionally, GASB Statement No. 68 requires that the information on this schedule correspond with the period covered as of the plan measurement date (December 31 of the prior year).

**Notes to Required Supplementary Information:**

The following factors significantly affect trends in the amounts reported for the City's net pension liability:

Actuarial Assumptions:	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Inflation	2.50%	2.50%	2.50%	2.50%
Payroll growth	2.75%	2.75%	2.75%	3.00%
Investment rate of return	6.75%	6.75%	6.75%	6.75%
Discount rate	6.75%	6.75%	6.75%	6.75%

Measurement Date December 31, 2019 - Actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2014 to December 31, 2018.

Measurement Date December 31, 2015 - Actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014.

<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 1,780,118	\$ 1,678,897	\$ 1,631,504	\$ 1,405,192
2,582,435	2,396,517	2,283,312	2,122,080
437,533	(109,994)	153,806	(75,098)
-	-	112,706	-
<u>(1,287,794)</u>	<u>(1,235,596)</u>	<u>(1,404,009)</u>	<u>(1,120,036)</u>
3,512,292	2,729,824	2,777,319	2,332,138
38,012,132	35,282,308	32,504,989	30,172,851
<u>\$ 41,524,424</u>	<u>\$ 38,012,132</u>	<u>\$ 35,282,308</u>	<u>\$ 32,504,989</u>
\$ 1,428,931	\$ 1,309,638	\$ 1,321,927	\$ 1,106,867
736,020	689,283	680,604	629,009
4,330,256	1,930,676	41,253	1,480,415
(1,287,794)	(1,235,596)	(1,404,009)	(1,120,036)
(22,437)	(21,804)	(25,124)	(15,453)
<u>(1,137)</u>	<u>(1,175)</u>	<u>(1,240)</u>	<u>(1,271)</u>
5,183,839	2,671,022	613,411	2,079,531
31,237,969	28,566,947	27,953,536	25,874,005
<u>\$ 36,421,808</u>	<u>\$ 31,237,969</u>	<u>\$ 28,566,947</u>	<u>\$ 27,953,536</u>
<u>\$ 5,102,616</u>	<u>\$ 6,774,163</u>	<u>\$ 6,715,361</u>	<u>\$ 4,551,453</u>
87.71%	82.18%	80.97%	86.00%
\$ 10,514,577	\$ 9,846,905	\$ 9,722,909	\$ 8,985,838
48.53%	68.79%	69.07%	50.65%

<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
2.50%	2.50%	2.50%	3.00%
3.00%	3.00%	3.00%	3.00%
6.75%	6.75%	6.75%	7.00%
6.75%	6.75%	6.75%	7.00%



<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 1,439,971	\$ 1,435,572	\$ 1,285,841	\$ 1,246,735
(1,439,971)	(1,435,572)	(1,285,841)	(1,246,735)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,693,441	\$ 10,481,687	\$ 9,620,867	\$ 9,404,137
13.47%	13.70%	13.37%	13.26%

# City of Tomball, Texas

## Schedule of Changes in Total OPEB Liability and Related Ratios Retiree Health Care Plan For the Measurement Years Ended December 31\*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>TOTAL OPEB LIABILITY</b>					
Service cost	\$ 106,726	\$ 106,603	\$ 113,492	\$ 145,528	\$ 130,909
Interest	59,946	75,089	111,415	99,651	104,080
Change of benefit terms	-	-	-	-	-
Difference between expected and actual experience	(124,428)	(5,422)	(453,167)	14,732	-
Changes in assumptions	(55,532)	213,387	74,725	(127,098)	152,484
Benefit payments	(139,401)	(106,389)	(124,854)	(123,721)	(108,157)
Net change in total OPEB liability	(152,689)	283,268	(278,389)	9,092	279,316
Total OPEB liability - beginning	3,013,660	2,730,392	3,008,781	2,999,689	2,720,373
<b>TOTAL OPEB LIABILITY - ENDING</b>	<u>\$ 2,860,971</u>	<u>\$ 3,013,660</u>	<u>\$ 2,730,392</u>	<u>\$ 3,008,781</u>	<u>\$ 2,999,689</u>
<b>Covered-employee payroll</b>	\$ 5,298,706	\$ 6,474,035	\$ 6,474,035	\$ 7,633,706	\$ 10,520,156
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	53.99%	46.55%	42.17%	39.41%	28.51%

\*GASB Statement No. 75 requires 10 years of data; however, three years of data are presented as the data for the years prior to 2017 are not available. Additionally, GASB Statement No. 75 requires that information on this schedule correspond with the period covered as of the plan measurement date (December 31 of the prior year).

### Notes to Required Supplementary Information:

No assets are accumulated in a trust that meets the criteria of GASB 75, Paragraph 4, and therefore, the Retiree Health Care Plan does not report fiduciary net position.

The following factors significantly affect trends in the amounts reported for the City's total OPEB liability:

Actuarial Assumptions:	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%
Payroll growth	3.50%	3.50%	3.50%	3.50%	3.50%
Discount rate	1.84%	2.00%	2.75%	3.71%	3.31%

Changes of assumptions reflect the effects of changes in the discount rate each period.

Measurement Date December 31, 2021 - The period of service used for the allocation of service costs was changed to only reflect service with the City of Tomball.

Measurement Date December 31, 2019 - Demographic assumptions were updated to reflect the 2019 Experience Study and the health care trend rates were updated to reflect both the RHCP's anticipated experience and the repeal of the excise tax on high-cost employer health plans.

## City of Tomball, Texas

### Schedule of Changes in Total OPEB Liability and Related Ratios Supplemental Death Benefits Fund For the Measurement Years Ended December 31\*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>TOTAL OPEB LIABILITY</b>					
Service cost	\$ 35,372	\$ 28,651	\$ 23,158	\$ 24,535	\$ 21,029
Interest	14,474	15,856	16,760	14,859	14,366
Difference between expected and actual experience	(9,958)	10,270	(8,489)	-	-
Changes in assumptions	24,879	98,325	94,765	(32,082)	34,434
Benefit payments	(13,896)	(4,775)	(3,474)	(3,200)	(3,154)
Net change in total OPEB liability	50,871	148,327	122,720	4,112	66,675
Total OPEB liability - beginning	712,954	564,627	441,907	437,795	371,120
<b>TOTAL OPEB LIABILITY - ENDING</b>	<u>\$ 763,825</u>	<u>\$ 712,954</u>	<u>\$ 564,627</u>	<u>\$ 441,907</u>	<u>\$ 437,795</u>
<b>Covered-employee payroll</b>	\$ 12,632,881	\$ 11,937,726	\$ 11,579,239	\$ 10,667,238	\$ 10,514,577
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	6.05%	5.97%	4.88%	4.14%	4.16%

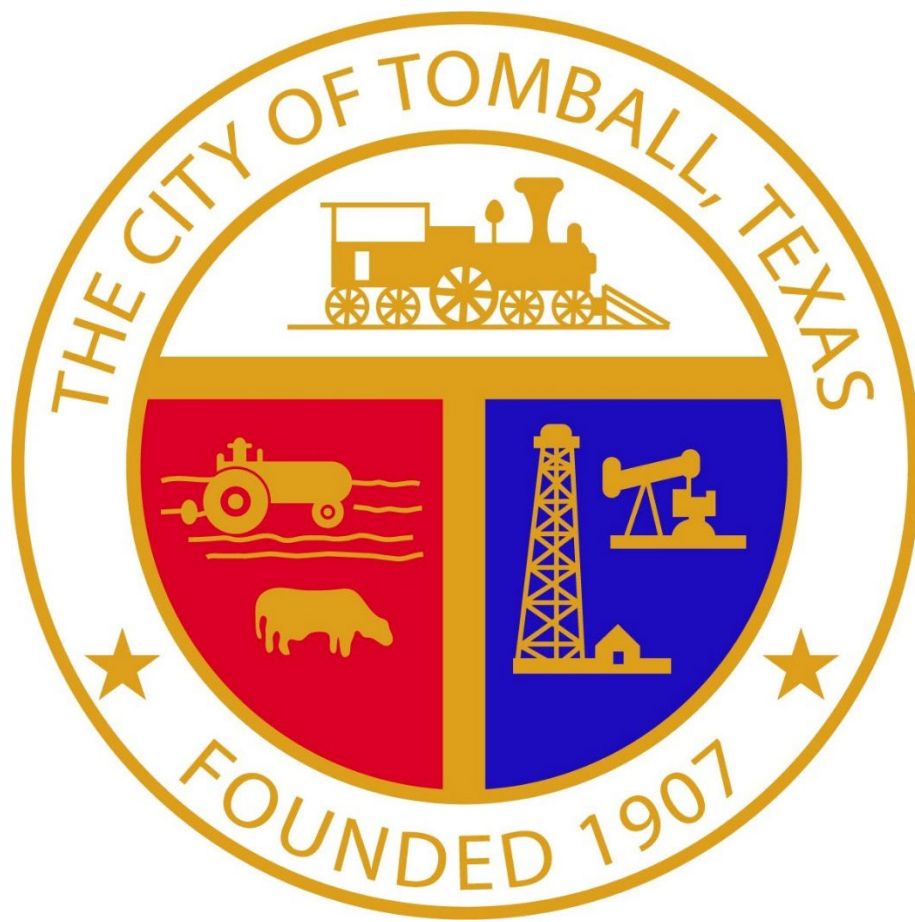
\*GASB Statement No. 75 requires 10 years of data; however, three years of data are presented as the data for the years prior to 2017 are not available. Additionally, GASB Statement No. 75 requires that information on this schedule correspond with the period covered as of the plan measurement date (December 31 of the prior year).

#### Notes to Required Supplementary Information:

No assets are accumulated in a trust that meets the criteria of GASB 75, Paragraph 4, and therefore, the Supplemental Death Benefits Plan does not report fiduciary net position.

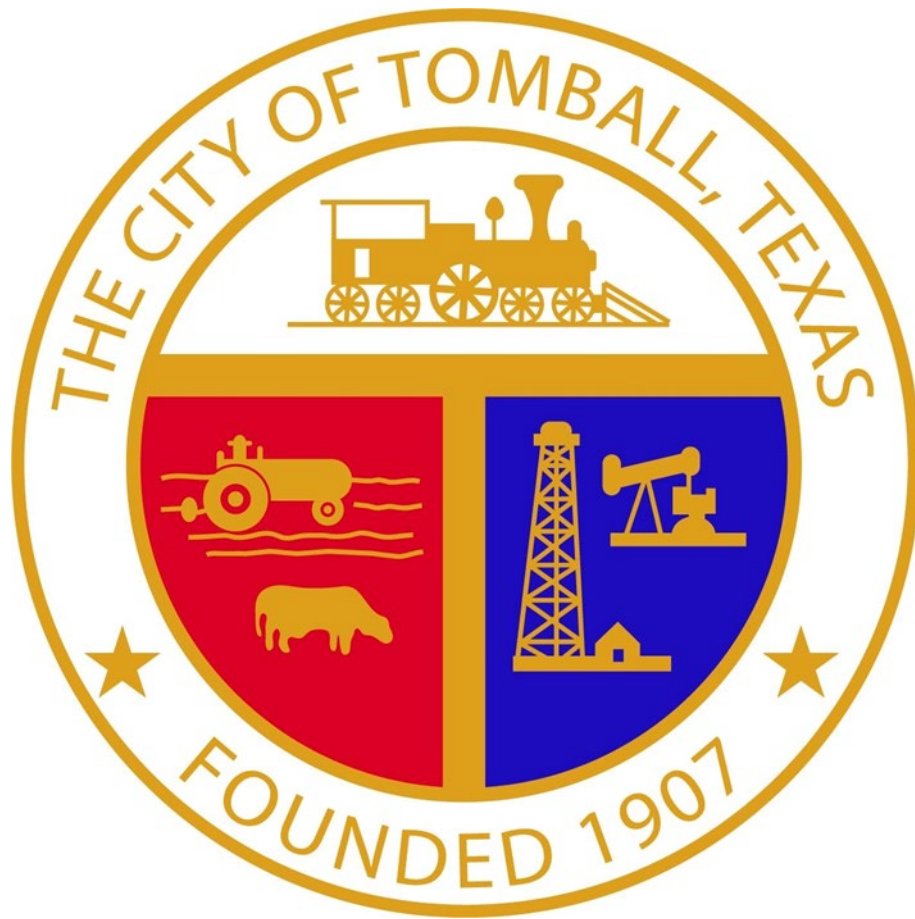
The following factors significantly affect trends in the amounts reported for the City's total OPEB liability:

Actuarial Assumptions:	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%
Payroll growth	3.50%	3.50%	3.50%	3.50%	3.50%
Discount rate	1.84%	2.00%	2.75%	3.71%	3.31%





## **Other Supplementary Information**



**City of Tomball, Texas**

Nonmajor Governmental Funds

September 30, 2022

**NONMAJOR GOVERNMENTAL FUNDS**

**NONMAJOR SPECIAL REVENUE FUNDS**

Nonmajor Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed for expenditures for specific purposes.

**Court Security Fund** - This fund is used to account for fees generated from court fines which, by law, can only be spent on the City's municipal court security.

**Court Technology Fund** - This fund is used to account for fees generated from court fines which, by law, can only be spent on the City's municipal court technology.

**Hotel Occupancy Tax Fund** - This fund is used to account for revenues received from hotel occupancy taxes which are spent on efforts to promote local tourism.

**Child Safety Fund** - The State of Texas allocates a percentage of each court fee to the Child Safety Program, a portion of which is remitted back to the City to be used for educational material for children.

**Public Improvement Districts Fund** – This fund is used to account for special assessments and operating and maintenance costs related to public improvement districts (PIDs) within the City.

**Tomball Legacy Fund** – This fund represents the activities of the City's blended component unit, a 401c(3) nonprofit corporation, which accounts for private and corporate grant funds received by the City.

**City of Tomball, Texas**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 September 30, 2022

	<b>Court Security Fund</b>	<b>Court Technology Fund</b>	<b>Hotel Occupancy Tax Fund</b>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 240,295	\$ 136,540	\$ 792,147
Receivables, net of allowance	-	-	12,224
<b>TOTAL ASSETS</b>	<b>\$ 240,295</b>	<b>\$ 136,540</b>	<b>\$ 804,371</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 43,747	\$ 2,981	\$ 20,767
Total liabilities	43,747	2,981	20,767
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - other	-	-	7,224
Total deferred inflows of resources	-	-	7,224
<b>FUND BALANCES</b>			
Restricted	196,548	133,559	776,380
Committed	-	-	-
Total fund balances	196,548	133,559	776,380
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 240,295</b>	<b>\$ 136,540</b>	<b>\$ 804,371</b>

<u>Child Safety Fund</u>	<u>Public Improvement Districts</u>	<u>Tomball Legacy Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 27,611	\$ -	\$ 67,012	\$ 1,263,605
-	-	-	12,224
<u>\$ 27,611</u>	<u>\$ -</u>	<u>\$ 67,012</u>	<u>\$ 1,275,829</u>
\$ 1,498	\$ -	\$ -	\$ 68,993
1,498	-	-	68,993
-	-	-	7,224
-	-	-	7,224
26,113	-	-	1,132,600
-	-	67,012	67,012
<u>26,113</u>	<u>-</u>	<u>67,012</u>	<u>1,199,612</u>
<u>\$ 27,611</u>	<u>\$ -</u>	<u>\$ 67,012</u>	<u>\$ 1,275,829</u>

**City of Tomball, Texas**

Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended September 30, 2022

	<b>Court Security Fund</b>	<b>Court Technology Fund</b>	<b>Hotel Occupancy Tax Fund</b>
<b>REVENUES</b>			
Franchise and other taxes	\$ -	\$ -	\$ 627,460
Fines and forfeitures	9,921	8,734	-
Special assessments	-	-	-
Investment earnings	1,410	1,146	4,737
Other	-	-	7,218
	<hr/>	<hr/>	<hr/>
Total revenues	11,331	9,880	639,415
<b>EXPENDITURES</b>			
Current			
General government	-	-	-
Public safety	11,881	28,996	-
Tourism and arts	-	-	672,983
Capital outlay	43,747	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	55,628	28,996	672,983
Excess (deficiency) of revenues over (under) expenditures	<hr/> (44,297)	<hr/> (19,116)	<hr/> (33,568)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<hr/> -	<hr/> -	<hr/> 126,000
Total other financing sources (uses)	<hr/> -	<hr/> -	<hr/> 126,000
Net change in fund balances	(44,297)	(19,116)	92,432
Fund balances, beginning of year	<hr/> 240,845	<hr/> 152,675	<hr/> 683,948
<b>FUND BALANCE, END OF YEAR</b>	<hr/> <b>\$ 196,548</b>	<hr/> <b>\$ 133,559</b>	<hr/> <b>\$ 776,380</b>

<b>Child Safety Fund</b>	<b>Public Improvement Districts</b>	<b>Tomball Legacy Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ -	\$ 627,460
13,226	-	-	31,881
-	1,039,308	-	1,039,308
-	-	-	7,293
-	-	1,144	8,362
<u>13,226</u>	<u>1,039,308</u>	<u>1,144</u>	<u>1,714,304</u>
-	1,039,308	18,772	1,058,080
1,498	-	-	42,375
-	-	-	672,983
-	-	-	43,747
<u>1,498</u>	<u>1,039,308</u>	<u>18,772</u>	<u>1,817,185</u>
<u>11,728</u>	<u>-</u>	<u>(17,628)</u>	<u>(102,881)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>126,000</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>126,000</u>
11,728	-	(17,628)	23,119
14,385	-	84,640	1,176,493
<u>\$ 26,113</u>	<u>\$ -</u>	<u>\$ 67,012</u>	<u>\$ 1,199,612</u>

**City of Tomball, Texas**

Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
Nonmajor Special Revenue Fund – Court Security Fund  
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 11,000	\$ 9,000	\$ 9,921	\$ 921
Investment earnings	150	800	1,410	610
Total revenues	11,150	9,800	11,331	1,531
<b>EXPENDITURES</b>				
Current				
Public safety	160,000	111,050	11,881	99,169
Capital outlay	-	-	43,747	(43,747)
Total expenditures	160,000	111,050	55,628	55,422
Net change in fund balances	(148,850)	(101,250)	(44,297)	56,953
Fund balances, beginning of year	240,845	240,845	240,845	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 91,995</b>	<b>\$ 139,595</b>	<b>\$ 196,548</b>	<b>\$ 56,953</b>



**City of Tomball, Texas**

Schedule of Revenues, Expenditures, and Changes

in Fund Balance - Budget and Actual

Nonmajor Special Revenue Fund – Court Technology Fund

For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 12,000	\$ 8,000	\$ 8,734	\$ 734
Investment earnings	150	800	1,146	346
Total revenues	12,150	8,800	9,880	1,080
<b>EXPENDITURES</b>				
Current				
Public safety	28,000	26,875	28,996	(2,121)
Total expenditures	28,000	26,875	28,996	(2,121)
Net change in fund balances	(15,850)	(18,075)	(19,116)	(1,041)
Fund balances, beginning of year	152,675	152,675	152,675	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 136,825</b>	<b>\$ 134,600</b>	<b>\$ 133,559</b>	<b>\$ (1,041)</b>

**City of Tomball, Texas**

Schedule of Revenues, Expenditures, and Changes

in Fund Balance - Budget and Actual

Nonmajor Special Revenue Fund – Hotel Occupancy Tax Fund

For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Franchise and other taxes	\$ 450,000	\$ 550,000	\$ 627,460	\$ 77,460
Investment earnings	500	2,500	4,737	2,237
Other	4,000	-	7,218	7,218
Total revenues	454,500	552,500	639,415	86,915
<b>EXPENDITURES</b>				
Current				
Tourism and arts	797,040	792,569	672,983	119,586
Total expenditures	797,040	792,569	672,983	119,586
Excess (deficiency) of revenues over expenditures	(342,540)	(240,069)	(33,568)	206,501
<b>OTHER FINANCING SOURCES</b>				
Transfers in	126,000	126,000	126,000	-
Total other financing sources	126,000	126,000	126,000	-
Net change in fund balances	(216,540)	(114,069)	92,432	206,501
Fund balances, beginning of year	683,948	683,948	683,948	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 467,408</b>	<b>\$ 569,879</b>	<b>\$ 776,380</b>	<b>\$ 206,501</b>

**City of Tomball, Texas**

Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
Nonmajor Special Revenue Fund – Child Safety Fund  
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 15,000	\$ 12,000	\$ 13,226	\$ 1,226
Investment earnings	100	-	-	-
Total revenues	15,100	12,000	13,226	1,226
<b>EXPENDITURES</b>				
Current				
Public safety	10,000	10,000	1,498	8,502
Total expenditures	10,000	10,000	1,498	8,502
Net change in fund balances	5,100	2,000	11,728	9,728
Fund balances, beginning of year	14,385	14,385	14,385	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 19,485</b>	<b>\$ 16,385</b>	<b>\$ 26,113</b>	<b>\$ 9,728</b>

**City of Tomball, Texas**

Schedule of Revenues, Expenditures, and Changes

in Fund Balance - Budget and Actual

Nonmajor Special Revenue Fund – Public Improvement Districts Fund

For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Special assessments	\$ -	\$ 1,027,564	\$ 1,039,308	\$ 11,744
Total revenues	-	1,027,564	1,039,308	11,744
<b>EXPENDITURES</b>				
Current				
General government	-	1,027,564	1,039,308	(11,744)
Total expenditures	-	1,027,564	1,039,308	(11,744)
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**City of Tomball, Texas**

Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
Debt Service Fund  
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property tax	\$ 3,785,000	\$ 3,425,000	\$ 3,424,042	\$ (958)
Contributions from component unit for debt service	1,129,885	759,885	759,885	-
Investment earnings	2,000	25,000	51,925	26,925
Total revenues	4,916,885	4,209,885	4,235,852	25,967
<b>EXPENDITURES</b>				
Debt service				
Principal	2,535,000	2,535,000	2,535,000	-
Interest	988,998	989,000	988,998	2
Issuance costs and fiscal agent fees	14,000	14,000	11,100	2,900
Total expenditures	3,537,998	3,538,000	3,535,098	2,902
Net change in fund balances	1,378,887	671,885	700,754	28,869
Fund balances, beginning of year	5,867,358	5,867,358	5,867,358	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 7,246,245</b>	<b>\$ 6,539,243</b>	<b>\$ 6,568,112</b>	<b>\$ 28,869</b>

## City of Tomball, Texas

Internal Service Funds

September 30, 2022

### INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Fleet Replacement Fund** - This internal service fund is used to account for transportation fleet replacement to departments or agencies of the City on a cost-reimbursement basis.

**Health Benefits Fund** - This internal service fund is used to account for the costs associated with health benefits to departments or agencies of the City on a cost-reimbursement basis.

**City of Tomball, Texas**  
Combining Statement of Net Position  
Internal Service Funds  
September 30, 2022

	<b>Fleet Replacement Fund</b>	<b>Health Benefits Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 677,861	\$ 2,861,935	\$ 3,539,796
Due from other governments	-	53,250	53,250
Due from component unit	-	17,841	17,841
Prepaid Items	-	264,752	264,752
Total current assets	677,861	3,197,778	3,875,639
Noncurrent assets			
Capital assets - depreciable, net	3,062,981	-	3,062,981
Total noncurrent assets	3,062,981	-	3,062,981
Total assets	3,740,842	3,197,778	6,938,620
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	\$ 108,604	\$ 12,183	\$ 120,787
Accrued interest payable	30,419	-	30,419
Public property finance contract obligation, current	130,000	-	130,000
Total current liabilities	269,023	12,183	281,206
Noncurrent liabilities			
Public property finance contract obligation	779,868	-	779,868
Total noncurrent liabilities	779,868	-	779,868
Total liabilities	1,048,891	12,183	1,061,074
<b>NET POSITION</b>			
Net investment in capital assets	2,153,113	-	2,153,113
Unrestricted	538,838	3,185,595	3,724,433
<b>TOTAL NET POSITION</b>	<b>\$ 2,691,951</b>	<b>\$ 3,185,595</b>	<b>\$ 5,877,546</b>

**City of Tomball, Texas**

Combining Statement of Revenues, Expenses,  
and Changes in Net Position  
Internal Service Funds  
For the Fiscal Year Ended September 30, 2022

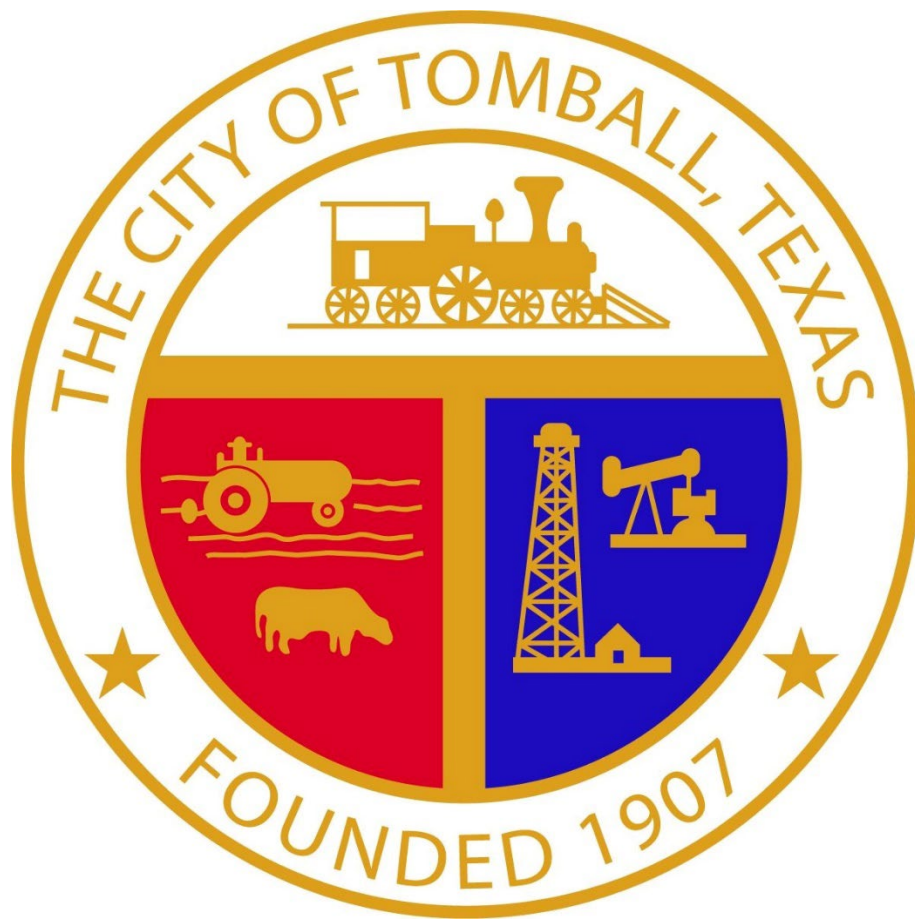
	<b>Fleet Replacement Fund</b>	<b>Health Benefits Fund</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Internal service charges	\$ 545,880	\$ 3,420,291	\$ 3,966,171
Total operating revenues	545,880	3,420,291	3,966,171
<b>OPERATING EXPENSES</b>			
Materials, supplies and contracted services	-	3,031,105	3,031,105
Depreciation and amortization	506,284	-	506,284
Total operating expenses	506,284	3,031,105	3,537,389
Operating income	39,596	389,186	428,782
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment earnings	3,224	11,996	15,220
Intergovernmental	67,168	-	67,168
Gain (loss) on disposal of capital assets	33,765	-	33,765
Interest	(31,114)	-	(31,114)
Total non-operating revenues (expenses)	73,043	11,996	85,039
Change in net position	112,639	401,182	513,821
Net position, beginning of year	2,579,312	2,784,413	5,363,725
<b>NET POSITION, END OF YEAR</b>	<b>\$ 2,691,951</b>	<b>\$ 3,185,595</b>	<b>\$ 5,877,546</b>



**City of Tomball, Texas**  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended September 30, 2022

	<b>Fleet Replacement Fund</b>	<b>Health Benefits Fund</b>	<b>Total</b>
<b>OPERATING ACTIVITIES</b>			
Receipts from interfund charges	\$ 545,880	\$ 3,349,200	\$ 3,895,080
Payments to suppliers and service providers	-	(3,080,488)	(3,080,488)
Net cash provided by operating activities	545,880	268,712	814,592
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	(414,277)	-	(414,277)
Proceeds from sale of capital assets	112,383	-	112,383
Principal paid on long-term debt	(130,000)	-	(130,000)
Interest paid on long-term debt	(38,548)	-	(38,548)
Intergovernmental capital grants	67,168	-	67,168
Net cash used for capital and related financing activities	(403,274)	-	(403,274)
<b>INVESTING ACTIVITIES</b>			
Investment earnings	3,224	11,996	15,220
Net cash provided by investing activities	3,224	11,996	15,220
Net change in cash and cash equivalents	145,830	280,708	426,538
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	532,031	2,581,227	3,113,258
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 677,861</u>	<u>\$ 2,861,935</u>	<u>\$ 3,539,796</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income	\$ 39,596	\$ 389,186	\$ 428,782
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	506,284	-	506,284
(Increase) decrease in assets			
Due from other governments	-	(53,250)	(53,250)
Other receivables	-	(17,841)	(17,841)
Prepaid items	-	7,207	7,207
Increase (decrease) in liabilities			
Accounts payable	-	(51,396)	(51,396)
Due to other governments	-	(5,194)	(5,194)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ 545,880</u>	<u>\$ 268,712</u>	<u>\$ 814,592</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital asset purchases on account	\$ 108,604	-	\$ 108,604

**Discretely Presented Component Unit  
Fund Based Financial Statements  
Tomball Economic Development Corporation**



**City of Tomball, Texas**

Discretely Presented Component Unit  
Tomball Economic Development Corporation  
Balance Sheet – Governmental Fund  
September 30, 2022

**ASSETS**

Cash and cash equivalents	\$ 16,332,467
Investments	6,282,515
Receivables, net of allowance	1,366,987
Lease receivable	833,221

**TOTAL ASSETS**

\$ 24,815,190

**LIABILITIES**

Accounts payable	\$ 135,419
Deposits payable	10,869
Due to primary government	149,774

Total liabilities 296,062

**DEFERRED INFLOWS OF RESOURCES**

Leases	811,840
--------	---------

Total deferred inflows of resources 811,840

**FUND BALANCE**

Assigned	23,707,288
----------	------------

Total fund balance 23,707,288

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE**

\$ 24,815,190

Reconciliation to government-wide statement of net position

Total fund balance	\$ 23,707,288
--------------------	---------------

Capital assets used in operations are not current financial resources and, therefore, are not reported in the fund 7,300,465

Leases payable are not current financial obligations and, therefore, are not reported in the fund (19,434)

**NET POSITION OF COMPONENT UNIT**

\$ 30,988,319

**City of Tomball, Texas**

Discretely Presented Component Unit  
 Tomball Economic Development Corporation  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance – Governmental Fund  
 For the Fiscal Year Ended September 30, 2022

**REVENUES**

Sales taxes	\$ 5,386,245
Charges for services	316,832
Contributions not restricted to specific programs	8,000
Unrestricted investment earnings (loss)	(58,336)
Other	14,741
	<hr/>
Total revenues	5,667,482

**EXPENDITURES**

Current	
Economic development	3,550,604
	<hr/>
Total expenditures	3,550,604
	<hr/>
Excess of revenues over expenditures	2,116,878

**OTHER FINANCING SOURCE**

Proceeds from sale of capital assets	2,020,021
	<hr/>
Net change in fund balance	4,136,899
Fund balance, beginning of year	19,570,389
	<hr/>

**FUND BALANCE, END OF YEAR**

\$ 23,707,288

**RECONCILIATION TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

Net change in fund balance	\$ 4,136,899
Under modified accrual, capital outlay is reported as expenditures. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Transactions in the current period involving capital assets include:	
Depreciation expense	(229,498)
Asset retirements/disposals	(297,456)

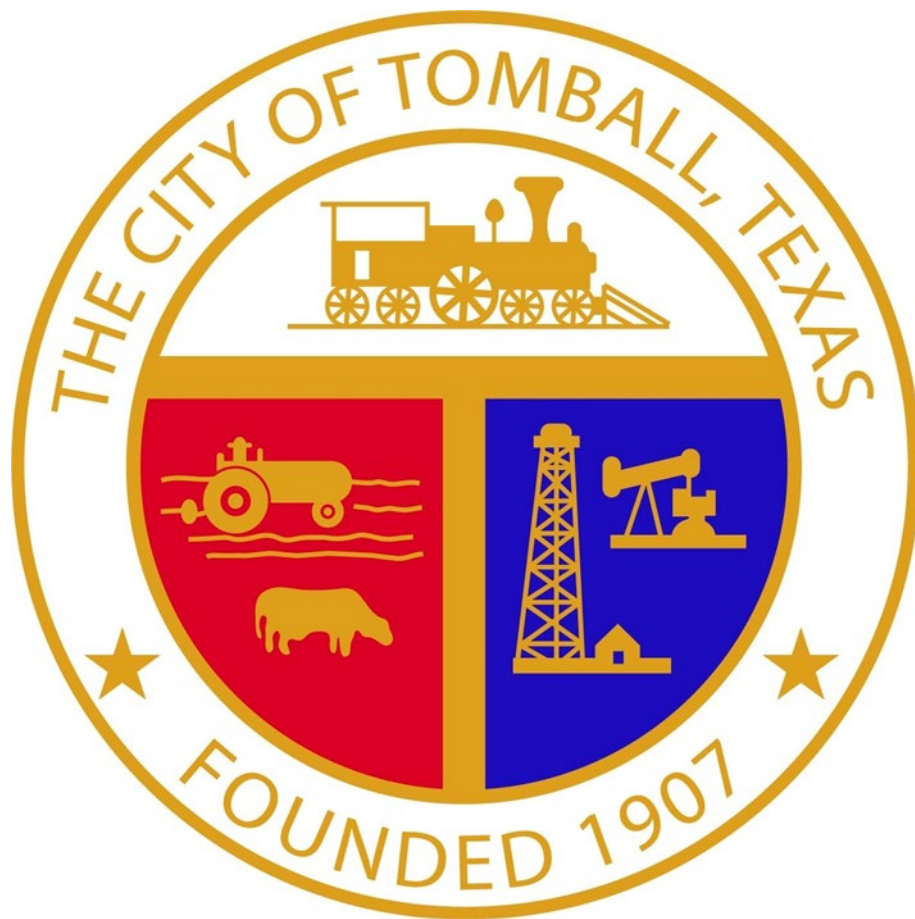
Under modified accrual, principal payments on long-term debt are reported as expenditures. However, in the government-wide statement of activities, the payments are reported as a reduction of long-term liabilities:

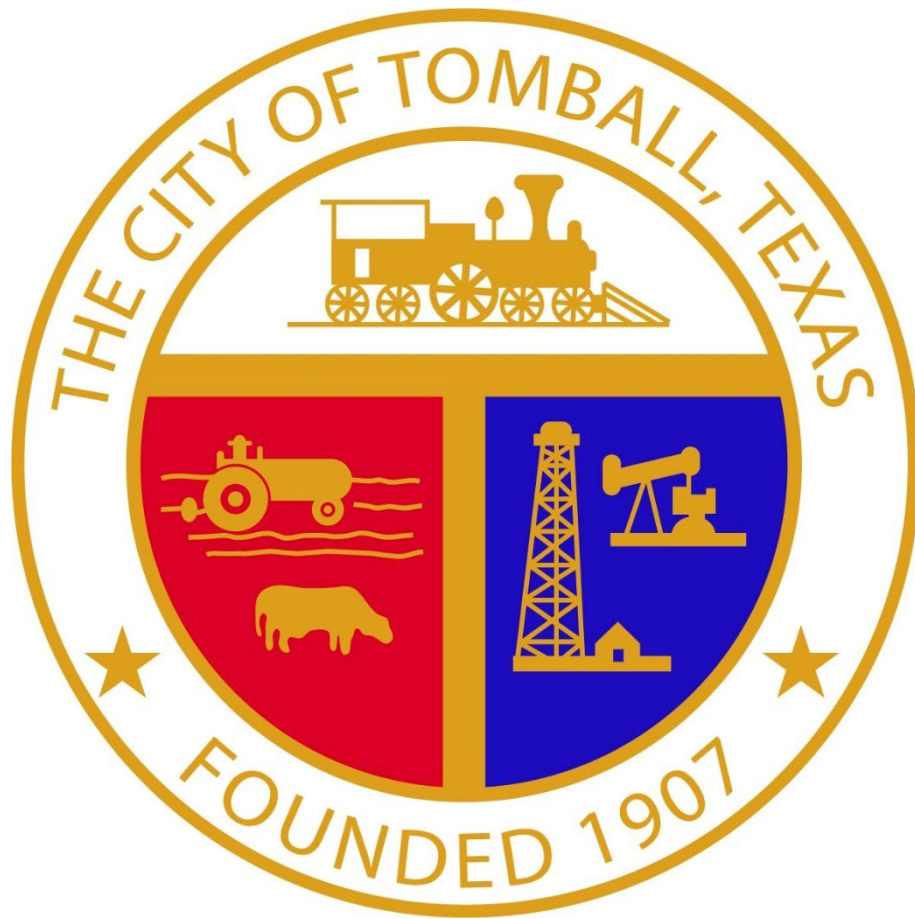
Leases payable - principal	17,742
	<hr/>

