

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



**Monday, September 23, 2024
5:00 PM**

Notice is hereby given of a Special meeting of the Tomball Tourism Advisory Committee, to be held on Monday, September 23, 2024 at 5:00 PM, City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tourism Advisory Committee reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

- A. Call to Order
- B. Public Comments and Receipt of Petitions; *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law - GC, 551.042.]*
- C. Approval of Minutes
 - 1. Approve the Minutes of the February 13, 2024, Tourism Advisory Committee Meeting.
- D. New Business
 - 1. Presentation and discussion of City of Tomball marketing and tourism activities for the period September 1, 2023 to September 1, 2024.
 - 2. Consideration of Application from the Tomball Sister City Organization for use of FY 2024-2025 Hotel Occupancy Tax Funds for the 2025 German Heritage Festival.
 - 3. Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2024-2025 Hotel Occupancy Tax Funds for the 2024 Holiday Parade.

4. Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2024-2025 Hotel Occupancy Tax Funds for the 2025 Tomball Night.
5. Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2024-2025 Hotel Occupancy Tax Funds for the Visitor Center.
6. Consideration of Application from the Spring Creek County Historical Association for use of FY 2024-2025 Hotel Occupancy Funds for 2024-2025 Operations Activities.
7. Consideration of Application from the Tomball Sister City Organization for use of FY 2024-2025 Hotel Occupancy Tax Funds for the 2024 German Christmas Market.

E. Adjournment

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

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 19th day of September 2024 by 5:00 PM, and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Sasha Luna
Sasha Luna, TRMC
Assistant City Secretary

<p>This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (281) 290-1019 or FAX (281) 351-6256 for further information.</p>
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City Council Meeting Agenda Item Data Sheet

Meeting Date: September 23, 2024

Topic:

Approve the Minutes of the February 13, 2024, Tourism Advisory Committee Meeting.

Background:

Origination: City Secretary Office

Recommendation:

Party(ies) responsible for placing this item on agenda: Sasha Luna, Asst City Secretary

FUNDING (IF APPLICABLE)

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

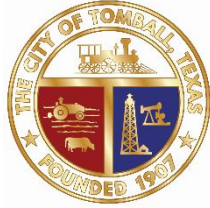
Yes: _____ No: _____ If yes, specify Account Number: # _____

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

Signed Sasha Luna
Staff Member _____
Date _____

Approved by _____
City Manager _____
Date _____

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



**Tuesday, February 13, 2024
5:00 PM**

- A. The meeting was called to order by Vice Chair Raymond Francois at 5:30 p.m.

Other Committee members present were:

Melanie Sutton
Paige Cassel
Angie Johnson
Matthew Harris

Absent:

Holly Cook
Ted Mielke
Kailey Moore
Jeffie Cappadonna

Others present:

Assistant City Secretary – Sasha Luna

- B. Public Comments and Receipt of Petitions; [At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law - GC, 551.042.]

No public comments were received.

- C. Approval of Minutes

1. Approve the Minutes of the January 23, 2024, Tourism Advisory Committee Meeting.

Motion made by Angie Johnson, Second by Melanie Sutton.

Voting Yea: Melanie Sutton, Paige Cassel, Angie Johnson, Matthew Harris, Raymond Francois.

Motion carried unanimously.

D. Old Business

1. Appoint/Reappoint members to Positions 1, 4, and 7 of the Tourism Advisory Committee.

Motion made by Paige Cassel, Second by Angie Johnson, to reappoint Matthew Harris to Position 1.

Voting Yea: Melanie Sutton, Paige Cassel, Angie Johnson, Matthew Harris, Raymond Francois.

Motion carried unanimously.

Motion made by Melanie Sutton, Second by Matthew Harris, to appoint Amanda Kelly to Position 4.

Voting Yea: Melanie Sutton, Paige Cassel, Angie Johnson, Matthew Harris, Raymond Francois.

Motion carried unanimously.

Motion made by Angie Johnson, Second by Matthew Harris, to reappoint Melanie Sutton to Position 7.

Voting Yea: Melanie Sutton, Paige Cassel, Angie Johnson, Matthew Harris, Raymond Francois.

Motion carried unanimously.

E. Adjournment

Motion made by Paige Cassel, Second by Raymond Francois, to adjourn.

Voting Yea: Melanie Sutton, Paige Cassel, Angie Johnson, Matthew Harris, Raymond Francois.

Motion carried unanimously.

PASSED AND APPROVED this the 23rd day of September 2024.

Sasha Luna
Assistant City Secretary

Raymond Francois
Vice Chair

City Council Meeting Agenda Item Data Sheet

Meeting Date: September 23, 2024

Topic:

Presentation and discussion of City of Tomball marketing and tourism activities for the period September 1, 2023 to September 1, 2024.

Background:

The City of Tomball’s Marketing and Tourism department will provide an overview and updates related to events and marketing activities over the past year.

Origination: Marketing department

Recommendation:

N/A

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

FUNDING (IF APPLICABLE)

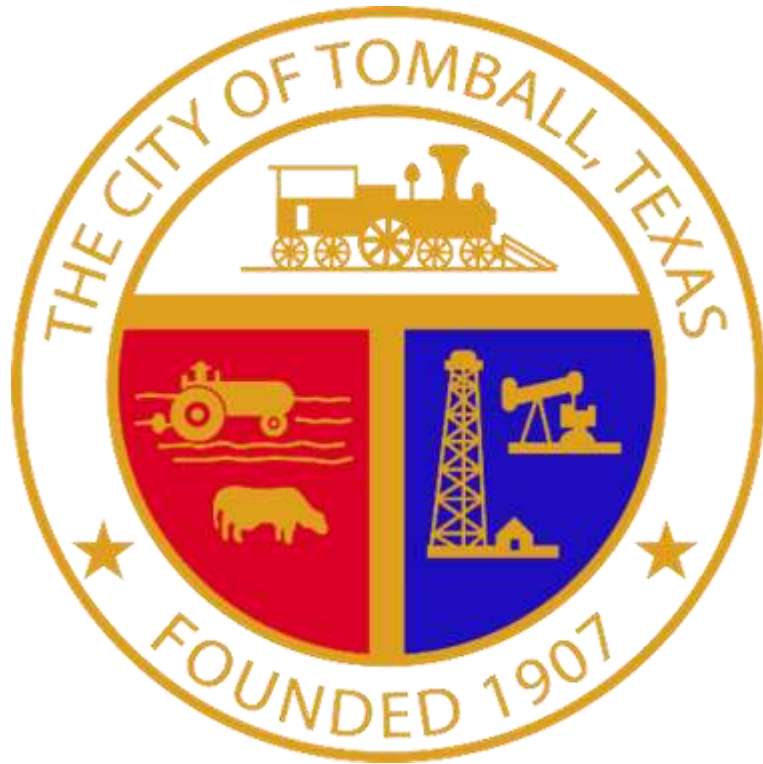
Are funds specifically designated in the current budget for the full amount required for this purpose?

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

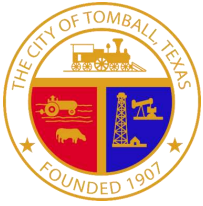
If no, funds will be transferred from account # _____ To account # _____

Signed _____
Staff Member Date

Approved by _____
City Manager Date



Marketing Updates



Marketing Updates

FESTIVALS:

Continue promoting and increasing attendance for upcoming festivals:

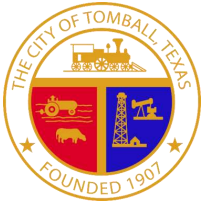
- GroovFest – September 28
- Spooktacular: Hogwarts at the Depot – October 12
- Depot Day Fall Fest – November 16
- Deck the Depot Tree Lighting – December 7

COMMUNITY EVENTS:

Currently working on the City's smaller events, such as 2nd Saturday at the Depot and Kids Club, while also assisting community partners with upcoming local events like the Freedom 5k Fun Run, Cancer Kiss My Cooley Fun Run and Superhero Dash, Tomball Museum Classic Car Day, Tomball Rotary Club Big Show, Tomball High School Homecoming Parade, GTACC Holiday Parade, and the Tomball German Christmas Market.

MARKETING:

Continuing work with the "Around Houston" group to promote the City as a destination through activities such as cross-promotion of events, public relations opportunities, and more. Current ad placements include Community Impact, K-Star Country 99.7 FM, Texas State Travel Guide, Tour Texas, RV Travel & Camping Guide, Cowcatcher Magazine, and various Greater Houston external calendars.



Marketing Updates (con't)

ASSOCIATIONS:

The City continues to collaborate closely with the Texas Festivals & Events Association and the Texas Travel Alliance to network and share best practices with other members.

KTTF-FM:

New event-specific spots will be recorded to promote the festival lineup. A new 5G wireless bridge was installed in August. Ongoing work with consultants Tom Conley and Ben Lato is helping to optimize station management and operations.

COMMUNITY CENTER:

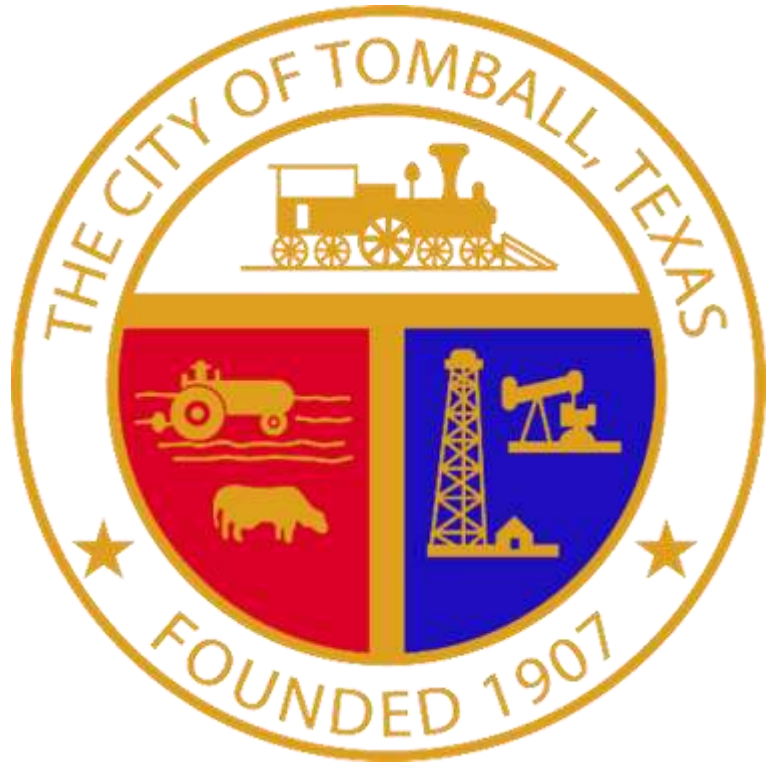
The venue offers a variety of programs and events, including fitness, yoga, gaming, dancing, and youth activities like 4H and scouts. Popular events like Bingo & Lunch, Family Game Night, and Teen Neon Night, along with free seminars on wellness and fraud prevention, attract 500-600+ weekly guests. Enhanced technology and new procedures have improved operations and growth.

INFORMATION CENTER:

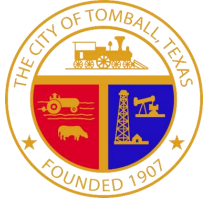
The Information Center is averaging over 10 visitors per week this year.

DEPOT MUSEUM:

The Depot Museum sees 150+ visitors every Saturday between 10 a.m. and 2 p.m.