**CHANGE IN NET POSITION OF COMPONENT UNIT**

\$ 3,627,687

# Statistical Section







**Statistical Section**  
(Unaudited)

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

	<u>Page</u>
<b>Financial Trends – Schedules 1-4</b>	113
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity – Schedules 5-10</b>	123
These schedules contain information to help the reader assess the City's most significant local revenue sources: sales and property taxes.	
<b>Debt Capacity – Schedules 11-15</b>	133
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b>Demographic and Economic Information – Schedules 16-17</b>	141
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b>Operating Information – Schedules 18-20</b>	143
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

**City of Tomball, Texas**  
 Net Position by Component  
 Last Ten Fiscal Years  
*(Accrual Basis of Accounting)*

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 25,646,519	\$ 28,189,848	\$ 31,267,016	\$ 34,220,115
Restricted	2,804,100	3,557,490	4,308,595	5,821,510
Unrestricted	12,612,754	13,566,745	10,694,702	10,340,744
 Total governmental activities net position	 41,063,373	 45,314,083	 46,270,313	 50,382,369
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	30,721,512	30,851,835	33,433,571	33,059,434
Restricted	-	1,095,173	-	-
Unrestricted	10,646,792	11,354,769	10,960,950	11,445,362
 Total business-type activities net position	 41,368,304	 43,301,777	 44,394,521	 44,504,796
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	56,368,031	59,041,683	64,700,587	67,279,549
Restricted	2,804,100	4,652,663	4,308,595	5,821,510
Unrestricted	23,259,546	24,921,514	21,655,652	21,786,106
 <b>TOTAL PRIMARY GOVERNMENT NET POSITION</b>	 <u>\$ 82,431,677</u>	 <u>\$ 88,615,860</u>	 <u>\$ 90,664,834</u>	 <u>\$ 94,887,165</u>

## Schedule 1

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 40,779,628	\$ 38,896,658	\$ 39,717,999	\$ 38,457,189	\$ 52,259,872	\$ 60,199,236
3,912,411	4,303,114	6,024,527	5,959,267	6,829,497	7,597,934
11,385,550	13,436,447	18,791,783	27,363,295	25,246,016	31,435,579
56,077,589	56,636,219	64,534,309	71,779,751	84,335,385	99,232,749
33,038,353	34,874,499	36,762,190	38,760,225	40,057,607	41,830,070
-	-	-	-	-	-
8,966,625	9,838,615	5,830,989	5,946,634	9,152,453	14,043,606
42,004,978	44,713,114	42,593,179	44,706,859	49,210,060	55,873,676
73,817,981	73,771,157	76,480,189	77,217,414	92,317,479	102,029,306
3,912,411	4,303,114	6,024,527	5,959,267	6,829,497	7,597,934
20,352,175	23,275,062	24,622,772	33,309,929	34,398,469	45,479,185
<u>\$ 98,082,567</u>	<u>\$ 101,349,333</u>	<u>\$ 107,127,488</u>	<u>\$ 116,486,610</u>	<u>\$ 133,545,445</u>	<u>\$ 155,106,425</u>

**City of Tomball, Texas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(Accrual Basis of Accounting)*

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>EXPENSES</b>				
Governmental activities:				
General government	\$ 5,131,879	\$ 4,789,051	\$ 4,968,344	\$ 5,391,624
Public safety	7,508,811	8,069,621	8,493,353	9,028,841
Public works	5,456,886	6,137,989	6,181,783	6,436,355
Parks and recreation	-	-	-	-
Tourism and arts	-	-	-	-
Community development	302,564	338,381	313,713	421,381
Interest and fiscal agent fees	830,054	926,584	891,258	830,716
Total governmental activities expenses	<u>19,230,194</u>	<u>20,261,626</u>	<u>20,848,451</u>	<u>22,108,917</u>
Business-type activities:				
Utility administration	955,026	909,211	979,161	1,179,100
Water	2,962,612	3,087,563	3,410,534	3,410,534
Wastewater	1,978,197	2,418,443	2,483,923	2,483,923
Gas	2,229,583	1,963,162	1,429,950	1,429,950
Interest and fiscal agent fees	245,129	-	-	-
Total business-type activities expenses	<u>8,370,547</u>	<u>8,378,379</u>	<u>8,303,568</u>	<u>8,503,507</u>
Total primary government expenses	<u>27,600,741</u>	<u>28,640,005</u>	<u>29,152,019</u>	<u>30,612,424</u>
<b>PROGRAM REVENUES</b>				
Governmental activities:				
Charges for services				
General government	-	-	-	-
Public safety	1,066,313	999,667	1,334,938	1,334,938
Public works	2,695,712	2,694,670	2,673,999	2,673,999
Community development	-	-	-	-
Operating grants and contributions	1,844,224	1,039,237	544,607	544,607
Capital grants and contributions	-	-	-	-
Total governmental activities program revenues	<u>5,606,249</u>	<u>4,733,574</u>	<u>4,553,544</u>	<u>4,553,544</u>
Business-type activities:				
Charges for services				
Utility administration	807,673	842,468	907,654	907,654
Water	4,578,777	4,449,383	4,654,613	4,654,613
Sewer	2,372,163	2,320,748	2,316,495	2,316,495
Gas	3,578,145	3,295,521	2,844,005	2,844,005
Operating grants and contributions	670,000	670,000	558,148	558,148
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>12,006,758</u>	<u>11,578,120</u>	<u>11,280,915</u>	<u>11,280,915</u>
Total primary government program revenues	<u>17,613,007</u>	<u>16,311,694</u>	<u>15,834,459</u>	<u>15,834,459</u>
<b>NET (EXPENSE/REVENUE)</b>				
Governmental activities	(13,623,945)	(15,528,052)	(16,294,907)	(17,555,373)
Business-type activities	3,636,211	3,199,741	2,977,347	2,777,408
<b>TOTAL PRIMARY GOVERNMENT NET EXPENSE</b>	<u>\$ (9,987,734)</u>	<u>\$ (12,328,311)</u>	<u>\$ (13,317,560)</u>	<u>\$ (14,777,965)</u>

2017	2018	2019	2020	2021	2022
\$ 5,174,908	\$ 3,821,623	\$ 4,474,991	\$ 6,479,677	\$ 7,453,414	\$ 8,114,100
9,650,665	10,000,655	10,435,902	10,976,532	10,642,757	11,982,088
6,952,664	8,912,367	7,074,104	4,071,787	4,998,747	5,081,755
741,577	637,942	780,799	924,069	850,842	864,122
-	648,305	688,638	604,578	551,323	672,983
386,153	431,157	430,360	556,924	532,472	515,531
1,252,064	1,452,252	1,328,319	1,295,548	1,017,122	868,205
24,158,031	25,904,301	25,213,113	24,909,115	26,046,677	28,098,784
1,362,874	2,876,373	2,938,276	1,672,850	1,908,989	2,163,551
3,937,152	3,356,893	3,793,224	5,115,488	5,132,543	6,457,929
2,228,636	1,239,276	1,448,029	2,114,431	2,041,666	2,218,239
1,507,955	1,529,924	1,774,315	1,646,494	4,474,541	2,620,530
-	-	-	-	-	-
9,036,617	9,002,466	9,953,844	10,549,263	13,557,739	13,460,249
33,194,648	34,906,767	35,166,957	35,458,378	39,604,416	41,559,033
-	-	-	71,864	103,456	130,831
1,315,754	1,528,423	1,899,018	1,468,491	1,344,309	1,605,967
2,359,008	1,961,957	1,954,602	1,793,191	1,888,491	2,116,075
441,542	513,522	558,992	1,109,989	1,628,808	2,094,885
1,420,653	1,012,028	839,316	473,851	1,358,419	892,201
-	-	-	-	4,869,087	5,840,595
5,536,957	5,015,930	5,251,928	4,917,386	11,192,570	12,680,554
739,061	1,335,974	934,852	1,384,685	2,878,294	3,075,491
5,092,916	5,347,170	5,494,083	6,376,840	6,819,402	8,660,204
2,434,143	2,405,689	2,310,252	2,208,301	2,522,144	2,920,807
2,655,884	3,139,726	3,271,868	3,504,744	3,988,923	3,968,780
558,148	558,148	-	-	-	-
-	-	-	-	989,795	3,156,833
11,480,152	12,786,707	12,011,055	13,474,570	17,198,558	21,782,115
17,017,109	17,802,637	17,262,983	18,391,956	28,391,128	34,462,669
(18,621,074)	(20,888,371)	(19,961,185)	(19,991,729)	(14,854,107)	(15,418,230)
2,443,535	3,784,241	2,057,211	2,925,307	3,640,819	8,321,866
<u>\$ (16,177,539)</u>	<u>\$ (17,104,130)</u>	<u>\$ (17,903,974)</u>	<u>\$ (17,066,422)</u>	<u>\$ (11,213,288)</u>	<u>\$ (7,096,364)</u>

## City of Tomball, Texas

### Changes in Net Position - Continued

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Governmental activities:				
Taxes:				
Property taxes, levied for general purposes	\$ 1,543,913	\$ 1,638,673	\$ 1,715,949	\$ 1,855,706
Property taxes, levied for debt service	3,164,416	3,371,282	3,525,979	3,818,986
Sales taxes	9,442,376	10,532,691	10,839,818	10,578,683
Franchise and other taxes	1,267,302	1,253,077	1,282,598	1,331,077
Other taxes	428,208	590,910	538,843	628,932
Gain (loss) on sale of capital assets	-	-	17,634	127,134
Contributions not restricted to specific programs	-	-	-	-
Special assessments	-	-	-	-
Unrestricted investment earnings	44,877	30,636	40,115	133,673
Other	227,592	253,375	475,712	395,060
Transfers	2,448,842	1,691,621	1,607,068	2,798,178
Total governmental activities	<u>18,567,526</u>	<u>19,362,265</u>	<u>20,043,716</u>	<u>21,667,429</u>
Business-type activities:				
Gain on sale of capital assets	-	-	-	-
Contributions not restricted to specific programs	-	-	-	-
Unrestricted investment earnings	13,088	(1,417)	33,771	43,741
Other	50,567	45,800	47,847	87,304
Transfers	(2,448,842)	(1,691,621)	(1,607,068)	(2,798,178)
Total business-type activities	<u>(2,385,187)</u>	<u>(1,647,238)</u>	<u>(1,525,450)</u>	<u>(2,667,133)</u>
Total primary government	16,182,339	17,715,027	18,518,266	19,000,296
<b>CHANGE IN NET POSITION</b>				
Governmental activities	4,943,581	3,834,213	3,748,809	4,112,056
Business-type activities	1,251,024	1,552,503	1,451,897	110,275
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 6,194,605</u>	<u>\$ 5,386,716</u>	<u>\$ 5,200,706</u>	<u>\$ 4,222,331</u>

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 1,964,345	\$ 2,144,861	\$ 2,046,480	\$ 2,265,470	\$ 3,511,280	\$ 3,915,320
4,042,945	4,374,552	4,195,229	4,654,251	3,701,770	3,424,042
10,791,147	12,427,660	12,523,084	12,291,928	13,361,050	16,312,753
1,307,171	1,270,927	1,300,064	1,565,842	1,459,571	1,583,488
554,839	711,245	798,623	-	-	-
-	-	-	162,560	260,345	73,732
-	-	536,112	2,356,370	782,885	784,885
-	-	-	-	769,412	1,039,308
473,077	920,613	184,901	788,699	39,807	4,595
145,114	376,266	1,234,387	633,271	533,098	669,965
5,037,656	836,473	5,040,395	2,467,434	1,206,112	2,507,506
<u>24,316,294</u>	<u>23,062,597</u>	<u>27,859,275</u>	<u>27,185,825</u>	<u>25,625,330</u>	<u>30,315,594</u>
-	-	38,462	-	195,593	32,177
-	-	558,148	1,420,458	370,000	370,000
82,792	154,619	-	94,836	6,041	85,211
11,511	4,417	266,639	140,513	661,412	361,868
<u>(5,037,656)</u>	<u>(836,473)</u>	<u>(5,040,395)</u>	<u>(2,467,434)</u>	<u>(1,206,112)</u>	<u>(2,507,506)</u>
-	-	-	-	-	-
<u>(4,943,353)</u>	<u>(677,437)</u>	<u>(4,177,146)</u>	<u>(811,627)</u>	<u>26,934</u>	<u>(1,658,250)</u>
19,372,941	22,385,160	23,682,129	26,374,198	25,652,264	28,657,344
5,695,220	2,174,226	7,898,090	7,194,096	10,771,223	14,897,364
<u>(2,499,818)</u>	<u>3,106,804</u>	<u>(2,119,935)</u>	<u>2,113,680</u>	<u>3,667,753</u>	<u>6,663,616</u>
<u>\$ 3,195,402</u>	<u>\$ 5,281,030</u>	<u>\$ 5,778,155</u>	<u>\$ 9,307,776</u>	<u>\$ 14,438,976</u>	<u>\$ 21,560,980</u>

**City of Tomball, Texas**

## Fund Balances of Governmental Funds

Last Ten Fiscal Years

*(Modified Accrual Basis of Accounting)*

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>GENERAL FUND</b>				
Nonspendable	\$ 30,441	\$ 15,894	\$ 14,435	\$ 12,047
Assigned	161,921	322,702	127,671	35,379
Unassigned	<u>11,559,755</u>	<u>13,075,443</u>	<u>13,340,472</u>	<u>13,245,355</u>
Total General fund	11,752,117	13,414,039	13,482,578	13,292,781
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Restricted	27,524,034	26,470,729	23,370,264	19,434,478
Committed	-	-	-	-
Assigned	<u>143,436</u>	<u>168,245</u>	<u>167,060</u>	<u>128,489</u>
Total all other governmental funds	<u>27,667,470</u>	<u>26,638,974</u>	<u>23,537,324</u>	<u>19,562,967</u>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<u>\$ 39,419,587</u>	<u>\$ 40,053,013</u>	<u>\$ 37,019,902</u>	<u>\$ 32,855,748</u>



Schedule 3

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 14,956	\$ 22,244	\$ 41,027	\$ 32,959	\$ 44,475	\$ 29,966
24,767	78,620	-	-	101,936	104,745
13,021,273	14,649,687	16,040,036	17,356,506	21,310,474	26,492,595
13,060,996	14,750,551	16,081,063	17,389,465	21,456,885	26,627,306
42,711,890	39,639,759	42,382,622	31,060,871	20,772,788	21,291,217
-	-	-	39,052	84,640	67,012
140,059	150,799	160,021	101,816	-	-
42,851,949	39,790,558	42,542,643	31,201,739	20,857,428	21,358,229
<u>\$ 55,912,945</u>	<u>\$ 54,541,109</u>	<u>\$ 58,623,706</u>	<u>\$ 48,591,204</u>	<u>\$ 42,314,313</u>	<u>\$ 47,985,535</u>

# City of Tomball, Texas

## Changes in Fund Balances of Governmental Funds

### Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>REVENUES</b>				
Taxes	\$ 15,846,215	\$ 17,386,633	\$ 17,903,187	\$ 18,213,384
Permits, licenses, and fees	445,104	446,292	492,646	439,677
Fines and forfeitures	1,181,742	1,066,313	999,667	892,654
Charges for services	2,167,939	2,249,420	2,202,024	2,234,322
Intergovernmental	784,918	939,861	384,308	288,988
Contributions from component unit	528,210	904,363	606,753	538,012
Investment earnings (loss)	42,913	29,604	38,372	125,092
Special assessments	-	-	-	-
Contributions from property owners	-	-	-	-
Other	178,501	242,361	538,244	637,104
<b>Total revenues</b>	<b>21,175,542</b>	<b>23,264,847</b>	<b>23,165,201</b>	<b>23,369,233</b>
<b>EXPENDITURES</b>				
General government	5,099,473	4,929,295	5,128,871	5,226,561
Public safety	7,353,064	8,230,705	9,114,221	8,509,599
Public works	3,217,149	3,364,509	3,464,256	3,386,348
Public service	1,677,586	1,627,610	1,366,045	2,716,596
Parks and recreation	-	-	-	-
Tourism and arts	-	-	-	-
Community development	-	-	-	-
Capital outlay	1,939,517	2,996,663	5,923,542	7,384,704
Debt service				
Principal	1,800,649	2,210,330	2,742,812	2,285,608
Interest	733,166	955,817	854,618	812,046
Issuance costs and fiscal agent fees	284,673	8,113	11,015	10,163
<b>Total expenditures</b>	<b>22,105,277</b>	<b>24,323,042</b>	<b>28,605,380</b>	<b>30,331,625</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(929,735)</b>	<b>(1,058,195)</b>	<b>(5,440,179)</b>	<b>(6,962,392)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of bonds	14,270,500	-	-	-
Premium on issuance of bonds	205,934	-	-	-
Payment to refunding bond escrow agent	(5,884,626)	-	-	-
Issuance of leases	-	-	800,000	-
Proceeds from sale of capital assets	-	-	-	-
Insurance recoveries	-	-	-	-
Transfers in	2,748,842	2,491,049	3,261,023	3,979,455
Transfers out	(300,000)	(799,428)	(1,653,955)	(1,181,277)
<b>Total other financing sources</b>	<b>11,040,650</b>	<b>1,691,621</b>	<b>2,407,068</b>	<b>2,798,178</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 10,110,915</b>	<b>\$ 633,426</b>	<b>\$ (3,033,111)</b>	<b>\$ (4,164,214)</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<b>12.56%</b>	<b>14.85%</b>	<b>15.86%</b>	<b>13.50%</b>

## Schedule 4

2017	2018	2019	2020	2021	2022
\$ 18,660,447	\$ 20,855,485	\$ 20,863,480	\$ 20,777,491	\$ 22,033,671	\$ 25,228,379
477,934	532,615	580,397	1,113,989	1,633,908	2,099,085
811,084	664,577	702,464	387,512	342,294	343,265
2,236,863	1,844,191	2,944,374	2,967,034	3,013,862	3,530,408
879,740	453,416	814,316	473,851	2,881,985	951,042
540,913	558,612	561,112	755,684	757,885	759,885
451,739	920,616	1,234,387	760,258	37,260	(10,625)
-	-	-	-	769,412	1,039,308
-	-	-	-	1,906,073	-
746,050	1,412,658	370,277	467,213	505,629	795,887
24,804,770	27,242,170	28,070,807	27,703,032	33,881,979	34,736,634
6,100,527	5,393,013	5,864,176	6,126,522	7,338,143	7,815,362
9,089,408	9,299,659	9,343,944	9,938,995	10,121,612	11,475,837
6,526,127	4,125,511	3,981,985	3,747,361	4,633,013	4,719,770
-	-	-	-	-	-
741,577	637,942	780,799	933,132	850,842	864,199
-	648,305	688,638	604,578	551,162	672,983
702,393	431,157	430,037	400,824	382,201	369,924
777,156	4,135,518	2,804,551	14,657,977	15,267,183	2,496,898
3,119,373	3,322,713	3,576,806	3,923,000	2,540,000	2,559,406
1,647,348	1,446,498	1,368,870	1,128,683	1,028,508	989,648
10,163	10,163	10,163	181,880	186,875	11,100
28,714,072	29,450,479	28,849,969	41,642,952	42,899,539	31,975,127
(3,909,302)	(2,208,309)	(779,162)	(13,939,920)	(9,017,560)	2,761,507
20,240,000	-	-	9,100,000	5,255,000	-
911,687	-	-	733,352	535,384	-
-	-	-	(9,663,255)	(5,652,859)	-
-	-	-	-	-	-
-	-	-	166,059	27,469	23,934
-	-	-	-	219,612	39,967
8,138,353	4,204,166	6,314,895	4,789,385	3,724,723	3,422,494
(2,323,541)	(3,367,693)	(1,453,136)	(1,088,050)	(1,436,305)	(576,680)
26,966,499	836,473	4,861,759	4,037,491	2,673,024	2,909,715
<u>\$ 23,057,197</u>	<u>\$ (1,371,836)</u>	<u>\$ 4,082,597</u>	<u>\$ (9,902,429)</u>	<u>\$ (6,344,536)</u>	<u>\$ 5,671,222</u>
17.06%	18.84%	18.99%	19.08%	13.15%	12.04%

**City of Tomball, Texas**  
 Tax Revenues by Source  
 Last Ten Fiscal Years

<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Property tax	\$ 4,708,329	\$ 5,009,955	\$ 5,241,928	\$ 5,674,692
Sales tax	9,442,376	10,532,691	10,839,818	10,578,683
Franchise tax	1,267,302	1,253,077	1,282,598	1,331,076
Other taxes	428,208	590,910	538,843	628,933
<b>Total</b>	<b>\$ 15,846,215</b>	<b>\$ 17,386,633</b>	<b>\$ 17,903,187</b>	<b>\$ 18,213,384</b>

**Schedule 5**

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 6,007,290	\$ 6,519,413	\$ 6,241,709	\$ 6,919,721	\$ 7,213,050	\$ 7,339,362
10,791,147	12,427,660	12,594,274	12,291,928	13,361,050	16,312,753
1,064,371	1,026,440	996,118	832,450	851,126	844,132
797,639	881,972	1,031,379	733,392	608,445	732,132
<b>\$ 18,660,447</b>	<b>\$ 20,855,485</b>	<b>\$ 20,863,480</b>	<b>\$ 20,777,491</b>	<b>\$ 22,033,671</b>	<b>\$ 25,228,379</b>

**City of Tomball, Texas**

Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Residential property	\$ 433,331,223	\$ 439,396,850	\$ 497,193,417	\$ 561,634,471
Commercial property	1,192,905,533	1,303,924,316	1,314,023,000	1,395,710,026
Less: Tax exempt property	<u>(261,641,054)</u>	<u>(274,973,296)</u>	<u>(280,967,178)</u>	<u>(290,126,523)</u>
<b>TOTAL TAXABLE ASSESSED VALUE <sup>(1)</sup></b>	<b><u>\$ 1,364,595,702</u></b>	<b><u>\$ 1,468,347,870</u></b>	<b><u>\$ 1,530,249,239</u></b>	<b><u>\$ 1,667,217,974</u></b>
<b>TOTAL DIRECT TAX RATE</b>	0.341455	0.341455	0.341455	0.341455

Source: Harris County Certified / Uncertified Tax Roll.

(1) Property is assessed at actual value; therefore, the assessed values are equal to actual value.  
Tax rates are per \$100 of assessed value.

**Schedule 6**

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 588,671,706	\$ 623,634,272	\$ 710,129,040	\$ 925,530,809	\$ 796,448,519	\$ 894,124,076
1,451,279,183	1,469,452,394	1,709,373,371	1,575,407,601	1,758,884,849	1,801,782,521
(298,380,174)	(263,289,888)	(345,460,031)	(362,380,020)	(355,036,270)	(382,695,710)
<u>\$ 1,741,570,715</u>	<u>\$ 1,829,796,778</u>	<u>\$ 2,074,042,380</u>	<u>\$ 2,138,558,390</u>	<u>\$ 2,200,297,098</u>	<u>\$ 2,313,210,887</u>
0.341455	0.341455	0.341455	0.341455	0.337862	0.333339

## City of Tomball, Texas

### Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
City of Tomball by fund:				
General	\$ 0.111455	\$ 0.111455	\$ 0.111455	\$ 0.111455
Debt service	0.230000	0.230000	0.230000	0.230000
Total Direct Rates	0.341455	0.341455	0.341455	0.341455
Tomball Independent School District	1.360000	1.360000	1.360000	1.340000
Harris County	0.400210	0.414550	0.417310	0.419230
Harris County Flood Control District	0.028090	0.028270	0.027360	0.027330
Port of Houston Authority	0.019520	0.017160	0.015310	0.013420
Harris County Hospital District	0.182160	0.170000	0.170000	0.170000
Harris County Department of Education	0.006617	0.006358	0.005999	0.005422
Lone Star College System District	0.119800	0.116000	0.108100	0.107900
Emergency Service District #8	0.050000	0.050000	0.100000	0.100000
<b>TOTAL DIRECT AND OVERLAPPING RATES <sup>(1)</sup></b>	<b>\$ 2.507852</b>	<b>\$ 2.503793</b>	<b>\$ 2.545534</b>	<b>\$ 2.524757</b>

Tax rates per \$100 of assessed valuation

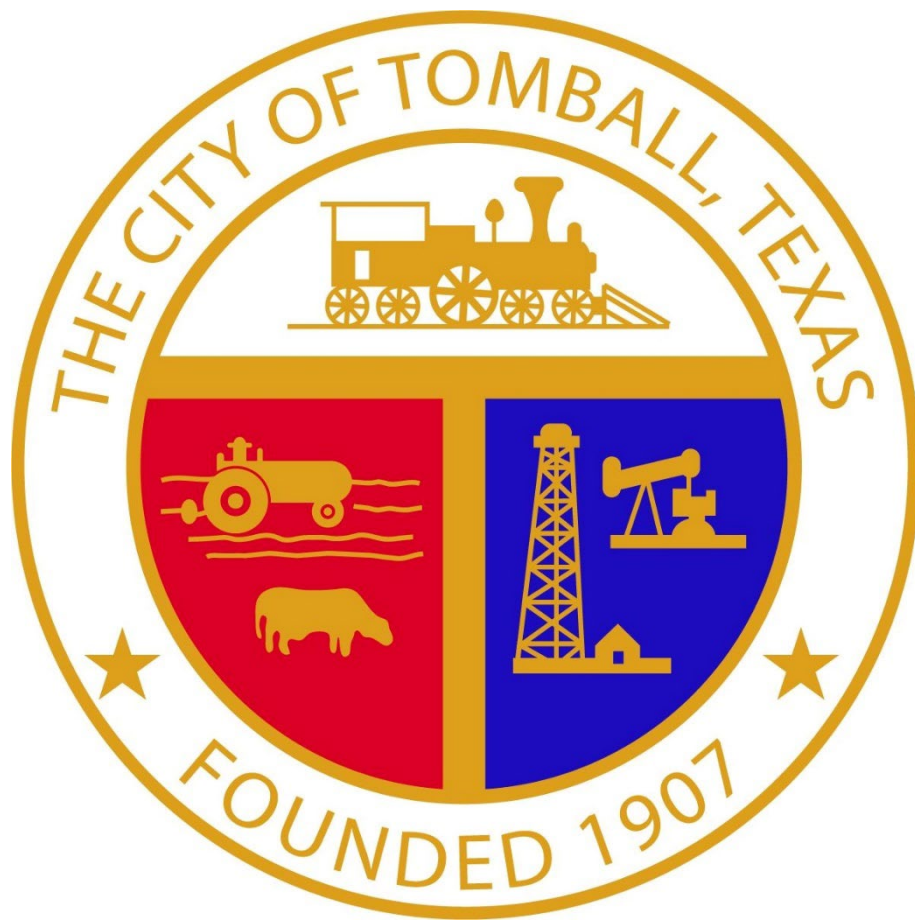
Source: Harris County Appraisal District

(1) Overlapping rates are those of local and county governments that apply within the City of Tomball.



Schedule 7

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 0.111455	\$ 0.111455	\$ 0.111455	\$ 0.111455	\$ 0.164279	\$ 0.177557
0.230000	0.230000	0.230000	0.230000	0.173583	0.155782
0.341455	0.341455	0.341455	0.341455	0.337862	0.333339
1.340000	1.340000	1.290000	1.290000	1.290000	1.250000
0.416560	0.418580	0.407130	0.407130	0.391160	0.376930
0.028290	0.028770	0.027920	0.027920	0.031420	0.033490
0.013340	0.011550	0.010740	0.010740	0.009910	0.008720
0.171790	0.171080	0.165910	0.165910	0.166710	0.162210
0.005200	0.005190	0.005000	0.005000	0.004993	0.004990
0.107800	0.107800	0.107800	0.107800	0.107800	0.107800
0.095470	0.098250	0.096700	0.096700	0.097000	0.094245
<u>\$ 2.519905</u>	<u>\$ 2.522675</u>	<u>\$ 2.452655</u>	<u>\$ 2.452655</u>	<u>\$ 2.436855</u>	<u>\$ 2.371724</u>



**City of Tomball, Texas**  
Principal Property Taxpayers  
Current Year and Nine Years Ago

**Schedule 8**

Property Tax Payer	2022			2013		
	Assessed Value	Rank	% of Taxable Assessed Value	Assessed Value	Rank	% of Taxable Assessed Value
North Houston TRMC	\$ 132,709,999	1	5.74%	\$ -		0.00%
Weingarten Investments Inc.	37,227,854	2	1.61%	15,180,655	6	1.11%
Baker Hughes	34,641,844	3	1.50%	-		
CXA Corporation	34,333,889	4	1.48%	-		
Mustang CAT Manufacturing	27,430,656	5	1.19%	-		
SJBC Commercial XXI LLC	27,056,859	6	1.17%	-		
CenterPoint Energy	21,224,842	7	0.92%	14,700,615	7	1.08%
Wal Mart	19,676,763	8	0.85%	18,501,413	3	1.36%
29807 Tomball LLC	19,378,442	9	0.84%	-		
MPT Tomball LP	18,107,612	10	0.78%	16,372,963	4	1.20%
B J Services	-		0.00%	192,218,089	1	14.09%
Tomball Hospital Authority	-		0.00%	157,421,590	2	11.54%
American Natinoal Carbide	-		0.00%	15,702,821	5	1.15%
Health Care REIT Inc.	-		0.00%	14,230,035	8	1.04%
Lowe's	-		0.00%	13,606,285	9	1.00%
Target Corporation	-		0.00%	11,587,781	10	0.85%
Subtotal	371,788,760		16.07%	469,522,247		34.41%
Other Taxpayers	1,941,422,127		83.93%	895,073,455		65.59%
<b>TOTAL TAXABLE ASSESSED VALUE</b>	<b>\$2,313,210,887</b>		<b>100.00%</b>	<b>\$1,364,595,702</b>		<b>100.00%</b>

Source: Harris County Tax Assessor-Collector's records.

**City of Tomball, Texas**

Ad Valorem Tax Levies and Collections  
Last Ten Fiscal Years

**Schedule 9**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Periods	Total Collections to date	
		Amount	Percentage of Net Tax Levy		Amount	Percent of Total Tax Collections To Net Tax
2013	\$ 4,649,753	\$ 4,633,156	99.6%	\$ 10,746	\$ 4,643,902	99.9%
2014	4,985,054	4,967,598	99.6%	12,126	4,979,724	99.9%
2015	5,185,007	5,168,570	99.7%	8,926	5,177,496	99.9%
2016	5,688,531	5,591,963	98.3%	89,033	5,680,996	99.9%
2017	6,077,755	5,870,159	96.6%	198,676	6,068,835	99.9%
2018	6,285,748	6,210,139	98.8%	64,862	6,275,001	99.8%
2019	6,400,713	6,344,039	99.1%	44,543	6,388,582	99.8%
2020	6,844,962	6,751,924	98.6%	75,827	6,827,751	99.7%
2021	7,297,621	7,118,059	97.5%	147,666	7,265,725	99.6%
2022	7,498,423	7,389,512	98.5%	-	7,389,512	98.5%

**City of Tomball, Texas**  
**Sales Tax Revenues by Industry**  
**Current Year and Nine Years Ago**

**Schedule 10**

Sales Tax Remitter	Calendar Year 2022				Calendar Year 2013			
	Number of Outlets	Percentage of Total	Tax Liability (thousands)	Percentage of Total	Number of Outlets	Percentage of Total	Tax Liability (thousands)	Percentage of Total
Retail trade	3,010	34.71%	\$ 11,300	51.97%	1,368	25.51%	\$ 6,479	50.63%
Services	1,374	15.84%	3,308	15.21%	1,072	19.99%	1,654	12.93%
Wholesale trade	1,231	14.20%	2,855	13.13%	827	15.42%	1,562	12.21%
Utilities, transportation, communications	682	7.86%	1,081	4.97%	222	4.14%	654	5.11%
Manufacturing	1,041	12.00%	1,086	4.99%	534	9.96%	446	3.49%
Construction	409	4.72%	439	2.02%	301	5.61%	169	1.32%
Finance, insurance, real estate	259	2.99%	775	3.56%	242	4.51%	569	4.45%
Mining, quarrying, and oil and gas extraction	68	0.78%	564	2.59%	23	0.43%	4	0.03%
All other outlets	598	6.90%	335	1.54%	773	14.42%	1,259	9.84%
<b>TOTAL</b>	<b>8,672</b>	<b>100.00%</b>	<b>\$ 21,743</b>	<b>100.00%</b>	<b>5,362</b>	<b>100.00%</b>	<b>\$ 12,796</b>	<b>100.00%</b>

Notes: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Source: Texas State Comptroller of Public Accounts

Tax liability information is not available on a fiscal-year basis.

## City of Tomball, Texas

### Ratios of Outstanding Debt by Type Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>PRIMARY GOVERNMENT</b>				
Governmental activities:				
General obligation bonds	\$ 10,985,250	\$ 9,710,500	\$ 8,437,500	\$ 7,165,750
Certificates of obligation	22,435,000	21,565,000	20,640,000	19,695,000
Unamortized premiums	492,862	449,806	406,750	363,694
Public property finance contractual obligation	-	-	-	-
Leases	601,044	535,464	800,000	731,142
Subtotal	<u>34,514,156</u>	<u>32,260,770</u>	<u>30,284,250</u>	<u>27,955,586</u>
Business-type activities:				
General obligation bonds	5,304,750	4,669,500	4,042,500	3,429,250
Unamortized premiums	94,211	82,435	70,659	58,883
Revenue bonds	2,900,000	2,465,000	-	-
Subtotal	<u>8,298,961</u>	<u>7,216,935</u>	<u>4,113,159</u>	<u>3,488,133</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u><u>\$ 42,813,117</u></u>	<u><u>\$ 39,477,705</u></u>	<u><u>\$ 34,397,409</u></u>	<u><u>\$ 31,443,719</u></u>
<b>PERSONAL INCOME</b>	315,207,090	463,247,856	475,348,930	508,752,440
<b>DEBT AS A PERCENTAGE OF PERSONAL INCOME</b>	13.583%	8.522%	7.236%	6.181%
<b>POPULATION</b>	10,979	11,124	11,299	11,540
<b>DEBT PER CAPITA</b>	3,900	3,549	3,044	2,725

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Schedule 11

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 5,887,500	\$ 4,603,250	\$ 3,603,000	\$ 10,790,000	\$ 14,875,000	\$ 13,315,000
38,165,000	36,200,000	34,210,000	22,535,000	15,540,000	14,565,000
1,188,911	1,103,038	1,017,164	1,625,273	1,913,996	1,762,518
-	1,300,000	1,169,868	1,169,868	1,039,868	909,868
660,019	586,556	-	-	-	39,219
45,901,430	43,792,844	40,000,032	36,120,141	33,368,864	30,591,605
2,832,500	2,246,750	1,672,000	-	-	-
47,107	35,331	23,555	-	-	-
-	-	-	-	-	-
2,879,607	2,282,081	1,695,555	-	-	-
<u>\$ 48,781,037</u>	<u>\$ 46,074,925</u>	<u>\$ 41,695,587</u>	<u>\$ 36,120,141</u>	<u>\$ 33,368,864</u>	<u>\$ 30,591,605</u>
576,689,433	575,773,674	420,244,052	381,549,768	459,924,388	424,702,740
8.459%	8.002%	9.922%	9.467%	7.255%	7.203%
11,643	11,707	11,761	12,053	12,341	12,810
4,190	3,936	3,545	2,997	2,704	2,388

**City of Tomball, Texas**

Ratio of Net General Bonded Debt to Assessed Value,  
 Net General Bonded Debt per Capita and Assessed and  
 Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>NET TAXABLE ASSESSED VALUE</b>				
All property	1,364,595,702	1,468,347,870	1,530,249,239	1,667,217,974
<b>NET BONDED DEBT</b>				
Net bonded debt	<u>39,312,073</u>	<u>36,477,241</u>	<u>33,597,409</u>	<u>30,712,577</u>
<b>NET BONDED DEBT</b>	<u>\$ 39,312,073</u>	<u>\$ 36,477,241</u>	<u>\$ 33,597,409</u>	<u>\$ 30,712,577</u>
<b>RATIO OF NET BONDED DEBT TO ASSESSED VALUE</b>	2.88%	2.48%	2.20%	1.84%
<b>POPULATION</b>	10,979	11,124	11,299	11,540
<b>NET BONDED DEBT PER CAPITA</b>	3,581	3,279	2,973	2,661



<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
1,741,570,715	1,829,796,778	2,074,042,380	2,138,558,390	2,200,297,098	2,313,210,887
48,121,018	45,488,369	41,695,587	36,120,141	33,368,864	30,552,386
<u>\$ 48,121,018</u>	<u>\$ 45,488,369</u>	<u>\$ 41,695,587</u>	<u>\$ 36,120,141</u>	<u>\$ 33,368,864</u>	<u>\$ 30,552,386</u>
2.76%	2.49%	2.01%	1.69%	1.52%	1.32%
11,643	11,707	11,761	12,053	12,341	12,810
4,133	3,886	3,545	2,997	2,704	2,385

**City of Tomball, Texas**

Direct and Overlapping Governmental Activities Debt  
September 30, 2022

**Schedule 13**

<b>Governmental Unit</b>	<b>Net Bonded Debt Outstanding</b>	<b>Estimated Percentage Applicable <sup>(1)</sup></b>	<b>Estimated Share of Overlapping Debt</b>
<b>DEBT REPAID WITH PROPERTY TAXES</b>			
Tomball ISD	\$ 685,985,000	17.520%	\$ 120,184,572
Klein ISD	1,140,540,000	0.050%	570,270
Harris County	1,863,542,125	0.380%	7,081,460
Harris Co. Flood Control District	807,875,000	0.380%	3,069,925
Harris Co. Hospital District	76,385,000	0.380%	290,263
Port of Houston Authority	469,434,397	0.380%	1,783,851
Harris County Dept of Education	20,185,000	0.380%	76,703
Lone Star College System	639,345,000	0.970%	<u>6,201,647</u>
Subtotal, overlapping debt			139,258,690
City direct debt		100.000%	<u>30,591,605</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<u><u>\$ 169,850,295</u></u>

Notes:

(1) Estimated Percentage Applicable developed from information obtained from the Municipal Advisory Council of Texas.

Source: First Southwest Company / Texas Municipal Reports

The City has no general obligation legal debt limit other than a ceiling on the ad valorem tax rate as specified by the State of Texas. The prescribed maximum is \$ 2.50 per \$ 100.00 at 100 percent valuation.

**City of Tomball, Texas**  
Pledged Revenue Coverage  
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Gross revenues	\$ 11,831,041	\$ 12,060,478	\$ 11,650,417	\$ 11,371,959
Operating expenses <sup>(1)</sup>	<u>6,366,426</u>	<u>6,766,405</u>	<u>6,989,458</u>	<u>6,917,814</u>
<b>NET REVENUES AVAILABLE FOR DEBT SERVICE</b>	5,464,615	5,294,073	4,660,959	4,454,145
<b>DEBT SERVICE REQUIREMENTS <sup>(2)</sup></b>				
Principal and interest	<u>568,174</u>	<u>273,536</u>	<u>-</u>	<u>-</u>
<b>TOTAL</b>	<u>\$ 568,174</u>	<u>\$ 273,536</u>	<u>\$ -</u>	<u>\$ -</u>
<b>COVERAGE</b>	9.62	19.35	n/a	n/a

(1) Total operating expenses less depreciation

(2) Includes revenue bonds only. Revenue bonds were paid off during fiscal year 2015.

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 10,922,004	\$ 12,228,559	\$ 12,011,055	\$ 13,615,083	\$ 16,870,175	\$ 18,987,150
7,200,566	7,492,441	8,444,761	8,594,907	11,998,767	11,834,673
3,721,438	4,736,118	3,566,294	5,020,176	4,871,408	7,152,477
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
n/a	n/a	n/a	n/a	n/a	n/a

**City of Tomball, Texas**  
Demographic and Economic Statistics  
Last Ten Fiscal Years

**Schedule 16**

<b>Fiscal Year Ended Sept 30</b>	<b>Population<sup>(1)</sup></b>	<b>Personal Income</b>	<b>Per Capita Personal Income<sup>(5)</sup></b>	<b>Median Age<sup>(2)</sup></b>	<b>School Enrollment<sup>(3)</sup></b>	<b>Unemployment Rate<sup>(4)</sup></b>
2013	10,979	\$ 315,207,090	\$ 28,710	39.8	12,362	6.20%
2014	11,124	463,247,856	41,644	35.6	12,461	4.90%
2015	11,299	475,348,930	42,070	37.2	13,270	4.40%
2016	11,540	508,752,440	44,086	37.3	14,077	5.70%
2017	11,643	576,689,433	49,531	34.5	14,700	4.80%
2018	11,707	575,773,674	49,182	34.5	15,934	4.72%
2019	11,761	420,244,052	35,732	39.3	16,962	4.40%
2020	12,053	381,549,768	31,656	39.0	18,294	8.30%
2021	12,341	459,924,388	37,268	39.0	18,666	5.60%
2022	12,810	424,702,740	33,154	34.0	20,262	4.20%

Sources:

- (1) Tomball Economic Development Corporation or American FactFinder
- (2) Tomball Economic Development Corporation or American FactFinder
- (3) Tomball Independent School District
- (4) Texas Employment Commission, SMSA Houston-Sugar Land-Baytown Metropolitan Statistical Area or Houston-The Woodlands-Sugar Land MSA.
- (5) Tomball Economic Development Corporation or American FactFinder

**City of Tomball, Texas**  
Principal Employers  
Current Year and Nine Years Ago

**Schedule 17**

Employer	2022			2013		
	Employees	Rank	Total City Employment	Employees	Rank	Total City Employment
Tomball ISD	2,800	1	21.86%	1,478	1	17.16%
HCA (Previously Tomball Regional)	1,500	2	11.71%	1,300	2	15.10%
Lone Star College - Tomball	730	3	5.70%	1,056	3	12.26%
HEB	380	4	2.97%	275	6	3.19%
Walmart	275	5	2.15%	325	5	3.77%
City of Tomball	250	6	1.95%	164	9	1.90%
Lowes	213	7	1.66%	185	8	2.15%
Kroger	181	8	1.41%	139	10	1.61%
Houston Poly Bad, Ltd	120	9	0.94%			
Target	90	10	0.70%			
Baker Hughes (B J Services)				680	4	7.90%
Triumph Hospital				250	7	2.90%

Notes: The residents of the City of Tomball are primarily employed outside of the City limits.

Sources:

- Tomball Area Chamber of Commerce
- Tomball Economic Development Corporation
- Tomball Independent School District
- Human Resource Department of Listed Companies

**City of Tomball, Texas**

Full-time Equivalent City Government Employees by Function/Program  
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>GENERAL FUND</b>				
Administration	17.50	17.50	17.50	17.50
Permits & Inspection	5.00	5.00	4.00	6.00
Police Department	58.00	58.50	59.50	59.50
Municipal Court	4.50	4.50	4.50	4.50
Community Center	3.00	3.00	3.00	3.00
Fire Department	18.00	18.50	27.50	27.50
Public Works Admin.	9.00	9.00	10.00	8.00
Garage	2.00	2.00	2.00	2.00
Parks	5.20	5.20	5.20	5.20
Streets	7.20	7.20	7.20	8.20
Total General Fund	<u>129.40</u>	<u>130.40</u>	<u>140.40</u>	<u>141.40</u>
<b>ENTERPRISE FUND</b>				
Utility Administration	8.00	7.00	7.00	8.00
Water	7.20	8.20	8.20	8.20
Wastewater	10.20	10.20	10.20	10.20
Gas	6.20	6.20	6.20	6.20
Total Enterprise Fund	<u>31.60</u>	<u>31.60</u>	<u>31.60</u>	<u>32.60</u>
<b>SPECIAL REVENUE FUNDS</b>				
Total Special Revenue Funds	<u>3.00</u>	<u>12.00</u>	<u>3.00</u>	<u>3.00</u>
<b>TOTAL CITY POSITIONS</b>	<u>164.00</u>	<u>174.00</u>	<u>175.00</u>	<u>177.00</u>

Notes:

Temporary and seasonal employees are hired during the summer months.

This count is not reflected above.

Police reserves are not included.

Fire Department volunteers are not included.



Schedule 18

2017	2018	2019	2020	2021	2022
18.00	18.00	18.00	18.00	18.00	18.00
6.00	6.00	6.00	6.00	6.00	5.00
61.50	61.50	62.00	62.00	65.00	69.00
4.50	4.50	5.50	5.50	5.50	5.50
3.00	3.00	3.00	3.00	3.00	3.00
27.50	27.50	35.30	32.30	35.30	37.80
8.00	8.00	8.00	8.00	8.00	9.00
2.00	2.00	2.00	2.00	2.00	2.00
5.20	6.20	6.70	6.70	6.70	6.70
8.20	9.20	9.20	9.20	9.20	9.20
143.90	145.90	155.70	152.70	158.70	165.20
8.00	9.00	9.00	9.00	9.00	11.00
8.20	8.20	8.20	8.20	8.20	8.20
10.20	10.20	10.20	10.20	10.20	10.20
6.20	6.20	6.20	6.20	6.20	6.20
32.60	33.60	33.60	33.60	33.60	35.60
3.50	3.50	4.00	4.00	3.00	3.00
3.50	3.50	4.00	4.00	3.00	3.00
180.00	183.00	193.30	190.30	195.30	203.80

## City of Tomball, Texas

### Operating Indicators by Function/Program Last Ten Fiscal Years

<b>FUNCTION/PROGRAM</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Police:</b>				
Arrests	2,394	1,650	1,252	883
Accident reports	378	453	514	577
Citations	11,330	10,181	7,251	6,746
Offense reports	2,008	2,224	1,462	1,092
Calls for service	7,069	7,524	7,938	7,747
<b>Fire:</b>				
Emergency responses	1,768	2,749	2,002	1,671
Fire incidents	129	128	104	114
Average response time	4:50	5:13	5:18	6:52
<b>Water:</b>				
New accounts	122	126	88	41
<b>Source</b>				
Water	122	126	88	41
Wastewater / Sewer	122	126	88	41
Average daily consumption (millions of gallons)	2,043	1,967	2,052	2,051
Number of million gallons of surface water pumped	-	-	-	-
Number of million gallons of well water pumped	759,817	718,069	750,434	748,615
Total consumption (millions of gallons)	759,817	718,069	750,434	748,615
Peak daily consumption (millions of gallons)	4,689	3,385	2,840	2,657
<b>Wastewater / Sewer:</b>				
Average daily sewage treatment (millions of gallons)	1.347	1.478	1.576	1.920
Total consumption (millions of gallons)	491.660	539.470	575.240	700.800
Peak daily consumption (millions of gallons)	2.85	5.19	3.78	2.70

Source: Various City departments

Schedule 19

2017	2018	2019	2020	2021	2022
1,073	808	454	481	749	648
489	486	832	149	310	469
5,679	4,789	4,774	4,169	2,278	2,862
1,299	525	886	1,230	993	1,467
7,205	28,443	34,899	40,851	13,713	51,075
1,773	2,820	2,162	1,677	1,961	2,701
162	135	91	114	78	109
6:10	6:43	6:07	6:10	6:13	6:07
148	87	133	268	527	413
148	87	133	268	527	413
148	87	133	268	527	413
1,807	2,090	2,112	2,126	1,909	2,241
-	-	-	-	-	-
659,814	763,060	912,707	776,032	773,283	978,397
659,814	763,060	912,707	693,111	706,483	881,593
4,760	3,941	5,083	4,141	5,730	4,961
1.589	1.528	1.554	1.297	1.352	1.419
579.985	565.824	568.764	473.415	535.090	517.935
3.51	3.20	3.23	3.99	4.99	2.39

## City of Tomball, Texas

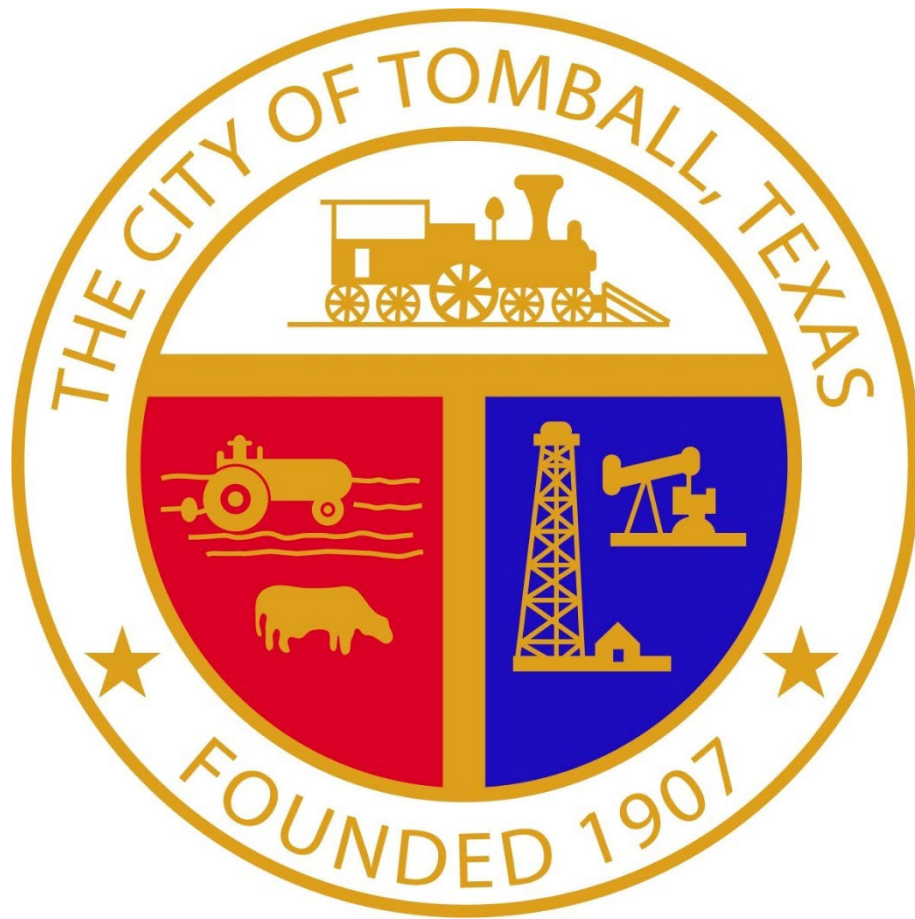
### Capital Asset Statistics by Function/Program Last Ten Fiscal Years

FUNCTION/PROGRAM	2013	2014	2015	2016
Police:				
Stations	1	1	1	1
Patrol units	33	33	35	35
Fire stations	2	2	2	2
Other public works:				
Streets (miles - centerlines)	50.60	50.60	50.60	50.60
Streetlights	689	720	720	720
Parks and recreation:				
Parks	6	6	7	7
Parks (acreage)	39.00	39.00	52.00	52.00
Swimming pools	1	1	1	1
Baseball / softball diamonds	8	8	8	8
Tennis courts	4	4	4	4
Racquetball/handball courts	-	-	-	-
Gymnasiums	-	-	-	-
Basketball courts	2	2	2	2
Water:				
Water mains (miles)	1.00	92.69	92.69	94.49
Fire hydrants	950	955	955	974
Storage capacity (millions of gallons)	2.85	2.85	2.85	2.85
Sewer:				
Sanitary sewers (miles)	1.65	1.65	1.65	3.25
Storm sewers (miles)	22.90	22.90	22.90	22.90
Open ditch / creek / canal drainage (miles)	54.00	54.00	54.00	54.00
Treatment capacity (millions of gallons)	3	3	3	3

Source: Various City departments. In 2018, water and sewer mains (miles) were determined using a Geographic Imaging System

Schedule 20

2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
35	35	38	51	56	56
2	2	2	2	2	2
57.94	57.94	61.67	84.00	88.18	92.36
720	720	751	793	793	799
7	7	7	7	7	7
69.81	69.81	69.81	69.81	69.81	69.81
1	1	1	1	1	1
8	8	8	8	8	8
4	4	4	4	4	4
-	-	-	-	-	-
-	-	-	-	-	-
2	2	2	2	2	2
95.11	121.36	123.97	128.92	132.60	136.28
981	1,135	1,163	1,219	1,277	1,337
2.15	2.15	2.15	2.15	2.15	2.15
3.88	98.14	84.50	88.52	92.23	95.94
22.90	22.90	62.85	66.09	69.65	73.21
57.00	57.23	57.23	57.23	57.23	57.23
3	3	3	3	3	3



# City of Tomball, Texas

Government Auditing Standards Report  
For the Fiscal Year Ended September 30, 2022

**City of Tomball, Texas**  
Government Auditing Standards Report  
For the Fiscal Year Ended September 30, 2022  
Table of Contents

**Page  
Number**

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	1
Schedule of Findings and Responses.....	3
Corrective Action Plan .....	4





**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Honorable Mayor and  
Members of City Council  
City of Tomball, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Tomball, Texas (the City) as of and for the year ended September 30, 2022, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 1, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2022-001, which we consider to be a material weakness.

The Honorable Mayor and  
Members of City Council  
City of Tomball, Texas

**Report on Compliance and Other Matters**

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

**The City's Response to Findings**

The City's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Conroe, Texas  
June 1, 2023

## City of Tomball, Texas

Schedule of Findings and Responses  
For the Fiscal Year Ended September 30, 2022

### Finding 2022-001

**Material Weakness in Internal Control:** Information Technology Security

#### Criteria

Management is responsible for the accuracy and completeness of all financial records and related information and for establishing and maintaining effective internal control over financial reporting, including its information technology (IT) infrastructure used in the preparation of financial statements.

#### Condition

In December 2022, the City fell victim to a breach in its information technology security by a third-party strain of ransomware, which resulted in the City's systems, including enterprise resource planning (ERP), utility systems and backup data being inaccessible.

#### Cause

The City did not have sufficient IT security protocols in place, leaving their systems at risk.

#### Effect or Potential Effect

The above condition is indicative of a material weakness in the City's internal controls over financial reporting since the event was pervasive and resulted in a halt to most of the City's operations. The City developed alternative methods of conducting daily operations while rebuilding its IT environment. The recovery of encrypted information may result in missing source documentation and/or unanticipated corrections to the financial statements.

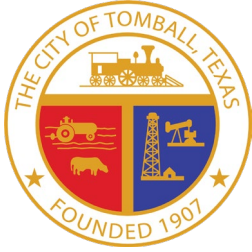
#### Recommendation

We recommend that City's management should:

- Obtain the recommendations and final status of the recommendations from recovery partners;
- Establish an incident response policy;
- Establish a process to document incidents and the activities through the completion an "Incident Summary and Investigation";
- Ensure IT general control processes, security administration, change management, backup and recovery, interface management, physical security, patch management are in place and documentation is maintained to support the processes;
- Perform periodic user access reviews;
- Ensure that administrator access is restricted to appropriate personnel, and where segregation of duties conflicts exist, that sufficient monitoring controls are in place, and;
- Review the City's cybersecurity insurance policy and ensure required processes are in place.

#### City's Response - Views of Responsible Officials:

*See corrective action plan.*



# City of Tomball

**Lori Klein Quinn**  
Mayor

**David Esquivel, PE**  
City Manager

## Current Year Findings

### Finding 2022-001

**Material Weakness in Internal Control:** Information Technology Security

#### Corrective Action Plan

- Obtain the final status from remediation vendor
- Compile documentation from all vendors
- Complete an incident response
- Document existing periodic user reviews
- Review the City's cybersecurity insurance to verify requirements
- Utilize detection and response software for 24x7 monitoring of data
- Deploy patch management and inventory systems
- Create documentation for all IT processes, security administration, change management, patch management, inventory, and backups

#### Person(s) Responsible

Doug Tippey – IT Director

Ben Lato – Senior IT Specialist

#### Anticipated Completion Date

The anticipated completion date is September 30, 2024.

# City Council Meeting Agenda Item Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Approve Resolution No. 2023-30, A Resolution of The City Council of The City of Tomball, Texas, Authorizing the Consolidation of Vital Records from The City of Tomball, Texas, To Harris County, Texas.

**Background:**

To consolidate the City of Tomball Vital Records with Harris County, the state requires a resolution be approved.

**Origination:** City Manager

**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 \_\_\_\_\_ Approved by \_\_\_\_\_  
Staff Member Date City Manager Date

**RESOLUTION NO. 2023-30**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING THE CONSOLIDATION OF VITAL RECORDS FROM THE CITY OF TOMBALL, TEXAS, TO HARRIS COUNTY, TEXAS**

**WHEREAS**, Section 191.022, Subsection (b) of the Texas Health and Safety Code, provides that the municipal clerk or secretary is the local registrar of births and deaths in a municipality with a population of 2,500 or more; and

**WHEREAS**, Section 191.023, Subsection (a) of the Texas Health and Safety Code provides that the duties imposed by law relating to the maintenance of birth and death records of a municipality with a population of 2,500 or more may be transferred to the county in which the municipality is located; and

**WHEREAS**, Harris County, in accordance with Section 191.023, subsection (b) has attested that the County Clerk of Harris County, Texas, has sufficient resources and finances to assume those duties; and

**WHEREAS**, the City of Tomball, Texas, desires to consolidate the birth, death and fetal death records of the City of Tomball and Harris County by complying with Section 191.023, Subsection (b) that requires that the municipality adopt a concurring Resolution agreeing to the transfer and timetable established, said Resolution to be considered at the June 5, 2023, regular meeting of the City of Tomball, Texas City Council; and

**WHEREAS**, the citizens of Harris County would be better served by having all birth and death records in a central location.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, that:**

Effective June 5, 2023, the Harris County Clerk and the Commissioner's Court of Harris County, Texas, hereby agrees and accepts the consolidation, transfer and maintenance of the birth and death records of the City of Tomball Texas, a municipality with a population of more than 2,500 and all duties imposed by Title 3 of the Texas Health and Safety Code related thereto.

**PASSED AND APPROVED** this 5<sup>th</sup> day of June, 2023.

---

Lori Klein Quinn, Mayor

ATTEST:

---

Tracy Garcia, City Secretary

APPROVED TO AS FORM:

---

Loren B. Smith, City Attorney

# City Council Meeting Agenda Item Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Adopt on First Reading Ordinance No. 2023-18, An Ordinance of The City Of Tomball, Texas Amending Section 2-326 Of Its Code Of Ordinances, Designated, Of Division II, Records Management Officer, Of Article V, Records Management, Of Chapter II, Administration; Providing For Severability, Making Findings Of Fact; And Providing For Other Related Matters

**Background:** This ordinance is to Amend section 2-326 of its Code of Ordinances to name the City Secretary as the records management officer; the City Council finds it to be in the best interest of the health, safety and welfare of its residents to amend its code of ordinances as set forth herein.

**Origination:** City Secretary Office

**Recommendation:**

Review and adopt Ordinance 2023-18

**Party responsible for placing this item on agenda:** Tracylynn Garcia

**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 Jeff Bert Approved by \_\_\_\_\_  
Staff Member Date City Manager Date



**ORDINANCE NO. 2023-18**

**AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS AMENDING SECTION 2-326 OF ITS CODE OF ORDINANCES, DESIGNATED, OF DIVISION II, RECORDS MANAGEMENT OFFICER, OF ARTICLE V, RECORDS MANAGEMENT, OF CHAPTER II, ADMINISTRATION; PROVIDING FOR SEVERABILITY, MAKING FINDINGS OF FACT; AND PROVIDING FOR OTHER RELATED MATTERS.**

**WHEREAS**, the City of Tomball, Texas (the “City”) is a home-rule municipality pursuant to sect 5, article 11 of the Texas constitution and as such, is vested with the power of local self-government; and

**WHEREAS**, the City desires to amend section 2-326 of its Code of Ordinances to name the City Secretary as the records management officer;

**WHEREAS**, the City Council finds it to be in the best interest of the health, safety and welfare of its residents to amend its code of ordinances as set forth herein; now therefore

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:**

**Section 1.** The findings contained in the preamble of this Ordinance are hereby found to be true and correct and are hereby adopted as part of this Ordinance.

**Section 2.** Section 2-326, Designated, of Division II, Records Management Officer, of Article V, Records Management, of Chapter II, Administration, is hereby amended to delete therefrom the language struckthrough below and to add the language underscored below, such Section 2-326 to read as follows:

**Sec. 2-326. - Designated.**

The city council hereby designates the City Secretary to serve as records management officer for the city. ~~shall designate an individual employed by the city to serve as records management officer for the city. Upon the resignation, retirement, dismissal or removal by action of the city council of the individual so designated, the city council shall promptly designate another individual to serve as records management officer.~~ The ~~individual designated as records management officer~~ City Secretary shall file his or her name with the director and librarian of the state library within 30 days of the date of designation, as provided by state law.

**Section 3.** In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

---

LORI KLEIN QUINN, Mayor

ATTEST:

---

TRACYLYNN GARCIA, City Secretary

# City Council Meeting Agenda Item Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Consideration to approve Resolution 2023-31, a Resolution of the City Council of the City of Tomball, Texas, accepting the Preliminary Service and Assessment Plan for Authorized Improvements within the Winfrey Estates Public Improvement District; Setting a Date for a Public Hearing on the Proposed Levy of Assessments; Authorizing the Publication and Mailing of Notice; and Enacting Other Provisions Relating thereto.

**Background:**

Resolution 2023-31 accepts the Preliminary Service and Assessment Plan for the Winfrey Estates Public Improvement District (TPID 12) and sets the date for the Public Hearing on the proposed levy of assessments for July 3, 2023.

**Origination:** Project Management

**Recommendation:**

Staff recommends approving Resolution 2023-31 and calling for the Public Hearing on July 3, 2023.

**Party(ies) responsible for placing this item on agenda:** Meagan Mageo, Project Manager

**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 Meagan Mageo Approved by \_\_\_\_\_  
Staff Member Date City Manager Date

**RESOLUTION NO. 2023-31**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, ACCEPTING THE PRELIMINARY SERVICE AND ASSESSMENT PLAN FOR AUTHORIZED IMPROVEMENTS WITHIN THE WINFREY ESTATES PUBLIC IMPROVEMENT DISTRICT; SETTING A DATE FOR PUBLIC HEARING ON THE PROPOSED LEVY OF ASSESSMENTS; AUTHORIZING THE PUBLICATION AND MAILING OF NOTICE; AND ENACTING OTHER PROVISIONS RELATING THERETO.**

\* \* \* \* \*

**WHEREAS**, the City Council (the “City Council”) of the City of Tomball, Texas (the “City”) received a petition (the “Petition”) requesting creation of a public improvement district (the “PID”) under Chapter 372 of the Texas Local Government Code (the “Act”), from the record owners of taxable real property representing more than fifty percent (“50%”) of the appraised value of the real property liable for assessment (as determined by the most recent certified appraisal roll for Harris County) in the proposed PID and the record owners of taxable real property that constitute more than 50% of all of the area of all taxable real property that is liable for assessment in the proposed PID; AND

**WHEREAS**, on January 3, 2022, the City Council accepted the Petition and called a public hearing for February 7, 2022 on the creation of the District and the advisability of the improvements; and

**WHEREAS**, notice of the hearing was published in a newspaper of general circulation in the City in which the District is to be located on January 12, 2022; and

**WHEREAS**, notice to the owners of property within the proposed District was sent by first-class mail to the owners of 100% of the property subject to assessment under the proposed District containing the information required by the Act such that such owners had actual knowledge of the public hearing to be held on February 7, 2022; and

**WHEREAS**, on February 7, 2022 the City Council continued such public hearing on the creation of the District and heard any comments or objection thereto;

**WHEREAS**, the City Council approved the creation of the PID by Resolution approved on April 18, 2022 (the "Creation Resolution") and recorded the Creation Resolution as authorized by the Act; and

**WHEREAS**, the Creation Resolution was filed in the property records of Harris within the timeframe required by the Act; and

**WHEREAS**, the District is to be developed in a single phase and assessments are anticipated to be levied on property within the District; and

**WHEREAS**, pursuant to Sections 372.013, 372.014, and 372.016 of the Act, the City Council has directed the preparation of a Preliminary Service and Assessment Plan (the “Preliminary Plan”), for the levy of assessments (the “Assessments”) for certain public

improvements that benefit the District (the “Improvements”) such Preliminary Plan attached hereto as Exhibit B, covers a period of at least five years and defines the annual indebtedness and the projected costs of the Improvements within the District; and

**WHEREAS**, the Preliminary Plan also includes assessment plans that apportion the cost of an Improvements to be assessed against property within the District and such apportionment is made on the basis of special benefits accruing to the assessed property within the District because of the Improvements; and

**WHEREAS**, the City Council also directed the preparation of an assessment roll for the District that states the assessment for the Improvements against each parcel of land within the District (the “Assessment Roll”) and such Assessment Roll is attached to and a part of the Preliminary Plan; and

**WHEREAS**, after determining the total costs of the Improvements, the City Council notes that the Preliminary Plan and proposed Assessment Roll may be changed as the City Council deems appropriate before such Preliminary Plan and Assessment Roll are adopted as final by the City Council; and

**WHEREAS**, the City has determined to call a public hearing regarding the proposed levy of assessments pursuant to the Preliminary Plan and the proposed Assessment Roll on property within the District, pursuant to Section 372.016 of the Act; and

**WHEREAS**, the City desires to publish and mail notice of such public hearing in order to provide notice to all interested parties of the City's proposed levy of assessments against such property in the District, pursuant to Section 372.016 of the Act; and

**WHEREAS**, the City desires to file the Preliminary Plan and Assessment Roll with the City Secretary such that they are available for public inspection pursuant to Section 372.016 of the Act.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, THAT:**

Section 1. Findings. The findings and determinations set forth in the preambles hereto are hereby incorporated by reference for all purposes.

Section 2. Calling Public Hearing. The City Council hereby calls a public hearing (the “Public Hearing”) for 6:00 p.m. on July 3, 2023 at the regular meeting place of the City, the City Council Chamber at Tomball City Hall, 401 Market Street, Tomball, Texas 77375 (unless alternative meeting arrangements are required to address public health concerns, which meeting arrangements will be specified in the notice of such meeting posted in accordance with applicable law), to consider approving the Preliminary Plan, with such changes and amendments as the City Council

deems necessary, and the proposed Assessment Roll with such amendments to the Assessments on any parcel as the City Council deems necessary, as the final Service and Assessment Plan ( the “Final Plan”) and final Assessment Roll (the “Final Roll”) for the District. After all objections made at such hearing have been heard, the City Council may (i) levy the Assessments as special assessments against each parcel of property in the District as set forth in the Final Plan, including the Final Roll; (ii) specify the method of payment of the Assessments; and (iii) provide that Assessments be paid in periodic installments. Notice of the Public Hearing setting out the matters required by Section 372.016 of the Act shall be given by publication at least eleven (11) days before the date of the hearing, in a newspaper of general circulation in the City. Notice of such hearing shall also be given by the City Secretary, by mailing a copy of the notice containing the information required by Section 372.016(b) of the Act to the last known address of each owner of property liable for an Assessment in the proposed Final Roll as reflected on the tax rolls of the Harris County Appraisal District. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and contend for or contest the Preliminary Plan and the Final Roll, and the proposed assessments and offer testimony pertinent to any issue presented on the amount of the Assessments, purpose of the Assessments, special benefit of the assessments, and the costs of collection and the penalties and interest on delinquent Assessments. At or on the adjournment of the hearing conducted pursuant to Section 372.016 on the proposed assessments, the City Council must hear and pass on any objection to a proposed Assessment. The City Council may amend a proposed Assessment on any parcel in the District. The failure of a property owner to receive notice does not invalidate the proceeding.

Section 3. Publication of Notice. The City Council hereby directs the City Secretary to cause the publication and mailing of notice of the Public Hearing substantially in the form attached as Exhibit A. Such publication shall occur before the 10th day before the date of the Public Hearing.

Section 4. Conduct of Public Hearing. The City Council shall convene at the location and at the time specified in the notice described above for the Public Hearing and shall conduct the Public Hearing in connection with its consideration of the Final Plan, including the Final Roll, for the District and the levy of the proposed Assessments, including costs of collection, penalties and interest on delinquent Assessments. At the Public Hearing, the City Council will hear and pass on any objections to the Preliminary Service and Assessment Plan and the proposed Assessment Roll and the levy of the proposed assessments (which objections may be written or oral). At or on the

adjournment of the Public Hearing, the City Council may amend a proposed assessment on any parcel in the District. After all objections, if any, have been heard and passed upon, the City may (i) levy the Assessments as special assessments against each parcel of property in of the District as set forth in the Final Plan and Final Roll for the District, (ii) specify the method of payment of the assessments, and (iii) provide that the Assessments be paid in periodic installments.

Section 5. Filing of Proposed Assessment Roll. The proposed Final Roll shall be filed in the office of the City Secretary and be made available to any member of the public who wishes to inspect the same.

Section 6. Further Action. The City Secretary is hereby authorized and directed to take such other actions as are required, including providing notice of the Public Hearing as required by the Texas Open Meetings Act and placing the Public Hearing on the agenda for the July 3, 2023 meeting of the City Council.

**PASSED AND APPROVED AT THE MEETING OF THE CITY COUNCIL HELD ON THE \_\_\_\_ DAY OF JUNE 2023.**

ATTEST:

\_\_\_\_\_  
LORI KLEIN QUINN, Mayor

\_\_\_\_\_  
Tracylynn Garcia, City Secretary

# Winfrey Estates Public Improvement District

---

PRELIMINARY SERVICE AND ASSESSMENT PLAN

JUNE 5, 2023



AUSTIN. TX | NORTH RICHLAND HILLS. TX | HOUSTON. TX



## TABLE OF CONTENTS

Table of Contents .....	1
Introduction .....	2
Section I: Definitions .....	3
Section II: The District .....	8
Section III: Authorized Improvements .....	8
Section IV: Service Plan .....	10
Section V: Assessment Plan .....	10
Section VI: Terms of the Assessments .....	12
Section VII: Assessment Roll .....	18
Section VIII: Additional Provisions .....	18
List of Exhibits .....	21
List of Appendices .....	21
Exhibit A – Map of the District .....	22
Exhibit B – Authorized Improvements .....	23
Exhibit C – Service Plan .....	24
Exhibit D – Sources and Uses of Funds .....	25
Exhibit E – Maximum Assessment .....	26
Exhibit F-1 – Assessment Roll .....	27
Exhibit F-2 – Annual Installments .....	28
Exhibit G-1 – Maps of Public Improvements .....	29
Exhibit G-2 – Maps of Private Improvements .....	34
Exhibit H – Form of Notice of Assessment Termination .....	39
Exhibit I – Legal Description .....	42
Appendix A – District Engineer’s Report .....	43
Appendix B – Buyer Disclosures .....	63
Winfrey Estates Public Improvement District – Initial Parcel Buyer Disclosure .....	64
Winfrey Estates Public Improvement District – Lot Type 1 Buyer Disclosure .....	70

## INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section” an “Exhibit,” or an “Appendix” shall be a reference to a Section of this Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this Service and Assessment Plan for all purposes.

On April 18, 2022, the City passed and approved Resolution No. 2022-10 authorizing the establishment of the District in accordance with the PID Act, as amended, which authorization was effective upon approval in accordance with the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 34.4945 acres located within the City, as described by the legal description on **Exhibit I** and depicted on **Exhibit A**.

The PID Act requires a service plan must (i) cover a period of at least five years; (ii) define the annual indebtedness and projected cost of the Authorized Improvements; and (iii) include a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan is contained in **Section IV** and the notice form is attached as **Appendix B**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Assessment Roll is included as **Exhibit F-1**.