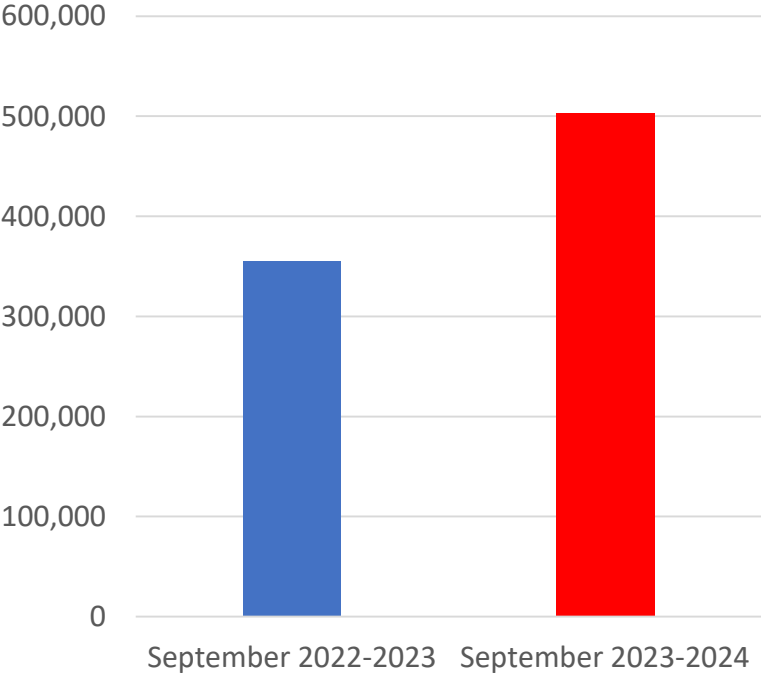


Digital Marketing Metrics

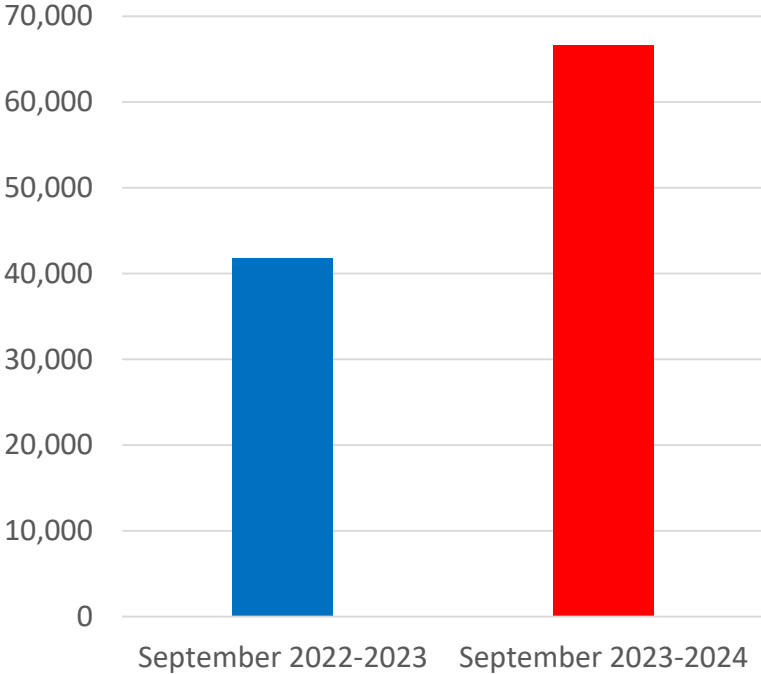


Social Metrics

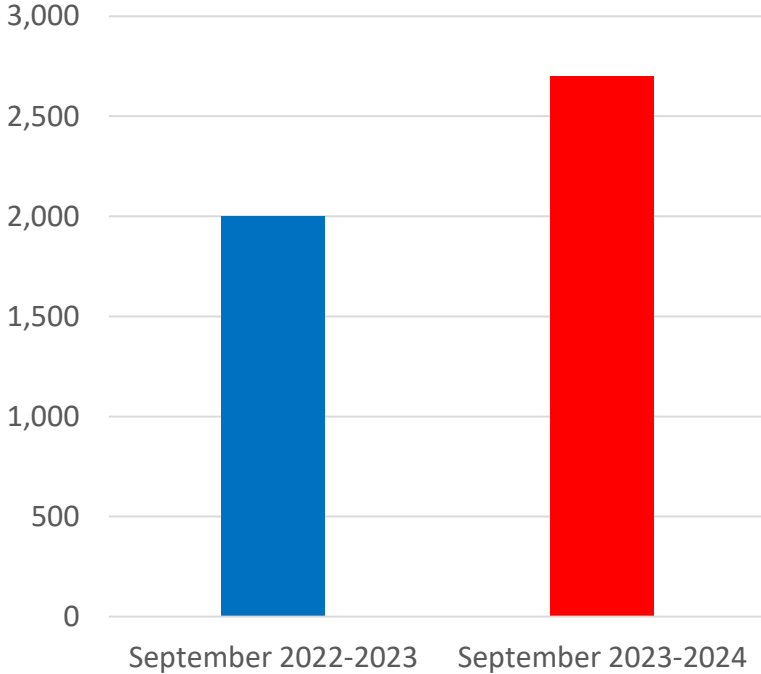
Viewer Reach



Page/Profile Visits



New Likes & Followers

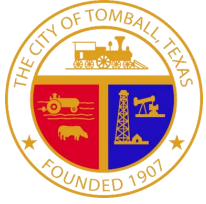


YoY %

↑ 41.69%

↑ 59.33%

↑ 35%



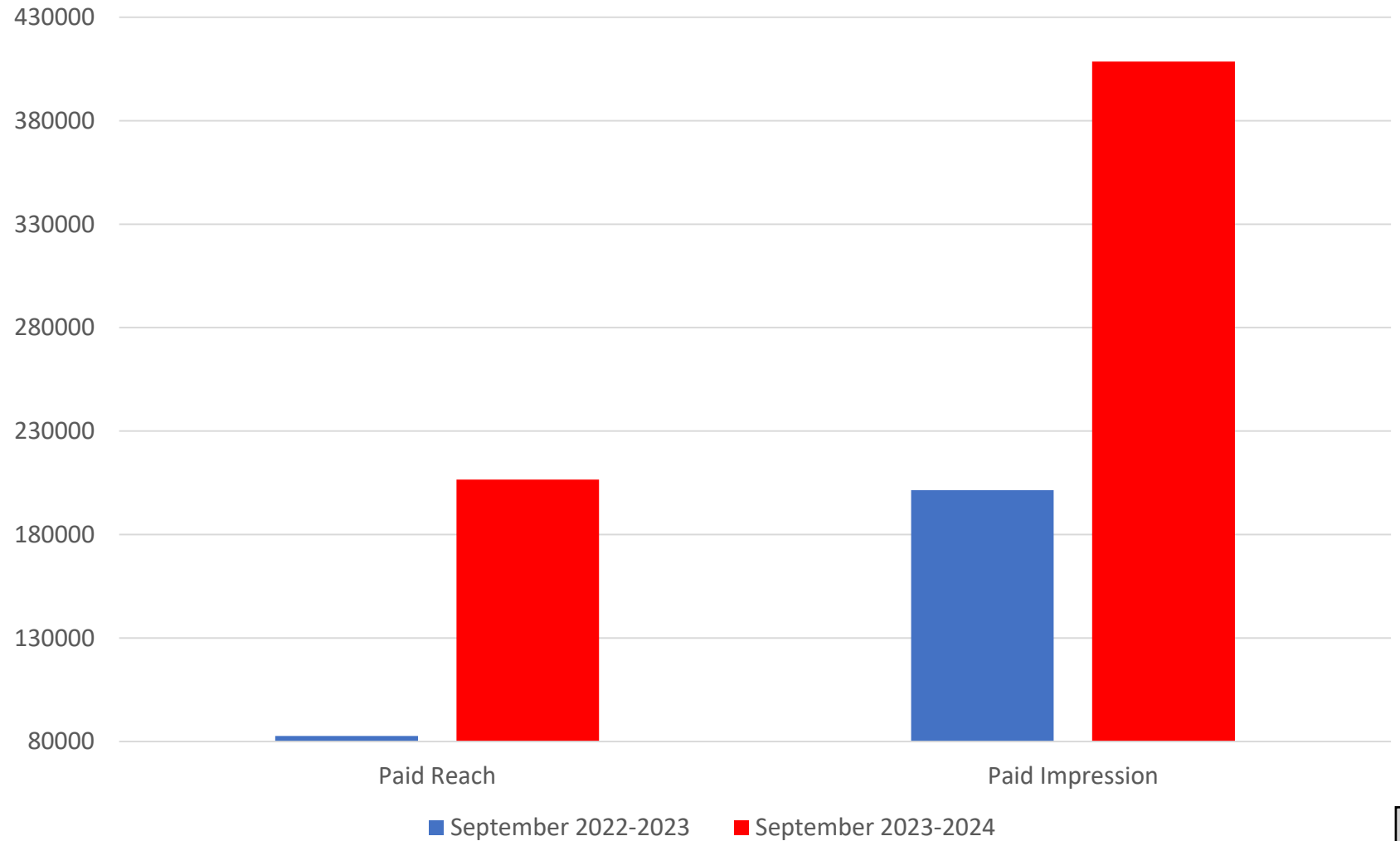
2023 vs 2024 Paid Comparison

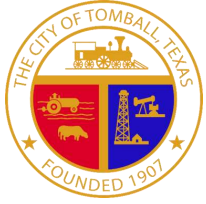
Paid reach

The number of accounts that saw your ads at least once. Reach is different from impressions, which may include multiple views of your ads by the same accounts.

Paid impressions

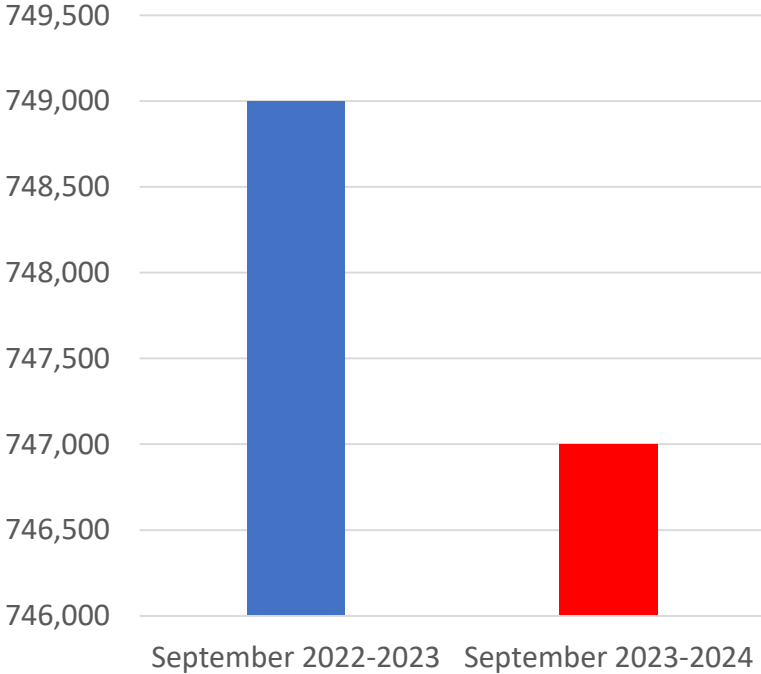
The number of times your ads were on screen.





Website Metrics

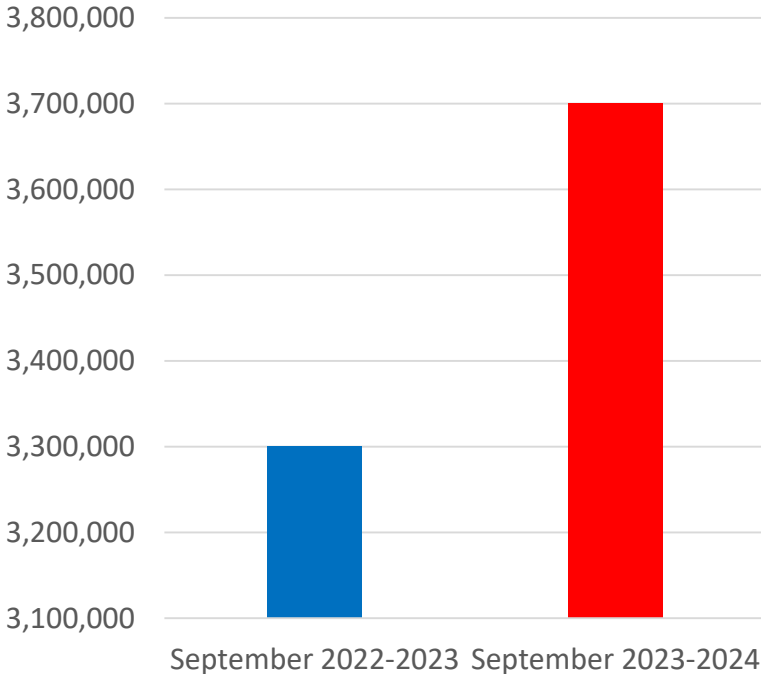
Pageviews



YoY %

↓ 0.27%

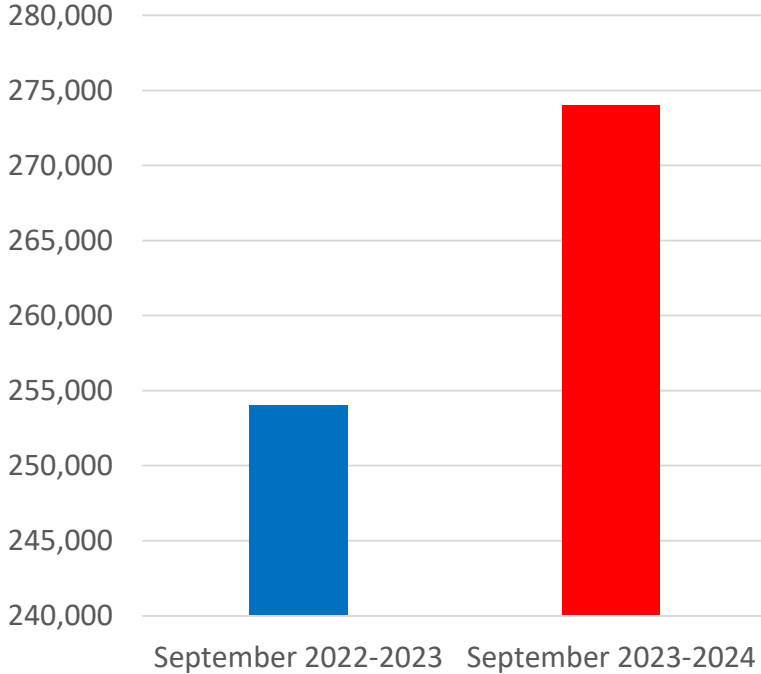
Event Count



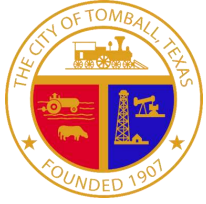
↑ 105.04%

*Google Analytics

New Users

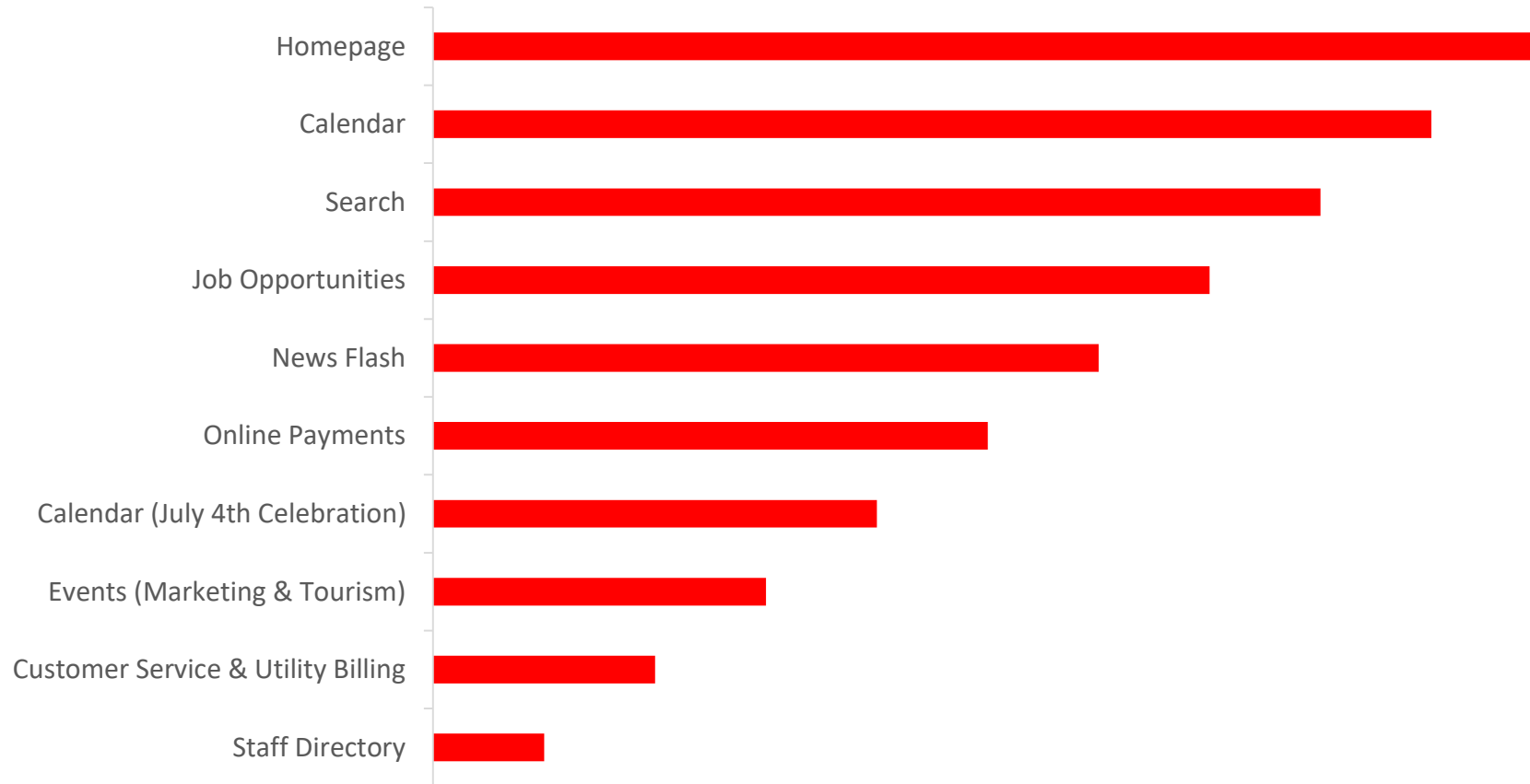


↑ 7.87%



Top 10 Most Visited Pages on Tomballtx.gov

September 2023-2024



2024 Marketing Goals

1. Explore more state-level promotional and marketing avenues to drive outside market traffic.
2. Continue to create unique added-value experiences at all City of Tomball events.
3. Research different approaches to building brand awareness.
4. Continue to create positive memorable experiences and increase social media engagement at all City of Tomball events.

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: September 23, 2024

Topic:

Consideration of Application from the Tomball Sister City Organization for use of FY 2024-2025 Hotel Occupancy Tax Funds for the 2025 German Heritage Festival.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Sueanne Larson, Finance Manager

FUNDING (IF APPLICABLE)

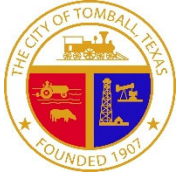
Are funds specifically designated in the current budget for the full amount required for this purpose?

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

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

Signed Bragg Farmer
Finance Director 9/6/2024

Approved by _____
City Manager _____ Date _____



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 6/24/2024

Name of Organization/Business: Tomball Sister City

Street Address: PO Box 1131

City: Tomball State: TX Zip Code: 77377

Contact Name: Craig Bogner

Phone Number: 832-715-6291 Email: Craig@tomballgermanfest.org

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

Purpose of organization/business: TO KEEP THE GERMAN CULTURE AND HERITAGE OF TOMBALL PAST SUPPORT EXCHANGE STUDENTS FROM TELGTE GERMANY TOMBALLS SISTER CITY.