## SECTION I: DEFINITIONS

**“Actual Costs”** mean, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Owner[s], (either directly or through affiliates), including : (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, owing to contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5) all related permitting and public approval expenses, and architectural, engineering, consulting, and other governmental fees and charges and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Owner[s].

**“Additional Interest”** means the amount collected by the application of the Additional Interest Rate.

**“Additional Interest Rate”** means the 0.50% additional interest rate that may be charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act. The Additional Interest Rate is not charged on Assessments securing the Reimbursement Obligation.

**“Administrator”** means the City or independent firm designated by the City who shall have the responsibilities provided in this Service and Assessment Plan, any Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

**“Annual Collection Costs”** mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) third-party administrative costs relating to paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan, the PID Act, and any Indenture, with respect to the PID Bonds, including the City’s continuing disclosure requirements; and (9) the paying agent/registrar and Trustee in connection with PID Bonds, including their

respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

**“Annual Installment”** means the annual installment payment on an Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest related to the PID Bonds, if applicable.

**“Annual Service Plan Update”** means an update to this Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

**“Assessed Property”** means any Parcel within the District against which an Assessment is levied.

**“Assessment”** means an assessment levied against Assessed Property, and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Assessed Property or reduction according to the provisions herein and in the PID Act.

**“Assessment Ordinance”** means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment on the Assessed Property, as shown on any Assessment Roll.

**“Assessment Plan”** means the methodology employed to assess the Actual Costs of the Authorized Improvements against the Assessed Property based on the special benefits conferred on such property by the Authorized Improvements, more specifically set forth and described in **Section V**.

**“Assessment Roll”** means any assessment roll for the Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds or in any Annual Service Plan Updates.

**“Authorized Improvements”** means improvements authorized by Section 372.003 of the PID Act, and described in **Section III**.

**“Bond Issuance Costs”** means the costs associated with issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

**“City”** means the City of Tomball, Texas.

**“City Council”** means the governing body of the City.

**“County”** means Harris County, Texas.

**“Delinquent Collection Costs”** mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this Service and Assessment Plan including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

**“District”** means the Winfrey Estates Public Improvement District containing approximately 34.4945 acres located within the City as shown on **Exhibit A** and more specifically described on **Exhibit I**.

**“District Formation Expenses”** means costs related to the formation of the District and the levy of Assessments including attorney fees, financial consultant fees, and other fees.

**“Engineer’s Report”** means the report provided by a licensed professional engineer that describes the Authorized Improvements, including their costs, location, and benefit, and is attached hereto as **Appendix A**.

**“Estimated Buildout Value”** means the estimated value of an Assessed Property with fully constructed buildings, as provided by the Owner and confirmed by the City Council, by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors that, in the judgment of the City, may impact value. The Estimated Buildout Value for each Lot Type is shown on **Exhibit E**.

**“Indenture”** means an Indenture of Trust entered into between the City and the Trustee in connection with the issuance of each series of PID Bonds, as amended from time to time, setting forth the terms and conditions related to a series PID Bonds.

**“Initial Parcel”** means all of the Assessed Property within the District against which the entire Assessment is initially levied, as shown on the Assessment Roll.

**“Lot”** means (1) for any portion of the District for which a final subdivision plat has been recorded in the Plat or Official Public Records of the County, a tract of land described by “lot” in such subdivision plat; and (2) for any portion of the District for which a subdivision plat has not been recorded in the Plat or Official Public Records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat as shown on a concept plan or a preliminary plat. A “Lot” shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded Subdivision Plat.

**“Lot Type”** means a classification of final building Lots with similar characteristics (e.g. lot size, home product, Estimated Buildout Value, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single-family residential Lots, the Lot Type shall be

further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as provided by the Owner, and confirmed by the City Council.

**“Lot Type 1”** means a Lot within the District marketed to homebuilders as a residential townhome Lot with an Estimated Buildout Value of \$475,000 as of the date of adoption of this Service and Assessment Plan. The buyer disclosure for Lot Type 1 is included in **Appendix B**.

**“Maximum Assessment”** means, for each Lot Type, an Assessment equal to the lesser of (1) the amount calculated pursuant to **Section VI.A**, or (2) the amount shown on **Exhibit E**.

**“Non-Assessed Property”** means Parcels within the boundaries of the District that are not assessed.

**“Non-Benefited Property”** means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements as determined by the City Council and are not assessed.

**“Notice of Assessment Termination”** means a document that shall be recorded in the Official Public Records of the County evidencing the termination of an Assessment, a form of which is attached as **Exhibit H**.

**“Owner”** means CHTA Development Inc, a Texas corporation, and any successors or assigns thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end users.

**“Parcel” or “Parcels”** means a specific property within the District identified by either a tax parcel identification number assigned by the Harris County Appraisal District for real property tax purposes, by legal description, or by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means determined by the City.

**“PID Act”** means Chapter 372, Texas Local Government Code, as amended.

**“PID Bonds”** means any bonds issued by the City in one or more series and secured in whole or in part by Assessments.

**“Prepayment”** means the payment of all or a portion of an Assessment before the due date of the final Annual Installment thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment.

**“Prepayment Costs”** means interest, including Additional Interest and Annual Collection Costs, to the date of Prepayment.

**“Private Improvements”** means improvements required to be constructed by the Owner that are not Public Improvements, as shown on **Exhibit B** and depicted on **Exhibit G-2**.

**“Public Improvements”** means those Authorized Improvements, including District Formation Expenses, specifically described in **Section III.A** and depicted on **Exhibit G-1**.

**“Reimbursement Agreement”** means that certain “Winfrey Estates Public Improvement District Reimbursement Agreement” effective October 17, 2022 entered into by and between the City and Owner, whereby all or a portion of the Actual Costs not paid to the Owner from the proceeds of PID Bonds will be paid to the Owner from Assessments to reimburse the Owner for Actual Costs paid by the Owner, plus interest, that are eligible to be paid with Assessments.

**“Reimbursement Obligation”** means the amount to be paid to the Developer pursuant to a Reimbursement Agreement.

**“Service and Assessment Plan”** means this Winfrey Estates Public Improvement District Service and Assessment Plan as updated, amended, or supplemented from time to time.

**“Service Plan”** means the plan described in **Section IV** which covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements.

**“Trustee”** means the trustee or successor trustee under an Indenture.

## SECTION II: THE DISTRICT

The District includes approximately 34.4945 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit I** and depicted on **Exhibit A**. Development of the District is anticipated to include approximately 113 Lots developed with single family homes.

## SECTION III: AUTHORIZED IMPROVEMENTS

Based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City has determined that the Authorized Improvements confer a special benefit on the Assessed Property. Authorized Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City or by a third party pursuant to a qualified management contract. The budget for the Authorized Improvements is shown on **Exhibit B**.

### A. Public Improvements

- *Paving*

Improvements include subgrade stabilization (including excavation and drainage), concrete and reinforcing steel for roadways, handicapped ramps, and streetlights. Intersections, signage, lighting, and re-vegetation of all disturbed areas within the right of way are included. These paving improvements will provide street access to each Lot within the District.

- *Water*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide water service to each Lot within the District.

- *Sanitary Sewer*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide wastewater service to each Lot within the District.

- *Storm Sewer*

Improvements including earthen channels, swales, curb and drop inlets, RCP piping and



boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for each Lot within the District.

- *Earthwork*

Costs related to removal of trees, stumps, logs, vegetation, fences, rubbish, debris, organic matter and other objectionable material, and disposal of material at an off-site location.

- *Gas Line*

Costs related to basin and spoils excavation, construction of swales, cut abandoned oil well and plug and turf establishment.

- *Soft Costs*

Costs related to designing, constructing, and installing the Public Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, District Formation Expenses, and contingency.

## **B. Bond Issuance Costs**

- *Debt Service Reserve Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Delinquency and Prepayment Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds (including a fee for underwriter's counsel).

- *Cost of Issuance*

Includes costs of issuing a particular series of PID Bonds, including but not limited to issuer fees, attorney's fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City's costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

## **C. First Year Annual Collection Costs**

- *Deposit to Administrative Fund*

Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series of PID Bonds.

#### SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan is also required to include a copy of the buyer disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the Service Plan for the District. Per the PID Act and Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosure for the District. The buyer disclosures are attached hereto as **Appendix B**.

**Exhibit D** summarizes the sources and uses of funds required to construct the Public Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated at the time the PID Bonds are issued/in an Annual Service Plan Update to show the amount required to fund the required reserves and to issue the PID Bonds.

#### SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized Improvements.

The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and

governmental powers and is conclusive and binding on the Owner and all future owners of the Assessed Property.

### **A. Assessment Methodology**

Acting in its legislative capacity and based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City Council has determined that the costs of the Authorized Improvements shall be allocated entirely to the Initial Parcel. Upon subdivision of an Assessed Property, the Actual Costs of the Authorized Improvements shall be reallocated based on Estimated Buildout Value as further described in **Section VI**.

### **B. Assessments**

Assessments will be levied on the Assessed Property according to the Assessment Roll, attached hereto as **Exhibit F-1**. The projected Annual Installments are shown on **Exhibit F-2**, and are subject to revisions made during any Annual Service Plan Update. Upon division or subdivision of the Initial Parcel, the Assessments will be reallocated pursuant to **Section VI**.

The Maximum Assessment for each Lot Type is shown on **Exhibit E**. In no case will the Assessment for Lots classified as Lot Type 1 exceed the corresponding Maximum Assessment for the Lot classification.

### **C. Findings of Special Benefit**

Acting in its legislative capacity and based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by City, the City Council has found and determined the following:

- The cost of the Authorized Improvements equals \$7,637,980 as shown on **Exhibit B**; and
- The Assessed Property receives special benefit from the Authorized Improvements equal to or greater than the Actual Cost of the Authorized Improvements; and
- The Initial Parcel shall be allocated 100% of the Assessments levied for the Authorized Improvements which equal \$6,261,000, as shown on the Assessment Roll attached hereto as **Exhibit F-1**; and
- The special benefit (\$7,637,980) received by the Initial Parcel from the Authorized Improvements, is equal to or greater than the amount of the Assessment (\$6,261,000) levied on the Initial Parcel for the Authorized Improvements; and
- At the time the City Council approved this Service and Assessment Plan, the Owner owned 100% of the Initial Parcel. The Owner acknowledged that the Authorized

Improvements confer a special benefit on the Initial Parcel and consented to the imposition of the Assessment to pay for the Actual Costs associated therewith. The Owner ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the applicable Assessment Ordinance, (2) the Service and Assessment Plan and the applicable Assessment Ordinance; and (3) the levying of the Assessment on the Initial Parcel.

#### **D. Annual Collection Costs**

The Annual Collection Costs shall be paid annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. The Annual Collection Costs shall be collected as part of and in the same manner as the Annual Installments in the amounts shown on the Assessment Roll, which may be revised in Annual Service Plan Updates based on Actual Costs incurred.

#### **E. Additional Interest**

The interest rate on the Assessments securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, upon the issuance of PID Bonds, Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

The interest on the Assessment securing the Reimbursement Obligation shall be set at a rate of 5.84% pursuant to the PID Act. The PID Act requires the rate set on unpaid amounts due under a Reimbursement Agreement may not exceed five percent above the highest average index rate for tax-exempt bonds for a period of not more than five years and may not exceed two percent above the same index rate for the following two-year period. The index rate utilized to set the rate on the Reimbursement Obligation is the S&P Municipal Bond High Yield Index, which rate is 5.95% as of May 26, 2023. The rate set by this Service and Assessment Plan of 5.84% for the seven-year period is less than 2% above the S&P Municipal Bond High Yield Index. The Annual Installment pursuant to the Reimbursement Agreement will not include Additional Interest unless and until PID Bonds secured by the Assessment are issued.

## **SECTION VI: TERMS OF THE ASSESSMENTS**

Any reallocation of Assessments as described in **Section VI** shall be considered an administrative action of the City and will not be subject to the notice or public hearing requirements under the PID Act.

## A. Reallocation of Assessments

### 1. Upon Division Prior to Recording of Subdivision Plat

Upon the division of any Assessed Property (without the recording of a subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all for the newly divided Assessed Properties

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, as provided by the Owner, relying on information from homebuilders, market studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The Estimated Buildout Value for Lot Type 1 is shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

### 2. Upon Subdivision by a Recorded Subdivision Plat

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on Estimated Buildout Value according to the following formula:

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with same Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots excluding Non-Benefitted Property

E = the number of newly subdivided Lots with same Lot Type

Prior to the recording of a subdivision plat, the Owner shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council in an Annual Service Plan Update, based on Estimated Buildout Value information provided by the Owner, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot. The Estimated Buildout Value for Lot Type 1 is shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly subdivided Parcels shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

### 3. *Upon Consolidation*

If two or more Lots or Parcels are consolidated into a single Parcel or Lot, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation.

The Assessment for any resulting Lot will not exceed the Maximum Assessment, shown on **Exhibit E** for the applicable Lot Type, and compliance may require a mandatory Prepayment of Assessments pursuant to **Section VI.B**.

## **B. Mandatory Prepayment of Assessments**

If Assessed Property is transferred to a person or entity that is exempt from payment of the Assessment, the Owner transferring the Assessed Property shall pay to the City the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the transfer. If the Owner of the Assessed Property causes the Assessed Property to become Non-Benefitted

Property, the Owner causing the change in status shall pay to the City the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status.

### **C. True-up of Assessments if Maximum Assessment Exceeded**

Prior to the approval of a final subdivision plat, the Administrator shall certify that the final plat will not cause the Assessment for any Lot Type to exceed the Maximum Assessment. If the subdivision of any Assessed Property by a final subdivision plat causes the Assessment per Lot for any Lot Type to exceed the applicable Maximum Assessment for such Lot Type, the Owner must partially prepay the Assessment for each Assessed Property that exceeds the applicable Maximum Assessment for such Lot Type. The City's approval of a final subdivision plat without payment of such amounts does not eliminate the obligation of the Owner to pay such Assessments.

### **D. Reduction of Assessments**

If, as a result of cost savings or a PID Project not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, (i) in the event PID Bonds are not issued, the Assessments and the Reimbursement Obligation shall be reduced on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equal the reduced Actual Costs, or (ii) in the event that PID Bonds have been issued, the City shall direct the Trustee to apply amounts on deposit in the applicable account of the project fund, relating to the applicable series of PID Bonds, that are not expected to be used to pay Actual Costs of Authorized Improvements to be used to redeem outstanding PID Bonds, in accordance with the applicable Indenture.

The City Council may reduce the Assessments and the Annual Installments for Assessed Property (1) in an amount that represents the Actual Costs of the Authorized Improvements provided for each property; (2) by an equal percentage per Lot; or (3) in any other manner determined by the City Council to be the most fair and practical means of reducing the Assessments for Assessed Property, such that the sum of the resulting reduced Assessments equals the amount required to repay the PID Bonds and Reimbursement Obligation, including interest on the PID Bonds and Reimbursement Obligation, Additional Interest, and the Annual Collection Costs portion of the Assessment, as reduced pursuant to this Section.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

### **E. Prepayment of Assessments**

The Owner of the Assessed Property may pay, at any time, all or any portion of an Assessment in accordance with the PID Act, including all Prepayment Costs. Interest costs from the date of Prepayment to the date of redemption of the applicable PID Bonds, if any, may be paid from a fund established under the applicable Indenture for such purpose. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If the principal portion of an Assessment is paid in full, with interest accrued to the date of Prepayment: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the City shall provide the Owner with a recordable "Notice of PID Assessment Termination," a form of which is attached hereto as **Exhibit H**.

If an Assessment is paid in part, with interest: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit to the City Council for review and approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced to the extent of the Prepayment made.

For purposes of the payment of Annual Installments, the Reimbursement Obligation is and will remain subordinated to (i) the PID Bonds and (ii) any additional PID Bonds secured by a parity lien on the Assessments issued to refinance all or a portion of the Reimbursement Obligation. Prepayments shall be allocated pro rata to any outstanding PID Bonds and any outstanding Reimbursement Obligation.

#### **F. Payment of Assessment in Annual Installments**

**Exhibit F-2** shows the projected Annual Installments. Assessments that are not paid in full shall be due and payable in Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final subdivision plat, if any Parcel shown on the Assessment Roll is assigned multiple tax identification numbers, the Annual Installment shall be allocated pro rata based on the acreage of the property as shown by Harris County Appraisal District for each tax identification number.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. Annual Collection Costs shall be allocated pro rata among Assessed



Property for which Assessments remain unpaid based on the amount of the outstanding Assessment on each Assessed Property. Annual Installments shall be collected in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

Foreclosure sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay the non-delinquent Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with the PID Act and the applicable Indenture. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments shall be due when billed and shall be delinquent if not paid prior to February 1, 2024.

Failure of an Owner to receive an invoice for an Annual Installment on the property tax bill shall not relieve the Owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs. The City may provide for other means of collecting the Annual Installments to the extent permitted by the PID Act.

#### **G. Prepayment as a result of Eminent Domain Proceeding or Taking**

If any portion of any Parcel of Assessed Property is taken from an Owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a "**Taking**"), the portion of the Assessed Property that was taken or transferred (the "**Taken Property**") shall be reclassified as Non-Benefited Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property), (the "**Remaining Property**") following the reclassification of the Taken Property as Non-Benefited

Property. The Owner of the Remaining Property will remain liable to pay the Assessment that remains due on the Remaining Property in Annual Installments, or payable as otherwise provided by this Service and Assessment Plan, as updated, or in the PID Act.

Following the initiation of the Taking, the Administrator will be required to determine the portion of the Assessment that was levied against the Assessed Property that would have been allocated to the Taken Property prior to its reclassification as Non-Benefitted Property in a manner that results in imposing equal shares of the Actual Costs of the applicable Authorized Improvements on property similarly benefitted.

The Owner shall make a Prepayment of the Assessment in an amount equal to the amount determined by the Administrator in the preceding paragraph prior to the transfer of ownership of the Taken Property.

By way of illustration, if an Owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres of Remaining Property shall be subject to the \$100 Assessment, and the Owner shall owe \$10 as a Prepayment for the Taken Property.

Notwithstanding the previous paragraphs in this subsection if the Administrator determines that the Taking prevents the Remaining Property from being developed as shown on the final plat, the Owner shall be required to prepay the total amount of the Assessment levied against the Remaining Property within sixty (60) days of such determination.

## **SECTION VII: ASSESSMENT ROLL**

The Assessment Roll is attached as **Exhibit F-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Assessment Roll and Annual Installments for each Parcel as part of each Annual Service Plan Update. The Initial Parcel shown on the Assessment Roll will receive the bills for the 2023 Annual Installments which will be delinquent if not paid by January 31, 2024.

## **SECTION VIII: ADDITIONAL PROVISIONS**

### **A. Administrative Review**

If the owner of a Parcel claims that error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Updates, the owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1<sup>st</sup> of each year following City Council's approval of the calculation. Otherwise, the owner shall be deemed to have unconditionally approved and

accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days after receipt of such written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and, not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

### **B. Amendments**

Amendments to this Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this Service and Assessment Plan.

### **C. Administration and Interpretation**

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners or developers of the Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners of Assessed Property and developers and their successors and assigns.

### **D. Form of Buyer Disclosure; Filing in Real Property Records**

Per Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosures for the District. The buyer disclosures are attached hereto as **Appendix B**.

Within seven days of approval by the City Council, the City Secretary shall file and record in the official public records of the County the executed Assessment Ordinance and this Service and Assessment Plan. In addition, the City Secretary shall similarly file each Annual Service Plan

Update approved by the City Council, with each such filing to occur within seven days of the date each respective Annual Service Plan Update is approved.

**E. Severability**

If any provision of this Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

## LIST OF EXHIBITS

The following Exhibits are attached to and made a part of this Service and Assessment Plan for all purposes:

- Exhibit A** Map of the District
- Exhibit B** Authorized Improvements
- Exhibit C** Service Plan
- Exhibit D** Sources and Uses of Funds
- Exhibit E** Maximum Assessment and Tax Rate Equivalent
- Exhibit F-1** Assessment Roll
- Exhibit F-2** Annual Installments
- Exhibit G-1** Maps of Public Improvements
- Exhibit G-2** Maps of Private Improvements
- Exhibit H** Form of Notice of Assessment Termination
- Exhibit I** Legal Description

## LIST OF APPENDICES

The following Appendices are attached to and made a part of this Service and Assessment Plan for all purposes:

- Appendix A** District Engineer's Report
- Appendix B** Buyer Disclosures



## EXHIBIT B – AUTHORIZED IMPROVEMENTS

	Total Costs <sup>[a]</sup>	Private Improvements	Authorized Improvements	
			%	Cost
<i>Public Improvements</i>				
Paving	\$ 1,486,774	\$ -	100.00%	\$ 1,486,774
Water	682,903	-	100.00%	682,903
Sanitary Sewer	793,743	-	100.00%	793,743
Storm Sewer	1,187,541	-	100.00%	1,187,541
Earthwork <sup>[b]</sup>	130,926	-	100.00%	130,926
Gas Line	318,549	-	100.00%	318,549
Monument Sign, Landscaping & Design	300,000	-	100.00%	300,000
Soft Costs <sup>[c]</sup>	1,645,546	-	100.00%	1,645,546
	\$ 6,545,983	\$ -		\$ 6,545,983
<i>Private Improvements <sup>[d]</sup></i>				
Paving	\$ 713,110	\$ 713,110	0.00%	\$ -
Water	246,812	246,812	0.00%	-
Sanitary Sewer	381,854	381,854	0.00%	-
Storm Sewer	29,606	29,606	0.00%	-
Earthwork	456,178	456,178	0.00%	-
Gas Line	132,104	132,104	0.00%	-
Monument Sign, Landscaping & Design	-	-	0.00%	-
Amenity Center & Amenities <sup>[e]</sup>	650,000	650,000	0.00%	-
Soft Costs	383,029	383,029	0.00%	-
	\$ 2,992,693	\$ 2,992,693		\$ -
<i>Bond Issuance Costs <sup>[f]</sup></i>				
Debt Service Reserve Fund	\$ 461,551	\$ -		\$ 461,551
Underwriter Discount	187,830	-		187,830
Delinquency & Prepayment Fund	31,305	-		31,305
Cost of Issuance	381,311	-		381,311
	\$ 1,061,997	\$ -		\$ 1,061,997
<i>First Year Annual Collection Costs</i>				
Deposit to Administrative Fund	\$ 30,000	\$ -		\$ 30,000
	\$ 30,000	\$ -		\$ 30,000
<b>Total</b>	<b>\$ 10,630,673</b>	<b>\$ 2,992,693</b>		<b>\$ 7,637,980</b>

**Footnotes:**

[a] Per the Owner the Public Improvements are complete. The Costs were determined by the Engineer's Report attached hereto as **Appendix A**.

[b] Earthwork costs include Clearing & Grubbing, Earthwork, Surveying and Material Testing.

[c] Soft Costs include geotechnical, materials testing, surveying, engineering fees, permit fees, soil testing, environmental studies, traffic impact analysis, construction management, District Formation Expenses and contingency.

[d] Private Improvements are not eligible for reimbursement by PID Bonds or PID Assessments. The Paving, Water, Sanitary Sewer, Storm Sewer, and Gas Line Private Improvements are shown on Exhibit G-2.

[e] Amenity Center & Amenities are considered Private Improvements and are not eligible for reimbursement by PID Bonds or PID Assessments per the Development Agreement dated August 15, 2022. The total costs for Amenity Center & Amenities include an Amenity Center, Pool with Restrooms, Pickleball Court and Bocci Ball Court.

[f] PID Bonds are not being issued at this time. Bond Issuance Costs are illustrated as estimates and subject to change if PID Bonds are issued.

## EXHIBIT C – SERVICE PLAN

Annual Installments Due		1/31/2024	1/31/2025	1/31/2026	1/31/2027	1/31/2028
Principal		\$ 37,000	\$ 98,000	\$ 103,000	\$ 108,000	\$ 113,000
Interest		424,551	363,482	357,758	351,743	345,436
	(1)	\$ 461,551	\$ 461,482	\$ 460,758	\$ 459,743	\$ 458,436
Annual Collection Costs	(2)	\$ 46,780	\$ 47,716	\$ 48,670	\$ 49,643	\$ 50,636
Additional Interest <sup>[a]</sup>	(3)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Annual Installments</b>	<b>(4) = (1) + (2) + (3)</b>	<b>\$ 508,331</b>	<b>\$ 509,197</b>	<b>\$ 509,428</b>	<b>\$ 509,387</b>	<b>\$ 509,072</b>

**Footnotes:**

[a] PID Bonds are not being issued at this time. The levy is pursuant to the Reimbursement Agreement and Additional Interest will be collected if PID Bonds are issued.



## EXHIBIT D – SOURCES AND USES OF FUNDS

		District
<b>Sources of Funds</b>		
Reimbursement Obligation	\$	6,261,000
Developer Contribution <sup>[a]</sup>		1,376,980
Developer Contribution - Private Improvements <sup>[b]</sup>		2,992,693
<b>Total Sources of Funds</b>	<b>\$</b>	<b>10,630,673</b>
<b>Uses of Funds</b>		
Public Improvements	\$	6,545,983
Private Improvements		2,992,693
	\$	9,538,676
<i>Bond Issuance Costs<sup>[c]</sup></i>		
Debt Service Reserve Fund	\$	461,551
Underwriter Discount		187,830
Delinquency & Prepayment Fund		31,305
Cost of Issuance		381,311
	\$	1,061,997
<i>First Year Annual Collection Costs</i>		
Deposit to Administrative Fund	\$	30,000
	\$	30,000
<b>Total Uses of Funds</b>	<b>\$</b>	<b>10,630,673</b>

**Footnotes:**

[a] Public Improvement Costs that are Non-reimbursable to Developer through PID Bonds or Assessments.

[b] Private Improvements will be funded privately by the Developer and are not reimbursable by PID Bonds or Assessments.

[c] Improvement Area #1 Bond Issuance costs are subject to change upon issuance of Improvement Area #1 PID Bonds.

**EXHIBIT E – MAXIMUM ASSESSMENT**

Lot Type	Units <sup>[a]</sup>	Finished Lot Value		Estimated Buildout Value		Total Maximum Assessment		Maximum Annual Installment		Value to Lien per Finished Lot Value
		Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	
One	113	105,000	\$ 11,865,000	\$ 475,000	\$ 53,675,000	\$ 55,407	\$ 6,261,000	\$ 4,512	\$ 509,893	1.895
<b>Total/Weighted Average</b>	<b>113</b>		<b>11,865,000</b>		<b>53,675,000</b>		<b>\$ 6,261,000</b>		<b>\$ 509,893</b>	<b>1.895</b>

**Footnotes:**

<sup>[a]</sup>Per Developer as of 2/8/2023.

## EXHIBIT F-1 – ASSESSMENT ROLL

Property ID	Lot Type	Outstanding Assessment <sup>[b]</sup>	Principal	Interest	Additional Interest <sup>[c]</sup>	Debt Service Reserve Fund	Annual Collection Costs <sup>[a]</sup>	Annual Installment Due 1/31/2024 <sup>[b]</sup>
1356630010001	Initial Parcel	\$ 3,582,915.46	\$ 21,173.59	\$ 242,953.51	\$ -	\$ -	\$ 26,770.29	\$ 290,897.40
1356630010002	Initial Parcel	\$ 2,644,010.37	\$ 15,625.04	\$ 179,287.40	\$ -	\$ -	\$ 19,755.12	\$ 214,667.56
1356630020001	Initial Parcel	\$ 17,037.08	\$ 100.68	\$ 1,155.27	\$ -	\$ -	\$ 127.30	\$ 1,383.24
1356630020002	Initial Parcel	\$ 17,037.08	\$ 100.68	\$ 1,155.27	\$ -	\$ -	\$ 127.30	\$ 1,383.24
<b>District Total</b>		<b>\$ 6,261,000.00</b>	<b>\$ 37,000.00</b>	<b>\$ 424,551.45</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 46,780.00</b>	<b>\$ 508,331.45</b>

Footnotes:

[a] Includes \$60 per lot City Development Fee.

[b] The outstanding annual installment is allocated pro rata based on acreage for billing purposes only.

[c] Additional Interest will be charged upon the issuance of PID Bonds.

## EXHIBIT F-2 – ANNUAL INSTALLMENTS

Installment Due 1/31	Principal	Interest <sup>[a]</sup>	Additional Interest <sup>[b]</sup>	Debt Service Reserve Fund	Annual Collection Costs	Total Annual Installment <sup>[c]</sup>
2024	\$ 37,000.00	\$ 424,551.45	\$ -	\$ -	\$ 46,780.00	\$ 508,331.45
2025	\$ 98,000.00	\$ 363,481.60	\$ -	\$ -	\$ 47,715.60	\$ 509,197.20
2026	\$ 103,000.00	\$ 357,758.40	\$ -	\$ -	\$ 48,669.91	\$ 509,428.31
2027	\$ 108,000.00	\$ 351,743.20	\$ -	\$ -	\$ 49,643.31	\$ 509,386.51
2028	\$ 113,000.00	\$ 345,436.00	\$ -	\$ -	\$ 50,636.18	\$ 509,072.18
2029	\$ 119,000.00	\$ 338,836.80	\$ -	\$ -	\$ 51,648.90	\$ 509,485.70
2030	\$ 125,000.00	\$ 331,887.20	\$ -	\$ -	\$ 52,681.88	\$ 509,569.08
2031	\$ 131,000.00	\$ 324,587.20	\$ -	\$ -	\$ 53,735.52	\$ 509,322.72
2032	\$ 138,000.00	\$ 316,936.80	\$ -	\$ -	\$ 54,810.23	\$ 509,747.03
2033	\$ 145,000.00	\$ 308,877.60	\$ -	\$ -	\$ 55,906.43	\$ 509,784.03
2034	\$ 152,000.00	\$ 300,409.60	\$ -	\$ -	\$ 57,024.56	\$ 509,434.16
2035	\$ 160,000.00	\$ 291,532.80	\$ -	\$ -	\$ 58,165.05	\$ 509,697.85
2036	\$ 168,000.00	\$ 282,188.80	\$ -	\$ -	\$ 59,328.35	\$ 509,517.15
2037	\$ 177,000.00	\$ 272,377.60	\$ -	\$ -	\$ 60,514.92	\$ 509,892.52
2038	\$ 186,000.00	\$ 262,040.80	\$ -	\$ -	\$ 61,725.22	\$ 509,766.02
2039	\$ 195,000.00	\$ 251,178.40	\$ -	\$ -	\$ 62,959.72	\$ 509,138.12
2040	\$ 205,000.00	\$ 239,790.40	\$ -	\$ -	\$ 64,218.92	\$ 509,009.32
2041	\$ 216,000.00	\$ 227,818.40	\$ -	\$ -	\$ 65,503.29	\$ 509,321.69
2042	\$ 227,000.00	\$ 215,204.00	\$ -	\$ -	\$ 66,813.36	\$ 509,017.36
2043	\$ 239,000.00	\$ 201,947.20	\$ -	\$ -	\$ 68,149.63	\$ 509,096.83
2044	\$ 252,000.00	\$ 187,989.60	\$ -	\$ -	\$ 69,512.62	\$ 509,502.22
2045	\$ 265,000.00	\$ 173,272.80	\$ -	\$ -	\$ 70,902.87	\$ 509,175.67
2046	\$ 279,000.00	\$ 157,796.80	\$ -	\$ -	\$ 72,320.93	\$ 509,117.73
2047	\$ 294,000.00	\$ 141,503.20	\$ -	\$ -	\$ 73,767.35	\$ 509,270.55
2048	\$ 310,000.00	\$ 124,333.60	\$ -	\$ -	\$ 75,242.69	\$ 509,576.29
2049	\$ 326,000.00	\$ 106,229.60	\$ -	\$ -	\$ 76,747.55	\$ 508,977.15
2050	\$ 344,000.00	\$ 87,191.20	\$ -	\$ -	\$ 78,282.50	\$ 509,473.70
2051	\$ 362,000.00	\$ 67,101.60	\$ -	\$ -	\$ 79,848.15	\$ 508,949.75
2052	\$ 382,000.00	\$ 45,960.80	\$ -	\$ -	\$ 81,445.11	\$ 509,405.91
2053	\$ 405,000.00	\$ 23,652.00	\$ -	\$ (461,551)	\$ 83,074.01	\$ 50,174.56
<b>Total</b>	<b>\$ 6,261,000.00</b>	<b>\$ 7,123,615.45</b>	<b>\$ -</b>	<b>\$ (461,551)</b>	<b>\$ 1,897,774.75</b>	<b>\$ 14,820,838.75</b>

**Footnotes:**

[a] Interest is calculated at a rate of 5.84% which is less than 2% above the S&P Municipal Bond High Yield Index, which was 5.95% as of May 26, 2023, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

[b] Additional Interest will be collected if PID Bonds are issued.

[c] The numbers shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.