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

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

Yes No

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

Select all categories that apply.

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

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Tomball German Festivals

Website address of event/expenditure: Tomballgermanfest.org

Date(s) of event/expenditure: Dec. 13,14,15 2024 March 28,29,30 2025

Location of event/expenditure: 100,200,300,400 Blocks of Market

Description of event/expenditure: _____

To keep the German culture and heritage.

Support exchange student program from our sister city in Telgte Germany.

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

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

ADVERTISING, TENTS & CHAIRS GENERATORS & LIGHT TOWERS

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

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

Amount of funding requested: \$ 80K Per Festival

Current operating budget for the event/expenditure: \$ 220K per

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

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

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


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

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

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

Website has links to Hotels.

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

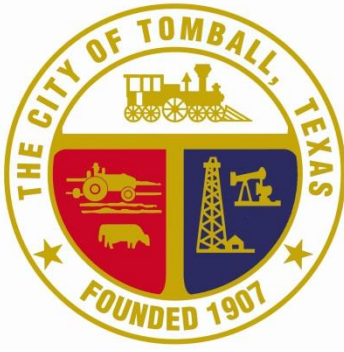
Applicant Signature:  _____
Applicant Name: **Craig Bogner** _____

Required Documents:

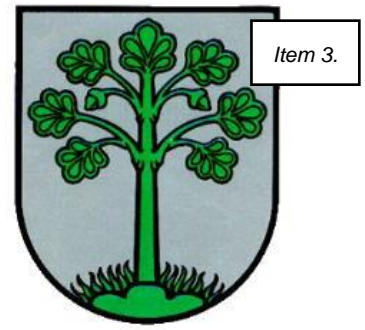
- Itemized budget of expenditures for grant funds
- Organization’s most recent annual budget
- Organization’s most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently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

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

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



**TOMBALL SISTER CITY
ORGANIZATION, INC.**
Tomball, Texas – Telgte, Germany
P.O. Box 1131
Tomball, Texas 77377



July 2024

Honorable Mayor and City Council

Re: Request for Support of the German Heritage Festival

The Tomball Sister City Organization, Inc. would like to continue the success of our Heritage Festival and bring thousands of visitors to Tomball this year. With this in mind, we respectfully request the following from our city:

(A) In-kind support for the 2024 TGCM, Dec.13,14,15 2025 TGHF March 28,29,30

1. Personnel:

Public Works:

Ten (10) employees for Friday night, 6:00 pm - 11:00 pm

Eleven (12) employees for Saturday, 8:00 am - 11:00 pm

Eleven (12) employees for Sunday, 8:00 am - 9:00 pm

Employees will need the use of gators for trash pick-up

Police Department:

Six (10) Officers for Friday, 5:00 pm - 11:00 pm

Six (10) Officers for Saturday, 9:00 am - 11:00 pm

Six (10) Officers for Sunday, 10:00 am - 6:00 pm

Three (3) Officers for Sunday night, 6:00 pm - 10:00 pm (for carnival area)

Fire Department:

Two (2) Firefighter/EMTs for Friday, 5:00 pm - 11:00 pm

Two (2) Firefighter/EMTs for Saturday, 9:00 am - 11:00 pm

Two (2) Firefighter/EMTs for Sunday, 10:00 am - 6:00 pm

1 Special Event Vehicle (Fire) for duration of event

2. Facilities

The use of the Community Center Friday, 10:00 am - 10:00 pm and Saturday, 8:00 am - 10:00 pm and Sunday, 8:00 am - 8:00 pm, and one (1) employee working these hours, also.

3. Supplies/Rentals:

Three (4) 40-yard roll-off, One (1) 30-yard roll-off, and Four (4) 8-yard dumpsters.

Seventy (70) trash barrels with 500 liners

Thirty (30) barricades, sixteen (16) traffic cones

Forty-Two (42) Jersey Barriers – Traffic safety & crowd protection

Two (2) City owned Generators & Light Towers

Fuel Top-off for Generators from City’s Fuel supply

4. Street Closures:

We respectfully request permission to close the following City Streets:

12:00 noon, Thursday - 10:00 pm, Sunday:

- 100 Block S. Elm Street & Oak Street
- 100 - 200 – 300-400 Blocks of Market Street
- Intersection of Market & 200 Block S. Walnut

5:00 pm Friday until 10:00 pm Sunday: 100 Block Walnut (This is to give access to the Harris County Tax Office.)

We have also requested of Harris County that S. Cherry Street be closed 9:00 am Friday – 8:00 pm, Sunday.

We request the use of the Following. 5 PM Thursday (1) Heritage Plaza Parking Lot across from City Hall. (2) East end of Heritage Park (3) South lot of the Police Parking Lot. 5 PM Friday (4) Westside of parking lot next to city hall.

(B) Cash Request: Reimbursement, not to exceed 80 K as Approved by TAC Board.

(C) Transportation:

We request transportation for the off-site parking to the festival. 1 City shuttle service and 2 Drivers 30 minutes before start of festival and 30 minutes after close of festival on Saturday and Sunday.

Carnival Hours: Friday, 3:00 pm – 11:00 pm; Saturday, 10:00 am – 11:00 pm; Sunday, 10:00 am – 10:00 pm.

Sincerely,
Craig Bogner

Tomball Sister City Organization

The Tomball Sister Cities Organization

Item 3.

Budget Overview: Budget_FY24_P&L - FY24 P&L

October 2023 - September 2024

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

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

Tomball Sister City Organization, Inc.
P. O. Box 1131, Tomball, TX 77377
AS OF 9-11-2023

Officers and Board of Directors

NAME & ADDRESS	PHONE	EMAIL	TERM EXPIRES
Grady Martin, Chair 8118 Spring Stuebner Road Spring, Texas 77379	713-829-7116	gradsand@yahoo.com	2024
Kit Pfeiffer, Vice Chair 31214 Helen Lane Tomball, Texas 77375	281-460-7630	kitpfeiffer@yahoo.com	2024
Sandra Martin 8118 Spring Stuebner Road Spring, Texas 77379	713-829-0313	gradsand@yahoo.com	2024
Craig Bogner Treasurer, General Manager 31226 Antonia Lane Tomball, Texas 77375	832-715-6291	craigbogner@gmail.com craig@tomballgermanfest.org	2026
Amy Mason 26003 Di-jon Tomball, Texas 77377	713-412-1882	amyamason@yahoo.com	2025
Elizabeth Barnett, Secretary 2 Blue Bungalow Drive Spring, Texas 77389	281-900-8663	ebarnett@houstonmethodist.org	2025
Sonja Love 11907 Julia Lane Magnolia, Texas 77354	832-236-5412	larry.sonja@sbcglobal.net	2024
Wesley Burke 11918 Painted Canyon Dr. Tomball, Texas 77377	832-347-0699	wesleyjburke.com	2026
Nora Stovall 307 Florence Street Tomball, Texas 77375	281-541-1449	norastovall@sbcglobal.net	2026
Shawn Mason 26003 Di-jon Tomball, Texas 77377	281-799-9292	shama_go14@yahoo.com	2024
Mark Barnett 2 Blue Bungalow Drive Spring, Texas 77389	832-326-8141	mjbarnett76@yahoo.com	2025
Klaus Rotermund 18915 Ayston Drive Tomball, Texas 77375	832-594-6258	klaro10@att.net	2025

Request for Taxpayer Identification Number and Certification

Item 3.

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

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

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Tomball Sister City Org

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

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

Individual/sole proprietor or single-member LLC C Corporation S Corporation Partnership Trust/estate

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

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

Other (see instructions) ▶ _____

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

Exempt payee code (if any) 1

Exemption from FATCA reporting code (if any) _____

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

5 Address (number, street, and apt. or suite no.) See instructions.
PO BOX 1311

6 City, state, and ZIP code
TOMBALL TX 77377

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

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

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

Social security number									
			-			-			
or									
Employer identification number									
4	3	-	1	9	9	1	1	5	5

Part II Certification

Under penalties of perjury, I certify that:

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

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

Sign Here Signature of U.S. person ▶ CBoq Date ▶ 7/10/2023

General Instructions

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

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

Purpose of Form

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

- Form 1099-INT (interest earned or paid)

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

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

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

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

The Tomball Sister Cities Organization

Item 3.

Expenses by Vendor Summary

October 1, 2023 - June 24, 2024

	TOTAL
A Gene Hackemack	1,085.00
Acme Party & Tent	82,296.76
Alex Meixner Music LLC	21,000.00
Allison Crowson	600.00
Allstate	1,084.94
AlpenMusikanten	4,500.00
AM Talent Management LLC	3,625.00
Amazon	2,037.19
Amegy Bank	367.75
American Airlines	2,464.84
AT&T	512.64
Bayou City Sound	29,000.00
Berlin Food Factory	3,000.00
Brandon Brooks	320.00
Brazoswood High School National German Honor Society	750.00
Brenda Bauske	1,300.00
Briena Mehr	300.00
Bruce Mckinzy	0.00
Bryan Eyring	1,400.00
BRYAN Hill	320.00
Buffalo Wild Wings	114.25
Captain Brads Coastal	133.46
Carlos Palos	0.00
Carlos Sandoval	320.00
CAROLYN ARRINGTON	300.00
Charlie Bubenik	400.00
Chili's	133.30
CHRIS RYBAK	10,000.00
Circle K	57.97
Cirque La Vie	5,200.00
City Of Tomball	825.87
Class Act Productions	300.00
CLOGGERS UNLIMITED	200.00
Cody Crutchfield	320.00
Cody Landsum	560.00
Comcast	631.71
Community Impact Newspapers	9,043.23
ConstantContact	72.81
Craig Bogner	29,818.78
Dairy Queen	14.38
Das Fenster	600.00
Das Ist Lustig LLC	4,500.00
David Galindo	260.00
David Hauer	320.00
Dennis Koehler	1,600.00

Denny's	869.39
Derek Townsend	320.00
Derrick Townsend	320.00
Dollar Tree	228.59
Domino's Pizza	285.62
Dominos	65.32
ECHO AFC Transportation	17,462.15
Edward Moers	0.00
Ella Broussard	875.00
Erik Rathkamp	1,600.00
Every-Bellies	96.04
Exxon	408.99
Facebook	3,390.00
Fayetteville Chamber Music	1,400.00
Garold Harver	240.00
German-American Society Inc	500.00
Glen Renfro	500.00
Golden Corral	32.62
H.E.B.	1,442.53
Hamptons Inn	13,650.24
Heather Lee	1,337.00
HEB	221.88
Heidi Hoth	1,150.00
Home Depot	204.60
Houston Zoo	142.25
Howw Manufacturing	432.12
IHOP	177.71
Intuit	105.23
Isaak Klaus Music	1,600.00
ISAAK WOLFSHOHL	2,000.00
Jason Mikulenska	2,395.00
Jeffrey Bert	320.00
Jessica Payton	320.00
Jonathan Valdez	200.00
Keith Ferguson	680.00
Kevin Garner	200.00
Kevin Hatcher	1,300.00
King Dollars	88.00
Kingwood High School	300.00
Krogers	701.97
KRXT-FM Rockdale	330.00
KULP RADIO	190.00
KWIK KOPY	3,489.97
Kyle Witty	2,136.86
Lakeshore Bookkeeping LLC	600.00
Lashondrick Davis	600.00
Lil Wranglers	400.00
Little Caesars Pizza	201.40
Lori Wisian-Brooke	1,500.00
Loves Country	97.72
Lowe's	559.87

LYNN MARIE	8,000.00
Mark Riggs	2,750.00
McAfee Intel Security	97.41
Megan Tousignant	1,200.00
Melissa Guizar	1,900.00
Michael Seufert	1,000.00
Microsoft	0.00
MIKE STROUP	0.00
Montoya Jones	480.00
Morgan Ruysenaavs	1,850.20
Murphy Oil	104.76
My Attic	318.00
Office Depot	107.96
Original Rib Tickler	270.00
OTHS German Club	300.00
Outsmart Media	1,500.00
Panda Express	27.60
Paychex	1,086.30
Paychex WC	147.90
Pecos Grill	451.38
PECOS MESQUITE STEAK HOUSE	222.65
PEDRAZA MAGDALENA	1,296.98
Phillips Cleaning Service	2,774.67
Prime Video	33.51
Raising Canes	39.96
Randy Adams	7,400.00
Raymond Francois	139.83
Rebecca Huck	1,000.00
Richard Gibson	500.00
Robert K Suttie	400.00
Robert Pelton	560.00
ROBERT SUTTIE	1,600.00
Ross	22.71
Rotary Club	300.00
Rudy Cano JR	0.00
Ryan Flannlly	240.00
Sam's Club	1,253.51
Scandinavian Folk Dancers of Houston Inc.	200.00
Scott Greiger	300.00
Shell Oil	252.45
Shelly Wilson	720.00
Smooth Move Services	9,600.00
Snow Flake	160.78
Space Center Houston	104.85
Sunoco	66.91
Super Yummy	35.18
SwaggieScript	450.00
T-Mobile	719.49
Taste of Asia	32.11
Texaco	55.94
Texas Roadhouse	62.29

THE HOUSTON CHRONICLE	10,625.00
Thomas Dean Electric	13,230.08
Thomas Helton	1,750.00
TMHS German Club	500.00
Tomball Area Chamber	1,223.00
Tomball High School Band	100.00
Tomball Rotary	200.00
Tony Swonke	3,100.00
TopGolf	136.71
Tractor Supply	467.55
Tunisia Miller	240.00
TWHS Theater Booster Club	450.00
United Airlines	1,273.30
United Rentals	44,055.38
United Site Services	1,364.90
Universal Fence	1,200.00
USPS	293.35
Valarie Witte	4,754.80
VERIZON	1,306.42
VIVIKKA MENDEZ	942.50
W.A. Wijnberg	500.00
Walburg Investment Group LLC	3,000.00
Walmart	273.26
Whataburger	34.82
Whitney High School German Club	1,000.00
Willowbrook Utility Vehicles	3,500.00
Yellow Rose Cloggers	0.00
Zachary Brown	1,900.00
Not Specified	33,689.27
TOTAL	\$472,803.62

The Tomball Sister City Organization

Independent Accountants' Review Report and
Financial Statements for the Fiscal Year Ended September 30, 2023
(with comparative totals for 2022)



Tipton & Company
CERTIFIED PUBLIC ACCOUNTANTS

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Tipton & Company

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed the accompanying financial statements of The Tomball Sister City Organization (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

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

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Report on Summarized Comparative Information

We have previously reviewed The Tomball Sister City Organization's 2022 financial statements dated November 29, 2022. The summarized comparative information presented herein as of and for the year ended September 30, 2022, is consistent, in all material respects, with the reviewed financial statements from which it has been derived.

Tipton & Company LLC

Tipton & Company
 Certified Public Accountants
 Houston, Texas

May 23, 2024

The Tomball Sister City Organization

Statement of Financial Position

Item 3.

As of September 30, (with comparative totals for 2022)	2023	2022
Assets		
Cash and cash equivalents	\$ 215,218	\$ 255,692
Property and equipment, net	3,723	4,849
Total Assets	\$ 218,941	\$ 260,541
Liabilities and Net Assets		
Liabilities		
Deferred revenue	\$ 40,125	\$ 48,252
Accrued expenses	10,754	16,097
Total Liabilities	50,879	64,349
Net Assets		
Without donor restriction	168,062	196,192
Total Net Assets	168,062	196,192
Total Liabilities and Net Assets	\$ 218,941	\$ 260,541

The Tomball Sister City Organization

Statement of Activities

Item 3.