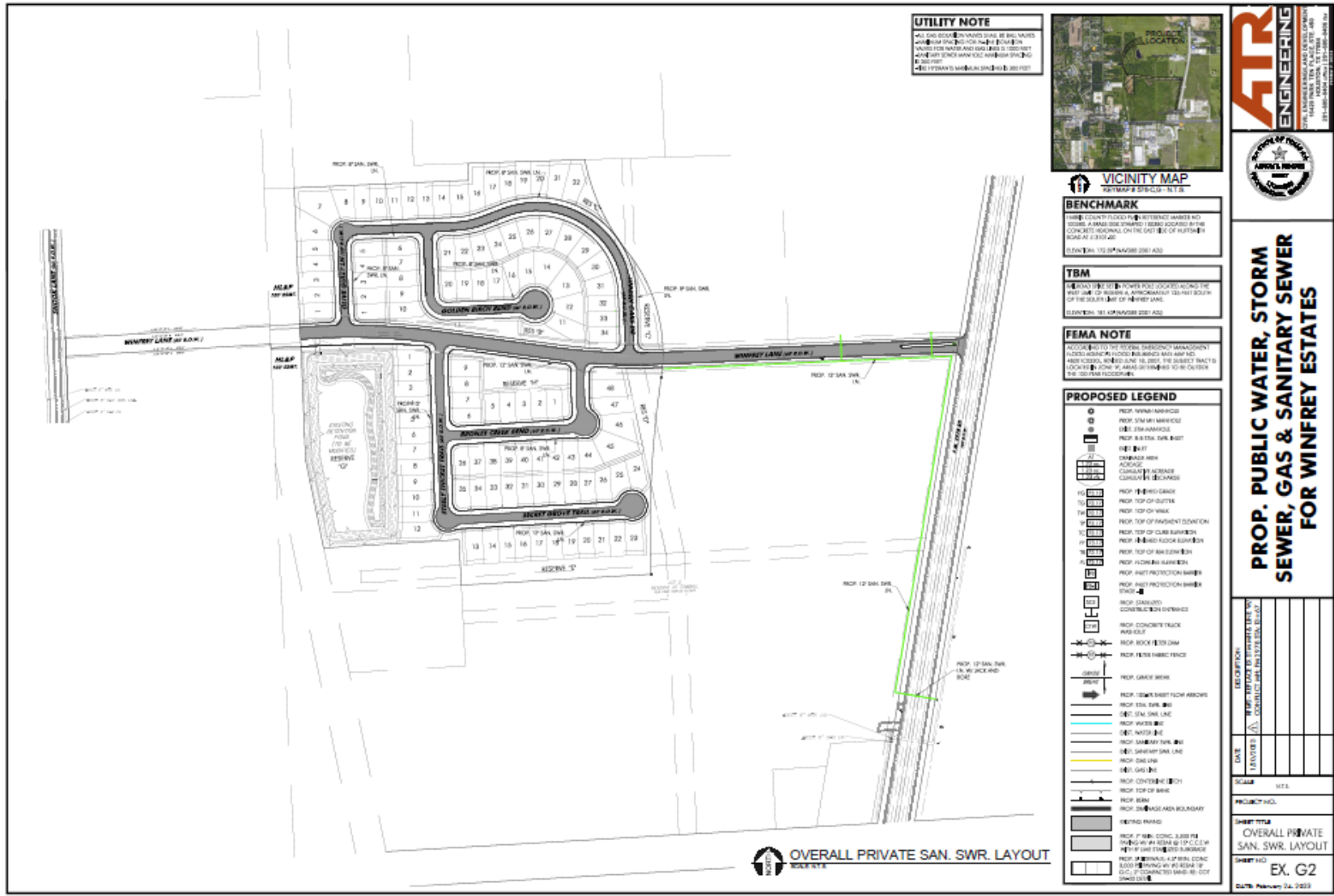


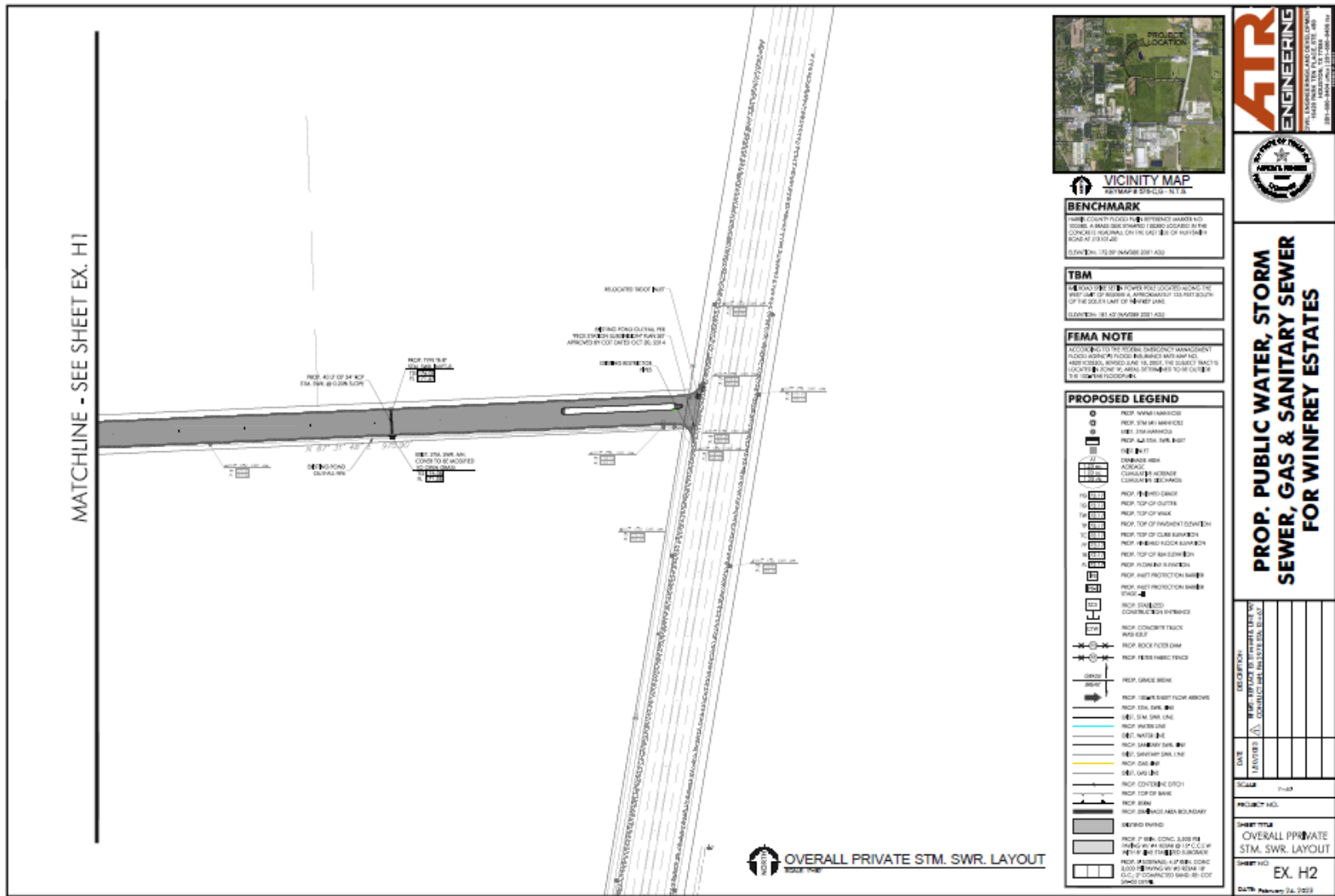


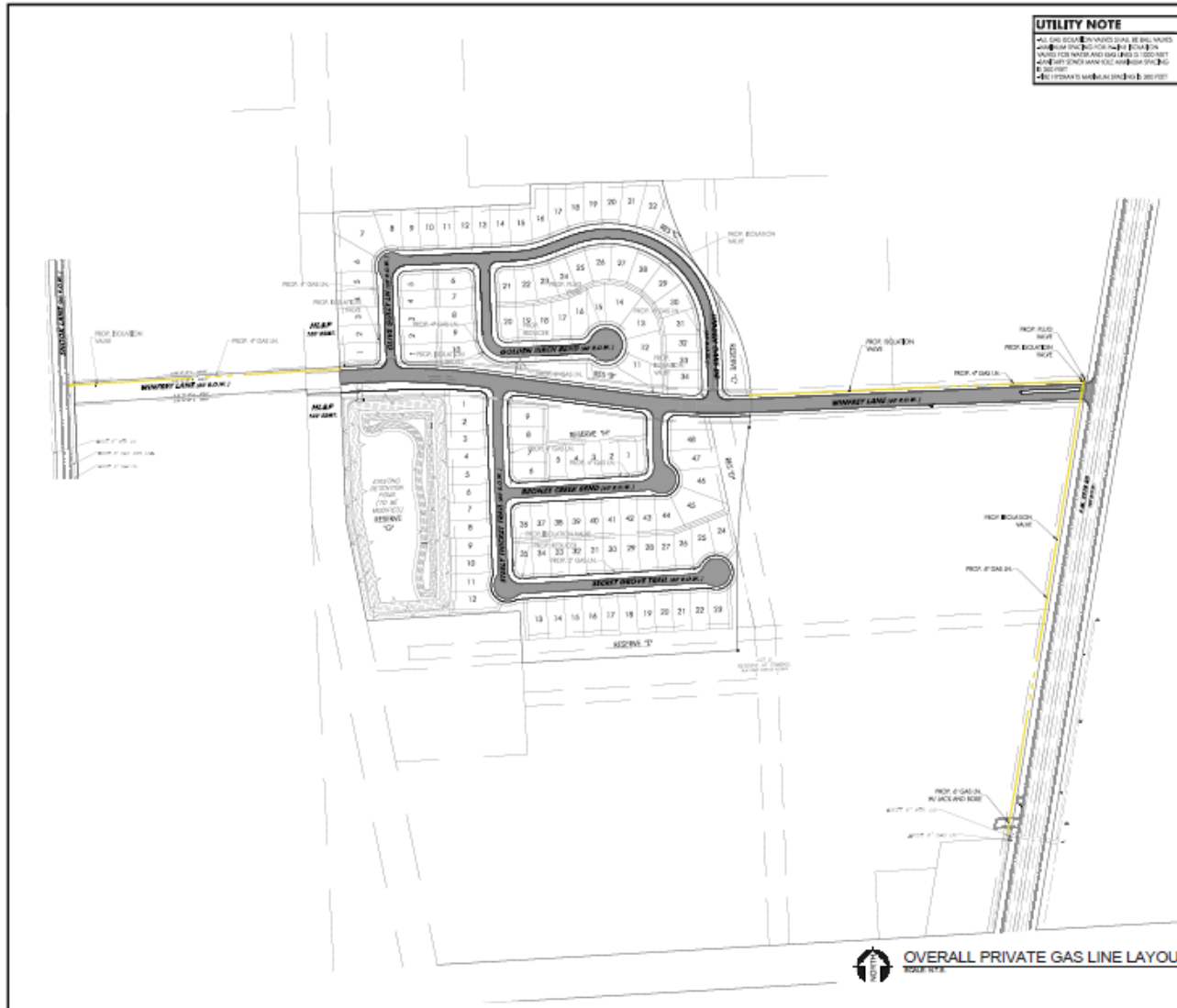












**UTILITY NOTE**

- ALL THE EXISTING UTILITIES SHALL BE SHOWN AND LOCATED BY THE FIELD ENGINEER.
- ALL UTILITIES SHALL BE SHOWN AND LOCATED BY THE FIELD ENGINEER.
- ALL UTILITIES SHALL BE SHOWN AND LOCATED BY THE FIELD ENGINEER.
- ALL UTILITIES SHALL BE SHOWN AND LOCATED BY THE FIELD ENGINEER.
- ALL UTILITIES SHALL BE SHOWN AND LOCATED BY THE FIELD ENGINEER.



**BENCHMARK**

THIS COUNTY FLOOD FIRM REFERENCE MARK NO. 10001 IS A BENCH MARK (BENCH) LOCATED BY THE CONCRETE FOUNDATION ON THE EAST SIDE OF RUTHERFORD ROAD AT 113.07 ASL.

ELEVATION: 113.07 M (ASL) 2001 ADJ.

**TBM**

THE TBM IS A POWER POLE LOCATED ALONG THE WEST SIDE OF RUTHERFORD ROAD AT THE EAST END OF THE SOUTH END OF WINFREY LANE.

ELEVATION: 101.40 M (ASL) 2001 ADJ.

**FEMA NOTE**

ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE RATE MAP (FIRM) NO. 1300010001, WINFREY LANE IS ZONE X-1. THE SUBJECT TRACT IS LOCATED IN ZONE X-1. AREA OF FLOODING IS 100 YEAR FLOODING.

**PROPOSED LEGEND**

○	PROP. WATER SERVICE
○	PROP. SANITARY SERVICE
○	PROP. GAS SERVICE
○	PROP. 8" DRAIN SAN. MAIN
○	PROP. 12" DRAIN SAN. MAIN
○	PROP. 18" DRAIN SAN. MAIN
○	PROP. 24" DRAIN SAN. MAIN
○	PROP. 30" DRAIN SAN. MAIN
○	PROP. 36" DRAIN SAN. MAIN
○	PROP. 42" DRAIN SAN. MAIN
○	PROP. 48" DRAIN SAN. MAIN
○	PROP. 54" DRAIN SAN. MAIN
○	PROP. 60" DRAIN SAN. MAIN
○	PROP. 66" DRAIN SAN. MAIN
○	PROP. 72" DRAIN SAN. MAIN
○	PROP. 78" DRAIN SAN. MAIN
○	PROP. 84" DRAIN SAN. MAIN
○	PROP. 90" DRAIN SAN. MAIN
○	PROP. 96" DRAIN SAN. MAIN
○	PROP. 102" DRAIN SAN. MAIN
○	PROP. 108" DRAIN SAN. MAIN
○	PROP. 114" DRAIN SAN. MAIN
○	PROP. 120" DRAIN SAN. MAIN
○	PROP. 126" DRAIN SAN. MAIN
○	PROP. 132" DRAIN SAN. MAIN
○	PROP. 138" DRAIN SAN. MAIN
○	PROP. 144" DRAIN SAN. MAIN
○	PROP. 150" DRAIN SAN. MAIN
○	PROP. 156" DRAIN SAN. MAIN
○	PROP. 162" DRAIN SAN. MAIN
○	PROP. 168" DRAIN SAN. MAIN
○	PROP. 174" DRAIN SAN. MAIN
○	PROP. 180" DRAIN SAN. MAIN
○	PROP. 186" DRAIN SAN. MAIN
○	PROP. 192" DRAIN SAN. MAIN
○	PROP. 198" DRAIN SAN. MAIN
○	PROP. 204" DRAIN SAN. MAIN
○	PROP. 210" DRAIN SAN. MAIN
○	PROP. 216" DRAIN SAN. MAIN
○	PROP. 222" DRAIN SAN. MAIN
○	PROP. 228" DRAIN SAN. MAIN
○	PROP. 234" DRAIN SAN. MAIN
○	PROP. 240" DRAIN SAN. MAIN
○	PROP. 246" DRAIN SAN. MAIN
○	PROP. 252" DRAIN SAN. MAIN
○	PROP. 258" DRAIN SAN. MAIN
○	PROP. 264" DRAIN SAN. MAIN
○	PROP. 270" DRAIN SAN. MAIN
○	PROP. 276" DRAIN SAN. MAIN
○	PROP. 282" DRAIN SAN. MAIN
○	PROP. 288" DRAIN SAN. MAIN
○	PROP. 294" DRAIN SAN. MAIN
○	PROP. 300" DRAIN SAN. MAIN
○	PROP. 306" DRAIN SAN. MAIN
○	PROP. 312" DRAIN SAN. MAIN
○	PROP. 318" DRAIN SAN. MAIN
○	PROP. 324" DRAIN SAN. MAIN
○	PROP. 330" DRAIN SAN. MAIN
○	PROP. 336" DRAIN SAN. MAIN
○	PROP. 342" DRAIN SAN. MAIN
○	PROP. 348" DRAIN SAN. MAIN
○	PROP. 354" DRAIN SAN. MAIN
○	PROP. 360" DRAIN SAN. MAIN
○	PROP. 366" DRAIN SAN. MAIN
○	PROP. 372" DRAIN SAN. MAIN
○	PROP. 378" DRAIN SAN. MAIN
○	PROP. 384" DRAIN SAN. MAIN
○	PROP. 390" DRAIN SAN. MAIN
○	PROP. 396" DRAIN SAN. MAIN
○	PROP. 402" DRAIN SAN. MAIN
○	PROP. 408" DRAIN SAN. MAIN
○	PROP. 414" DRAIN SAN. MAIN
○	PROP. 420" DRAIN SAN. MAIN
○	PROP. 426" DRAIN SAN. MAIN
○	PROP. 432" DRAIN SAN. MAIN
○	PROP. 438" DRAIN SAN. MAIN
○	PROP. 444" DRAIN SAN. MAIN
○	PROP. 450" DRAIN SAN. MAIN
○	PROP. 456" DRAIN SAN. MAIN
○	PROP. 462" DRAIN SAN. MAIN
○	PROP. 468" DRAIN SAN. MAIN
○	PROP. 474" DRAIN SAN. MAIN
○	PROP. 480" DRAIN SAN. MAIN
○	PROP. 486" DRAIN SAN. MAIN
○	PROP. 492" DRAIN SAN. MAIN
○	PROP. 498" DRAIN SAN. MAIN
○	PROP. 504" DRAIN SAN. MAIN
○	PROP. 510" DRAIN SAN. MAIN
○	PROP. 516" DRAIN SAN. MAIN
○	PROP. 522" DRAIN SAN. MAIN
○	PROP. 528" DRAIN SAN. MAIN
○	PROP. 534" DRAIN SAN. MAIN
○	PROP. 540" DRAIN SAN. MAIN
○	PROP. 546" DRAIN SAN. MAIN
○	PROP. 552" DRAIN SAN. MAIN
○	PROP. 558" DRAIN SAN. MAIN
○	PROP. 564" DRAIN SAN. MAIN
○	PROP. 570" DRAIN SAN. MAIN
○	PROP. 576" DRAIN SAN. MAIN
○	PROP. 582" DRAIN SAN. MAIN
○	PROP. 588" DRAIN SAN. MAIN
○	PROP. 594" DRAIN SAN. MAIN
○	PROP. 600" DRAIN SAN. MAIN
○	PROP. 606" DRAIN SAN. MAIN
○	PROP. 612" DRAIN SAN. MAIN
○	PROP. 618" DRAIN SAN. MAIN
○	PROP. 624" DRAIN SAN. MAIN
○	PROP. 630" DRAIN SAN. MAIN
○	PROP. 636" DRAIN SAN. MAIN
○	PROP. 642" DRAIN SAN. MAIN
○	PROP. 648" DRAIN SAN. MAIN
○	PROP. 654" DRAIN SAN. MAIN
○	PROP. 660" DRAIN SAN. MAIN
○	PROP. 666" DRAIN SAN. MAIN
○	PROP. 672" DRAIN SAN. MAIN
○	PROP. 678" DRAIN SAN. MAIN
○	PROP. 684" DRAIN SAN. MAIN
○	PROP. 690" DRAIN SAN. MAIN
○	PROP. 696" DRAIN SAN. MAIN
○	PROP. 702" DRAIN SAN. MAIN
○	PROP. 708" DRAIN SAN. MAIN
○	PROP. 714" DRAIN SAN. MAIN
○	PROP. 720" DRAIN SAN. MAIN
○	PROP. 726" DRAIN SAN. MAIN
○	PROP. 732" DRAIN SAN. MAIN
○	PROP. 738" DRAIN SAN. MAIN
○	PROP. 744" DRAIN SAN. MAIN
○	PROP. 750" DRAIN SAN. MAIN
○	PROP. 756" DRAIN SAN. MAIN
○	PROP. 762" DRAIN SAN. MAIN
○	PROP. 768" DRAIN SAN. MAIN
○	PROP. 774" DRAIN SAN. MAIN
○	PROP. 780" DRAIN SAN. MAIN
○	PROP. 786" DRAIN SAN. MAIN
○	PROP. 792" DRAIN SAN. MAIN
○	PROP. 798" DRAIN SAN. MAIN
○	PROP. 804" DRAIN SAN. MAIN
○	PROP. 810" DRAIN SAN. MAIN
○	PROP. 816" DRAIN SAN. MAIN
○	PROP. 822" DRAIN SAN. MAIN
○	PROP. 828" DRAIN SAN. MAIN
○	PROP. 834" DRAIN SAN. MAIN
○	PROP. 840" DRAIN SAN. MAIN
○	PROP. 846" DRAIN SAN. MAIN
○	PROP. 852" DRAIN SAN. MAIN
○	PROP. 858" DRAIN SAN. MAIN
○	PROP. 864" DRAIN SAN. MAIN
○	PROP. 870" DRAIN SAN. MAIN
○	PROP. 876" DRAIN SAN. MAIN
○	PROP. 882" DRAIN SAN. MAIN
○	PROP. 888" DRAIN SAN. MAIN
○	PROP. 894" DRAIN SAN. MAIN
○	PROP. 900" DRAIN SAN. MAIN
○	PROP. 906" DRAIN SAN. MAIN
○	PROP. 912" DRAIN SAN. MAIN
○	PROP. 918" DRAIN SAN. MAIN
○	PROP. 924" DRAIN SAN. MAIN
○	PROP. 930" DRAIN SAN. MAIN
○	PROP. 936" DRAIN SAN. MAIN
○	PROP. 942" DRAIN SAN. MAIN
○	PROP. 948" DRAIN SAN. MAIN
○	PROP. 954" DRAIN SAN. MAIN
○	PROP. 960" DRAIN SAN. MAIN
○	PROP. 966" DRAIN SAN. MAIN
○	PROP. 972" DRAIN SAN. MAIN
○	PROP. 978" DRAIN SAN. MAIN
○	PROP. 984" DRAIN SAN. MAIN
○	PROP. 990" DRAIN SAN. MAIN
○	PROP. 996" DRAIN SAN. MAIN
○	PROP. 1002" DRAIN SAN. MAIN
○	PROP. 1008" DRAIN SAN. MAIN
○	PROP. 1014" DRAIN SAN. MAIN
○	PROP. 1020" DRAIN SAN. MAIN
○	PROP. 1026" DRAIN SAN. MAIN
○	PROP. 1032" DRAIN SAN. MAIN
○	PROP. 1038" DRAIN SAN. MAIN
○	PROP. 1044" DRAIN SAN. MAIN
○	PROP. 1050" DRAIN SAN. MAIN
○	PROP. 1056" DRAIN SAN. MAIN
○	PROP. 1062" DRAIN SAN. MAIN
○	PROP. 1068" DRAIN SAN. MAIN
○	PROP. 1074" DRAIN SAN. MAIN
○	PROP. 1080" DRAIN SAN. MAIN
○	PROP. 1086" DRAIN SAN. MAIN
○	PROP. 1092" DRAIN SAN. MAIN
○	PROP. 1098" DRAIN SAN. MAIN
○	PROP. 1104" DRAIN SAN. MAIN
○	PROP. 1110" DRAIN SAN. MAIN
○	PROP. 1116" DRAIN SAN. MAIN
○	PROP. 1122" DRAIN SAN. MAIN
○	PROP. 1128" DRAIN SAN. MAIN
○	PROP. 1134" DRAIN SAN. MAIN
○	PROP. 1140" DRAIN SAN. MAIN
○	PROP. 1146" DRAIN SAN. MAIN
○	PROP. 1152" DRAIN SAN. MAIN
○	PROP. 1158" DRAIN SAN. MAIN
○	PROP. 1164" DRAIN SAN. MAIN
○	PROP. 1170" DRAIN SAN. MAIN
○	PROP. 1176" DRAIN SAN. MAIN
○	PROP. 1182" DRAIN SAN. MAIN
○	PROP. 1188" DRAIN SAN. MAIN
○	PROP. 1194" DRAIN SAN. MAIN
○	PROP. 1200" DRAIN SAN. MAIN



**PROP. PUBLIC WATER, STORM SEWER, GAS & SANITARY SEWER FOR WINFREY ESTATES**

DATE	DESCRIPTION
1/1/2024	PREPARED BY ENGINEER/DATE
1/1/2024	CONSTRUCTION DATE
SCALE	1"=100'
PROJECT NO.	2023-001
SHEET TITLE	OVERALL PRIVATE GAS LINE LAYOUT
SHEET NO.	EX. E2
DATE	February 24, 2023

**EXHIBIT H – FORM OF NOTICE OF ASSESSMENT TERMINATION**



P3Works, LLC  
9284 Huntington Square, Suite 100  
North Richland Hills, TX 76182

[Date]  
Harris County Civil Courthouse  
[County Clerk Name]  
P.O. Box 4622  
Houston, Texas 77210-4622

**Re: City of Tomball Lien Release documents for filing**

Dear Ms./Mr. [County Clerk Name],

Enclosed is a lien release that the City of Tomball is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents below:

City of Tomball  
Attn: City Secretary  
401 Market Street  
Tomball, Texas 77375

Please contact me if you have any questions or need additional information.

Sincerely,  
[Signature]

P3Works, LLC  
P: (817)393-0353  
admin@p3-works.com





**WHEREAS**, the property owners of the Property have paid unto the City the Lien Amount.

**RELEASE**

**NOW THEREFORE**, the City, the owner and holder of the Lien, as established by Ordinance No. \_\_\_\_\_, which levied the Assessment in the amount of the Lien Amount against the Property releases and discharges, and by these presents does hereby release and discharge, the above-described Property from said lien held by the undersigned securing said indebtedness.

**EXECUTED** to be **EFFECTIVE** this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CITY OF TOMBALL, TEXAS,**

By: \_\_\_\_\_  
[Name], [Title]

**ATTEST:**

\_\_\_\_\_  
[Secretary Name], City Secretary

**STATE OF TEXAS**                   §  
  §  
**COUNTY OF HARRIS**           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by [Name], [Title] for the City of Tomball, Texas, on behalf of said municipality.

\_\_\_\_\_  
Notary Public, State of Texas

## EXHIBIT I – LEGAL DESCRIPTION

TRACT 1  
RESERVES "A", "B", "C" AND "D", OF PECK STATION, A SUBDIVISION IN HARRIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN/UNDER FILM CODE NO. 666109 OF THE MAP/PLAT RECORDS OF HARRIS COUNTY, TEXAS.

TRACT 2  
ALL THAT CERTAIN TRACT OR PARCEL CONTAINING 0.9353 ACRES OF LAND SITUATED IN THE JESSE PRUITT SURVEY, A-629 IN HARRIS COUNTY, TEXAS SHOWN AS WINFREY LANE OF PECK STATION, A SUBDIVISION IN HARRIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN FILM CODE NO. 666109 OF THE PLAT RECORDS OF HARRIS COUNTY, TEXAS AND BEING PART OF A CALLED 1.1087 ACRE TRACT OF LAND CONVEYED TO 2978 PANORMUS, LP. AS REFERENCED IN A DEED FILED FOR RECORD UNDER HARRIS COUNTY CLERK'S FILE NO. 20130591816, SAID 0.9353 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;

COMMENCING AT A 5/8 INCH IRON ROD (FOUND) IN THE EAST RIGHT-OF-WAY LINE OF SNOOK ROAD, (60.00 FEET IN WIDTH), MARKING THE SOUTHWEST CORNER OF RESTRICTED RESERVE "D" OF SAID PECK STATION AND THE SOUTHWEST CORNER OF THE SAID 1.1087 ACRE TRACT OF LAND;

THENCE N 02°23'10" W, (CALL N 02°23'09" W), A DISTANCE OF 5.57 FEET ALONG THE EAST RIGHT-OF-WAY LINE OF SAID SNOOK LANE AND THE WEST LINE OF SAID 1.1087 ACRE TRACT OF LAND TO A POINT FOR THE NORTHWEST CORNER OF SAID RESTRICTED RESERVE "D" AND POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT OF LAND;

THENCE CONTINUING N 02°23'10" W, (CALL N 02°23'09" W), A DISTANCE OF 60.00 FEET ALONG THE EAST RIGHT-OF-WAY LINE OF SAID SNOOK LANE AND THE WEST LINE OF SAID 1.1087 ACRE TRACT OF LAND TO A POINT FOR THE SOUTHWEST CORNER OF RESTRICTED RESERVE "C" OF SAID PECK STATION AND THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT OF LAND;

THENCE N 86°34'38" E, A DISTANCE OF 679.03 FEET, (CALL N 87°36'50" E, 678.85 FEET), ALONG THE SOUTH LINE OF SAID RESTRICTED RESERVE "C" TO A 5/8" IRON ROD (FOUND) IN THE WEST LINE OF A CALLED 5.1420 ACRE TRACT OF LAND, SAME BEING A 100.00 FOOT WIDE H.L.&P. COMPANY FEE STRIP AS DESCRIBED IN A DEED FILED FOR RECORD UNDER HARRIS COUNTY CLERK'S FILE NO. 0885475 MARKING THE SOUTHEAST CORNER OF SAID RESTRICTED RESERVE "C" AND THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT OF LAND;

THENCE S 02°22'42" E, A DISTANCE OF 60.00 FEET ALONG THE WEST LINE OF SAID H.L.&P. COMPANY FEE STRIP TO A POINT FOR THE NORTHEAST CORNER OF SAID RESTRICTED RESERVE "D" AND THE SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT OF LAND;

THENCE S 86°34'38" W, A DISTANCE OF 679.02 FEET, (CALL S 87°36'50" W, 678.84 FEET), ALONG THE NORTH LINE OF SAID RESTRICTED RESERVE "D" TO THE POINT OF BEGINNING AND CONTAINING WITHIN THESE CALLS 0.9353 ACRES OF LAND, MORE OR LESS.

TRACT 3  
EASEMENTS GRANTED TO THEM FROM CENTERPOINT ENERGY HOUSTON ELECTRIC FOR ROADWAY, WALKWAY AND UTILITY PURPOSES OVER AND ACROSS CENTERPOINT'S PROPERTY WHICH IS BETWEEN WINFREY LANE (1.1087 ACRES AT 20130591816); THIS EASEMENT INSTRUMENT IS RECORDED UNDER COUNTY CLERK'S FILE NO. 20140556862 OF THE REAL PROPERTY RECORDS OF HARRIS COUNTY, TEXAS.

## APPENDIX A – DISTRICT ENGINEER’S REPORT



March 6, 2023

### Engineer’s Report Winfrey Estates Public Improvement District

Winfrey Estates Public Improvement District is a single-family residential development consisting of approximately 113 lots over approximately 33 acres of land as depicted on Exhibit A. The parcel is located west of the intersection of F.M. 2978 and Winfrey Lane. This Engineer’s Report includes documents requested by the City of Tomball, Texas for the formalization of the PID and the issuance of PID bonds by the City. PID Bonds are anticipated to be used to finance public infrastructure projects vital for the development within the PID.

**Development Costs:** An Engineer’s Estimate has been prepared for all on-site public infrastructure (Exhibit B).

**Development Improvements:** Development Improvement have been classified as PID improvements. The PID improvements are shown on exhibits C through K.



*Aaron T. Rendon 3-6-2023*

Aaron T. Rendon, P.E.  
Principal  
ATR Engineering

STATE OF TEXAS  
COUNTY OF HARRIS

We, CHTA DEVELOPMENT, INC. acting by and through DRC HYNOWEL, President and MIC DEGENROCK, Vice President, being officers of CHTA DEVELOPMENT, INC. owners in the several other referred to as owners of the 33,358.8 acre tract described in the above and foregoing plat of WINFREY ESTATES, do hereby make and establish said subdivision of said property according to all laws, definitions, restrictions and conditions in said plat and hereby dedicate to the use of the public, streets, sidewalks, ditches, public improvements, drains, easements, and public places shown thereon for the purposes and considerations therein expressed and do hereby bind ourselves, our heirs, successors and assigns to construct and maintain within the time to the land so dedicated.

FOURTH, Owners have dedicated and by these presents do dedicate to the use of the public for public utility purposes (sewer, underground water, telephone, etc.) easements that extend horizontally an additional eleven feet, six inches (11' 6") for any line (1) (2) primary ground easements of seven feet, six inches (7' 6") for lines (3) (4) (5) primary ground easements of five feet, six inches (5' 6") for lines (6) (7) (8) primary ground easements, from a plane seven feet (7') above the ground level upward, however, subject to and subject to all public utility easements that are designated with aerial easements (U.E. and A.E.) on indicated and depicted thereon, whereby separate easement tracts thereby are not, as herein (21' 6") in width.

IN TESTIMONY WHEREOF, the CHTA DEVELOPMENT, INC. has caused these presents to be signed by DRC HYNOWEL, its President, President, authorized, obtained by MIC DEGENROCK, its Vice President, and its common seal hereunto affixed this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

CHTA DEVELOPMENT, INC.

By: DRC HYNOWEL, President

Attest: MIC DEGENROCK, Vice President

STATE OF TEXAS  
COUNTY OF HARRIS

CHTA, INC. the undersigned authority, on this day personally appeared DRC HYNOWEL and MIC DEGENROCK, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Notary Public in and for the State of Texas

My Commission expires: \_\_\_\_\_

I, PAUL JOHNSON, HANCOCK WITNEY DAVIS, owner and holder of a fee in the property described in the plat known as WINFREY ESTATES, and I am being authorized by instrument of record in the Clerk's file No. 88-2021-007205 of the O.P.R.S.P. of Harris County, Texas, do hereby in all things subordinate, ratify, confirm and acknowledge to me that they executed the same for the purposes and considerations therein expressed and do hereby bind ourselves, our heirs, successors and assigns to construct and maintain within the time to the land so dedicated.

By: PAUL JOHNSON, Bank Officer

STATE OF TEXAS  
COUNTY OF HARRIS

CHTA, INC. the undersigned authority, on this day personally appeared PAUL JOHNSON, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Notary Public in and for the State of Texas

My Commission expires: \_\_\_\_\_

This is to certify that the planning and zoning commission of the City of Tomball has approved this plat and subdivision of WINFREY ESTATES in accordance with the laws of the state and the subdivision of the city as shown herein and authorized the recording of this plat this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

By: Roberta Yegan, Chairman

I, Tommie Haddock, County Clerk of Harris County, do hereby certify that the entire instrument with the certificate of acknowledgment was filed for registration in my office on \_\_\_\_\_ 2022 at \_\_\_\_\_ o'clock \_\_\_\_\_ and its File Code Number \_\_\_\_\_ of the Map Records of Harris County for said county.

Witness my hand and seal of office, at Houston, the day and date last above written.