<i>Year ended September 30, (with comparative totals for 2022)</i>	2023 Total	2022 Total
Without Donor Restrictions		
Public Support and Revenues		
Public Support		
Tomball German Heritage Festival grant	\$ 80,000	\$ 80,000
Tomball German Christmas Market grant	80,000	80,000
Revenue		
Tomball German Heritage Festival sponsorship and fees	183,202	173,510
Tomball German Christmas Market sponsorship and fees	161,058	137,555
Other income	268	190
Total Public Support and Revenues	504,528	471,255
Expenses		
Program Activities		
Tomball German Heritage Festival	211,373	190,584
Tomball German Christmas Market	212,337	188,635
Total Program Activities	423,710	379,219
Supporting Activities		
Management and general	61,065	52,087
Fundraising	47,883	37,990
Total Supporting Activities	108,948	90,077
Total Expenses	532,658	469,296
Change in Net Assets	(28,130)	1,959
Net Assets, Beginning of Year	196,192	194,233
Net Assets, End of Year	\$ 168,062	\$ 196,192

The Tomball Sister City Organization

Statement of Functional Expenses

Year ended September 30, (with comparative totals for 2022)	Program Activities			Supporting Activities			2023 Total	2022 Total
	Tomball German Heritage Festival	Tomball German Christmas Market	Total Program Activities	Management & General	Fundraising	Total Supporting Activities		
Salaries and related expenses								
Salaries and wages	\$ 12,471	\$ 12,471	\$ 24,942	\$ 14,965	\$ 9,977	\$ 24,942	\$ 49,884	\$ 49,300
Payroll taxes	992	992	1,984	1,190	793	1,983	3,967	3,771
Employee benefits	58	58	116	69	46	115	231	237
Total salaries and related expenses	13,521	13,521	27,042	16,224	10,816	27,040	54,082	53,308
Other Expenses								
Advertising	19,144	17,461	36,605	-	36,605	36,605	73,210	53,086
Auto	-	-	-	1,454	-	1,454	1,454	2,253
Depreciation	-	-	-	1,126	-	1,126	1,126	1,126
Distributors	93,588	105,903	199,491	-	-	-	199,491	179,562
Donations	-	-	-	3,861	-	3,861	3,861	1,000
Dues	-	-	-	5,257	-	5,257	5,257	5,104
Equipment rental	-	-	-	-	-	-	-	13,720
Exchange students	3,859	3,859	7,718	-	-	-	7,718	8,368
Hospitality	934	2,252	3,186	-	-	-	3,186	4,912
Insurance	-	-	-	7,670	-	7,670	7,670	8,088
Maintenance	-	-	-	2,023	-	2,023	2,023	750
Miscellaneous	-	265	265	3,030	-	3,030	3,295	2,932
Postage	-	-	-	235	-	235	235	256
Professional fees	-	-	-	5,000	-	5,000	5,000	-
Security	3,580	3,420	7,000	-	-	-	7,000	3,430
Service fees	478	478	956	884	382	1,266	2,222	2,054
Storage	-	-	-	1,246	-	1,246	1,246	2,036
Supplies	6,655	5,107	11,762	-	-	-	11,762	4,020
Taxes	101	101	202	121	80	201	403	2,064
Travel and entertainment	69,513	59,287	128,800	5,619	-	5,619	134,419	111,638
Utilities	-	-	-	6,143	-	6,143	6,143	5,619
Volunteers	-	683	683	-	-	-	683	500
Website	-	-	-	1,172	-	1,172	1,172	3,470
Total Other Expenses	197,852	198,816	396,668	44,841	37,067	81,908	478,576	415,988
Total Expenses	\$ 211,373	\$ 212,337	\$ 423,710	\$ 61,065	\$ 47,883	\$ 108,948	\$ 532,658	\$ 469,296

See accompanying notes and independent accountants' review report.

The Tomball Sister City Organization

Statement of Cash Flows

Item 3.

Year ended September 30, (with comparative totals for 2022)	2023	2022
Cash Flows from Operating Activities		
Change in Net Assets	\$ (28,130)	\$ 1,959
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation expense	1,126	1,126
Change in operating assets and liabilities:		
Deferred revenue	(8,127)	14,336
Accrued expenses	(5,343)	2,041
Total Adjustments	(12,344)	17,503
Net Change from Operating Activities	(40,474)	19,462
Net Change in Cash and Cash Equivalents	(40,474)	
Cash and Cash Equivalents, beginning of year	255,692	236,230
Cash and Cash Equivalents, end of year	\$ 215,218	\$ 255,692

See accompanying notes and independent accountants' review report.

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

The Tomball Sister City Organization

Item 3.

Notes to Financial Statements

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

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

Computers	2 years
Trailers	5 - 15 years

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

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

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

Contributed Nonfinancial Assets – Contributed nonfinancial assets are recognized as contributions at fair value when an unconditional commitment is received from the donor. The related expense is recognized as the item is used. Contributed services are recognized as support at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service, and the service would typically need to be purchased if not donated.

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

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

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

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

Income Taxes – The Organization is a nonprofit corporation that is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code ("Code") and comparable State law, and contributions to it are tax deductible within the limitations prescribed by the Code. The Organization did not conduct any unrelated

The Tomball Sister City Organization

Notes to Financial Statements

Item 3.

business activities in the current fiscal year. Therefore, the Organization has made no provision for federal income taxes in the accompanying financial statements.

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

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

Advertising – Advertising costs are expensed as incurred. Advertising expense for the year ended September 30, 2023 and 2022 was \$73,210 and \$53,086, respectively.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of September 30, 2023, are comprised of cash and cash equivalents amounting to \$215,218.

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

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

NOTE 3 – CONCENTRATIONS

The Organization maintains cash balances at one financial institution located in Texas. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2023 and 2022, the Organization had no uninsured balances.

For the year ended September 30, 2023, one grantor accounted for thirty-one percent (31%) of total public support and revenue. For the year ended September 30, 2022, one grantor accounted for thirty-four percent (34%) of total public support and revenue.

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

The Tomball Sister City Organization

Item 3.

Notes to Financial Statements

NOTE 4 – PROPERTY AND EQUIPMENT

As of September 30, 2023 and 2022, property and equipment consist of the following:

	2023	2022
Computers	\$3,357	\$3,357
Trailers	8,248	8,248
Subtotal property and equipment	11,605	11,605
Less: accumulated depreciation	(7,882)	(6,756)
Total property and equipment, net	\$3,723	\$4,849

Depreciation expense for the years ended September 30, 2023 and 2022 was \$1,126 in both years.

NOTE 5 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 23, 2024, the date the financial statements were available to be issued. No additional events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Item 3.

Date: **MAY 21 2003**

THE TOMBALL SISTER CITY
ORGANIZATION
401 MARKET ST
TOMBALL, TX 77375

Employer Identification Number:
43-1991155
DLN:
403136001
Contact Person:
GIL STOREY ID# 52603
Contact Telephone Number:
(877) 829-5500
Internal Revenue Code
Section 501(c)(4)
Accounting Period Ending:
December 31
Form 990 Required:
Yes
Addendum Applies:
No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in the section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$100 or more during a calendar year. And, unless excepted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay \$50 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, employment, or other Federal taxes, please address them to this office.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth

Letter 948 (DO/CG)

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: September 23, 2024

Topic:

Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2024-2025 Hotel Occupancy Tax Funds for the 2024 Holiday Parade.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Sueanne Larson, Finance Manager

FUNDING (IF APPLICABLE)

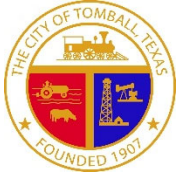
Are funds specifically designated in the current budget for the full amount required for this purpose?

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

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

Signed Bragg Farmer
Finance Director 9/6/2024

Approved by _____
City Manager _____ Date _____



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 6/21/2024
 Name of Organization/Business: Greater Tomball Area Chamber of Commerce
 Street Address: 29201 Quinn Road, Suite B
 City: Tomball State: TX Zip Code: 77375
 Contact Name: Brandy Beyer
 Phone Number: 281.351.7222 Email: bbeyer@tomballchamber.org

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

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

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

Yes No

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

Select all categories that apply.

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

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Tomball Holiday Parade

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

Date(s) of event/expenditure: November 23, 2024

Location of event/expenditure: Main Street

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

Estimated local attendees: 25,000 Estimated out of town attendees: 10,000

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

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

come from out of town for the parade and will choose to stay in Tomball either the night prior to the early morning event, or after to enjoy their visit to Tomball.

Our Miss Tomball contestants, who participate in the parade, have many out of town family members that will come to town to support them. They will stay evening prior and the following evening, as the pageant follows the parade.

Amount of funding requested: \$ 20,000

Current operating budget for the event/expenditure: \$ 55,900

Total funding dedicated to advertising/promotion of event/expenditure: \$ 5,000

Organization's direct contribution to the operating and advertising budget: \$ 55,900


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

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

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

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

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

Applicant Signature: Brandy Beyer  Digitally signed by Brandy Beyer
 Date: 2024.07.01 11:24:11 -05'00'

Applicant Name: Brandy Beyer

Required Documents:

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

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

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

2024 Tomball Holiday Parade Budget

Candy for children	200.00
Breakfast for special guests	2,000.00
Clean-Up	900.00
Port-o-Pottie	1,400.00
Advertising	5,000.00
Security	6,000.00
Debriefing Meeting	300.00
Supplies	1,000.00
Coins	1,100.00
Personnel	30,000.00
Entertainment	8,000.00

Total Expenses: 55,900.00

Grant Request 20,000.00

Greater Tomball Area Chamber of Commerce
2024 Budget Overview
 January through December 2024

Item 4.

	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	TOTAL Jan - Dec 24
Ordinary Income/Expense													
Income													
Rent Income	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	64,620.00
Capital Campaign	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	36,000.00
Health & Wellness	1,500.00		500.00	1,000.00	1,000.00	4,000.00	1,000.00	1,000.00	2,000.00	3,000.00			15,000.00
Hotel/Motel Tax									45,000.00				45,000.00
First Friday	3,500.00	3,500.00	3,500.00	3,000.00	3,000.00	3,000.00	2,000.00	3,000.00	3,500.00	3,000.00	3,000.00	3,000.00	37,000.00
Networking Breakfast	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	500.00	500.00	5,000.00
Women's Committee	900.00	900.00	0.00	900.00	400.00	900.00	0.00	400.00	23,000.00	900.00	900.00	800.00	30,000.00
Tomball Leadership Day					5,000.00								5,000.00
Interest Income	3,600.00	250.00	250.00	3,700.00	250.00	250.00	3,700.00	250.00	250.00	3,800.00	250.00	250.00	16,800.00
Membership Dues													
New	10,000.00	10,000.00	5,000.00	4,000.00	4,000.00	5,000.00	5,000.00	5,000.00	8,000.00	7,000.00	7,000.00	5,000.00	75,000.00
Allowance Non-Renewal	-5,979.50	-6,958.50	-4,178.50	-3,566.00	-2,317.75	-3,248.00	-2,415.25	-3,769.00	-4,525.75	-4,742.25	-3,187.75	-2,369.50	-47,257.75
Renewal	59,795.00	69,585.00	41,785.00	35,660.00	23,177.50	32,480.00	24,152.50	37,690.00	45,257.50	47,422.50	31,877.50	23,695.00	472,577.50
Total Membership Dues	63,815.50	72,626.50	42,606.50	36,094.00	24,859.75	34,232.00	26,737.25	38,921.00	48,731.75	49,680.25	35,689.75	26,325.50	500,319.75
Miscellaneous Income	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	2,640.00
Publications/Products													
Magazine/Map/Website	250.00			2,000.00	12,250.00		250.00			250.00			15,000.00
Total Publications	250.00	0.00	0.00	2,000.00	12,250.00	0.00	250.00	0.00	0.00	250.00	0.00	0.00	15,000.00
Special Events													
Banquet	10,000.00	25,000.00											35,000.00
Golf Classic		10,000.00	12,000.00	15,000.00									37,000.00
Tomball Night						10,000.00	20,000.00	5,000.00					35,000.00
Holiday Parade						15,000.00			3,000.00	15,000.00	12,000.00		45,000.00
Miss Tomball Pageant									4,000.00	18,000.00	13,000.00		35,000.00
Total Special Events	10,000.00	35,000.00	12,000.00	15,000.00	0.00	25,000.00	20,000.00	5,000.00	7,000.00	33,000.00	25,000.00	0.00	187,000.00
Total Income	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Total Income	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Gross Profit	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Expense													
Building Expense													
Alarm	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Cleaning	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	8,880.00
Electricity	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	12,600.00
Building Interest	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	26,400.00
Reimbursed by tenants	-2,000.00	-720.00	-720.00	-1,300.00	-720.00	-720.00	-1,300.00	-720.00	-720.00	-1,400.00	-720.00	-720.00	-11,760.00
Repairs/Maintenance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	0.00

Greater Tomball Area Chamber of Commerce
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Item 4.

	<u>Jan 24</u>	<u>Feb 24</u>	<u>Mar 24</u>	<u>Apr 24</u>	<u>May 24</u>	<u>Jun 24</u>	<u>Jul 24</u>	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>TOTAL</u> <u>Jan - Dec 24</u>
Total Building Expense	3,015.00	4,295.00	4,295.00	3,715.00	4,295.00	4,295.00	3,715.00	4,295.00	4,295.00	3,615.00	4,295.00	4,295.00	48,420.00
Accounting Expense	4,100.00	1,000.00									2,500.00		7,600.00
Advertising							2,000.00	2,000.00		1,000.00	3,000.00		8,000.00
Bad Debt Expense	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	10,000.00	4,000.00	20,000.00	70,000.00
Health & Wellness		1,000.00			1,000.00			1,000.00	4,000.00	4,000.00			11,000.00
First Friday	3,000.00	3,500.00	3,000.00	3,000.00	2,500.00	2,500.00	2,500.00	3,000.00	3,000.00	3,000.00	2,500.00	2,500.00	34,000.00
Networking Breakfast	150.00	150.00	150.00	100.00	150.00	150.00	100.00	100.00	150.00	150.00	150.00	200.00	1,700.00
Women's Committee	900.00	900.00	0.00	900.00	900.00	900.00	0.00	900.00	2,000.00	900.00	900.00	10,800.00	20,000.00
Tomball Leadership Day					5,000.00								5,000.00
Young Professionals	100.00			100.00			100.00			100.00			400.00
Bank Fees	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	14,400.00
Board of Directors		500.00							3,000.00	3,700.00	300.00		7,500.00
Dues and Subscriptions	1,130.00				500.00			750.00			50.00	1,112.00	3,542.00
Employee Expense													
SUTA	1,200.00	500.00	200.00	100.00									2,000.00
Development	1,500.00	1,550.00			2,000.00	2,000.00	5,000.00	1,150.00	300.00	1,500.00			15,000.00
FUTA	100.00	40.00	30.00	5.00									175.00
Group Insurance	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	4,000.00	4,000.00	4,000.00	4,000.00	40,136.00
Cell Phone Allowance	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	3,360.00
Payroll Services	480.00	600.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	5,880.00
Payroll Taxes	2,050.00	2,100.00	2,050.00	2,100.00	2,050.00	2,050.00	2,050.00	2,100.00	2,050.00	2,050.00	2,150.00	3,020.00	25,820.00
Salaries													
TACC	32,450.00	34,000.00	32,450.00	34,000.00	32,450.00	32,450.00	32,450.00	34,000.00	32,450.00	32,450.00	35,000.00	32,450.00	396,600.00
Bonus													17,300.00
Contract Labor		100.00	100.00			100.00		100.00		100.00	100.00		600.00
Total Salaries	<u>32,450.00</u>	<u>34,100.00</u>	<u>32,550.00</u>	<u>34,000.00</u>	<u>32,450.00</u>	<u>32,550.00</u>	<u>32,450.00</u>	<u>34,100.00</u>	<u>32,450.00</u>	<u>32,550.00</u>	<u>35,100.00</u>	<u>49,750.00</u>	<u>414,500.00</u>
Total Employee Expense	41,077.00	42,187.00	38,607.00	39,982.00	40,277.00	40,377.00	43,277.00	41,127.00	39,560.00	40,860.00	42,010.00	57,530.00	506,871.00
Insurance													
Worker's Compensation	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	483.96
Officer & Director Liability	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	1,761.96
General Liab.	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	8,253.00
Total Insurance	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>10,498.92</u>
Membership/Misc. Expense	2,000.00	2,500.00	800.00	800.00	2,000.00	600.00	1,000.00	1,800.00	500.00	1,000.00	1,000.00	2,500.00	16,500.00
Office Equipment Expense													
Database	6,250.00												6,250.00
Computer Maintenance	300.00	300.00	2,000.00	300.00	300.00	300.00	300.00	300.00	300.00	800.00	300.00	300.00	5,800.00
Copier Lease	500.00	900.00	800.00	500.00	700.00	700.00	900.00	1,000.00	500.00	600.00	400.00	500.00	8,000.00
Pitney Bowes			600.00			600.00			600.00			600.00	2,400.00
Total Office Equip Expense	<u>7,050.00</u>	<u>1,200.00</u>	<u>3,400.00</u>	<u>800.00</u>	<u>1,000.00</u>	<u>1,600.00</u>	<u>1,200.00</u>	<u>1,300.00</u>	<u>1,400.00</u>	<u>1,400.00</u>	<u>700.00</u>	<u>1,400.00</u>	<u>22,450.00</u>
Office Supplies	750.00	300.00	500.00	800.00	1,000.00	100.00	500.00	300.00	300.00	300.00	750.00	2,400.00	

Greater Tomball Area Chamber of Commerce
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 January through December 2024

Item 4.

	<u>Jan 24</u>	<u>Feb 24</u>	<u>Mar 24</u>	<u>Apr 24</u>	<u>May 24</u>	<u>Jun 24</u>	<u>Jul 24</u>	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>TOTAL</u> <u>Jan - Dec 24</u>
Postage & Delivery	0.00	500.00	500.00	500.00	0.00	500.00	0.00	0.00	0.00	500.00	0.00	100.00	2,600.00
Property Tax Expense	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	16,455.72
Income Tax Expense	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	7,601.04
Rent	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	1,584.00
Special Events													
Banquet		12,000.00	1,000.00										13,000.00
Golf Classic				1,000.00	15,000.00								16,000.00
Tomball Night							1,000.00	11,000.00					12,000.00
Holiday Parade									1,000.00	1,000.00	21,000.00	1,000.00	24,000.00
Miss Tomball Pageant													
Scholarship Expense											10,000.00		10,000.00
Pageant - Other										500.00	5,000.00	7,500.00	13,000.00
Total Miss Tomball										<u>500.00</u>	<u>15,000.00</u>	<u>7,500.00</u>	<u>23,000.00</u>
Total Special Events	0.00	12,000.00	1,000.00	1,000.00	15,000.00	0.00	1,000.00	11,000.00	1,000.00	1,500.00	36,000.00	8,500.00	88,000.00
Telephone Expenses	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	7,020.00
Travel & Entertainment	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	960.00
Total Expense	<u>72,148.64</u>	<u>78,908.64</u>	<u>61,128.64</u>	<u>60,573.64</u>	<u>82,498.64</u>	<u>59,898.64</u>	<u>64,268.64</u>	<u>76,448.64</u>	<u>68,081.64</u>	<u>76,901.64</u>	<u>103,031.64</u>	<u>116,213.64</u>	<u>920,102.68</u>
Net Ordinary Income	<u>20,421.86</u>	<u>42,372.86</u>	<u>6,732.86</u>	<u>10,125.36</u>	<u>-26,733.89</u>	<u>16,488.36</u>	<u>-1,576.39</u>	<u>-18,872.64</u>	<u>70,405.11</u>	<u>25,733.61</u>	<u>-29,086.89</u>	<u>-76,733.14</u>	<u>39,277.07</u>
Principal Building Payment	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	37,800.00
xDepreciation Expense	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	20,460.00
Net Income	<u><u>15,566.86</u></u>	<u><u>37,517.86</u></u>	<u><u>1,877.86</u></u>	<u><u>5,270.36</u></u>	<u><u>-31,588.89</u></u>	<u><u>11,633.36</u></u>	<u><u>-6,431.39</u></u>	<u><u>-23,727.64</u></u>	<u><u>65,550.11</u></u>	<u><u>20,878.61</u></u>	<u><u>-33,941.89</u></u>	<u><u>-81,588.14</u></u>	<u><u>-18,982.93</u></u>

Greater Tomball Area Chamber of Commerce

Financial Statements and Independent Accountants' Review Report
for the Year Ended December 31, 2023
(with comparative totals for 2022)



Tipton & Company
CERTIFIED PUBLIC ACCOUNTANTS

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Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
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Tipton & Company

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed the accompanying financial statements of Greater Tomball Area Chamber of Commerce (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

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

We are required to be independent of Greater Tomball Area Chamber of Commerce and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Report on Summarized Comparative Information

We have previously audited Greater Tomball Area Chamber of Commerce's 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated June 21, 2023. The summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Tipton & Company LLC

Tipton & Company LLC
 Certified Public Accountants
 Houston, Texas

March 12, 2024

Greater Tomball Area Chamber of Commerce

Statement of Financial Position

Item 4.

<i>As of December 31, (with comparative totals for 2022)</i>	Reviewed 2023	Audited 2022
Assets		
Cash and cash equivalents	\$ 223,989	\$ 588,088
Certificate of deposit	309,821	-
Accounts receivable, net	44,907	35,249
Prepaid expenses	10,291	10,098
Property and equipment, net	825,005	855,120
Total Assets	\$ 1,414,013	\$ 1,488,555
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 31,031	\$ 28,729
Deferred revenues	192,315	175,798
Note payable	381,706	527,582
Deposits	8,300	8,300
Total Liabilities	613,352	740,409
Net Assets		
Without donor restrictions	800,661	748,146
Total Net Assets	800,661	748,146
Total Liabilities and Net Assets	\$ 1,414,013	\$ 1,488,555

Greater Tomball Area Chamber of Commerce

Statement of Activities

Item 4.

Year ended December 31, (with comparative totals for 2022)	Reviewed 2023	Audited 2022
Without Donor Restrictions		
Revenue and Support		
Membership dues	\$ 483,928	\$ 431,425
Special events revenue	204,015	176,519
Direct benefits to donors	(22,952)	(19,129)
Capital improvement campaign	36,000	33,000
First Friday luncheon	42,420	29,402
Networking Breakfast	5,375	4,980
Women's Committee	26,350	37,823
City of Tomball hotel tax revenue	35,000	35,000
Rental income	64,624	64,624
Tenant reimbursements	12,386	11,182
Ads and ad commission	25,400	17,665
Contributed nonfinancial assets	29,008	40,943
Interest and investment income	12,619	1,424
Other income	16,733	14,099
Total Revenue and Support	970,906	878,957
Expenses		
Program Services		
Business resources	325,812	270,070
Advocacy	328,349	289,561
Total Program Services	654,161	559,631
Supporting Services		
General and administrative	127,020	100,685
Fundraising	137,210	117,102
Total Supporting Services	264,230	217,787
Total Expenses	918,391	777,418
Change in Net Assets	52,515	101,539
Net Assets, Beginning of Year	748,146	646,607
Net Assets, End of Year	\$ 800,661	\$ 748,146

Greater Tomball Area Chamber of Commerce

Statement of Functional Expenses

Year ended December 31, (with comparative totals for 2022)	Program Services			Supporting Services			Reviewed	Audited
	Business Resources	Advocacy	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	2023 Total	2022 Total
Payroll and related expenses								
Salaries	\$ 124,819	\$ 124,819	\$ 249,638	\$ 31,205	\$ 31,205	\$ 62,410	\$ 312,048	\$ 237,932
Payroll taxes	10,418	10,418	20,836	2,604	2,604	5,208	26,044	19,106
Employee benefits	14,911	14,911	29,822	3,728	3,728	7,456	37,278	32,936
Total payroll and related expenses	150,148	150,148	300,296	37,537	37,537	75,074	375,370	289,974
Other expenses								
Advertising	2,692	2,692	5,384	2,692	18,846	21,538	26,922	24,550
Bad debt	17,368	17,368	34,736	17,368	17,367	34,735	69,471	77,320
Bank fees	1,352	1,352	2,704	5,414	5,414	10,828	13,532	11,188
Board expenses	-	-	-	6,305	-	6,305	6,305	8,809
Computer maintenance	1,857	1,857	3,714	464	464	928	4,642	4,340
Contract labor	26,579	26,579	53,158	6,645	6,645	13,290	66,448	67,306
Depreciation	12,046	12,046	24,092	3,011	3,012	6,023	30,115	30,104
Dues and subscriptions	1,948	1,948	3,896	487	487	974	4,870	3,971
Employee development	4,906	4,906	9,812	1,226	1,226	2,452	12,264	6,800
Equipment lease	4,885	4,885	9,770	1,221	1,221	2,442	12,212	10,098
First Friday	37,020	-	37,020	-	-	-	37,020	31,047
Health committee	11,046	-	11,046	-	-	-	11,046	6,918
Insurance	4,122	4,122	8,244	1,031	1,031	2,062	10,306	10,042
Interest	6,776	6,776	13,552	1,694	1,694	3,388	16,940	21,408
Miscellaneous	6,410	8,373	14,783	6,276	3	6,279	21,062	13,569
Networking breakfast	1,617	-	1,617	-	-	-	1,617	159
Office supplies	2,277	2,277	4,554	569	569	1,138	5,692	6,396
Payroll service	2,352	2,352	4,704	588	588	1,176	5,880	5,898
Postage and delivery	866	433	1,299	433	1,156	1,589	2,888	3,052
Professional fees	-	-	-	16,005	-	16,005	16,005	7,505
Rent	593	593	1,186	148	148	296	1,482	1,360
Repairs and maintenance	10,078	10,078	20,156	2,519	2,519	5,038	25,194	18,036
Software	2,394	2,394	4,788	599	599	1,198	5,986	5,614
Special events	2,375	37,317	39,692	-	56,110	56,110	95,802	70,586
Taxes - income	-	-	-	10,542	-	10,542	10,542	2,160
Taxes - property	6,318	6,318	12,636	1,580	1,580	3,160	15,796	13,920
Telephone	2,806	2,806	5,612	701	701	1,402	7,014	6,687
Travel and entertainment	-	-	-	720	-	720	720	760
Utilities	4,981	4,981	9,962	1,245	1,245	2,490	12,452	11,006
Womens Committee	-	15,748	15,748	-	-	-	15,748	25,964
Total other expenses	175,664	178,201	353,865	89,483	122,625	212,108	565,973	506,573
Subtotal	325,812	328,349	654,161	127,020	160,162	287,182	941,343	796,547
Less: Direct benefit to donor	-	-	-	-	(22,952)	(22,952)	(22,952)	(19,129)
Total Expenses	\$ 325,812	\$ 328,349	\$ 654,161	\$ 127,020	\$ 137,210	\$ 264,230	\$ 918,391	\$ 777,418

See accompanying notes and independent accountants' review report.

Greater Tomball Area Chamber of Commerce

Statement of Cash Flows

Item 4.

<i>Year Ended December 31, (with comparative totals for 2022)</i>	Reviewed 2023	Audited 2022
Cash Flows From Operating Activities		
Change in net assets	\$ 52,515	\$ 101,539
Adjustments to reconcile change in net assets to net change in operating activities:		
Unrealized (gain)/loss on certificate of deposit	(9,821)	-
Depreciation	30,115	30,104
Bad debt expense	69,471	77,320
Changes in assets and liabilities:		
Accounts receivable	(79,129)	(71,721)
Prepaid expenses	(193)	(263)
Accrued expenses	2,302	12,198
Deferred revenues	16,517	25,913
Total Adjustments	29,262	73,551
Net Change in Operating Activities	81,777	175,090
Cash Flows From Investing Activities		
Purchases of certificate of deposit	(300,000)	-
Purchases of property and equipment	-	(1,219)
Net Change in Investing Activities	(300,000)	(1,219)
Cash Flows From Financing Activities		
Payments on note payable	(145,876)	(45,733)
Net Change in Financing Activities	(145,876)	(45,733)
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, beginning of year	588,088	459,950
Cash and Cash Equivalents, end of year	\$ 223,989	\$ 588,088
Supplemental Disclosures:		
Interest paid	\$ 16,940	\$ 21,408
Federal income taxes paid	\$ 10,542	\$ 2,160

See accompanying notes and independent accountants' review report.

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

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

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

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

Basis of Accounting

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

Basis of Presentation

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

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

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Cash and Cash Equivalents

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

Certificates of Deposit

The Chamber has a certificate of deposit totaling \$309,821 bearing interest at 4.33% and maturing January 2024, with an early withdrawal penalty of 360 days of interest.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2023 and 2022, the allowance for bad debts was \$7,021 and \$7,021, respectively.

Property and Equipment

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

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

Contributed Nonfinancial Assets

Donated goods are recognized at fair value as contributions when an unconditional commitment is received from the donor. The related expense is recognized as the item is used or sold. All donated goods were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the donated services and assets. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Deferred Revenue

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

Use of Estimates

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

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 4.

Membership Dues

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

Functional Allocation of Expenses

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

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

Income Taxes

The Chamber is operating as a not-for-profit corporation, under Section 501(c)(6) of the Internal Revenue Code, and is not subject to income taxes with the exception of unrelated business income. The Chamber conducted unrelated business activities during the current year. Therefore, the Chamber paid \$10,542 and \$2,160 for federal income taxes in the years ended December 31, 2023 and 2022, respectively.

The Chamber applies the provisions of FASB ASC Topic 740, Income Taxes, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Topic 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. As of December 31, 2023 and 2022, no uncertain tax positions were identified.

Leases

The Chamber accounts for leases in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 842, *Leases*. Leases are evaluated using the criteria in FASB ASC 842 to determine whether they will be classified as operating leases or finance leases. The Chamber determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. The Chamber determines if an arrangement conveys the right to use an identified asset and whether the Chamber obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. The Chamber recognizes a lease liability and right-of-use (ROU) asset at the commencement date of the lease. The Chamber has elected to not recognize ROU assets and lease liabilities for short-term leases that have an initial lease term of 12 months or less and for leases that management deems immaterial.

Lease liabilities - Lease liabilities are measured based on the present value of future lease payments using the risk-free rate.

Right of use (ROU) assets - ROU assets are recognized at the present value of the lease payments at inception of the lease adjusted, as appropriate, for certain other payments and allowances related to obtaining the lease

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

and placing the asset in service. Lease expense is recognized on a straight-line basis as rent expense in the statement of functional expenses.

Advertising Cost

Advertising costs are expensed when incurred. Advertising costs for the years ended December 31, 2023 and 2022 amounted to \$26,922 and \$24,550, respectively.

Newly Adopted Accounting Pronouncements

Contributed Nonfinancial Assets

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

Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The ASU requires most leases to be recognized on the statement of financial position as lease assets and lease liabilities and requires both quantitative and qualitative disclosures regarding key information about leasing arrangements. The Organization adopted the new guidance effective July 1, 2022 using the modified retrospective method. Comparative information for fiscal year 2022 has not been restated and continues to be reported under Accounting Standards Codification (ASC) 840. There was no cumulative effect on beginning net assets for the year ended June 30, 2023.