Tommie Haddock  
County Clerk  
of Harris County, Texas

By: \_\_\_\_\_  
Deputy

LOT TABLE

BLOCK 1			BLOCK 2			BLOCK 3		
Lot	Area	Sq. Feet	Lot	Area	Sq. Feet	Lot	Area	Sq. Feet
1	0.1433	6,240.00	1	0.1433	6,240.00	1	0.1433	6,240.00
2	0.1433	6,240.00	2	0.1433	6,240.00	2	0.1433	6,240.00
3	0.1433	6,240.00	3	0.1433	6,240.00	3	0.1433	6,240.00
4	0.1433	6,240.00	4	0.1433	6,240.00	4	0.1433	6,240.00
5	0.1433	6,240.00	5	0.1433	6,240.00	5	0.1433	6,240.00
6	0.1433	6,240.00	6	0.1433	6,240.00	6	0.1433	6,240.00
7	0.1433	6,240.00	7	0.1433	6,240.00	7	0.1433	6,240.00
8	0.1433	6,240.00	8	0.1433	6,240.00	8	0.1433	6,240.00
9	0.1433	6,240.00	9	0.1433	6,240.00	9	0.1433	6,240.00
10	0.1433	6,240.00	10	0.1433	6,240.00	10	0.1433	6,240.00
11	0.1433	6,240.00	11	0.1433	6,240.00	11	0.1433	6,240.00
12	0.1433	6,240.00	12	0.1433	6,240.00	12	0.1433	6,240.00
13	0.1433	6,240.00	13	0.1433	6,240.00	13	0.1433	6,240.00
14	0.1433	6,240.00	14	0.1433	6,240.00	14	0.1433	6,240.00
15	0.1433	6,240.00	15	0.1433	6,240.00	15	0.1433	6,240.00
16	0.1433	6,240.00	16	0.1433	6,240.00	16	0.1433	6,240.00
17	0.1433	6,240.00	17	0.1433	6,240.00	17	0.1433	6,240.00
18	0.1433	6,240.00	18	0.1433	6,240.00	18	0.1433	6,240.00
19	0.1433	6,240.00	19	0.1433	6,240.00	19	0.1433	6,240.00
20	0.1433	6,240.00	20	0.1433	6,240.00	20	0.1433	6,240.00
21	0.1433	6,240.00	21	0.1433	6,240.00	21	0.1433	6,240.00
22	0.1433	6,240.00	22	0.1433	6,240.00	22	0.1433	6,240.00
23	0.1433	6,240.00	23	0.1433	6,240.00	23	0.1433	6,240.00
24	0.1433	6,240.00	24	0.1433	6,240.00	24	0.1433	6,240.00
25	0.1433	6,240.00	25	0.1433	6,240.00	25	0.1433	6,240.00
26	0.1433	6,240.00	26	0.1433	6,240.00	26	0.1433	6,240.00
27	0.1433	6,240.00	27	0.1433	6,240.00	27	0.1433	6,240.00
28	0.1433	6,240.00	28	0.1433	6,240.00	28	0.1433	6,240.00
29	0.1433	6,240.00	29	0.1433	6,240.00	29	0.1433	6,240.00
30	0.1433	6,240.00	30	0.1433	6,240.00	30	0.1433	6,240.00
31	0.1433	6,240.00	31	0.1433	6,240.00	31	0.1433	6,240.00
32	0.1433	6,240.00	32	0.1433	6,240.00	32	0.1433	6,240.00
33	0.1433	6,240.00	33	0.1433	6,240.00	33	0.1433	6,240.00
34	0.1433	6,240.00	34	0.1433	6,240.00	34	0.1433	6,240.00
35	0.1433	6,240.00	35	0.1433	6,240.00	35	0.1433	6,240.00
36	0.1433	6,240.00	36	0.1433	6,240.00	36	0.1433	6,240.00
37	0.1433	6,240.00	37	0.1433	6,240.00	37	0.1433	6,240.00
38	0.1433	6,240.00	38	0.1433	6,240.00	38	0.1433	6,240.00
39	0.1433	6,240.00	39	0.1433	6,240.00	39	0.1433	6,240.00
40	0.1433	6,240.00	40	0.1433	6,240.00	40	0.1433	6,240.00
41	0.1433	6,240.00	41	0.1433	6,240.00	41	0.1433	6,240.00
42	0.1433	6,240.00	42	0.1433	6,240.00	42	0.1433	6,240.00
43	0.1433	6,240.00	43	0.1433	6,240.00	43	0.1433	6,240.00
44	0.1433	6,240.00	44	0.1433	6,240.00	44	0.1433	6,240.00
45	0.1433	6,240.00	45	0.1433	6,240.00	45	0.1433	6,240.00
46	0.1433	6,240.00	46	0.1433	6,240.00	46	0.1433	6,240.00
47	0.1433	6,240.00	47	0.1433	6,240.00	47	0.1433	6,240.00
48	0.1433	6,240.00	48	0.1433	6,240.00	48	0.1433	6,240.00
49	0.1433	6,240.00	49	0.1433	6,240.00	49	0.1433	6,240.00
50	0.1433	6,240.00	50	0.1433	6,240.00	50	0.1433	6,240.00
51	0.1433	6,240.00	51	0.1433	6,240.00	51	0.1433	6,240.00
52	0.1433	6,240.00	52	0.1433	6,240.00	52	0.1433	6,240.00
53	0.1433	6,240.00	53	0.1433	6,240.00	53	0.1433	6,240.00
54	0.1433	6,240.00	54	0.1433	6,240.00	54	0.1433	6,240.00
55	0.1433	6,240.00	55	0.1433	6,240.00	55	0.1433	6,240.00
56	0.1433	6,240.00	56	0.1433	6,240.00	56	0.1433	6,240.00
57	0.1433	6,240.00	57	0.1433	6,240.00	57	0.1433	6,240.00
58	0.1433	6,240.00	58	0.1433	6,240.00	58	0.1433	6,240.00
59	0.1433	6,240.00	59	0.1433	6,240.00	59	0.1433	6,240.00
60	0.1433	6,240.00	60	0.1433	6,240.00	60	0.1433	6,240.00
61	0.1433	6,240.00	61	0.1433	6,240.00	61	0.1433	6,240.00
62	0.1433	6,240.00	62	0.1433	6,240.00	62	0.1433	6,240.00
63	0.1433	6,240.00	63	0.1433	6,240.00	63	0.1433	6,240.00
64	0.1433	6,240.00	64	0.1433	6,240.00	64	0.1433	6,240.00
65	0.1433	6,240.00	65	0.1433	6,240.00	65	0.1433	6,240.00
66	0.1433	6,240.00	66	0.1433	6,240.00	66	0.1433	6,240.00
67	0.1433	6,240.00	67	0.1433	6,240.00	67	0.1433	6,240.00
68	0.1433	6,240.00	68	0.1433	6,240.00	68	0.1433	6,240.00
69	0.1433	6,240.00	69	0.1433	6,240.00	69	0.1433	6,240.00
70	0.1433	6,240.00	70	0.1433	6,240.00	70	0.1433	6,240.00
71	0.1433	6,240.00	71	0.1433	6,240.00	71	0.1433	6,240.00
72	0.1433	6,240.00	72	0.1433	6,240.00	72	0.1433	6,240.00
73	0.1433	6,240.00	73	0.1433	6,240.00	73	0.1433	6,240.00
74	0.1433	6,240.00	74	0.1433	6,240.00	74	0.1433	6,240.00
75	0.1433	6,240.00	75	0.1433	6,240.00	75	0.1433	6,240.00
76	0.1433	6,240.00	76	0.1433	6,240.00	76	0.1433	6,240.00
77	0.1433	6,240.00	77	0.1433	6,240.00	77	0.1433	6,240.00
78	0.1433	6,240.00	78	0.1433	6,240.00	78	0.1433	6,240.00
79	0.1433	6,240.00	79	0.1433	6,240.00	79	0.1433	6,240.00
80	0.1433	6,240.00	80	0.1433	6,240.00	80	0.1433	6,240.00
81	0.1433	6,240.00	81	0.1433	6,240.00	81	0.1433	6,240.00
82	0.1433	6,240.00	82	0.1433	6,240.00	82	0.1433	6,240.00
83	0.1433	6,240.00	83	0.1433	6,240.00	83	0.1433	6,240.00
84	0.1433	6,240.00	84	0.1433	6,240.00	84	0.1433	6,240.00
85	0.1433	6,240.00	85	0.1433	6,240.00	85	0.1433	6,240.00
86	0.1433	6,240.00	86	0.1433	6,240.00	86	0.1433	6,240.00
87	0.1433	6,240.00	87	0.1433	6,240.00	87	0.1433	6,240.00
88	0.1433	6,240.00	88	0.1433	6,240.00	88	0.1433	6,240.00
89	0.1433	6,240.00	89	0.1433	6,240.00	89	0.1433	6,240.00
90	0.1433	6,240.00	90	0.1433	6,240.00	90	0.1433	6,240.00
91	0.1433	6,240.00	91	0.1433	6,240.00	91	0.1433	6,240.00
92	0.1433	6,240.00	92	0.1433	6,240.00	92	0.1433	6,240.00
93	0.1433	6,240.00	93	0.1433	6,240.00	93	0.1433	6,240.00
94	0.1433	6,240.00	94	0.1433	6,240.00	94	0.1433	6,240.00
95	0.1433	6,240.00	95	0.1433	6,240.00	95	0.1433	6,240.00
96	0.1433	6,240.00	96	0.1433	6,240.00	96	0.1433	6,240.00
97	0.1433	6,240.00	97	0.1433	6,240.00	97	0.1433	6,240.00
98	0.1433	6,240.00	98	0.1433	6,240.00	98	0.1433	6,240.00
99	0.1433	6,240.00	99	0.1433	6,240.00	99	0.1433	6,240.00
100	0.1433	6,240.00	100	0.1433	6,240.00	100	0.1433	6,240.00

RESERVE TABLE

Reserve	Area	Sq. Feet	Lot Use
A	0.0024	1,171.00	Leisure/Recreation/Scenic
B	0.0024	1,171.00	Leisure/Recreation/Scenic
C	0.0024	1,171.00	Leisure/Recreation/Scenic
D	0.0024	1,171.00	Leisure/Recreation/Scenic
E	0.0024	1,171.00	Leisure/Recreation/Scenic
F	0.0024	1,171.00	Leisure/Recreation/Scenic
G	0.0024	1,171.00	Leisure/Recreation/Scenic
H	0.0024	1,171.00	Leisure/Recreation/Scenic



### Winfrey Estates

Construction Costs											
#	Description	Phase I PID	Phase I Private	Total Phase I	Phase II PID	Phase II Private	Total Phase II	Phase III PID	Phase III Private	Total Phase III	
1	Earthwork	\$ 130,926.09	\$456,178.45	\$587,104.54							
2	Water	\$ 91,266.73	\$246,812.27	\$338,079.00	\$ 364,302.00	\$0.00	\$364,302.00	\$ 227,314.00	\$0.00	\$227,314.00	
3	Sanitary Sewer	\$ 141,233.49	\$381,853.51	\$523,087.00	\$ 291,541.00	\$0.00	\$291,541.00	\$ 360,969.00	\$0.00	\$360,969.00	
4	Storm Sewer	\$562,520.65	\$29,606.35	\$592,127.00	\$ 252,123.00	\$0.00	\$252,123.00	\$ 372,897.00	\$0.00	\$372,897.00	
5	Paving	\$263,752.89	\$713,109.66	\$976,862.55	\$ 645,472.70	\$0.00	\$645,472.70	\$ 577,548.75	\$0.00	\$577,548.75	
6	Gas Line	\$ 48,860.28	\$132,103.72	\$180,964.00	\$ 153,427.00	\$0.00	\$153,427.00	\$ 116,262.00	\$0.00	\$116,262.00	
7	Monument Sign, Landscaping & Design	\$300,000.00	\$ -	\$300,000.00	-	-	-	-	-	-	
7	Amenity Center / Amenities	\$ -	\$650,000.00	\$650,000.00	-	\$0.00	\$0.00	-	\$0.00	\$0.00	
8	Other	\$ 13,302.63	\$35,966.37	\$ 49,269.00	\$ 90,303.40	\$0.00	\$90,303.40	\$ 205,857.00	\$0.00	\$205,857.00	
				<b>\$4,197,513.09</b>					<b>\$1,797,169.10</b>		

Miscellaneous Costs										
#	Description							PID	Private	Total
1	Engineering Fees							\$ 233,738.00	\$0.00	\$233,738.00
2	Permits and Bonds							\$ 322,496.00	\$0.00	\$322,496.00
3	Other Development Costs							\$ 184,760.00	\$75,000.00	\$259,760.00

Summary										
#	Description							PID	Private	Total
	Construction Cost							\$5,209,899.61	\$2,645,630.33	\$7,855,529.94
	Miscellaneous Costs							\$ 740,994.00	\$75,000.00	\$815,994.00
	Contingency Costs (10%)							\$ 595,089.36	\$ 272,063.03	\$ 867,152.39
	Net Project Costs							\$6,545,982.97	\$2,992,693.36	\$ 9,538,676.33



*Aaron T. Rendon 5-5-2023*

Tomball 34.5 Acres

**Preliminary Pricing**

**Winfrey Estates- Clearing and Grubbing and Earthwork**



Clearing and Grubbing					
#	Description	Quantity	Unit	Unit Price	Amount
1	Root Raked	5.94	ac	\$ 1,000.00	\$ 5,940.00
2	Clear and Grub and Root Raked	27.66	ac	\$ 8,500.00	\$ 235,110.00
3	SWPP Fence	10,805.00	lf	\$ 2.60	\$ 28,093.00
4	Demo Existing Barns	2.00	ls	\$ 1,000.00	\$ 2,000.00
5	Demo Existing Fence	570.00	lf	\$ 1.00	\$ 570.00
6	Proposed 5 strand barbed wire fencing	570.00	lf	\$ 4.00	\$ 2,280.00
				<b>Sub-Total</b>	<b>\$ 273,993.00</b>
Earthwork					
#	Description	Quantity	Unit	Unit Price	Amount
1	Cut (6" SCARIFICATION, Pond Not Included )	32,801.50	cu yds	\$ 3.75	\$ 123,005.63
2	Fill (6" SCARIFICATION, Pond Not Included )	33,687.03	cu yds	\$ 1.50	\$ 50,530.55
3	Proposed Pond Cut (TB 177, BTM 163.3)	9,163.80	cu yds	\$ 3.75	\$ 34,364.25
4	Proposed Pond Fill (TB 177, BTM 163.3)	62.61	cu yds	\$ 3.75	\$ 234.79
5	4" OF GRASS TRIMMING LAID AND COMPACTED (within exist. pond)	1,739.99	cu yds	\$ 1.50	\$ 2,609.99
6	12" OF HEAVY CLAY SOIL AS WET POND LINER LAID AND COMPACTED - Assumed Imported Material	1,922.54	cu yds	\$ 34.00	\$ 65,366.36
				<b>Sub-Total</b>	<b>\$ 276,111.55</b>
Other Costs					
#	Description	Quantity	Unit	Unit Price	Amount
1	Surveying (Staking) - By Others	1	ls	n/a	\$ 12,000.00
2	Material Testing - By Others	1	ls	n/a	\$ 25,000.00
				<b>Sub-Total</b>	<b>\$ 37,000.00</b>
				<b>Total</b>	<b>\$ 587,104.55</b>

Company Name: Trilogy, LLC  
 Address: 1617 Peachleaf St, STE 108; Houston, TX 77039  
 Phone #: 832-243-5073  
 Printed Name: Ross Reeder

Bidder Signature: 



Winfrey Estates Phase I - Public Trilogy Proposal 8.8.22 REV. 3

Water Distribution Systems						
#	Description	Quantity	Quantity	Unit	Amount	
		4/22/22 Plans	7/29/22 Plans			
1	12" C-900 Water Line (including fittings) - Bedding and Backfill	3,888	3,888	LP	\$96.00	\$373,488.00
2	8" C-900 Water Line (including fittings) - Bedding and Backfill	1,885	3,611	LP	\$97.00	\$362,427.00
3	6" C-900 Water Line (including fittings) - Bedding and Backfill	118	120	LP	\$45.00	\$5,130.00
4	6" Gate Valve w/ Box	9	9	BA	\$1,771.00	\$15,939.00
5	8" Gate Valve w/ Box	1	9	BA	\$2,947.00	\$7,705.00
6	8" Plug Valve w/ Box	0	4	BA	\$4,076.00	\$16,304.00
7	12" Plug Valve w/ Box	0	1	BA	\$5,287.00	\$5,287.00
8	12" Gate Valve w/ Box	0	2	BA	\$4,471.00	\$8,942.00
9	Fire Hydrant Assembly	9	9	BA	\$8,388.00	\$75,492.00
10	12" Water Line Jack and Bore w/ 20" Casing	91	91	LP	\$291.00	\$26,481.00
					<b>Sub-Total</b>	<b>\$513,299.00</b>

Gas Distribution Systems						
#	Description	Quantity	Quantity	Unit	Amount	
		4/22/22 Plans	7/29/22 Plans			
1	4" Gas Line (including fittings)	8,728	8,728	LP	\$65.00	\$567,420.00
2	8" Bell Valve w/ Box	4	9	BA	\$9,200.00	\$75,800.00
3	8" Plug Valve w/ Box	0	9	BA	\$9,200.00	\$75,800.00
4	4" Gas Line Jack and Bore w/ 12" Casing	91	91	LP	\$800.00	\$72,800.00
5	Gas Line Backfill & Gravel	8,728	8,728	LP	\$9.00	\$78,552.00
					<b>Sub-Total</b>	<b>\$1,000,372.00</b>

Waste Water Collection System						
#	Description	Quantity	Quantity	Unit	Amount	
		4/22/22 Plans	7/29/22 Plans			
1	8" PVC 108 28 Sanitary Sewer (18" Maximum Depth)	349	349	LP	\$80.00	\$27,920.00
2	8" PVC 108 28 Sanitary Sewer (18" Maximum Depth)	280	341	LP	\$80.00	\$27,280.00
3	12" PVC 108 28 Sanitary Sewer (18" Maximum Depth)	3,260	3,260	LP	\$125.00	\$407,500.00
4	Sanitary Sewer Manhole (3'-6" Depth)	2	1	BA	\$4,548.00	\$4,548.00
5	Sanitary Sewer Manhole (3'-12" Depth)	15	15	BA	\$7,861.00	\$117,915.00
6	12" San. Yan. Jack and Bore w/ 20" Casing	108	108	LP	\$291.00	\$31,428.00
7	Trench Safety	3,703	3,667	LP	\$1.00	\$3,667.00
					<b>Sub-Total</b>	<b>\$597,658.00</b>

Storm Water Collection System						
#	Description	Quantity	Quantity	Unit	Amount	
		4/22/22 Plans	7/29/22 Plans			
1	24" CL 8" R.C.P. Storm Sewer Pipe (complete & in place Bedding and Backfill)	26	127	LP	\$118.00	\$3,064.00
2	24" CL 8" R.C.P. Storm Sewer Pipe (complete & in place Bedding and Backfill)	377	345	LP	\$112.00	\$42,264.00
3	30" CL 8" R.C.P. Storm Sewer Pipe (complete & in place Bedding and Backfill)	87	170	LP	\$168.00	\$28,716.00
4	36" CL 8" R.C.P. Storm Sewer Pipe (complete & in place Bedding and Backfill)	702	772	LP	\$229.00	\$159,658.00
5	42" CL 8" R.C.P. Storm Sewer Pipe (complete & in place Bedding and Backfill)	288	288	LP	\$208.00	\$59,904.00
6	54" CL 8" R.C.P. Storm Sewer Pipe (complete & in place Bedding and Backfill)	82	82	LP	\$462.00	\$37,884.00
7	Type "B" 8" Storm Sewer Inlet (complete & in place Bedding and Backfill)	9	9	BA	\$6,913.00	\$62,217.00
8	Storm Sewer Inlet (complete & in place Bedding and Backfill) - (3'-6" Depth)	2	9	BA	\$7,286.00	\$21,258.00
9	Storm Sewer Inlet (complete & in place Bedding and Backfill) - (3'-12" Depth)	9	9	BA	\$7,718.00	\$69,462.00
10	Storm Sewer Inlet (complete & in place Bedding and Backfill) - (10'-0" Depth)	4	4	BA	\$21,807.00	\$87,228.00
11	Asphalt/Gravel Storm Inlet Structure	1	1	BA	\$6,500.00	\$6,500.00
12	Trench Safety	1,845	1,884	LP	\$2.00	\$3,768.00
					<b>Sub-Total</b>	<b>\$594,127.00</b>

Paving Plan						
#	Description	Quantity	Quantity	Unit	Amount	
		4/22/22 Plans	7/29/22 Plans			
1	Subgrade Stabilization	86797	86797	SP	\$2.90	\$251,821.30
2	7" Rein. Conc. Paving	86797	86797	SP	\$6.75	\$585,679.75
3	8" Rein. Conc. Curb	5688	5688	LP	\$9.52	\$54,127.76
4	Two Inlet Manhole	1	1	LS	\$9,200.00	\$9,200.00
5	Reinforcing Bars and Edges	1	1	LS	\$29,200.00	\$29,200.00
6	Traffic Control	1	1	LS	\$16,200.00	\$16,200.00
					<b>Sub-Total</b>	<b>\$695,828.81</b>

Other Costs						
#	Description	Quantity	Quantity	Unit	Amount	
		4/22/22 Plans	7/29/22 Plans			
1	SWPPP	1	1	LP	\$4,400.00	\$4,400.00
2	Surveying (Staking)	1	1	LS	\$29,400.00	\$29,400.00
3	Material Testing	1	1	LS	\$21,388.00	\$21,388.00
4	2 year Maintenance bond for City of Trinity	0	1	LS	\$18,497.00	\$18,497.00
5	Rehabilitation - Boring under TxDOT busway (if needed)	1	1	BA	\$18,800.00	N/A
					<b>Sub-Total</b>	<b>\$82,485.00</b>
					<b>Total</b>	<b>\$1,880,428.81</b>

**\*Clarifications:**

Pricing on this Unit Rate Proposal is valid for 7 days due to the uncertainty of price for piping/fittings and concrete in the weeks to follow.

Causal dewatering of Trilogy scope, due to rainwater, to an on-site discharge point clearly defined by the PROJECT ENGINEER.

Paving Subgrade elevations assumed to be +/- .10-ft. per 7.29.22 Phase I Plans

Demolition of Existing structures is excluded from this proposal.

Earthwork, Fine Grading, and Backfill of Curbs/Islands are excluded from this proposal.

Sanitary Manholes and Storm Sewer Manholes are 6-8 Week lead times.

Due to cement shortages, project duration is dependent upon raw material availability at that time.

This Proposal includes one (1) mobilization with continuous production for ALL scopes outlined above.

Excludes Permitting and Fees

Excludes Performance and Payment bond

Excludes all work associated within Phase II & III

Excludes Electrical work

Company Name: Trilogy, LLC

Address: 1617 Peachleaf Dr, STE 108, Houston, TX 77039

Phone #: 832-243-5073

Printed Name:

Bidder Signature:





Winfrey Estates Phase 2 - Public Trilogy Proposal REV1 10.4.22

Water Distribution System						
#	Description	Quantity 8.16.22 Price	Quantity 9.28.22 Price	Unit	Unit Price	Amount
1	4" C-900 Water Line with Tracing Wire (including fittings) - bedding and backfill	2029	2078	LF	\$58.00	\$117,726.00
2	4" C-900 Water Line with Tracing Wire (including fittings) - bedding and backfill	345	328	LF	\$42.00	\$14,490.00
3	1" 1/2" S Short Side Single Service Water Leads with Meter Boxes	0	6	EA	\$950.00	\$5,700.00
4	1" 1/2" S Long Side Single Service Water Leads with Meter Boxes	0	4	EA	\$1,500.00	\$6,000.00
5	1" 1/2" S Short Side Dual Service Water Leads with Meter Boxes	0	18	EA	\$925.00	\$16,650.00
6	1" 1/2" S Long Side Dual Service Water Leads with Meter Boxes	0	10	EA	\$1,750.00	\$17,500.00
7	4" Gate Valve w/ Box	9	12	EA	\$1,771.00	\$15,939.00
8	4" Plug Valve w/ Box	1	1	EA	\$1,500.00	\$1,500.00
9	4" Gate Valve w/ Box	4	5	EA	\$2,567.00	\$10,268.00
10	4" Plug Valve w/ Box	2	2	EA	\$4,076.00	\$8,152.00
11	Fire Hydrant Assembly	9	12	EA	\$6,288.00	\$56,592.00
12	4" C-900 Water Line Jack and Bored with 18" Casing	0	82	LF	\$280.00	\$22,960.00
<b>Sub-Total</b>						<b>\$346,302.00</b>
Gas Distribution System						
#	Description	Quantity	Quantity	Unit	Unit Price	Amount
1	4" Gas Line (including fittings)	2,884	2,927	LF	\$38.00	\$111,236.00
2	4" Gas Line (including fittings)	0	280	LF	\$35.00	\$9,800.00
3	4" Ball Valve w/ Box	4	5	EA	\$2,800.00	\$14,000.00
4	4" Plug Valve w/ Box	3	3	EA	\$2,800.00	\$8,400.00
5	Gas Line Backfill & Grade	2,884	2,927	LF	\$3.00	\$8,651.00
<b>Sub-Total</b>						<b>\$150,087.00</b>
Waste Water Collection System						
#	Description	Quantity	Quantity	Unit	Unit Price	Amount
1	4" PVC 154.25 Sanitary Sewer (15' Maximum Depth)	2256	2256	LF	\$62.00	\$140,032.00
2	4" PVC 154.25 Short Side Sanitary Sewer Service Leads	24	24	EA	\$1,400.00	\$33,600.00
3	4" PVC 154.25 Long Side Sanitary Sewer Service Leads	26	26	EA	\$1,400.00	\$36,400.00
4	Sanitary Sewer Manhole (5-8' Depth)	12	12	EA	\$4,546.00	\$54,552.00
5	Sanitary Sewer Manhole (5-10' Depth)	3	3	EA	\$7,881.00	\$23,643.00
6	Trench Safety	6537	6537	LF	\$1.00	\$6,537.00
<b>Sub-Total</b>						<b>\$294,564.00</b>
Storm Water Collection System						
#	Description	Quantity	Quantity	Unit	Unit Price	Amount
1	18" CL III R.C.P. Storm Sewer Pipe (complete & in place - bedding and backfill)	120	120	LF	\$115.00	\$13,800.00
2	18" CL III R.C.P. Storm Sewer Pipe (complete & in place - bedding and backfill)	413	413	LF	\$141.00	\$58,413.00
3	18" CL III R.C.P. Storm Sewer Pipe (complete & in place - bedding and backfill)	293	293	LF	\$188.00	\$55,064.00
4	18" CL III R.C.P. Storm Sewer Pipe (complete & in place - bedding and backfill)	87	87	LF	\$228.00	\$19,836.00
5	Type "B-4" Storm Sewer Inlet (complete & in place - bedding and backfill)	33	33	EA	\$6,516.00	\$215,133.00
6	Storm Sewer MH (complete & in place - bedding and backfill) - (5-8' Depth)	2	2	EA	\$7,086.00	\$14,172.00
7	Storm Sewer MH (complete & in place - bedding and backfill) - (5-10' Depth)	6	6	EA	\$7,748.00	\$46,488.00
8	Trench Safety	849	849	LF	\$1.00	\$849.00
<b>Sub-Total</b>						<b>\$532,325.00</b>
Paving Plan						
#	Description	Quantity	Quantity	Unit	Unit Price	Amount
1	Subgrade Stabilization	68122	68122	SP	\$0.95	\$64,715.90
2	1" Rebar, Conc. Paving	68122	68122	SP	\$7.95	\$540,159.90
3	4" Rebar, Conc. Curb	4976	4976	LF	\$3.30	\$16,420.80
4	Posting, Barriers and Signs	1	1	LS	\$17,500.00	\$17,500.00
5	Traffic Control	1	1	LS	\$8,000.00	\$8,000.00
<b>Sub-Total</b>						<b>\$646,837.60</b>
Other Costs						
#	Description	Quantity	Quantity	Unit	Unit Price	Amount
1	Hydro-mulch	0	22	AC	\$2,880.00	\$63,360.00
2	Pipe Grouting cuts for Positive Drainage	56	56	EA	\$200.00	\$11,200.00
3	Surveying (Staking)	1	1	LS	\$13,000.00	\$13,000.00
4	Materials Testing	1	1	LS	\$16,000.00	\$16,000.00
5	1 year Maintenance Bond	1	1	LS	\$15,417.00	\$15,417.00
<b>Sub-Total</b>						<b>\$118,977.00</b>
<b>Total</b>						<b>\$1,797,388.60</b>

**\*Clarifications:**  
Pricing on this Unit Rate Proposal is valid for 7 days due to the uncertainty of price for piping/fittings and concrete in the weeks to follow.  
Casual dewatering of Trilogy scope, due to rainwater, to an on-site discharge point clearly defined by the OWNER/ENGINEER.  
Paving Subgrade elevations assumed to be +/- .10-ft. per 7.29.22 Phase I Plans  
Quantities and Prices per IFA plans dated 9.16.22  
Demolition of Existing structures is excluded from this proposal - Not to include the relocation/modification of existing storm structures per plans.  
Sanitary Manholes and Storm Sewer Manholes are 5-8 Week lead times.  
Tees, Leads, and Caps included for future tie-ins at Gas Lines  
Due to cement shortages, project duration is dependent upon raw material availability at that time.  
This Proposal includes one (1) mobilization with continuous production for ALL scopes outlined above.  
Excludes Permitting and Fees  
Excludes Performance and Payment bond  
Excludes Electrical work  
Excludes Service Leads for City of Tomball TS&V per Lot

Company Name: Trilogy, LLC  
Address: 1617 Peachleaf St, STE 108; Houston, TX 77059  
Phone #: 832-243-5073



Winfrey Estates Phase 3 - Public Trilogy Proposal 1.19.23 REV. 2

Water Distribution System						
#	Description	Quantity 8-1/2-12 Plans	Quantity 12-4-22 Plans	Unit	Unit Price	Amount
1	8" C-400 Water Line (Including Fittings - Bedding and Backfill)	1,229	1,229	LF	\$67.00	\$82,543.00
2	8" C-400 Water Line (Including Fittings - Bedding and Backfill)	974	974	LF	\$61.00	\$59,414.00
3	2" SDR 9 Short Side Single Service Water Leads w/ Meter Boxes	0	7	EA	\$800.00	\$5,600.00
4	2" SDR 9 Long Side Single Service Water Leads w/ Meter Boxes	0	4	EA	\$1,900.00	\$7,600.00
5	2" SDR 9 Short Side Dual Service Water Leads w/ Meter Boxes	0	6	EA	\$925.00	\$5,550.00
6	2" SDR 9 Long Side Dual Service Water Leads w/ Meter Boxes	0	15	EA	\$1,780.00	\$26,700.00
7	8" Gate Valve w/ Box	6	6	EA	\$1,771.00	\$10,626.00
8	8" Gate Valve w/ Box	9	9	EA	\$2,947.00	\$26,523.00
9	Flow Hydrant Assembly	6	6	EA	\$6,249.00	\$37,494.00
10	8" Water Line Jack and Bore w/ 12" Casing	80	80	LF	\$146.00	\$11,680.00
<b>Sub-Total</b>						<b>\$127,416.00</b>

Gas Distribution System						
#	Description	Quantity 8-1/2-12 Plans	Quantity 12-4-22 Plans	Unit	Unit Price	Amount
1	2" Gas Line (Including Fittings)	827	827	LF	\$16.00	\$13,232.00
2	4" Gas Line (Including Fittings)	1,249	1,249	LF	\$19.00	\$23,731.00
3	4" Ball Valve w/ Box	4	4	EA	\$2,825.00	\$11,300.00
4	4" Gas Line Jack and Bore w/ 12" Casing	80	80	LF	\$174.00	\$13,920.00
5	Gas Line Backfill & Gravel	9,282	9,282	LF	\$1.00	\$9,282.00
<b>Sub-Total</b>						<b>\$71,485.00</b>

Waste Water Collection System						
#	Description	Quantity 8-1/2-12 Plans	Quantity 12-4-22 Plans	Unit	Unit Price	Amount
1	8" PVC SDR 26 Sanitary Sewer (12' Maximum Depth)	988	981	LF	\$61.00	\$60,063.00
2	12" PVC SDR 26 Sanitary Sewer (27' Maximum Depth)	1,341	1,341	LF	\$129.00	\$172,989.00
3	8" PVC SDR 26 Short Side Sanitary Sewer Service Leads	19	19	EA	\$1,900.00	\$36,100.00
4	8" PVC SDR 26 Long Side Sanitary Sewer Service Leads	18	18	EA	\$6,450.00	\$116,100.00
5	Sanitary Sewer Manhole (6'-12" Depth)	12	12	EA	\$7,881.00	\$94,572.00
6	Manhole Coating (All Phases)	1	1	LS	\$11,074.00	\$11,074.00
7	Trench Safety	2989	2989	LF	\$2.00	\$5,978.00
<b>Sub-Total</b>						<b>\$362,966.00</b>

Storm Water Collection System						
#	Description	Quantity 8-1/2-12 Plans	Quantity 12-4-22 Plans	Unit	Unit Price	Amount
1	12" CL II R.C.P. Storm Sewer Pipe (complete & to place Bedding and Backfill)	99	99	LF	\$124.00	\$12,276.00
2	18" CL II R.C.P. Storm Sewer Pipe (complete & to place Bedding and Backfill)	609	606	LF	\$211.00	\$128,166.00
3	24" CL II R.C.P. Storm Sewer Pipe (complete & to place Bedding and Backfill)	70	70	LF	\$146.00	\$10,220.00
4	36" CL II R.C.P. Storm Sewer Pipe (complete & to place Bedding and Backfill)	929	929	LF	\$229.00	\$213,641.00
5	Type "B" 48" Storm Sewer (complete & to place Bedding and Backfill)	7	7	EA	\$6,928.00	\$48,496.00
6	Storm Sewer MH (complete & to place Bedding and Backfill) - (6'-6" Depth)	1	0	EA	\$7,288.00	\$7,288.00
7	Storm Sewer MH (complete & to place Bedding and Backfill) - (9'-0" Depth)	3	3	EA	\$7,748.00	\$23,244.00
8	Storm Sewer MH (complete & to place Bedding and Backfill) - (12'-0" Depth)	1	1	EA	\$21,807.00	\$21,807.00
9	Trench Safety	1,298	1,298	LF	\$2.00	\$2,596.00
<b>Sub-Total</b>						<b>\$372,997.00</b>

Paving Plan						
#	Description	Quantity 8-1/2-12 Plans	Quantity 12-4-22 Plans	Unit	Unit Price	Amount
1	Subgrade Stabilization	4115	42115	SF	\$0.90	\$37,035.00
2	2" Rein. Conc. Paving	42115	42115	SF	\$7.85	\$330,494.25
3	4" Rein. Conc. Curb	4766	4766	LF	\$6.92	\$33,000.72
4	Striping, Markers and Signs	1	1	LS	\$14,900.00	\$14,900.00
5	Traffic Control	1	1	LS	\$7,900.00	\$7,900.00
<b>Sub-Total</b>						<b>\$482,330.97</b>

Other Costs						
#	Description	Quantity 8-1/2-12 Plans	Quantity 12-4-22 Plans	Unit	Unit Price	Amount
1	Flow Modeling Lids for Positive Drainage	97	97	EA	\$200.00	\$19,400.00
2	Surveying (Existing)	1	1	LS	\$14,000.00	\$14,000.00
3	Materials Testing	1	1	LS	\$14,000.00	\$14,000.00
4	2 year Maintenance Bond	1	1	LS	\$15,497.00	\$15,497.00
5	Point Settlement - Ph. 1 Bero Plan Change	1	1	LS	\$99,900.00	\$99,900.00
6	Hydro Model for Two of Curb MH Removal	1	1	LS	\$14,449.00	\$14,449.00
7	Utility Spools	1	1	LS	\$48,804.00	\$48,804.00
<b>Sub-Total</b>						<b>\$304,457.00</b>
<b>Total</b>						<b>\$1,460,877.97</b>

**\*Clarifications:**  
Pricing on this Unit Rate Proposal is valid for **7 days** due to the uncertainty of price for piping/fittings and concrete in the weeks to follow.  
Casual dewatering of Trilogy scope, due to rainwater, to an on-site discharge point clearly defined by the OWNER/ENGINEER.  
Paving Subgrade elevations assumed to be +/- .10-ft. per 10.6.22 Phase III Plans  
Quantities and Prices per IFC plans dated 10.6.22  
Demolition of existing structures is excluded from this proposal - Not to include the relocation/modification of existing storm structures per plans.  
Sanitary Manholes and Storm Sewer Manholes are 6-8 Week lead times.  
Sanitary Sewer services to remain underground and plugged at 4" Wye at termination point on drawings per ATE's email confirmation dated 12.14.22  
Due to cement shortages, project duration is dependent upon raw material availability at that time.  
This Proposal includes one (1) mobilization with continuous production for ALL scopes outlined above.  
Excludes Permitting and Fees  
Excludes Performance and Payment bond  
Excludes Electrical work

Company Name: Trilogy, LLC  
Address: 1617 Peachleaf St, STE 108; Houston, TX 77009  
Phone #: 832-243-5073

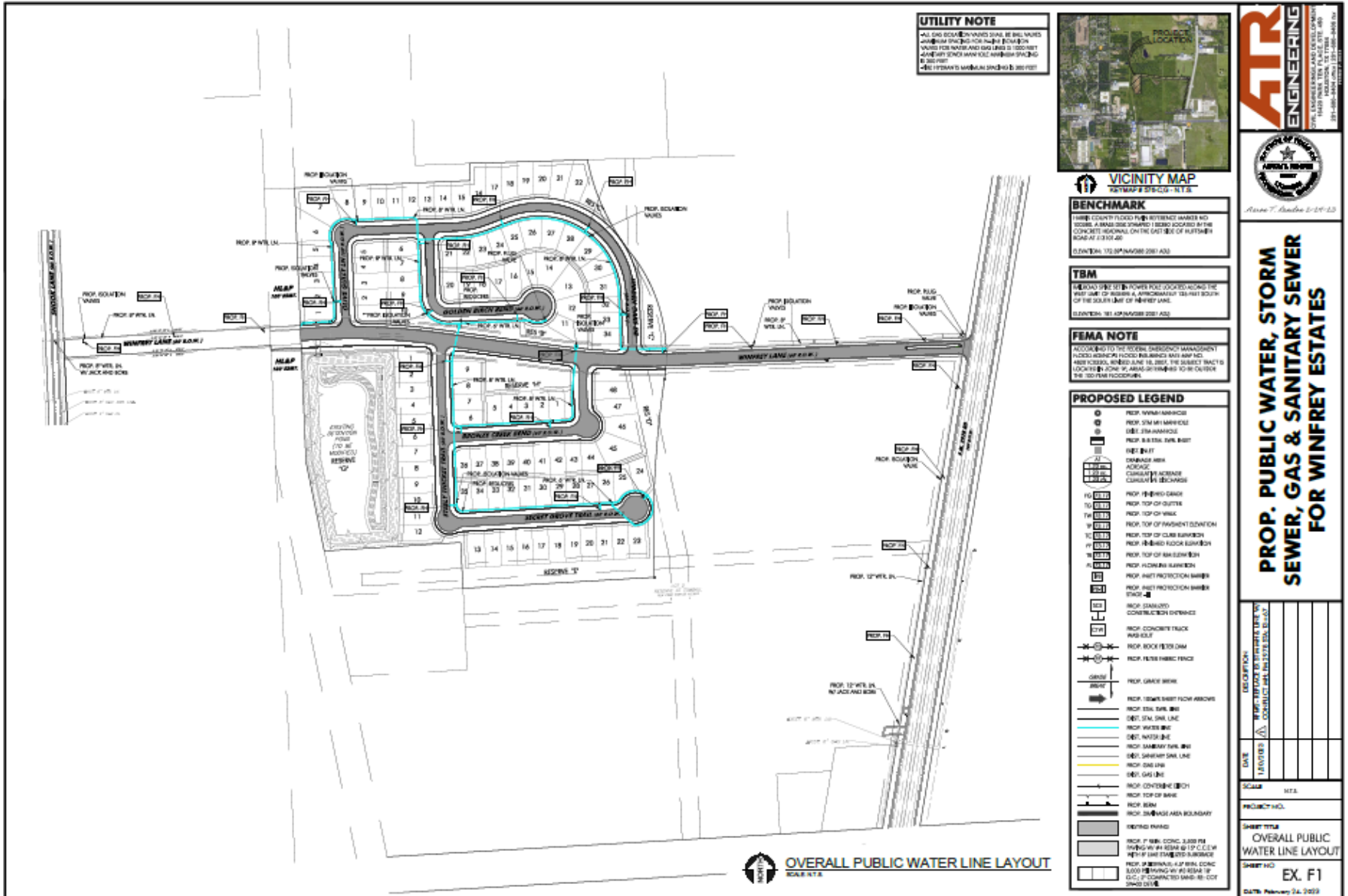












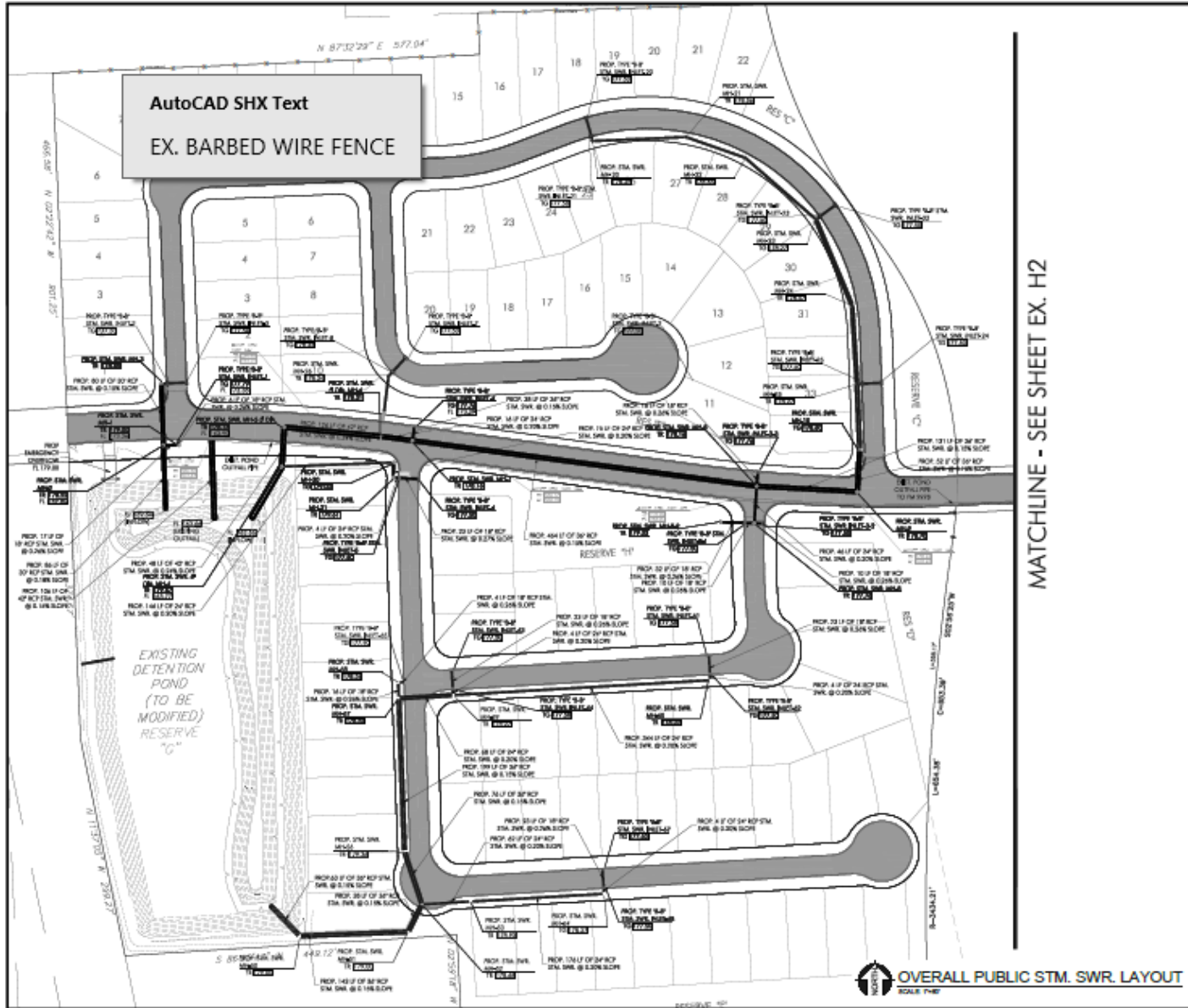
WINFREY ESTATES PUBLIC IMPROVEMENT DISTRICT  
PRELIMINARY SERVICE AND ASSESSMENT PLAN