NOTE 2 – LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2023, comprise the following:

<u>Financial assets:</u>	
Cash and cash equivalents	\$223,989
Certificate of deposit	309,821
Accounts receivable, net	44,907
Financial assets available to meet cash needs for general expenditures within one year	<u>\$578,717</u>

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Chamber considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Chamber sets a goal of having financial assets on hand to meet a minimum of 90 days of normal operating expenses, which are, on average, around \$68,000. As part of its liquidity management, the Chamber has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 4.

NOTE 3 – CONCENTRATION OF CREDIT RISKS

The Chamber maintains its cash and certificate of deposit balances in a local bank. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Management periodically assesses the financial condition of the financial institutions and believes that any possible credit risk is minimal. As of December 31, 2023 and 2022, the Chamber had approximately \$284,000 and \$338,000, respectively, of cash certificate of deposit balances that were not insured by the FDIC. The Chamber has not experienced any losses in such accounts and believes the risk of future loss is mitigated by monitoring the balances and the financial institutions where the cash is deposited.

NOTE 4 – PROPERTY AND EQUIPMENT

As of December 31, 2023 and 2022, property, plant and equipment consisted of the following:

	Reviewed 2023	Audited 2022
Building and improvements	\$1,112,383	\$1,112,383
Computers and software	17,517	17,517
Office equipment	14,321	14,321
Furniture and fixtures	17,990	17,990
Land	145,000	145,000
Total property and equipment, gross	1,307,211	1,307,211
Less: Accumulated depreciation	(482,206)	(452,091)
Total property and equipment, net	\$825,005	\$855,120

Depreciation expense charged to operations for the years ended December 31, 2023 and 2022 was \$30,115 and \$30,104, respectively.

NOTE 5 – RENTAL INCOME

The Chamber generates rental income from leasing its office space to lessees. As the lessor, the Chamber is required to first determine whether the lease is an operating lease or a finance lease. A finance lease is one in which the risks and rewards inherent in the asset are transferred to the lessee. An operating lease is one in which the risks and rewards inherent in the asset are not transferred to the lessee. Only finance leases are required to be capitalized on the statement of financial position.

The Chamber leases office space to three other organizations as follows and as the risks and reward inherent in the asset are not transferred to the lessee, it has been determined that these leases are operating leases, so these leases have not been capitalized on the statement of financial position:

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

For the years ended December 31, 2023 and 2022, rental income was \$64,624 in both years.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 4.

Future minimum rentals expected to be collected are as follows:

For the years ending December 31,	
2024	\$ 39,140
Thereafter	-
Total	\$ 39,140

NOTE 6 – LEASE AGREEMENTS

The Chamber has entered into noncancelable operating leases that expire in 2024 and 2026. For the years ended December 31, 2023 and 2022, the total rental expense under these leases was \$13,694 and \$11,458, respectively. The Chamber's lease arrangements are not recognized in the statement of financial position as they are immaterial. Future minimum lease payments are as follows:

For the years ending December 31,	
2024	\$2,749
2025	1,969
2026	492
Thereafter	-
Total	\$5,210

NOTE 7 – NOTE PAYABLE

The Chamber had a note payable due in monthly installments to a financial institution for an office building in the amount of \$6,729 for 83 months beginning January 10, 2010 through November 10, 2016. This note was secured by the Quinn Road office building, with interest at 5% through October 9, 2021. On December 10, 2016, a balloon payment of any unpaid principal and interest became due and payable, at which time the loan was modified to require monthly installments of \$5,595 at the same interest rate and terms and to become due and payable on December 10, 2023. Effective October 10, 2021, the interest rate was modified to 4%, requiring the same monthly installments and due date. In December 2023, the interest rate was modified to 7% and the note is due and payable on demand. If demand is not earlier made, the note shall be due and payable in monthly payments of principal and interest of \$5,224, commencing on January 10, 2024 through December 10, 2026, when the entire amount remaining unpaid shall be due and payable.

As of December 31, 2023 and 2022, the balance was \$381,706 and \$527,582, respectively. Future scheduled maturities of the note payable are as follows:

For the years ending December 31,	
2024	\$381,706
Thereafter	-
Total	\$381,706

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 4.

NOTE 8 – CONCENTRATIONS

For the years ended December 31, 2023 and 2022, respectively, approximately fifty percent (50%) and forty-nine percent (49%) of the Chamber's total revenue and support came from membership dues.

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

NOTE 9 – CONTRIBUTED NONFINANCIAL ASSETS

For the years ended December 31, 2023 and 2022, the Chamber's contributed nonfinancial assets consist of the following:

	2023	2022
Advertising	\$22,720	\$22,720
Repairs and maintenance	6,600	6,600
Supplies	4,500	3,500
Venues	6,300	5,300
Miscellaneous	3,348	2,823
Total contributed nonfinancial assets	\$43,468	\$40,943

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

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 12, 2024, the date the financial statements were available to be issued. No events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

**GREATER TOMBALL AREA CHAMBER OF COMMERCE
2024 BOARD OF DIRECTORS**

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Item 4.

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Request for Taxpayer Identification Number and Certification

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

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

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)
Greater Tomball Area Chamber of Commerce

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

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.
 Individual/sole proprietor C corporation S corporation Partnership Trust/estate
 LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) _____
Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.
 Other (see instructions) _____

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
 Exempt payee code (if any) _____
 Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) _____
(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See Instructions

5 Address (number, street, and apt. or suite no.). See instructions.
PO Box 516

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

7 List account number(s) here (optional)

Requester's name and address (optional)

Print or type.
See Specific Instructions on page 3.

Part I Taxpayer Identification Number (TIN)

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

Social security number

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

or

Employer identification number

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

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

Part II Certification

Under penalties of perjury, I certify that:

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

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

Sign Here Signature of U.S. person *Bryan B* Date *4/1/24*

General Instructions

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

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

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: September 23, 2024

Topic:

Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2024-2025 Hotel Occupancy Tax Funds for the 2025 Tomball Night.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Sueanne Larson, Finance Manager

FUNDING (IF APPLICABLE)

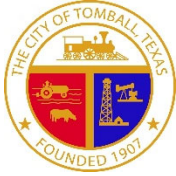
Are funds specifically designated in the current budget for the full amount required for this purpose?

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

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

Signed Bragg Farmer
Finance Director 9/6/2024

Approved by _____
City Manager _____ Date _____



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 6/21/2024
 Name of Organization/Business: Greater Tomball Area Chamber of Commerce
 Street Address: 29201 Quinn Road, Suite B
 City: Tomball State: TX Zip Code: 77375
 Contact Name: Brandy Beyer
 Phone Number: 281.351.7222 Email: bbeyer@tomballchamber.org

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

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

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

Yes No

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

Select all categories that apply.

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

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Tomball Night

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

Date(s) of event/expenditure: August 1, 2025

Location of event/expenditure: Main Street and Market Street

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

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

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

How will you measure the impact of your event on local overnight accommodations? Many vendors/entries

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

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

Amount of funding requested: \$ 15,000

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

Total funding dedicated to advertising/promotion of event/expenditure: \$ 5,000

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


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

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

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

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

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

Applicant Signature: Brandy Beyer  Digitally signed by Brandy Beyer
 Date: 2024.07.01 11:23:27 -05'00'

Applicant Name: Brandy Beyer

Required Documents:

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

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

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

2025 Tomball Night Budget

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

Total Expenses: 46,950.00

Grant Request: 15,000.00

**Greater Tomball Area Chamber of Commerce
2024 Budget Overview
January through December 2024**

Item 5.

	<u>Jan 24</u>	<u>Feb 24</u>	<u>Mar 24</u>	<u>Apr 24</u>	<u>May 24</u>	<u>Jun 24</u>	<u>Jul 24</u>	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>TOTAL Jan - Dec 24</u>
Ordinary Income/Expense													
Income													
Rent Income	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	64,620.00
Capital Campaign	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	36,000.00
Health & Wellness	1,500.00		500.00	1,000.00	1,000.00	4,000.00	1,000.00	1,000.00	2,000.00	3,000.00			15,000.00
Hotel/Motel Tax									45,000.00				45,000.00
First Friday	3,500.00	3,500.00	3,500.00	3,000.00	3,000.00	3,000.00	2,000.00	3,000.00	3,500.00	3,000.00	3,000.00	3,000.00	37,000.00
Networking Breakfast	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	500.00	500.00	5,000.00
Women's Committee	900.00	900.00	0.00	900.00	400.00	900.00	0.00	400.00	23,000.00	900.00	900.00	800.00	30,000.00
Tomball Leadership Day					5,000.00								5,000.00
Interest Income	3,600.00	250.00	250.00	3,700.00	250.00	250.00	3,700.00	250.00	250.00	3,800.00	250.00	250.00	16,800.00
Membership Dues													
New	10,000.00	10,000.00	5,000.00	4,000.00	4,000.00	5,000.00	5,000.00	5,000.00	8,000.00	7,000.00	7,000.00	5,000.00	75,000.00
Allowance Non-Renewal	-5,979.50	-6,958.50	-4,178.50	-3,566.00	-2,317.75	-3,248.00	-2,415.25	-3,769.00	-4,525.75	-4,742.25	-3,187.75	-2,369.50	-47,257.75
Renewal	59,795.00	69,585.00	41,785.00	35,660.00	23,177.50	32,480.00	24,152.50	37,690.00	45,257.50	47,422.50	31,877.50	23,695.00	472,577.50
Total Membership Dues	63,815.50	72,626.50	42,606.50	36,094.00	24,859.75	34,232.00	26,737.25	38,921.00	48,731.75	49,680.25	35,689.75	26,325.50	500,319.75
Miscellaneous Income	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	2,640.00
Publications/Products													
Magazine/Map/Website	250.00			2,000.00	12,250.00		250.00			250.00			15,000.00
Total Publications	250.00	0.00	0.00	2,000.00	12,250.00	0.00	250.00	0.00	0.00	250.00	0.00	0.00	15,000.00
Special Events													
Banquet	10,000.00	25,000.00											35,000.00
Golf Classic		10,000.00	12,000.00	15,000.00									37,000.00
Tomball Night						10,000.00	20,000.00	5,000.00					35,000.00
Holiday Parade						15,000.00			3,000.00	15,000.00	12,000.00		45,000.00
Miss Tomball Pageant									4,000.00	18,000.00	13,000.00		35,000.00
Total Special Events	10,000.00	35,000.00	12,000.00	15,000.00	0.00	25,000.00	20,000.00	5,000.00	7,000.00	33,000.00	25,000.00	0.00	187,000.00
Total Income	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Total Income	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Gross Profit	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Expense													
Building Expense													
Alarm	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Cleaning	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	8,880.00
Electricity	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	12,600.00
Building Interest	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	26,400.00
Reimbursed by tenants	-2,000.00	-720.00	-720.00	-1,300.00	-720.00	-720.00	-1,300.00	-720.00	-720.00	-1,400.00	-720.00	-720.00	-11,760.00
Repairs/Maintenance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	0

Greater Tomball Area Chamber of Commerce
2024 Budget Overview
 January through December 2024

Item 5.

	<u>Jan 24</u>	<u>Feb 24</u>	<u>Mar 24</u>	<u>Apr 24</u>	<u>May 24</u>	<u>Jun 24</u>	<u>Jul 24</u>	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>TOTAL</u> <u>Jan - Dec 24</u>
Total Building Expense	3,015.00	4,295.00	4,295.00	3,715.00	4,295.00	4,295.00	3,715.00	4,295.00	4,295.00	3,615.00	4,295.00	4,295.00	48,420.00
Accounting Expense	4,100.00	1,000.00									2,500.00		7,600.00
Advertising							2,000.00	2,000.00		1,000.00	3,000.00		8,000.00
Bad Debt Expense	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	10,000.00	4,000.00	20,000.00	70,000.00
Health & Wellness		1,000.00			1,000.00			1,000.00	4,000.00	4,000.00			11,000.00
First Friday	3,000.00	3,500.00	3,000.00	3,000.00	2,500.00	2,500.00	2,500.00	3,000.00	3,000.00	3,000.00	2,500.00	2,500.00	34,000.00
Networking Breakfast	150.00	150.00	150.00	100.00	150.00	150.00	100.00	100.00	150.00	150.00	150.00	200.00	1,700.00
Women's Committee	900.00	900.00	0.00	900.00	900.00	900.00	0.00	900.00	2,000.00	900.00	900.00	10,800.00	20,000.00
Tomball Leadership Day					5,000.00								5,000.00
Young Professionals	100.00			100.00			100.00			100.00			400.00
Bank Fees	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	14,400.00
Board of Directors		500.00							3,000.00	3,700.00	300.00		7,500.00
Dues and Subscriptions	1,130.00				500.00			750.00			50.00	1,112.00	3,542.00
Employee Expense													
SUTA	1,200.00	500.00	200.00	100.00									2,000.00
Development	1,500.00	1,550.00			2,000.00	2,000.00	5,000.00	1,150.00	300.00	1,500.00			15,000.00
FUTA	100.00	40.00	30.00	5.00									175.00
Group Insurance	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	4,000.00	4,000.00	4,000.00	4,000.00	40,136.00
Cell Phone Allowance	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	3,360.00
Payroll Services	480.00	600.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	5,880.00
Payroll Taxes	2,050.00	2,100.00	2,050.00	2,100.00	2,050.00	2,050.00	2,050.00	2,100.00	2,050.00	2,050.00	2,150.00	3,020.00	25,820.00
Salaries													
TACC	32,450.00	34,000.00	32,450.00	34,000.00	32,450.00	32,450.00	32,450.00	34,000.00	32,450.00	32,450.00	35,000.00	32,450.00	396,600.00
Bonus													17,300.00
Contract Labor		100.00	100.00			100.00		100.00		100.00	100.00		600.00
Total Salaries	<u>32,450.00</u>	<u>34,100.00</u>	<u>32,550.00</u>	<u>34,000.00</u>	<u>32,450.00</u>	<u>32,550.00</u>	<u>32,450.00</u>	<u>34,100.00</u>	<u>32,450.00</u>	<u>32,550.00</u>	<u>35,100.00</u>	<u>49,750.00</u>	<u>414,500.00</u>
Total Employee Expense	41,077.00	42,187.00	38,607.00	39,982.00	40,277.00	40,377.00	43,277.00	41,127.00	39,560.00	40,860.00	42,010.00	57,530.00	506,871.00
Insurance													
Worker's Compensation	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	483.96
Officer & Director Liability	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	1,761.96
General Liab.	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	687.75	8,253.00
Total Insurance	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>874.91</u>	<u>10,498.92</u>
Membership/Misc. Expense	2,000.00	2,500.00	800.00	800.00	2,000.00	600.00	1,000.00	1,800.00	500.00	1,000.00	1,000.00	2,500.00	16,500.00
Office Equipment Expense													
Database	6,250.00												6,250.00
Computer Maintenance	300.00	300.00	2,000.00	300.00	300.00	300.00	300.00	300.00	300.00	800.00	300.00	300.00	5,800.00
Copier Lease	500.00	900.00	800.00	500.00	700.00	700.00	900.00	1,000.00	500.00	600.00	400.00	500.00	8,000.00
Pitney Bowes			600.00			600.00			600.00			600.00	2,400.00
Total Office Equip Expense	<u>7,050.00</u>	<u>1,200.00</u>	<u>3,400.00</u>	<u>800.00</u>	<u>1,000.00</u>	<u>1,600.00</u>	<u>1,200.00</u>	<u>1,300.00</u>	<u>1,400.00</u>	<u>1,400.00</u>	<u>700.00</u>	<u>1,400.00</u>	<u>22,450.00</u>
Office Supplies	750.00	300.00	500.00	800.00	1,000.00	100.00	500.00	300.00	300.00	300.00	750.00	2,400.00	

Greater Tomball Area Chamber of Commerce
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Item 5.