AutoCAD SHX Text  
EX. BARBED WIRE FENCE

MATCHLINE - SEE SHEET EX. H2



**VICINITY MAP**  
SOUTHMAP 2 2016-11-16

**BENCHMARK**

PLUMB COUNTY FLOOD FURY REFERENCE MARKERS NO. 10008, A BRASS BENCH MARK IS BEING LOCATED BY THE CONCRETE FOUNDATION ON THE EAST SIDE OF HUFFMAN ROAD AT 2330 AB.  
ELEVATION: 102.89 (NAD83) 2001 AZD

**TBM**

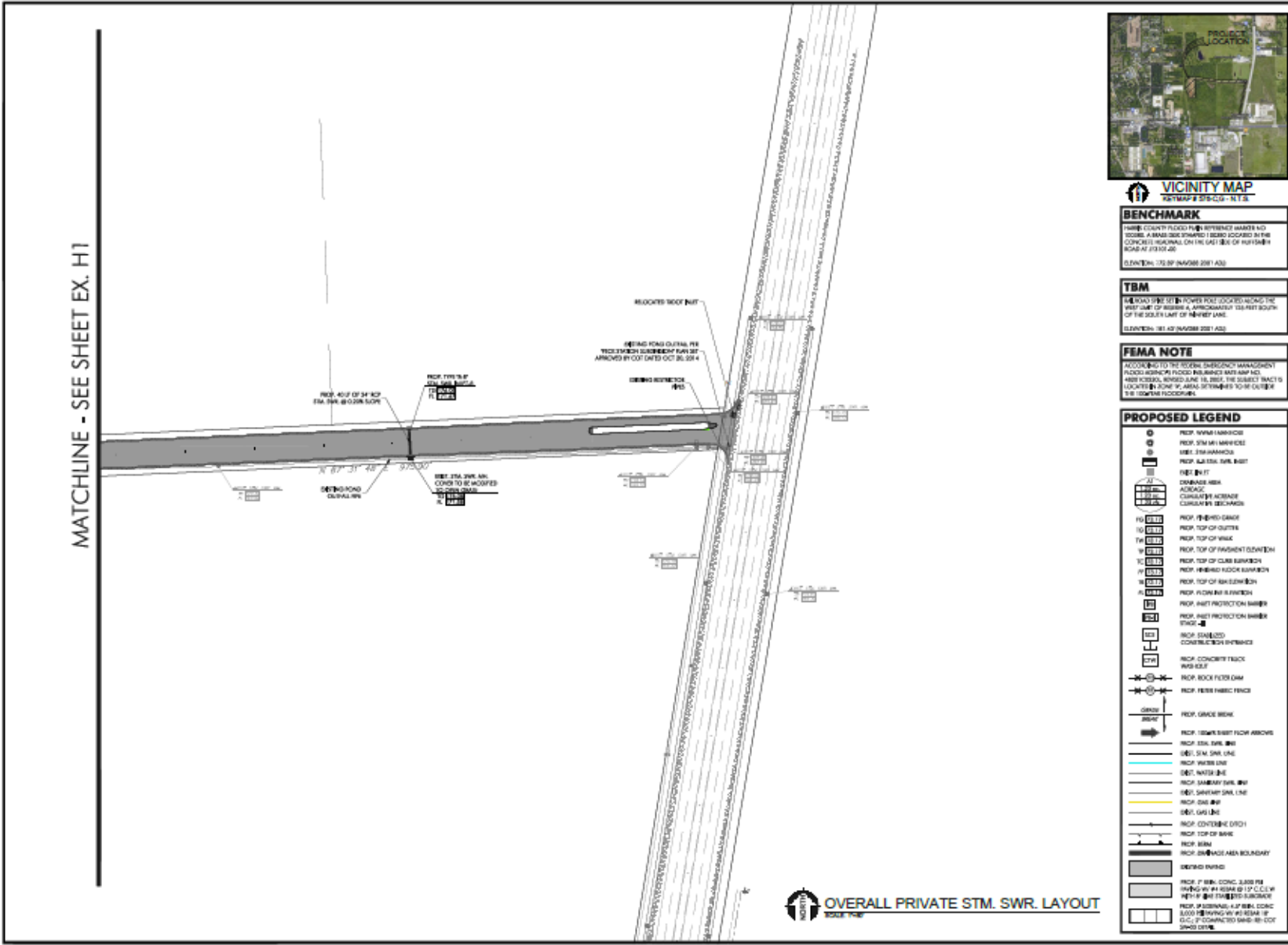
WE MAY WANT TO PLACE POWER POLE LOCATOR MARKS TO THE EAST OF THE PROPERTY APPROXIMATELY 100 FEET SOUTH OF THE SOUTH END OF HUFFMAN ROAD.  
ELEVATION: 101.49 (NAD83) 2001 AZD

**FEMA NOTE**

ACCORDING TO THE FEDERAL HAZARDOUS MATERIALS RESPONSE AND HAZARDOUS WASTE EMERGENCY PLANNING AND PREPAREDNESS ACT (FPCMA), THE SUBJECT TRACT IS LOCATED IN ZONE X2, AREAS OF HAZARD TO BE OUTSIDE THE 100-YEAR FLOODPLAIN.

**PROPOSED LEGEND**

- PROJ. VENT. MANHOLE
- PROJ. STM. MANHOLE
- PROJ. 8" DIA. STM. PIPE
- PROJ. 6" DIA. STM. PIPE
- PROJ. 4" DIA. STM. PIPE
- PROJ. 3" DIA. STM. PIPE
- PROJ. 2" DIA. STM. PIPE
- PROJ. 1" DIA. STM. PIPE
- PROJ. 1/2" DIA. STM. PIPE
- PROJ. 1/4" DIA. STM. PIPE
- PROJ. 1/8" DIA. STM. PIPE
- PROJ. 1/16" DIA. STM. PIPE
- PROJ. 1/32" DIA. STM. PIPE
- PROJ. 1/64" DIA. STM. PIPE
- PROJ. 1/128" DIA. STM. PIPE
- PROJ. 1/256" DIA. STM. PIPE
- PROJ. 1/512" DIA. STM. PIPE
- PROJ. 1/1024" DIA. STM. PIPE
- PROJ. 1/2048" DIA. STM. PIPE
- PROJ. 1/4096" DIA. STM. PIPE
- PROJ. 1/8192" DIA. STM. PIPE
- PROJ. 1/16384" DIA. STM. PIPE
- PROJ. 1/32768" DIA. STM. PIPE
- PROJ. 1/65536" DIA. STM. PIPE
- PROJ. 1/131072" DIA. STM. PIPE
- PROJ. 1/262144" DIA. STM. PIPE
- PROJ. 1/524288" DIA. STM. PIPE
- PROJ. 1/1048576" DIA. STM. PIPE
- PROJ. 1/2097152" DIA. STM. PIPE
- PROJ. 1/4194304" DIA. STM. PIPE
- PROJ. 1/8388608" DIA. STM. PIPE
- PROJ. 1/16777216" DIA. STM. PIPE
- PROJ. 1/33554432" DIA. STM. PIPE
- PROJ. 1/67108864" DIA. STM. PIPE
- PROJ. 1/134217728" DIA. STM. PIPE
- PROJ. 1/268435456" DIA. STM. PIPE
- PROJ. 1/536870912" DIA. STM. PIPE
- PROJ. 1/1073741824" DIA. STM. PIPE
- PROJ. 1/2147483648" DIA. STM. PIPE
- PROJ. 1/4294967296" DIA. STM. PIPE
- PROJ. 1/8589934592" DIA. STM. PIPE
- PROJ. 1/17179869184" DIA. STM. PIPE
- PROJ. 1/34359738368" DIA. STM. PIPE
- PROJ. 1/68719476736" DIA. STM. PIPE
- PROJ. 1/137438953472" DIA. STM. PIPE
- PROJ. 1/274877906848" DIA. STM. PIPE
- PROJ. 1/549755813696" DIA. STM. PIPE
- PROJ. 1/1099511627392" DIA. STM. PIPE
- PROJ. 1/2199023254784" DIA. STM. PIPE
- PROJ. 1/4398046509568" DIA. STM. PIPE
- PROJ. 1/8796093019136" DIA. STM. PIPE
- PROJ. 1/17592186382272" DIA. STM. PIPE
- PROJ. 1/35184372764544" DIA. STM. PIPE
- PROJ. 1/70368745529088" DIA. STM. PIPE
- PROJ. 1/140737491078176" DIA. STM. PIPE
- PROJ. 1/281474982156352" DIA. STM. PIPE
- PROJ. 1/562949964312704" DIA. STM. PIPE
- PROJ. 1/1125899928225408" DIA. STM. PIPE
- PROJ. 1/2251799856450816" DIA. STM. PIPE
- PROJ. 1/4503599712901632" DIA. STM. PIPE
- PROJ. 1/9007199425803264" DIA. STM. PIPE
- PROJ. 1/18014398857606528" DIA. STM. PIPE
- PROJ. 1/36028797715213056" DIA. STM. PIPE
- PROJ. 1/72057595430426112" DIA. STM. PIPE
- PROJ. 1/144115190860852224" DIA. STM. PIPE
- PROJ. 1/288230381721704448" DIA. STM. PIPE
- PROJ. 1/576460763443408896" DIA. STM. PIPE
- PROJ. 1/115292152688681792" DIA. STM. PIPE
- PROJ. 1/230584305377363584" DIA. STM. PIPE
- PROJ. 1/461168610754727168" DIA. STM. PIPE
- PROJ. 1/922337221509454336" DIA. STM. PIPE
- PROJ. 1/184467442301908672" DIA. STM. PIPE
- PROJ. 1/368934884603817344" DIA. STM. PIPE
- PROJ. 1/737869769207634688" DIA. STM. PIPE
- PROJ. 1/1475739584115388736" DIA. STM. PIPE
- PROJ. 1/2951479168230777504" DIA. STM. PIPE
- PROJ. 1/5902958336461555008" DIA. STM. PIPE
- PROJ. 1/11805916672923110016" DIA. STM. PIPE
- PROJ. 1/23611833345846220032" DIA. STM. PIPE
- PROJ. 1/47223666691692440064" DIA. STM. PIPE
- PROJ. 1/94447333383384880128" DIA. STM. PIPE
- PROJ. 1/188894666767769760256" DIA. STM. PIPE
- PROJ. 1/377789333535539520512" DIA. STM. PIPE
- PROJ. 1/755578667071079041024" DIA. STM. PIPE
- PROJ. 1/151115733414215802048" DIA. STM. PIPE
- PROJ. 1/302231466828431604096" DIA. STM. PIPE
- PROJ. 1/604462933656863208192" DIA. STM. PIPE
- PROJ. 1/1208925873113726416384" DIA. STM. PIPE
- PROJ. 1/241785174622745283776" DIA. STM. PIPE
- PROJ. 1/483570349245490567552" DIA. STM. PIPE
- PROJ. 1/967140698490981135104" DIA. STM. PIPE
- PROJ. 1/1934281396981962270208" DIA. STM. PIPE
- PROJ. 1/3868562793963924540416" DIA. STM. PIPE
- PROJ. 1/7737125587927849080832" DIA. STM. PIPE
- PROJ. 1/15474251758556981761664" DIA. STM. PIPE
- PROJ. 1/30948503517113973523328" DIA. STM. PIPE
- PROJ. 1/61897007034227947046656" DIA. STM. PIPE
- PROJ. 1/12379401406845995409312" DIA. STM. PIPE
- PROJ. 1/24758802813691990818624" DIA. STM. PIPE
- PROJ. 1/49517605627383981637248" DIA. STM. PIPE
- PROJ. 1/99035211255767963274496" DIA. STM. PIPE
- PROJ. 1/198070425111559526548992" DIA. STM. PIPE
- PROJ. 1/396140850223119053097984" DIA. STM. PIPE
- PROJ. 1/7922817004462381061957952" DIA. STM. PIPE
- PROJ. 1/1584563400892776213915904" DIA. STM. PIPE
- PROJ. 1/3169126817385552427831808" DIA. STM. PIPE
- PROJ. 1/6338253634771104855663616" DIA. STM. PIPE
- PROJ. 1/126765072715422097113327328" DIA. STM. PIPE
- PROJ. 1/2535301454308441942266446" DIA. STM. PIPE
- PROJ. 1/5070602908616883884532892" DIA. STM. PIPE
- PROJ. 1/10141205817233777769065784" DIA. STM. PIPE
- PROJ. 1/20282411634467555538131568" DIA. STM. PIPE
- PROJ. 1/40564823288935111076263136" DIA. STM. PIPE
- PROJ. 1/81129646577870222152526272" DIA. STM. PIPE
- PROJ. 1/162259291557404444305052544" DIA. STM. PIPE
- PROJ. 1/324518583114808888610101088" DIA. STM. PIPE
- PROJ. 1/6490371662296177772202021776" DIA. STM. PIPE
- PROJ. 1/1298074324592355554404043552" DIA. STM. PIPE
- PROJ. 1/2596148649184711108808087104" DIA. STM. PIPE
- PROJ. 1/5192297298369422217616174208" DIA. STM. PIPE
- PROJ. 1/1038459596738884443523234416" DIA. STM. PIPE
- PROJ. 1/20769191934777888886448684832" DIA. STM. PIPE
- PROJ. 1/415383838695557777728973696" DIA. STM. PIPE
- PROJ. 1/8307676773911155555556973696" DIA. STM. PIPE
- PROJ. 1/166153535478223111111138173696" DIA. STM. PIPE
- PROJ. 1/3323070709564462222222763473696" DIA. STM. PIPE
- PROJ. 1/66461414191289244444445269473696" DIA. STM. PIPE
- PROJ. 1/13292282382557688888881053891473696" DIA. STM. PIPE
- PROJ. 1/26584564765115373777777210757829473696" DIA. STM. PIPE
- PROJ. 1/5316912953023074755555542115515757829473696" DIA. STM. PIPE
- PROJ. 1/1063382590604614911111118423102715515757829473696" DIA. STM. PIPE
- PROJ. 1/212676518120922838222223684620543102715515757829473696" DIA. STM. PIPE
- PROJ. 1/4253530362418456764444473692440102715515757829473696" DIA. STM. PIPE
- PROJ. 1/8507060724836913288888814784880102715515757829473696" DIA. STM. PIPE
- PROJ. 1/17014121449673826577777729597660102715515757829473696" DIA. STM. PIPE
- PROJ. 1/3402824289934765315555555919532320102715515757829473696" DIA. STM. PIPE
- PROJ. 1/6805648579869530731111111839106640102715515757829473696" DIA. STM. PIPE
- PROJ. 1/1361129715739060462222223678213280102715515757829473696" DIA. STM. PIPE
- PROJ. 1/272225943147812132444447356442560102715515757829473696" DIA. STM. PIPE
- PROJ. 1/5444518862956242648888814728851200102715515757829473696" DIA. STM. PIPE
- PROJ. 1/10889037731924845297777729577600102715515757829473696" DIA. STM. PIPE
- PROJ. 1/217780754638496905955555591552000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/4355615092769938119111111831104000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/8711230185539876238222223622208000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/17422463710719752474444734444160000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/34844927421439504948888814711200000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/6968985484287900989777772922400000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/13937970885758019795555559244800000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/27875941771516039591111118488800000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/55751883543032079182222236977600000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/11150377106664158364444739555200000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/223007543333283167288888147112000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/44601508666656633457777729224000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/892030173333132669155555592448000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/17840603666626533822222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/35681207333253067644447395552000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/713624146665061352888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/142724833331122270577777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/285449666622444541555555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/57089933324888908311111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/114179866649777816222223697760000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/228359733299555632444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/456719466599111264888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/91343893319822252977777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/18268776639644505955555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/36537553279289011911111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/73075106558578023822222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/146150213171560476444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/292300426343120952888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/58460085268624190577777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/116920171252483811555555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/23384034250496762311111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/46768068500993524622222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/935361370019870492444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/187072274039764094888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/37414454807952818977777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/74828909615905637955555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/1496578182381132711111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/2993156364762265422222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/59863127295245288444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/11972625490490576888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/2394525098098115377777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/47890501961962307555555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/9578100392392461511111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/1915620078784923022222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/38312401575698460444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/76624803151396920888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/1532496030273938177777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/30649920605478763555555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/6129984121095752711111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/12259968241911515422222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/245199364838230308444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/490398729676460616888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/9807974593529212377777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/19615949070558424755555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/39231898141116849511111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/78463796282233699022222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/1569275956444773880444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/313855191288954776888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/62771038257790955377777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/125542076555819110755555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/251084153111738221511111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/5021683062234764422222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/100433661246953288444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/200867322493906576888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/40173464498781315377777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/80346928997562630755555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/160693879951253261511111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/321387759902506523022222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/64277551980501304444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/12855510396010260888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/2571102079202052177777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/5142204158404104355555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/10284408316808208711111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/20568816633616417422222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/411376332672328348444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/822752665344656696888881471120000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/16455053306891333377777292240000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/32910106613782666755555924480000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/65820213227565333511111184888000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/131640426551306667022222369776000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/26328085310261333444473955520000000102715515757829473696" DIA. STM. PIPE
- PROJ. 1/52656170620522666888881471120000000102



VICINITY MAP  
NORTHMAP # 215-C24-11.18

**BENCHMARK**  
 HARRIS COUNTY FLOODED REFERENCE MARKER NO. 20086 - A BENCH MARK FINISHED 1.800' LOCATED IN THE CONCRETE JUNCTION ON THE EAST SIDE OF HUNTERBERRY ROAD AT 1735.45  
 ELEVATION: 173.45 (NAVD83 2011 ADJ)

**TBM**  
 14' DEEP TBM WITH POWER POLE LOCATED ALONG THE WEST LINE OF LOT 16, APPROXIMATELY 135 FEET SOUTH OF THE SOUTH LINE OF HUNTERBERRY ROAD.  
 ELEVATION: 161.43 (NAVD83 2011 ADJ)

**FEMA NOTE**  
 ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE RATE MAP (FIRM) FOR HARRIS COUNTY, DATED JUNE 16, 2006, THE SUBJECT TRACTS LOCATED IN ZONE X, AREAL DETERMINED TO BE OUTSIDE THE 1% ANNUAL FLOODPLAIN.

**PROPOSED LEGEND**

	PROP. MANHOLE STRUCTURE
	PROP. 30" DIA. STORM SEWER
	PROP. 18" DIA. STORM SEWER
	PROP. 12" DIA. STORM SEWER
	PROP. 8" DIA. STORM SEWER
	PROP. 6" DIA. STORM SEWER
	PROP. 4" DIA. STORM SEWER
	PROP. 3" DIA. STORM SEWER
	PROP. 2" DIA. STORM SEWER
	PROP. 1.5" DIA. STORM SEWER
	PROP. 1" DIA. STORM SEWER
	PROP. 0.75" DIA. STORM SEWER
	PROP. 0.5" DIA. STORM SEWER
	PROP. 0.375" DIA. STORM SEWER
	PROP. 0.25" DIA. STORM SEWER
	PROP. 0.1875" DIA. STORM SEWER
	PROP. 0.125" DIA. STORM SEWER
	PROP. 0.0625" DIA. STORM SEWER
	PROP. 0.03125" DIA. STORM SEWER
	PROP. 0.015625" DIA. STORM SEWER
	PROP. 0.0078125" DIA. STORM SEWER
	PROP. 0.00390625" DIA. STORM SEWER
	PROP. 0.001953125" DIA. STORM SEWER
	PROP. 0.0009765625" DIA. STORM SEWER
	PROP. 0.00048828125" DIA. STORM SEWER
	PROP. 0.000244140625" DIA. STORM SEWER
	PROP. 0.0001220703125" DIA. STORM SEWER
	PROP. 0.00006103515625" DIA. STORM SEWER
	PROP. 0.000030517578125" DIA. STORM SEWER
	PROP. 0.0000152587890625" DIA. STORM SEWER
	PROP. 0.00000762939453125" DIA. STORM SEWER
	PROP. 0.000003814697265625" DIA. STORM SEWER
	PROP. 0.0000019073486328125" DIA. STORM SEWER
	PROP. 0.00000095367431640625" DIA. STORM SEWER
	PROP. 0.000000476837158203125" DIA. STORM SEWER
	PROP. 0.0000002384185791015625" DIA. STORM SEWER
	PROP. 0.00000011920928955078125" DIA. STORM SEWER
	PROP. 0.000000059604644775390625" DIA. STORM SEWER
	PROP. 0.0000000298023223876953125" DIA. STORM SEWER
	PROP. 0.00000001490116119384765625" DIA. STORM SEWER
	PROP. 0.000000007450580596923828125" DIA. STORM SEWER
	PROP. 0.0000000037252902984619140625" DIA. STORM SEWER
	PROP. 0.00000000186264514923095703125" DIA. STORM SEWER
	PROP. 0.000000000931322574615478515625" DIA. STORM SEWER
	PROP. 0.00000000046566128730773928125" DIA. STORM SEWER
	PROP. 0.000000000232830643653869640625" DIA. STORM SEWER
	PROP. 0.0000000001164153218269348203125" DIA. STORM SEWER
	PROP. 0.00000000005820766091346741015625" DIA. STORM SEWER
	PROP. 0.000000000029103830456733705078125" DIA. STORM SEWER
	PROP. 0.0000000000145519152283668525390625" DIA. STORM SEWER
	PROP. 0.00000000000727595761418342626953125" DIA. STORM SEWER
	PROP. 0.000000000003637978807091713134765625" DIA. STORM SEWER
	PROP. 0.0000000000018189894035458565673828125" DIA. STORM SEWER
	PROP. 0.00000000000090949470177292828369140625" DIA. STORM SEWER
	PROP. 0.000000000000454747350886414141845703125" DIA. STORM SEWER
	PROP. 0.0000000000002273736754432070709228125" DIA. STORM SEWER
	PROP. 0.00000000000011368683772160353546140625" DIA. STORM SEWER
	PROP. 0.00000000000005684341886072677273078125" DIA. STORM SEWER
	PROP. 0.00000000000002842170943036338636390625" DIA. STORM SEWER
	PROP. 0.000000000000014210854715181693181953125" DIA. STORM SEWER
	PROP. 0.000000000000007105427357590846590928125" DIA. STORM SEWER
	PROP. 0.0000000000000035527136787954232954640625" DIA. STORM SEWER
	PROP. 0.00000000000000177635683939771164773203125" DIA. STORM SEWER
	PROP. 0.000000000000000888178419698855823866140625" DIA. STORM SEWER
	PROP. 0.000000000000000444089209849427913333078125" DIA. STORM SEWER
	PROP. 0.000000000000000222044604924713956666540625" DIA. STORM SEWER
	PROP. 0.0000000000000001110223024623569783332703125" DIA. STORM SEWER
	PROP. 0.00000000000000005551115123117848916663515625" DIA. STORM SEWER
	PROP. 0.000000000000000027755575615589444583317578125" DIA. STORM SEWER
	PROP. 0.00000000000000001387778780779472229165890625" DIA. STORM SEWER
	PROP. 0.000000000000000006938893903897361145494503125" DIA. STORM SEWER
	PROP. 0.0000000000000000034694469519486805727272515625" DIA. STORM SEWER
	PROP. 0.000000000000000001734723475974340286363628125" DIA. STORM SEWER
	PROP. 0.0000000000000000008673617379871701431818140625" DIA. STORM SEWER
	PROP. 0.00000000000000000043368086899355007159090703125" DIA. STORM SEWER
	PROP. 0.000000000000000000216840434496775035795453515625" DIA. STORM SEWER
	PROP. 0.00000000000000000010842021724838751789772678125" DIA. STORM SEWER
	PROP. 0.000000000000000000054210108624193758948863390625" DIA. STORM SEWER
	PROP. 0.0000000000000000000271050543120968794744316953125" DIA. STORM SEWER
	PROP. 0.0000000000000000000135525027155484397372184765625" DIA. STORM SEWER
	PROP. 0.000000000000000000006776251357721986886109378125" DIA. STORM SEWER
	PROP. 0.0000000000000000000033881256788609934443054690625" DIA. STORM SEWER
	PROP. 0.00000000000000000000169406283943049722215273453125" DIA. STORM SEWER
	PROP. 0.00000000000000000000084703141971524861111067178125" DIA. STORM SEWER
	PROP. 0.00000000000000000000042351570985762430555533590625" DIA. STORM SEWER
	PROP. 0.000000000000000000000211757854928781215277767953125" DIA. STORM SEWER
	PROP. 0.000000000000000000000105878927464390606388889765625" DIA. STORM SEWER
	PROP. 0.00000000000000000000005293946373221953031944488140625" DIA. STORM SEWER
	PROP. 0.0000000000000000000000264697318661096515597224203125" DIA. STORM SEWER
	PROP. 0.00000000000000000000001323486593305482577986121015625" DIA. STORM SEWER
	PROP. 0.00000000000000000000000661743296652741288993060578125" DIA. STORM SEWER
	PROP. 0.000000000000000000000003308716483263706444996530390625" DIA. STORM SEWER
	PROP. 0.0000000000000000000000016543582416318532224992651953125" DIA. STORM SEWER
	PROP. 0.000000000000000000000000827179120815926611249963259765625" DIA. STORM SEWER
	PROP. 0.00000000000000000000000041358956040796330562499812988140625" DIA. STORM SEWER
	PROP. 0.00000000000000000000000020679478020398165281249941444403125" DIA. STORM SEWER
	PROP. 0.000000000000000000000000103397390101990826406249707222015625" DIA. STORM SEWER
	PROP. 0.00000000000000000000000005169869505099541320312485361015625" DIA. STORM SEWER
	PROP. 0.000000000000000000000000025849347525497706601562442705078125" DIA. STORM SEWER
	PROP. 0.0000000000000000000000000129246737627248853007812213525390625" DIA. STORM SEWER
	PROP. 0.000000000000000000000000006462336881362442650390610676953125" DIA. STORM SEWER
	PROP. 0.00000000000000000000000000323116844068122127519530310339765625" DIA. STORM SEWER
	PROP. 0.00000000000000000000000000161558422034061061375597651516988140625" DIA. STORM SEWER
	PROP. 0.000000000000000000000000000807792110170305050687976510339765625" DIA. STORM SEWER
	PROP. 0.000000000000000000000000000403896055085152525343987976510339765625" DIA. STORM SEWER
	PROP. 0.000000000000000000000000000201948027542576262671993987976510339765625" DIA. STORM SEWER
	PROP. 0.000000000000000000000000000100974013771281313335996987976510339765625" DIA. STORM SEWER
	PROP. 0.0

Exhibit K

Amenities for Winfrey Estates

- A 2,700 square foot amenity center / clubhouse
- Pool with restrooms
- Pickle Ball Court
- Bocci Ball Court

## **APPENDIX B – BUYER DISCLOSURES**

Buyer disclosures for the following Lot Types are found in this Appendix:

- Initial Parcel
- Lot Type 1

**WINFREY ESTATES PUBLIC IMPROVEMENT DISTRICT – INITIAL PARCEL BUYER  
DISCLOSURE**

**NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT**

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.



AFTER RECORDING<sup>1</sup> RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO  
TOMBALL, TEXAS  
CONCERNING THE FOLLOWING PROPERTY

\_\_\_\_\_  
PROPERTY ADDRESS

**INITIAL PARCEL PRINCIPAL ASSESSMENT: \$6,261,000.00**

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the *Winfrey Estates Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Tomball. The exact amount of each annual installment will be approved each year by the Tomball City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Tomball.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

<sup>1</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF PURCHASER

\_\_\_\_\_  
SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER]<sup>2</sup>

<sup>2</sup> To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF PURCHASER

\_\_\_\_\_  
SIGNATURE OF PURCHASER

STATE OF TEXAS

§

COUNTY OF HARRIS

§

§

The foregoing instrument was acknowledged before me by \_\_\_\_\_ and \_\_\_\_\_, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>3</sup>

<sup>3</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

The foregoing instrument was acknowledged before me by \_\_\_\_\_ and \_\_\_\_\_, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>4</sup>

<sup>4</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

## ANNUAL INSTALLMENTS - INITIAL PARCEL

Installment Due 1/31	Principal	Interest <sup>[a]</sup>	Additional Interest <sup>[b]</sup>	Debt Service Reserve Fund	Annual Collection Costs	Total Annual Installment <sup>[c]</sup>
2024	\$ 37,000.00	\$ 424,551.45	\$ -	\$ -	\$ 46,780.00	\$ 508,331.45
2025	\$ 98,000.00	\$ 363,481.60	\$ -	\$ -	\$ 47,715.60	\$ 509,197.20
2026	\$ 103,000.00	\$ 357,758.40	\$ -	\$ -	\$ 48,669.91	\$ 509,428.31
2027	\$ 108,000.00	\$ 351,743.20	\$ -	\$ -	\$ 49,643.31	\$ 509,386.51
2028	\$ 113,000.00	\$ 345,436.00	\$ -	\$ -	\$ 50,636.18	\$ 509,072.18
2029	\$ 119,000.00	\$ 338,836.80	\$ -	\$ -	\$ 51,648.90	\$ 509,485.70
2030	\$ 125,000.00	\$ 331,887.20	\$ -	\$ -	\$ 52,681.88	\$ 509,569.08
2031	\$ 131,000.00	\$ 324,587.20	\$ -	\$ -	\$ 53,735.52	\$ 509,322.72
2032	\$ 138,000.00	\$ 316,936.80	\$ -	\$ -	\$ 54,810.23	\$ 509,747.03
2033	\$ 145,000.00	\$ 308,877.60	\$ -	\$ -	\$ 55,906.43	\$ 509,784.03
2034	\$ 152,000.00	\$ 300,409.60	\$ -	\$ -	\$ 57,024.56	\$ 509,434.16
2035	\$ 160,000.00	\$ 291,532.80	\$ -	\$ -	\$ 58,165.05	\$ 509,697.85
2036	\$ 168,000.00	\$ 282,188.80	\$ -	\$ -	\$ 59,328.35	\$ 509,517.15
2037	\$ 177,000.00	\$ 272,377.60	\$ -	\$ -	\$ 60,514.92	\$ 509,892.52
2038	\$ 186,000.00	\$ 262,040.80	\$ -	\$ -	\$ 61,725.22	\$ 509,766.02
2039	\$ 195,000.00	\$ 251,178.40	\$ -	\$ -	\$ 62,959.72	\$ 509,138.12
2040	\$ 205,000.00	\$ 239,790.40	\$ -	\$ -	\$ 64,218.92	\$ 509,009.32
2041	\$ 216,000.00	\$ 227,818.40	\$ -	\$ -	\$ 65,503.29	\$ 509,321.69
2042	\$ 227,000.00	\$ 215,204.00	\$ -	\$ -	\$ 66,813.36	\$ 509,017.36
2043	\$ 239,000.00	\$ 201,947.20	\$ -	\$ -	\$ 68,149.63	\$ 509,096.83
2044	\$ 252,000.00	\$ 187,989.60	\$ -	\$ -	\$ 69,512.62	\$ 509,502.22
2045	\$ 265,000.00	\$ 173,272.80	\$ -	\$ -	\$ 70,902.87	\$ 509,175.67
2046	\$ 279,000.00	\$ 157,796.80	\$ -	\$ -	\$ 72,320.93	\$ 509,117.73
2047	\$ 294,000.00	\$ 141,503.20	\$ -	\$ -	\$ 73,767.35	\$ 509,270.55
2048	\$ 310,000.00	\$ 124,333.60	\$ -	\$ -	\$ 75,242.69	\$ 509,576.29
2049	\$ 326,000.00	\$ 106,229.60	\$ -	\$ -	\$ 76,747.55	\$ 508,977.15
2050	\$ 344,000.00	\$ 87,191.20	\$ -	\$ -	\$ 78,282.50	\$ 509,473.70
2051	\$ 362,000.00	\$ 67,101.60	\$ -	\$ -	\$ 79,848.15	\$ 508,949.75
2052	\$ 382,000.00	\$ 45,960.80	\$ -	\$ -	\$ 81,445.11	\$ 509,405.91
2053	\$ 405,000.00	\$ 23,652.00	\$ -	\$ (461,551)	\$ 83,074.01	\$ 50,174.56
<b>Total</b>	<b>\$ 6,261,000.00</b>	<b>\$ 7,123,615.45</b>	<b>\$ -</b>	<b>\$ (461,551)</b>	<b>\$ 1,897,774.75</b>	<b>\$ 14,820,838.75</b>

**Footnotes:**

[a] Interest is calculated at a rate of 5.84% which is less than 2% above the S&P Municipal Bond High Yield Index, which was 5.95% as of May 26, 2023, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

[b] Additional Interest will be collected if PID Bonds are issued.

[c] The numbers shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

**WINFREY ESTATES PUBLIC IMPROVEMENT DISTRICT – LOT TYPE 1 BUYER  
DISCLOSURE**

**NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT**

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING<sup>1</sup> RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO  
TOMBALL, TEXAS  
CONCERNING THE FOLLOWING PROPERTY

\_\_\_\_\_  
PROPERTY ADDRESS

**LOT TYPE 1 PRINCIPAL ASSESSMENT: \$55,407.08**

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the *Winfrey Estates Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Tomball. The exact amount of each annual installment will be approved each year by the Tomball City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Tomball.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

<sup>1</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF PURCHASER

\_\_\_\_\_  
SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER]<sup>2</sup>

<sup>2</sup> To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.