	<u>Jan 24</u>	<u>Feb 24</u>	<u>Mar 24</u>	<u>Apr 24</u>	<u>May 24</u>	<u>Jun 24</u>	<u>Jul 24</u>	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>TOTAL</u> <u>Jan - Dec 24</u>
Postage & Delivery	0.00	500.00	500.00	500.00	0.00	500.00	0.00	0.00	0.00	500.00	0.00	100.00	2,600.00
Property Tax Expense	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	16,455.72
Income Tax Expense	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	7,601.04
Rent	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	1,584.00
Special Events													
Banquet		12,000.00	1,000.00										13,000.00
Golf Classic				1,000.00	15,000.00								16,000.00
Tomball Night							1,000.00	11,000.00					12,000.00
Holiday Parade									1,000.00	1,000.00	21,000.00	1,000.00	24,000.00
Miss Tomball Pageant													
Scholarship Expense											10,000.00		10,000.00
Pageant - Other										500.00	5,000.00	7,500.00	13,000.00
Total Miss Tomball										500.00	15,000.00	7,500.00	23,000.00
Total Special Events	0.00	12,000.00	1,000.00	1,000.00	15,000.00	0.00	1,000.00	11,000.00	1,000.00	1,500.00	36,000.00	8,500.00	88,000.00
Telephone Expenses	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	7,020.00
Travel & Entertainment	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	960.00
Total Expense	72,148.64	78,908.64	61,128.64	60,573.64	82,498.64	59,898.64	64,268.64	76,448.64	68,081.64	76,901.64	103,031.64	116,213.64	920,102.68
Net Ordinary Income	20,421.86	42,372.86	6,732.86	10,125.36	-26,733.89	16,488.36	-1,576.39	-18,872.64	70,405.11	25,733.61	-29,086.89	-76,733.14	39,277.07
Principal Building Payment	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	37,800.00
xDepreciation Expense	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	20,460.00
Net Income	15,566.86	37,517.86	1,877.86	5,270.36	-31,588.89	11,633.36	-6,431.39	-23,727.64	65,550.11	20,878.61	-33,941.89	-81,588.14	-18,982.93

Greater Tomball Area Chamber of Commerce

Financial Statements and Independent Accountants' Review Report
for the Year Ended December 31, 2023
(with comparative totals for 2022)



Tipton & Company
CERTIFIED PUBLIC ACCOUNTANTS

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Tipton & Company

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed the accompanying financial statements of Greater Tomball Area Chamber of Commerce (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

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

We are required to be independent of Greater Tomball Area Chamber of Commerce and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Report on Summarized Comparative Information

We have previously audited Greater Tomball Area Chamber of Commerce's 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated June 21, 2023. The summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Tipton & Company LLC

Tipton & Company LLC
 Certified Public Accountants
 Houston, Texas

March 12, 2024

Greater Tomball Area Chamber of Commerce

Statement of Financial Position

Item 5.

<i>As of December 31, (with comparative totals for 2022)</i>	Reviewed 2023	Audited 2022
Assets		
Cash and cash equivalents	\$ 223,989	\$ 588,088
Certificate of deposit	309,821	-
Accounts receivable, net	44,907	35,249
Prepaid expenses	10,291	10,098
Property and equipment, net	825,005	855,120
Total Assets	\$ 1,414,013	\$ 1,488,555
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 31,031	\$ 28,729
Deferred revenues	192,315	175,798
Note payable	381,706	527,582
Deposits	8,300	8,300
Total Liabilities	613,352	740,409
Net Assets		
Without donor restrictions	800,661	748,146
Total Net Assets	800,661	748,146
Total Liabilities and Net Assets	\$ 1,414,013	\$ 1,488,555

Greater Tomball Area Chamber of Commerce

Statement of Activities

Item 5.

<i>Year ended December 31, (with comparative totals for 2022)</i>	Reviewed 2023	Audited 2022
Without Donor Restrictions		
Revenue and Support		
Membership dues	\$ 483,928	\$ 431,425
Special events revenue	204,015	176,519
Direct benefits to donors	(22,952)	(19,129)
Capital improvement campaign	36,000	33,000
First Friday luncheon	42,420	29,402
Networking Breakfast	5,375	4,980
Women's Committee	26,350	37,823
City of Tomball hotel tax revenue	35,000	35,000
Rental income	64,624	64,624
Tenant reimbursements	12,386	11,182
Ads and ad commission	25,400	17,665
Contributed nonfinancial assets	29,008	40,943
Interest and investment income	12,619	1,424
Other income	16,733	14,099
Total Revenue and Support	970,906	878,957
Expenses		
Program Services		
Business resources	325,812	270,070
Advocacy	328,349	289,561
Total Program Services	654,161	559,631
Supporting Services		
General and administrative	127,020	100,685
Fundraising	137,210	117,102
Total Supporting Services	264,230	217,787
Total Expenses	918,391	777,418
Change in Net Assets	52,515	101,539
Net Assets, Beginning of Year	748,146	646,607
Net Assets, End of Year	\$ 800,661	\$ 748,146

See accompanying notes and independent accountants' review report.

Greater Tomball Area Chamber of Commerce

Statement of Functional Expenses

Year ended December 31, (with comparative totals for 2022)	Program Services			Supporting Services			Reviewed 2023 Total	Audited 2022 Total
	Business Resources	Advocacy	Total Program Services	General and Administrative	Fundraising	Total Supporting Services		
Payroll and related expenses								
Salaries	\$ 124,819	\$ 124,819	\$ 249,638	\$ 31,205	\$ 31,205	\$ 62,410	\$ 312,048	\$ 237,932
Payroll taxes	10,418	10,418	20,836	2,604	2,604	5,208	26,044	19,106
Employee benefits	14,911	14,911	29,822	3,728	3,728	7,456	37,278	32,936
Total payroll and related expenses	150,148	150,148	300,296	37,537	37,537	75,074	375,370	289,974
Other expenses								
Advertising	2,692	2,692	5,384	2,692	18,846	21,538	26,922	24,550
Bad debt	17,368	17,368	34,736	17,368	17,367	34,735	69,471	77,320
Bank fees	1,352	1,352	2,704	5,414	5,414	10,828	13,532	11,188
Board expenses	-	-	-	6,305	-	6,305	6,305	8,809
Computer maintenance	1,857	1,857	3,714	464	464	928	4,642	4,340
Contract labor	26,579	26,579	53,158	6,645	6,645	13,290	66,448	67,306
Depreciation	12,046	12,046	24,092	3,011	3,012	6,023	30,115	30,104
Dues and subscriptions	1,948	1,948	3,896	487	487	974	4,870	3,971
Employee development	4,906	4,906	9,812	1,226	1,226	2,452	12,264	6,800
Equipment lease	4,885	4,885	9,770	1,221	1,221	2,442	12,212	10,098
First Friday	37,020	-	37,020	-	-	-	37,020	31,047
Health committee	11,046	-	11,046	-	-	-	11,046	6,918
Insurance	4,122	4,122	8,244	1,031	1,031	2,062	10,306	10,042
Interest	6,776	6,776	13,552	1,694	1,694	3,388	16,940	21,408
Miscellaneous	6,410	8,373	14,783	6,276	3	6,279	21,062	13,569
Networking breakfast	1,617	-	1,617	-	-	-	1,617	159
Office supplies	2,277	2,277	4,554	569	569	1,138	5,692	6,396
Payroll service	2,352	2,352	4,704	588	588	1,176	5,880	5,898
Postage and delivery	866	433	1,299	433	1,156	1,589	2,888	3,052
Professional fees	-	-	-	16,005	-	16,005	16,005	7,505
Rent	593	593	1,186	148	148	296	1,482	1,360
Repairs and maintenance	10,078	10,078	20,156	2,519	2,519	5,038	25,194	18,036
Software	2,394	2,394	4,788	599	599	1,198	5,986	5,614
Special events	2,375	37,317	39,692	-	56,110	56,110	95,802	70,586
Taxes - income	-	-	-	10,542	-	10,542	10,542	2,160
Taxes - property	6,318	6,318	12,636	1,580	1,580	3,160	15,796	13,920
Telephone	2,806	2,806	5,612	701	701	1,402	7,014	6,687
Travel and entertainment	-	-	-	720	-	720	720	760
Utilities	4,981	4,981	9,962	1,245	1,245	2,490	12,452	11,006
Womens Committee	-	15,748	15,748	-	-	-	15,748	25,964
Total other expenses	175,664	178,201	353,865	89,483	122,625	212,108	565,973	506,573
Subtotal	325,812	328,349	654,161	127,020	160,162	287,182	941,343	796,547
Less: Direct benefit to donor	-	-	-	-	(22,952)	(22,952)	(22,952)	(19,129)
Total Expenses	\$ 325,812	\$ 328,349	\$ 654,161	\$ 127,020	\$ 137,210	\$ 264,230	\$ 918,391	\$ 777,418

See accompanying notes and independent accountants' review report.

Greater Tomball Area Chamber of Commerce

Statement of Cash Flows

Item 5.

<i>Year Ended December 31, (with comparative totals for 2022)</i>	Reviewed 2023	Audited 2022
Cash Flows From Operating Activities		
Change in net assets	\$ 52,515	\$ 101,539
Adjustments to reconcile change in net assets to net change in operating activities:		
Unrealized (gain)/loss on certificate of deposit	(9,821)	-
Depreciation	30,115	30,104
Bad debt expense	69,471	77,320
Changes in assets and liabilities:		
Accounts receivable	(79,129)	(71,721)
Prepaid expenses	(193)	(263)
Accrued expenses	2,302	12,198
Deferred revenues	16,517	25,913
Total Adjustments	29,262	73,551
Net Change in Operating Activities	81,777	175,090
Cash Flows From Investing Activities		
Purchases of certificate of deposit	(300,000)	-
Purchases of property and equipment	-	(1,219)
Net Change in Investing Activities	(300,000)	(1,219)
Cash Flows From Financing Activities		
Payments on note payable	(145,876)	(45,733)
Net Change in Financing Activities	(145,876)	(45,733)
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, beginning of year	588,088	459,950
Net Change in Cash and Cash Equivalents	(364,099)	128,138
Cash and Cash Equivalents, end of year	\$ 223,989	\$ 588,088
Supplemental Disclosures:		
Interest paid	\$ 16,940	\$ 21,408
Federal income taxes paid	\$ 10,542	\$ 2,160

See accompanying notes and independent accountants' review report.

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

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

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

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

Basis of Accounting

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

Basis of Presentation

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

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

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Cash and Cash Equivalents

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

Certificates of Deposit

The Chamber has a certificate of deposit totaling \$309,821 bearing interest at 4.33% and maturing January 2024, with an early withdrawal penalty of 360 days of interest.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2023 and 2022, the allowance for bad debts was \$7,021 and \$7,021, respectively.

Property and Equipment

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

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

Contributed Nonfinancial Assets

Donated goods are recognized at fair value as contributions when an unconditional commitment is received from the donor. The related expense is recognized as the item is used or sold. All donated goods were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the donated services and assets. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialize skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Deferred Revenue

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

Use of Estimates

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

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 5.

Membership Dues

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

Functional Allocation of Expenses

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

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

Income Taxes

The Chamber is operating as a not-for-profit corporation, under Section 501(c)(6) of the Internal Revenue Code, and is not subject to income taxes with the exception of unrelated business income. The Chamber conducted unrelated business activities during the current year. Therefore, the Chamber paid \$10,542 and \$2,160 for federal income taxes in the years ended December 31, 2023 and 2022, respectively.

The Chamber applies the provisions of FASB ASC Topic 740, Income Taxes, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Topic 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. As of December 31, 2023 and 2022, no uncertain tax positions were identified.

Leases

The Chamber accounts for leases in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 842, *Leases*. Leases are evaluated using the criteria in FASB ASC 842 to determine whether they will be classified as operating leases or finance leases. The Chamber determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. The Chamber determines if an arrangement conveys the right to use an identified asset and whether the Chamber obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. The Chamber recognizes a lease liability and right-of-use (ROU) asset at the commencement date of the lease. The Chamber has elected to not recognize ROU assets and lease liabilities for short-term leases that have an initial lease term of 12 months or less and for leases that management deems immaterial.

Lease liabilities - Lease liabilities are measured based on the present value of future lease payments using the risk-free rate.

Right of use (ROU) assets - ROU assets are recognized at the present value of the lease payments at inception of the lease adjusted, as appropriate, for certain other payments and allowances related to obtaining the lease

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

and placing the asset in service. Lease expense is recognized on a straight-line basis as rent expense in the statement of functional expenses.

Advertising Cost

Advertising costs are expensed when incurred. Advertising costs for the years ended December 31, 2023 and 2022 amounted to \$26,922 and \$24,550, respectively.

Newly Adopted Accounting Pronouncements

Contributed Nonfinancial Assets

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

Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The ASU requires most leases to be recognized on the statement of financial position as lease assets and lease liabilities and requires both quantitative and qualitative disclosures regarding key information about leasing arrangements. The Organization adopted the new guidance effective July 1, 2022 using the modified retrospective method. Comparative information for fiscal year 2022 has not been restated and continues to be reported under Accounting Standards Codification (ASC) 840. There was no cumulative effect on beginning net assets for the year ended June 30, 2023.

NOTE 2 – LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2023, comprise the following:

<u>Financial assets:</u>	
Cash and cash equivalents	\$223,989
Certificate of deposit	309,821
Accounts receivable, net	44,907
Financial assets available to meet cash needs for general expenditures within one year	\$578,717

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Chamber considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Chamber sets a goal of having financial assets on hand to meet a minimum of 90 days of normal operating expenses, which are, on average, around \$68,000. As part of its liquidity management, the Chamber has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 5.

NOTE 3 – CONCENTRATION OF CREDIT RISKS

The Chamber maintains its cash and certificate of deposit balances in a local bank. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Management periodically assesses the financial condition of the financial institutions and believes that any possible credit risk is minimal. As of December 31, 2023 and 2022, the Chamber had approximately \$284,000 and \$338,000, respectively, of cash certificate of deposit balances that were not insured by the FDIC. The Chamber has not experienced any losses in such accounts and believes the risk of future loss is mitigated by monitoring the balances and the financial institutions where the cash is deposited.

NOTE 4 – PROPERTY AND EQUIPMENT

As of December 31, 2023 and 2022, property, plant and equipment consisted of the following:

	Reviewed 2023	Audited 2022
Building and improvements	\$1,112,383	\$1,112,383
Computers and software	17,517	17,517
Office equipment	14,321	14,321
Furniture and fixtures	17,990	17,990
Land	145,000	145,000
Total property and equipment, gross	1,307,211	1,307,211
Less: Accumulated depreciation	(482,206)	(452,091)
Total property and equipment, net	\$825,005	\$855,120

Depreciation expense charged to operations for the years ended December 31, 2023 and 2022 was \$30,115 and \$30,104, respectively.

NOTE 5 – RENTAL INCOME

The Chamber generates rental income from leasing its office space to lessees. As the lessor, the Chamber is required to first determine whether the lease is an operating lease or a finance lease. A finance lease is one in which the risks and rewards inherent in the asset are transferred to the lessee. An operating lease is one in which the risks and rewards inherent in the asset are not transferred to the lessee. Only finance leases are required to be capitalized on the statement of financial position.

The Chamber leases office space to three other organizations as follows and as the risks and reward inherent in the asset are not transferred to the lessee, it has been determined that these leases are operating leases, so these leases have not been capitalized on the statement of financial position:

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

For the years ended December 31, 2023 and 2022, rental income was \$64,624 in both years.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 5.