[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF PURCHASER

\_\_\_\_\_  
SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

The foregoing instrument was acknowledged before me by \_\_\_\_\_ and \_\_\_\_\_, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>3</sup>

<sup>3</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

The foregoing instrument was acknowledged before me by \_\_\_\_\_ and \_\_\_\_\_, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>4</sup>

<sup>4</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

## ANNUAL INSTALLMENTS - LOT TYPE 1

Installment Due 1/31	Principal	Interest <sup>[a]</sup>	Additional Interest <sup>[b]</sup>	Debt Service Reserve Fund	Annual Collection Costs	Total Annual Installment Due <sup>[c]</sup>
2024	\$ 327.43	\$ 3,757.09	\$ -	\$ -	\$ 413.98	\$ 4,498.51
2025	\$ 867.26	\$ 3,216.65	\$ -	\$ -	\$ 422.26	\$ 4,506.17
2026	\$ 911.50	\$ 3,166.00	\$ -	\$ -	\$ 430.71	\$ 4,508.22
2027	\$ 955.75	\$ 3,112.77	\$ -	\$ -	\$ 439.32	\$ 4,507.85
2028	\$ 1,000.00	\$ 3,056.96	\$ -	\$ -	\$ 448.11	\$ 4,505.06
2029	\$ 1,053.10	\$ 2,998.56	\$ -	\$ -	\$ 457.07	\$ 4,508.72
2030	\$ 1,106.19	\$ 2,937.05	\$ -	\$ -	\$ 466.21	\$ 4,509.46
2031	\$ 1,159.29	\$ 2,872.45	\$ -	\$ -	\$ 475.54	\$ 4,507.28
2032	\$ 1,221.24	\$ 2,804.75	\$ -	\$ -	\$ 485.05	\$ 4,511.04
2033	\$ 1,283.19	\$ 2,733.43	\$ -	\$ -	\$ 494.75	\$ 4,511.36
2034	\$ 1,345.13	\$ 2,658.49	\$ -	\$ -	\$ 504.64	\$ 4,508.27
2035	\$ 1,415.93	\$ 2,579.94	\$ -	\$ -	\$ 514.73	\$ 4,510.60
2036	\$ 1,486.73	\$ 2,497.25	\$ -	\$ -	\$ 525.03	\$ 4,509.00
2037	\$ 1,566.37	\$ 2,410.42	\$ -	\$ -	\$ 535.53	\$ 4,512.32
2038	\$ 1,646.02	\$ 2,318.95	\$ -	\$ -	\$ 546.24	\$ 4,511.20
2039	\$ 1,725.66	\$ 2,222.82	\$ -	\$ -	\$ 557.17	\$ 4,505.65
2040	\$ 1,814.16	\$ 2,122.04	\$ -	\$ -	\$ 568.31	\$ 4,504.51
2041	\$ 1,911.50	\$ 2,016.09	\$ -	\$ -	\$ 579.68	\$ 4,507.27
2042	\$ 2,008.85	\$ 1,904.46	\$ -	\$ -	\$ 591.27	\$ 4,504.58
2043	\$ 2,115.04	\$ 1,787.14	\$ -	\$ -	\$ 603.09	\$ 4,505.28
2044	\$ 2,230.09	\$ 1,663.62	\$ -	\$ -	\$ 615.16	\$ 4,508.87
2045	\$ 2,345.13	\$ 1,533.39	\$ -	\$ -	\$ 627.46	\$ 4,505.98
2046	\$ 2,469.03	\$ 1,396.43	\$ -	\$ -	\$ 640.01	\$ 4,505.47
2047	\$ 2,601.77	\$ 1,252.24	\$ -	\$ -	\$ 652.81	\$ 4,506.82
2048	\$ 2,743.36	\$ 1,100.30	\$ -	\$ -	\$ 665.86	\$ 4,509.52
2049	\$ 2,884.96	\$ 940.08	\$ -	\$ -	\$ 679.18	\$ 4,504.22
2050	\$ 3,044.25	\$ 771.60	\$ -	\$ -	\$ 692.77	\$ 4,508.62
2051	\$ 3,203.54	\$ 593.82	\$ -	\$ -	\$ 706.62	\$ 4,503.98
2052	\$ 3,380.53	\$ 406.73	\$ -	\$ -	\$ 720.75	\$ 4,508.02
2053	\$ 3,584.07	\$ 209.31	\$ -	\$ (4,084.53)	\$ 735.17	\$ 444.02
<b>Total</b>	<b>\$ 55,407.08</b>	<b>\$ 63,040.84</b>	<b>\$ -</b>	<b>\$ (4,084.53)</b>	<b>\$ 16,794.47</b>	<b>\$ 131,157.87</b>

**Footnotes:**

[a] Interest is calculated at a rate of 5.84% which is less than 2% above the S&P Municipal Bond High Yield Index, which was 5.95% as of May 26, 2023, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

[b] Additional Interest will be collected if PID Bonds are issued.

[c] The numbers shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

# City Council Meeting Agenda Item Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Approve the Tomball Economic Development Corporation (TEDC) 2023-2024 Strategic Work Plan.

**Background:**

The TEDC Bylaws require that the Corporation prepare an annual work plan outlining its goals and objectives and present the work plan to City Council for approval.

The 2023-2024 Strategic Work Plan further defines the goals that are outlined in the 3-Year Plan and includes applicable action steps for each goal. Additionally, metrics/key performance indicators are included to gauge the Corporation’s progress in achieving its goals.

**Origination:** Tomball Economic Development Corporation Board of Directors

**Recommendation:**

Approve the 2023-2024 TEDC Strategic Work Plan.

**Party(ies) responsible for placing this item on agenda:** Kelly Violette

**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 Kelly Violette Approved by \_\_\_\_\_  
Executive Director-TEDC Date City Manager Date



# TOMBALL

ECONOMIC DEVELOPMENT CORP.



BUSINESS &  
TECHNOLOGY PARK

Strategic Work Plan 2023-2024



To promote economic development in the City of Tomball through the attraction of new business and industry and the retention of existing businesses by providing the resources that enhance the general well-being of the community.



Tomball is the community of choice for businesses, residents, and visitors, offering a dynamic economy, strong labor force, and unmatched living and working environment.

The following Strategic Work Plan outlines the items from the 2020-2024 Strategic Plan that are to be accomplished in the final year: 2023-2024.

**Tomball EDC 2020-2024 Goals:**

1. BUSINESS RETENTION & EXPANSION (BRE)
2. ATTRACTION & RECRUITMENT
3. DEVELOPMENT/REDEVELOPMENT OF OLD TOWN
4. EDUCATION & WORKFORCE DEVELOPMENT





## **BUSINESS RETENTION & EXPANSION (BRE)**

*To continually engage and assist in the success of Tomball businesses.*

1. Conduct 12 BRE on-site or virtual visits per quarter and report feedback from visits to board.
2. Conduct an annual online business survey to identify and manage business needs.
3. Continue the Grow Tomball initiative to highlight and promote local businesses.
  - a. Share success stories on the Tomball EDC website.
  - b. Support Tomball EDC podcasts.
  - c. Develop video success stories to be added to the Tomball EDC website.
  - d. Expand reach using YouTube, Google SEO, Instagram Reels, and paid ads.
  - e. Explore creative ways to increase public exposure.
4. Produce programming that meets the needs of the existing industry leaders in Tomball.
  - a. Host 2 networking events
  - b. Host 1 Outlook Luncheon
5. Provide resources/access to information to assist local businesses with demographic and market data.
6. Activate the "Made in Tomball" Initiative.
7. Explore programming and financial incentives to help existing industries expand.

### **How will Goal #1 be measured in 2023-2024?**

# of Tomball businesses visited in 2023-2024: \_\_\_\_\_ (Goal is 48)

# of business articles produced and shared: \_\_\_\_\_ (Goal is 6)

# of podcasts highlighting local businesses: \_\_\_\_\_ (Goal is 2)

# of Tomball businesses that were identified and shared their success stories via video: \_\_\_\_\_ (Goal is 2)

# of business events that we produced for the benefit of existing business owners in 2023-2024: \_\_\_\_\_ (Goal is 3)

# of Project Grants approved for business expansions in 2023-2024: \_\_\_\_\_

Did we expand our social media reach?

Did we help launch "Made in Tomball"?



## ATTRACTION AND RECRUITMENT

*Recruit and secure new business/industry that are suitable for Tomball.*

1. Enhance Tomball's image as a community of choice through marketing and branding efforts.
  - a. Use creative approaches to tell Tomball's story
2. Continue developing and maintaining relationships with businesses, site selectors, brokers, and developers, and maintain an awareness of available real estate properties within the community.
3. Support infill and redevelopment opportunities to attract new private sector investment.
4. Explore public financing tools including Tax Increment Reinvestment Zones (TIRZ) to finance infrastructure improvements and encourage quality development/redevelopment projects.
5. Support local and emerging entrepreneurs.
  - a. Provide workshops emphasizing financial literacy, business management, marketing, networking, recruitment, etc. that will help their businesses grow or be more profitable.
6. Create an Incentives Policy to guide the TEDC in offering economic incentives.
7. Initiate a direct marketing campaign for target industries.
  - a. Produce a one-page marketing summary for each target industry.
  - b. Create a database of target companies and contacts.
  - c. Participate in key industry events.

### How will Goal #2 be measured in 2023-2024?

Did we develop creative marketing and branding materials?

Did we explore infrastructure opportunities in Tomball?

Did we explore public financing tools?

Did we provide training workshops?

Did we create an Incentives Policy?

Did we produce a one-page marketing summary for each target industry?

Did we create a database of target companies and contacts?

# of key industry events participated in: \_\_\_\_\_





## DEVELOPMENT/REDEVELOPMENT OF OLD TOWN

*To encourage quality investment in Tomball's Old Town.*

1. Partner with the City of Tomball on targeted infrastructure improvements (alleyways, parking, wayfinding, etc.)
  - a. Partner with stakeholders to help minimize construction disruption and to provide additional marketing assistance for those businesses who do experience disruption.
2. Continue to plan for and improve parking and pedestrian access
  - a. Consider needed improvements
  - b. Install signage on TEDC lots
  - c. Fund wayfinding in Old Town directing people to parking
3. First Baptist Church Project:
  - a. Initiate planning process
4. Create a project and financing plan for the redevelopment of the South Live Oak Business Park.
5. Continue to promote incentives and explore additional ways to encourage upgrades to properties in Old Town.
6. Continue to partner with Old Town business owners to further develop and support the Shop and Stroll.

### How will Goal #3 be measured in 2023-2024?

Did we support or provide targeted infrastructure improvements in Old Town?

# of parking strategies we implemented: \_\_\_\_\_

Did we begin planning of the First Baptist Church site?

Did we promote or provide improvement grants and other property upgrade ideas in Old Town?

Did we finalize the redevelopment plans for the South Live Oak Business Park?

Did we support Shop & Stroll events?



## EDUCATION AND WORKFORCE DEVELOPMENT

*Partner with local/regional education institutions, City of Tomball, Greater Tomball Area Chamber of Commerce, and local industries to further develop youth workforce programs and workforce initiatives.*

1. Continue to serve on the P-TECH Steering Committee with Lone Star College-Tomball, TISD, and HCA officials.
  - a. Research grant funding opportunities for the P-TECH program.
2. Continue to serve on the TISD - CTE Advisory Board to create pathways for CTE students to enter the workforce and gain work-based learning credentials with industry partners.
3. Work with our Regional Workforce Board and Texas Workforce Commission on available resources for local industries.
4. Continue to work with local/regional education institutions to support a Grow Tomball – Youth Program.
  - a. Work with education institutions to host job/career fairs.
  - b. Create and maintain a job board for High School and College Students on the TEDC Website.
  - c. Research funding partners for Internship/Apprenticeship Program
  - d. Launch the 2023-2024 Internship/Apprenticeship Program.
  - e. Work with TISD to launch a Teacher Externship Program

### How will Goal #4 be measured in 2023-2024?

- Did we research grant funding opportunities for the P-TECH program?
- Did we create a youth workforce pathway program?
- Did we support a job/career fair in the 2023-2024?
- Did we create and maintain a youth job board on our TEDC website?
- Did we launch the Internships/Apprenticeships Program?
- Did we assist TISD to launch a Teacher Externship Program?

# City Council Meeting Agenda Item Data Sheet

Meeting Date: June 5, 2023

**Topic:**

Presentation of the Tomball Economic Development Corporation (TEDC) 2022-2023 Annual Report.

**Background:**

The Bylaws of the Tomball Economic Development Corporation (TEDC) require that an annual report detailing the Corporation’s activities and achievements in carrying out the goals outlined in its Strategic Work Plan be submitted to City Council for review.

**Origination:** Tomball Economic Development Corporation Board of Directors

**Recommendation:**

As per the TEDC Bylaws, this annual report is for review by the City Council. No action is required.

**Party(ies) responsible for placing this item on agenda:** Kelly Violette

**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 Kelly Violette Approved by \_\_\_\_\_  
Executive Director-TEDC Date City Manager Date



SHAPED BY CULTURE.  
DRIVEN BY COMMERCE.  
CONNECTED BY COMMUNITY.

281.401.4086 • 29201 QUINN ROAD, SUITE B  
TOMBALL, TX 77375 • [TOMBALLTXEDC.ORG](http://TOMBALLTXEDC.ORG)



## 2022-2023 ANNUAL REPORT

# ABOUT TEDC

Formed in 1994 as a Type B corporation, the Tomball Economic Development Corporation (TEDC) is governed by a seven-member Board of Directors appointed by Tomball City Council.

The TEDC focuses on attracting new businesses and industry, promoting business retention and expansion, and coordinating economic development efforts in Tomball. These efforts strengthen the overall economic environment of Tomball and help the community thrive through measured growth which generates jobs, boosts revenue, and enhances the quality of life for Tomball.

The TEDC utilizes multiple tools to attract and retain businesses. Developed infrastructure, tax incentives, and grants can defray costs of purchasing land, buildings, equipment, and improvements for relocation or expansion in the City of Tomball. The Corporation collaborates with existing companies and local partners on key initiatives to address critical business and community needs.

Tomball's premier location and business-friendly mindset make it an ideal place for economic investment and ensures Tomball is a place where corporate industry and family-owned and operated businesses can prosper.



## MISSION

To promote economic development in the City of Tomball through the attraction of new business and industry and the retention of existing businesses by providing the resources that enhance the general well-being of the community.



## VISION

Tomball is the community of choice for businesses, residents, and visitors, offering a dynamic economy, strong labor force, and unmatched living and working environment.

## BOARD OF DIRECTORS



• Gretchen Fagan •

President



• Steven Vaughan •

Vice-President



• William E. Sumner •

Secretary



• Richard Bruce •

Treasurer



• Chad Degges •



• Clete Jaeger •



• Lisa Covington •

## TEDC STAFF



Kelly Violette  
CEcD, PCED, AICP  
Executive Director



Tiffani Wooten  
CEcD  
Assistant Director



Tori Gleason, PCED  
Economic Development  
Coordinator



McKayley Dannelley  
Administrative  
Assistant

# EXECUTIVE DIRECTOR'S MESSAGE

On behalf of the Board of Directors of the Tomball Economic Development Corporation (TEDC), I am pleased to present you with our 2022 - 2023 Annual Report.

Reflecting on our economic development efforts over the past year, I am proud of the work our organization completed and excited about our future projects. Assisted by strategically planned efforts, Tomball's economy continues to grow and thrive through innovative business opportunities, critical infrastructure investments, and strong community partnerships.

The projects announced over the past 12 months showcased Tomball as a leader in attracting and retaining businesses and capital investment. From Costco to mom-and-pop stores, the TEDC is committed to ensuring that businesses of all types have the resources and support to prosper, create jobs and stimulate our local economy.

Private commercial investment, sparked by City of Tomball and TEDC incentives, has led to "build-out" of our Tomball Business and Technology Park, as well as new retail and industrial developments along Grand Parkway and Highway 249. Additionally, a strong focus on enhancing Tomball's downtown as a destination center has led the TEDC to invest in two strategic redevelopment sites in Old Town.

These sites will be a major focus of the TEDC in the coming years and have the potential to catalyze development in Old Town.

Strong partnerships between the City of Tomball, TEDC, GTACC, Harris County, and regional organizations have collaboratively developed highways, local roads, drainage, and parks & trails infrastructure. These partnerships play an important role in supporting economic development through collaboration and innovation.

Healthcare & education partners are developing workforce for the Tomball region's growing healthcare industry. State of the art labs, hands-on internships, and rigorous curriculum through P-TECH initiatives with Tomball ISD, Lone Star College, and HCA Houston Healthcare-Tomball provide a young, qualified, and available workforce.

I am looking forward to what we will accomplish in the next year. Thank you for your continued collaboration and support!

Sincerely,  
Kelly Violette, CEcD, PCED, AICP  
Executive Director

*Kelly Violette*

## OPERATING REVENUE

FY2023 ADOPTED



BEGINNING FUND BALANCE  
**\$23,156,574**



INTEREST INCOME  
**\$450,000**



SALES TAX  
**\$5,100,000**

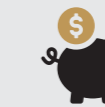


TOTAL AVAILABLE RESOURCES  
**\$28,706,574**

## EXPENDITURES



ADMINISTRATIVE  
**\$810,385**



CITY DEBT SERVICE  
**\$761,685**



TOTAL EXPENDITURES  
**\$16,716,035**



INDIRECT ECONOMIC DEVELOPMENT EXPENSES  
**\$723,965**



GRANTS, LOANS, & OTHER EXPENDITURES  
**\$14,420,000**



ENDING FUND BALANCE  
**\$11,990,540**

# TEDC ANNUAL WORK PLAN

## DEVELOPMENT AND EXECUTION OF TEDC GOALS

The TEDC successfully completed its three year Strategic Work Plan to further establish Tomball as a vibrant hub for community, commerce, and culture. The TEDC staff and board positioned Tomball for economic success by meeting comprehensive goals for business retention and expansion, attraction and recruitment, development/redevelopment of Old Town Tomball, and education and workforce development. The 2022-2023 goals were achieved through a collaborative approach to economic development that strongly values the input of stakeholders, including local businesses, community leaders, elected officials, and strategic partners.



### BUSINESS RETENTION & EXPANSION (BRE)

Continually Engage and Assist in the Success of Tomball Businesses

### ATTRACTION AND RECRUITMENT

Recruit and Secure New Businesses and Industry Suitable for Tomball

### DEVELOPMENT/REDEVELOPMENT OF OLD TOWN

Encourage Quality Investment in Tomball's Old Town

### EDUCATION AND WORKFORCE DEVELOPMENT

Partner With Local and Regional Education Institutions, City of Tomball, Greater Tomball Area Chamber of Commerce, and Local Industries to Further Develop Youth Workforce Initiatives

## PROJECT GRANTS

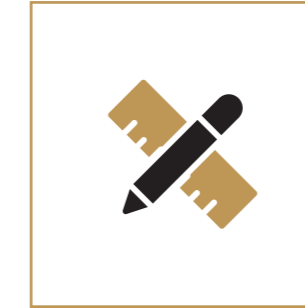
2022-2023

### ECONOMIC DEVELOPMENT BY THE NUMBERS



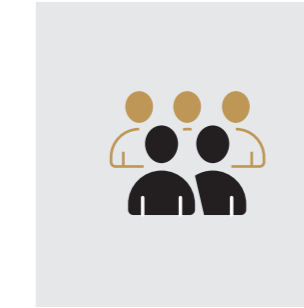
13

PROJECTS



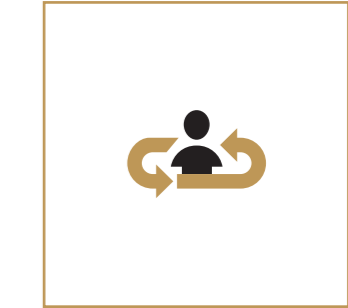
367,327

SQFT



174

JOBS CREATED



31

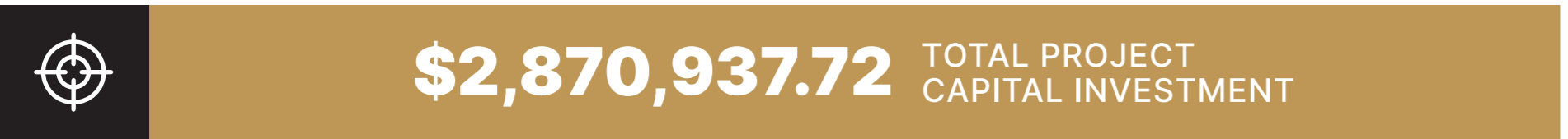
JOBS RELOCATED

**\$32,019,753**  
CAPITAL INVESTMENT

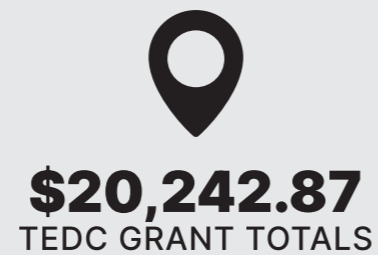
**\$2,181,970**  
TEDC INVESTMENT

- BUSINESS PROJECTS:**
- SIP HIP HOORAY
  - DELLA CASA PASTA
  - JONAH'S MOVERS
  - PERSIMMON GLOBAL LOGISTICS
  - BCS TOMBALL MAIN, LLC
  - STUDIO A28, LLC
  - CHURCH HOLDINGS, INC
  - CLEARHOPE COUNSELING AND WELLNESS CENTER, LP
  - HUFSMITH - KOHRVILLE BUSINESS PARK, LLC
  - CITY OF TOMBALL - MATHESON PARK
  - CITY OF TOMBALL - LOUIE'S TOGETHER PARK
  - CITY OF TOMBALL - ALLEYWAYS
  - CITY OF TOMBALL - SOUTH WASTEWATER TREATMENT PLANT

## BUSINESSES IMPROVEMENT GRANTS (BIG)



## OLD TOWN FAÇADE IMPROVEMENT GRANTS (FIG)



# IMPROVING TOMBALL



The TEDC is committed to enhancing Tomball through programs that promote business improvement and growth. The Business Improvement Grant (BIG) and Old Town Facade Improvement Grant (FIG) programs provide incentive for businesses and property owners to improve their buildings and surroundings.

The Business Improvement Grant (BIG) is a grant program designed to help commercial property owners and businesses make high quality exterior improvements to buildings and property throughout Tomball.

The Old Town Facade Improvement Grant (FIG) program promotes economic development by offering economic incentives for renovation, rehabilitation, restoration, and enhancement of facades and structures in Old Town Tomball.

These two programs not only enhance the aesthetic of buildings and the Tomball community, they help raise the value of the improved property. The TEDC offers BIG and FIG to stimulate economic prosperity.



# TOMBALL BUSINESS & TECHNOLOGY PARK



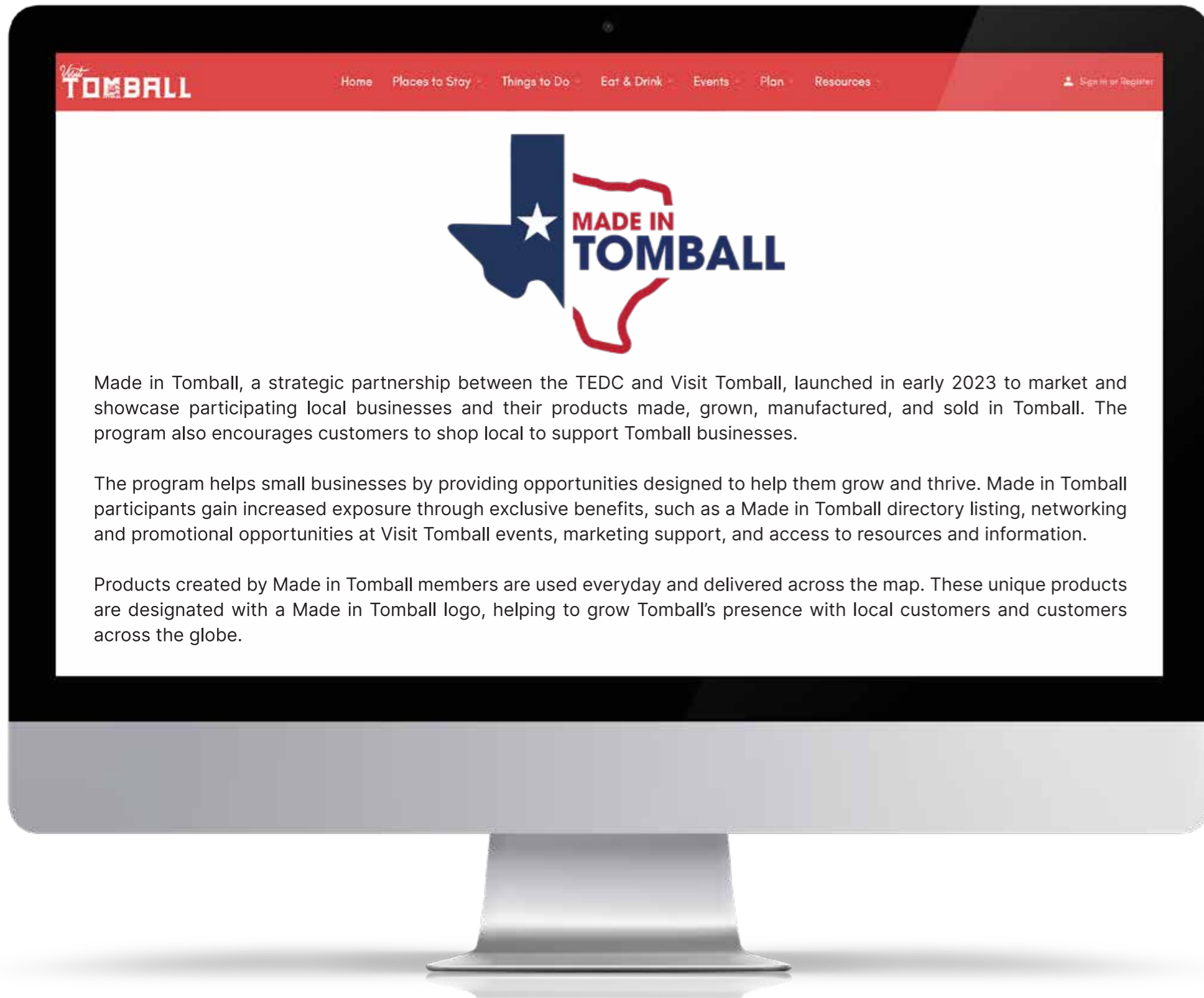
**99.5** TOTAL ACRES  
**85 MILLION** PRIVATE CAPEX  
**658K** TOTAL SQUARE FEET  
**568+** JOBS CREATED

The Tomball Business & Technology Park was named a top industrial park in the United States by Business Facilities for the second consecutive year. The publication ranked the Park 10th best in the country in its 18th Annual Rankings Report. Business Facilities' ranking considers park size, location to markets, growth potential, and recent expansions, as well as utilities, residential developments, and amenities.

Operated by the TEDC, the Tomball Business & Technology Park has been in high demand since opening in 2016. Nearly all of the 99.5 acres is occupied or under contract. With the sale of the Park's remaining 18-acres in May 2023, the TEDC will have achieved its goal of 100% sold.

Millions of dollars in capital investment and hundreds of jobs created by companies inside the Park have helped spur growth around Tomball. Developments like Interchange 249 and Grand Parkway Town Center, both just minutes from Tomball Business & Technology Park, represent opportunities created by the Park's growth.

Similarly, residential construction in Tomball has continued to boom thanks in part to demand created by the Tomball Business & Technology Park. Thousands of homes are planned or under construction within a few miles of the Park.



# ENHANCING OLD TOWN

A strategic goal for the TEDC is development and redevelopment of Old Town Tomball by partnering with the City of Tomball on targeted infrastructure improvements. Construction of alleyways in Old Town Tomball is an example of this partnership.

The alleyway project is currently under design with phase 1 to begin in 2023. The TEDC is contributing \$600,000 to assist with construction of three alleyways. The TEDC is also a partner on the FM 2920/Main Street reconstruction project set to commence in 2024.

In addition to partnering with the City on infrastructure, the TEDC is partnering with local business, Sip Hip Hooray, on a marketing and advertising grant for Shop and Stroll events in Old Town Tomball. The successful events attract thousands of visitors to Old Town and help businesses generate sales six-to-ten times greater than normal. TEDC's grant helps Sip Hip Hooray cover expenses for promotional items and digital advertising to further the event's reach.



# GROW TOMBALL



The TEDC developed a creative Grow Tomball initiative using new media to highlight and promote local businesses as part of its strategic plan to retain and expand business in Tomball.

In addition to regularly engaging with and assisting existing businesses to meet the TEDC's goal of business retention and expansion (BRE), the TEDC shares success stories through Grow Tomball which captures these stories through podcasts, video testimonials, and articles. Content focuses on how mature and new businesses thrive in Tomball. These narratives are posted on the TEDC website and social media channels, in addition to being featured in the TEDC's quarterly Economic Development Update newsletter.

Grow Tomball helps business owners amplify their message and build awareness by sharing their story with thousands of stakeholders who engage with the TEDC. TEDC staff continues to achieve BRE goals with site visits, annual business surveys, and networking events that bring together business owners and community stakeholders.

# GROWING THE FUTURE WORKFORCE

The ongoing workforce challenges across the nation have underscored the pressing need to take a more hands-on approach to growing our future workforce, particularly in the healthcare sector. This need has been further highlighted by the COVID-19 pandemic, which has brought to the forefront the importance of having a robust and well-trained healthcare workforce.

To address this challenge, the TEDC is working closely with stakeholders in Tomball and Texas to bridge the workforce gap. One such initiative is the Early College High School for Pathways in Technology (P-TECH) program, which has been approved by the Texas Education Agency. This unique collaboration between HCA Houston Healthcare Tomball, Tomball ISD, and Lone Star College-Tomball is focused on developing the next generation of health professionals.



Through the program, students earn both high school and college associates degrees while gaining valuable mentor partnerships, shadowing opportunities, and clinical experiences. This work-based learning model enables students to obtain industry-based certifications in EKG, Phlebotomy, or Patient Care Technician.

Lone Star College-Tomball's state-of-the-art Health Science Building offers similar health occupations programs aimed at developing skilled employees in nursing, pharmacy, laboratory technology, and occupational therapy. Other partners supporting the TEDC's efforts to develop the local workforce include the Texas Workforce Commission, the City of Tomball, and the Gulf Coast Workforce Board, as well as individual companies in the area.



### COSTCO WHOLESALE

Tomball is set to welcome Costco Wholesale, a multi-billion-dollar global retailer known for offering competitive prices and high-quality products. The project is planned near the intersection of Business 249 and Holderrieth Road.

A 161,131 square-foot store and 10,000 square-foot gas station will lead to approximately 125 new jobs. The City of Tomball and Tomball EDC entered into a sales tax reimbursement agreement with Costco in November 2022 to help offset infrastructure costs for the nearly \$20 million investment.



### HOUSTON POLY BAG

Houston Poly Bag completed an expansion to its Holderrieth Road headquarters in Spring 2023. The 41,000 square-foot expansion will allow the custom manufacturer of polyethylene and biodegradable films, bags, and flexible packaging to grow their operations.

The expansion is a \$6 million capital investment and will create at least ten new jobs. The Tomball Economic Development Corporation and Houston Poly Bag entered into an \$84,894 performance agreement in 2020.



### MACY'S, INC.

Macy's, Inc. will open its brand new 900,000 square-foot distribution center in Interchange 249 mid-2023. Once completed, this facility will be the first project completed in the 240-acre Lovett Industrial and Clarion Partners development.

The project includes \$35 million in capital improvements and approximately 103 new jobs created or relocated to Tomball. A performance agreement in the amount of \$580,864 is in place between the Tomball Economic Development Corporation and Macy's, Inc.



### DELLA CASA PASTA

Della Casa Pasta, a Tomball-based manufacturer of fresh pasta and meals, is making approximately \$150,000 in capital improvements to expand at its Hicks Street home. The 7,872 square-foot expansion will retain five current jobs and add three new jobs, in order to help the company meet demand of its retail and wholesale customers.

A \$16,077 performance agreement was approved in February by the TEDC board. Della Casa Pasta has continued operations while expansion is ongoing.

# SIZE UP TOMBALL



SizeUp Tomball helps businesses make strategic, data-driven decisions. With access to information on customers, suppliers, and competitors, this new business intelligence tool provides key data for site selectors, companies, and stakeholders.

The free resource begins by asking users to input their industry to access details from the SizeUp dashboard. Results can be further customized by adding information such as revenue, number of employees, and the year the business was created. This information is critical in determining how businesses compare in Tomball and the surrounding area. Detailed demographic information provides a clear picture for client outreach with all of the data from SizeUp Tomball compiled in a custom report for decision makers.

SizeUp Tomball is one of the newest resources on TEDC's award-winning website and another way the TEDC executes the Strategic Work Plan goal to assist emerging entrepreneurs and existing Tomball businesses.



**Measure Your Business Performance**  
Compare your business ranking to industry competitors.



**Find Customers, Suppliers, and Competitors**  
Reveal new business opportunities and threats.



**Optimize Marketing and Advertising**  
Target your ideal customers.



**Analyze Demographics**  
Explore nearby customer and employee characteristics.



# TEDC AWARDS & NEWS

The TEDC was recognized by the International Economic Development Council (IEDC) with a pair of 2022 Excellence in Economic Development Awards. The TEDC received a Silver Excellence Award for its 2021-2022 Annual Report and a Bronze Excellence Award for its recently redesigned website, TomballTXEDC.org. Awards were presented at IEDC's Annual Conference in Oklahoma City.

Tori Gleason, TEDC's Economic Development Coordinator, completed Community Development Institute (CDI) Texas Advanced in March 2023. This program, exclusively for CDI Alumni, focuses on application of community and economic development principles in real-world settings. The theme of "Building a Better Downtown" allowed Gleason to gain industry knowledge that will directly help her and the TEDC achieve their strategic goal of development/redevelopment of Old Town Tomball.

McKayley Dannelley joined the TEDC in September as Administrative Assistant. Dannelley brings customer service and sales experience, along with local knowledge and enthusiasm, to the position. Dannelley supports the TEDC staff and board with reports and tasks relating to business recruitment and retention efforts, while also maintaining responsibility for bookkeeping, clerical, and administrative duties.



The TEDC is eager to help existing Tomball businesses expand and new businesses locate in Tomball. You can access information on available properties, resources, incentives, and more by scanning the QR codes below.

For additional assistance and to learn what the TEDC can do for your business, please contact the TEDC staff at 281-401-4086.

## **BUSINESS IMPROVEMENT GRANT**

The Business Improvement Grant (BIG) is a grant program designed to help commercial property owners and businesses make high quality exterior improvements to buildings and property in Tomball.



## **OLD TOWN FAÇADE IMPROVEMENT GRANT**

The Old Town Façade Improvement Grant (FIG) program promotes economic development by offering economic incentives for renovation, rehabilitation, restoration, and enhancement of facades and structures in Old Town Tomball.



## **AVAILABLE PROPERTIES**

Utilize our property search tool to find the perfect home for your business. A wide range of sites and buildings, from retail to industrial, can be filtered and sorted to your desire. If you cannot find what you are looking for using the search tool, contact the TEDC staff for more property information.



## **INCENTIVES**

Tomball offers competitive incentive programs for existing companies looking to expand and new businesses looking to locate in the city. The City of Tomball has an attractive tax abatement program and the TEDC provides performance-based cash incentives for job creation, targeted infrastructure, and other improvements. The State of Texas also has programs for new and existing businesses.



## **WORKFORCE**

The TEDC has a strategic commitment to develop and maintain a talented workforce in Tomball. Working with business, education, and community partners, the TEDC provides opportunities to develop and attract premium talent to Tomball.



## **TOMBALL ECONOMIC DEVELOPMENT QUARTERLY E-NEWSLETTER UPDATE**

The TEDC keeps you updated on the latest happening around economic development in Tomball. Sign up for the TEDC's quarterly newsletter to learn about new projects, workforce development initiatives, and staff updates.