Future minimum rentals expected to be collected are as follows:

For the years ending December 31,	
2024	\$ 39,140
Thereafter	-
Total	\$ 39,140

NOTE 6 – LEASE AGREEMENTS

The Chamber has entered into noncancelable operating leases that expire in 2024 and 2026. For the years ended December 31, 2023 and 2022, the total rental expense under these leases was \$13,694 and \$11,458, respectively. The Chamber's lease arrangements are not recognized in the statement of financial position as they are immaterial. Future minimum lease payments are as follows:

For the years ending December 31,	
2024	\$2,749
2025	1,969
2026	492
Thereafter	-
Total	\$5,210

NOTE 7 – NOTE PAYABLE

The Chamber had a note payable due in monthly installments to a financial institution for an office building in the amount of \$6,729 for 83 months beginning January 10, 2010 through November 10, 2016. This note was secured by the Quinn Road office building, with interest at 5% through October 9, 2021. On December 10, 2016, a balloon payment of any unpaid principal and interest became due and payable, at which time the loan was modified to require monthly installments of \$5,595 at the same interest rate and terms and to become due and payable on December 10, 2023. Effective October 10, 2021, the interest rate was modified to 4%, requiring the same monthly installments and due date. In December 2023, the interest rate was modified to 7% and the note is due and payable on demand. If demand is not earlier made, the note shall be due and payable in monthly payments of principal and interest of \$5,224, commencing on January 10, 2024 through December 10, 2026, when the entire amount remaining unpaid shall be due and payable.

As of December 31, 2023 and 2022, the balance was \$381,706 and \$527,582, respectively. Future scheduled maturities of the note payable are as follows:

For the years ending December 31,	
2024	\$381,706
Thereafter	-
Total	\$381,706

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 5.

NOTE 8 – CONCENTRATIONS

For the years ended December 31, 2023 and 2022, respectively, approximately fifty percent (50%) and forty-nine percent (49%) of the Chamber’s total revenue and support came from membership dues.

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

NOTE 9 – CONTRIBUTED NONFINANCIAL ASSETS

For the years ended December 31, 2023 and 2022, the Chamber’s contributed nonfinancial assets consist of the following:

	2023	2022
Advertising	\$22,720	\$22,720
Repairs and maintenance	6,600	6,600
Supplies	4,500	3,500
Venues	6,300	5,300
Miscellaneous	3,348	2,823
Total contributed nonfinancial assets	\$43,468	\$40,943

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

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 12, 2024, the date the financial statements were available to be issued. No events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

**GREATER TOMBALL AREA CHAMBER OF COMMERCE
2024 BOARD OF DIRECTORS**

CHAIR OF THE BOARD

Raymond Francois*
Hampton Inn & Suites
14100 Medical Complex Dr.
Tomball, TX 77377
281.357.1500
352.215.8497 cell
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Retiring in 2024

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Rob Marmerstein* Chair Elect
HCA Houston Healthcare Tomball
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Dr. Martha Salazar-Zamora
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_____ cell
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Curtis Morris
Curtis's Cooking Collaborative
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Cypress, TX 77429
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Retiring in 2025

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 The Woodlands, TX 77382
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 _____ cell
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Scott Marquardt
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Retiring in 2026

Charles Herd
Herd Dispute Resolution
 19500 Tomball Parkway, Ste. 250
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IMMEDIATE PAST CHAIRMAN OF THE BOARD

Shane Boatman*
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 27905 Commercial Park Rd., Ste. 100
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EX-OFFICIO BOARD MEMBERS

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CHAMBER PRESIDENT

Bruce E. Hillegeist
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CHAMBER STAFF

Item 5.

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Request for Taxpayer Identification Number and Certification

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

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

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

Greater Tomball Area Chamber of Commerce

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

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only one of the following seven boxes.

Individual/sole proprietor C corporation S corporation Partnership Trust/estate

LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership)

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

Other (see instructions)

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

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See Instructions

5 Address (number, street, and apt. or suite no.). See instructions.

Requester's name and address (optional)

PO Box 516

6 City, state, and ZIP code

Tomball, TX 77377-0516

7 List account number(s) here (optional)

Print or type. See Specific Instructions on page 3.

Part I Taxpayer Identification Number (TIN)

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

Social security number									
			-						
or									
Employer identification number									
7	4	-	1	4	9	5	1	2	5

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

Part II Certification

Under penalties of perjury, I certify that:

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

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

Sign Here

Signature of U.S. person

Date

4/1/24

General Instructions

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

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

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: September 23, 2024

Topic:

Consideration of Application from the Greater Tomball Area Chamber of Commerce for use of FY 2024-2025 Hotel Occupancy Tax Funds for the Visitor Center.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Sueanne Larson, Finance Manager

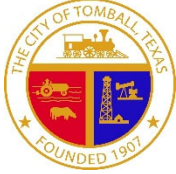
FUNDING (IF APPLICABLE)

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

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

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

Signed Bragg Farmer Approved by _____
Finance Director 9/6/2024 City Manager Date



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 6/21/2024
 Name of Organization/Business: Greater Tomball Area Chamber of Commerce
 Street Address: 29201 Quinn Road, Suite B
 City: Tomball State: TX Zip Code: 77375
 Contact Name: Brandy Beyer
 Phone Number: 281.351.7222 Email: bbeyer@tomballchamber.org

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

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

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

Yes No

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

Select all categories that apply.

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

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Visitor Center

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

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

Location of event/expenditure: 29201 Quinn Road, Suite B

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

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

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

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

Amount of funding requested: \$ 10,000

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

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

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


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

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

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

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

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

Applicant Signature: Brandy Beyer  Digitally signed by Brandy Beyer
 Date: 2024.06.21 10:01:05 -05'00'

Applicant Name: Brandy Beyer

Required Documents:

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

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

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

Visitor Center Budget

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

Total Expenses: 69,174.00

Grant Request: 10,000.00

**Greater Tomball Area Chamber of Commerce
2024 Budget Overview
January through December 2024**

Item 6.

	<u>Jan 24</u>	<u>Feb 24</u>	<u>Mar 24</u>	<u>Apr 24</u>	<u>May 24</u>	<u>Jun 24</u>	<u>Jul 24</u>	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>TOTAL Jan - Dec 24</u>
Ordinary Income/Expense													
Income													
Income													
Rent Income	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	5,385.00	64,620.00
Capital Campaign	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	36,000.00
Health & Wellness	1,500.00		500.00	1,000.00	1,000.00	4,000.00	1,000.00	1,000.00	2,000.00	3,000.00			15,000.00
Hotel/Motel Tax									45,000.00				45,000.00
First Friday	3,500.00	3,500.00	3,500.00	3,000.00	3,000.00	3,000.00	2,000.00	3,000.00	3,500.00	3,000.00	3,000.00	3,000.00	37,000.00
Networking Breakfast	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	500.00	500.00	5,000.00
Women's Committee	900.00	900.00	0.00	900.00	400.00	900.00	0.00	400.00	23,000.00	900.00	900.00	800.00	30,000.00
Tomball Leadership Day					5,000.00								5,000.00
Interest Income	3,600.00	250.00	250.00	3,700.00	250.00	250.00	3,700.00	250.00	250.00	3,800.00	250.00	250.00	16,800.00
Membership Dues													
New	10,000.00	10,000.00	5,000.00	4,000.00	4,000.00	5,000.00	5,000.00	5,000.00	8,000.00	7,000.00	7,000.00	5,000.00	75,000.00
Allowance Non-Renewal	-5,979.50	-6,958.50	-4,178.50	-3,566.00	-2,317.75	-3,248.00	-2,415.25	-3,769.00	-4,525.75	-4,742.25	-3,187.75	-2,369.50	-47,257.75
Renewal	59,795.00	69,585.00	41,785.00	35,660.00	23,177.50	32,480.00	24,152.50	37,690.00	45,257.50	47,422.50	31,877.50	23,695.00	472,577.50
Total Membership Dues	63,815.50	72,626.50	42,606.50	36,094.00	24,859.75	34,232.00	26,737.25	38,921.00	48,731.75	49,680.25	35,689.75	26,325.50	500,319.75
Miscellaneous Income	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	2,640.00
Publications/Products													
Magazine/Map/Website	250.00			2,000.00	12,250.00		250.00			250.00			15,000.00
Total Publications	250.00	0.00	0.00	2,000.00	12,250.00	0.00	250.00	0.00	0.00	250.00	0.00	0.00	15,000.00
Special Events													
Banquet	10,000.00	25,000.00											35,000.00
Golf Classic		10,000.00	12,000.00	15,000.00									37,000.00
Tomball Night						10,000.00	20,000.00	5,000.00					35,000.00
Holiday Parade						15,000.00			3,000.00	15,000.00	12,000.00		45,000.00
Miss Tomball Pageant									4,000.00	18,000.00	13,000.00		35,000.00
Total Special Events	10,000.00	35,000.00	12,000.00	15,000.00	0.00	25,000.00	20,000.00	5,000.00	7,000.00	33,000.00	25,000.00	0.00	187,000.00
Total Income	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Total Income	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Gross Profit	92,570.50	121,281.50	67,861.50	70,699.00	55,764.75	76,387.00	62,692.25	57,576.00	138,486.75	#####	73,944.75	39,480.50	959,379.75
Expense													
Building Expense													
Alarm	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Cleaning	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	740.00	8,880.00
Electricity	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	12,600.00
Building Interest	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	26,400.00
Reimbursed by tenants	-2,000.00	-720.00	-720.00	-1,300.00	-720.00	-720.00	-1,300.00	-720.00	-720.00	-1,400.00	-720.00	-720.00	-11,760.00
Repairs/Maintenance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	0

Greater Tomball Area Chamber of Commerce
2024 Budget Overview
 January through December 2024

Item 6.

	<u>Jan 24</u>	<u>Feb 24</u>	<u>Mar 24</u>	<u>Apr 24</u>	<u>May 24</u>	<u>Jun 24</u>	<u>Jul 24</u>	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>TOTAL</u> <u>Jan - Dec 24</u>
Total Building Expense	3,015.00	4,295.00	4,295.00	3,715.00	4,295.00	4,295.00	3,715.00	4,295.00	4,295.00	3,615.00	4,295.00	4,295.00	48,420.00
Accounting Expense	4,100.00	1,000.00									2,500.00		7,600.00
Advertising							2,000.00	2,000.00		1,000.00	3,000.00		8,000.00
Bad Debt Expense	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	10,000.00	4,000.00	20,000.00	70,000.00
Health & Wellness		1,000.00			1,000.00			1,000.00	4,000.00	4,000.00			11,000.00
First Friday	3,000.00	3,500.00	3,000.00	3,000.00	2,500.00	2,500.00	2,500.00	3,000.00	3,000.00	3,000.00	2,500.00	2,500.00	34,000.00
Networking Breakfast	150.00	150.00	150.00	100.00	150.00	150.00	100.00	100.00	150.00	150.00	150.00	200.00	1,700.00
Women's Committee	900.00	900.00	0.00	900.00	900.00	900.00	0.00	900.00	2,000.00	900.00	900.00	10,800.00	20,000.00
Tomball Leadership Day					5,000.00								5,000.00
Young Professionals	100.00			100.00			100.00			100.00			400.00
Bank Fees	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	14,400.00
Board of Directors		500.00							3,000.00	3,700.00	300.00		7,500.00
Dues and Subscriptions	1,130.00				500.00			750.00			50.00	1,112.00	3,542.00
Employee Expense													
SUTA	1,200.00	500.00	200.00	100.00									2,000.00
Development	1,500.00	1,550.00			2,000.00	2,000.00	5,000.00	1,150.00	300.00	1,500.00			15,000.00
FUTA	100.00	40.00	30.00	5.00									175.00
Group Insurance	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	3,017.00	4,000.00	4,000.00	4,000.00	4,000.00	40,136.00
Cell Phone Allowance	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	280.00	3,360.00
Payroll Services	480.00	600.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	5,880.00
Payroll Taxes	2,050.00	2,100.00	2,050.00	2,100.00	2,050.00	2,050.00	2,050.00	2,100.00	2,050.00	2,050.00	2,150.00	3,020.00	25,820.00
Salaries													
TACC	32,450.00	34,000.00	32,450.00	34,000.00	32,450.00	32,450.00	32,450.00	34,000.00	32,450.00	32,450.00	35,000.00	32,450.00	396,600.00
Bonus												17,300.00	17,300.00
Contract Labor		100.00	100.00			100.00		100.00		100.00	100.00		600.00
Total Salaries	<u>32,450.00</u>	<u>34,100.00</u>	<u>32,550.00</u>	<u>34,000.00</u>	<u>32,450.00</u>	<u>32,550.00</u>	<u>32,450.00</u>	<u>34,100.00</u>	<u>32,450.00</u>	<u>32,550.00</u>	<u>35,100.00</u>	<u>49,750.00</u>	<u>414,500.00</u>
Total Employee Expense	41,077.00	42,187.00	38,607.00	39,982.00	40,277.00	40,377.00	43,277.00	41,127.00	39,560.00	40,860.00	42,010.00	57,530.00	506,871.00
Insurance													
Worker's Compensation	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	40.33	483.96
Officer & Director Liability	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	146.83	1,761.96
General Liab.	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>687.75</u>	<u>8,253.00</u>
Total Insurance	874.91	874.91	874.91	874.91	874.91	874.91	874.91	874.91	874.91	874.91	874.91	874.91	10,498.92
Membership/Misc. Expense	2,000.00	2,500.00	800.00	800.00	2,000.00	600.00	1,000.00	1,800.00	500.00	1,000.00	1,000.00	2,500.00	16,500.00
Office Equipment Expense													
Database	6,250.00												6,250.00
Computer Maintenance	300.00	300.00	2,000.00	300.00	300.00	300.00	300.00	300.00	300.00	800.00	300.00	300.00	5,800.00
Copier Lease	500.00	900.00	800.00	500.00	700.00	700.00	900.00	1,000.00	500.00	600.00	400.00	500.00	8,000.00
Pitney Bowes			600.00			600.00			600.00			600.00	2,400.00
Total Office Equip Expense	<u>7,050.00</u>	<u>1,200.00</u>	<u>3,400.00</u>	<u>800.00</u>	<u>1,000.00</u>	<u>1,600.00</u>	<u>1,200.00</u>	<u>1,300.00</u>	<u>1,400.00</u>	<u>1,400.00</u>	<u>700.00</u>	<u>1,400.00</u>	<u>22,450.00</u>
Office Supplies	750.00	300.00	500.00	800.00	1,000.00	100.00	500.00	300.00	300.00	300.00	750.00	2,400.00	0

Greater Tomball Area Chamber of Commerce
2024 Budget Overview
 January through December 2024

Item 6.

	<u>Jan 24</u>	<u>Feb 24</u>	<u>Mar 24</u>	<u>Apr 24</u>	<u>May 24</u>	<u>Jun 24</u>	<u>Jul 24</u>	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>TOTAL</u> <u>Jan - Dec 24</u>
Postage & Delivery	0.00	500.00	500.00	500.00	0.00	500.00	0.00	0.00	0.00	500.00	0.00	100.00	2,600.00
Property Tax Expense	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	1,371.31	16,455.72
Income Tax Expense	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	633.42	7,601.04
Rent	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	132.00	1,584.00
Special Events													
Banquet		12,000.00	1,000.00										13,000.00
Golf Classic				1,000.00	15,000.00								16,000.00
Tomball Night							1,000.00	11,000.00					12,000.00
Holiday Parade									1,000.00	1,000.00	21,000.00	1,000.00	24,000.00
Miss Tomball Pageant													
Scholarship Expense											10,000.00		10,000.00
Pageant - Other										500.00	5,000.00	7,500.00	13,000.00
Total Miss Tomball										<u>500.00</u>	<u>15,000.00</u>	<u>7,500.00</u>	<u>23,000.00</u>
Total Special Events	0.00	12,000.00	1,000.00	1,000.00	15,000.00	0.00	1,000.00	11,000.00	1,000.00	1,500.00	36,000.00	8,500.00	88,000.00
Telephone Expenses	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	585.00	7,020.00
Travel & Entertainment	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	960.00
Total Expense	<u>72,148.64</u>	<u>78,908.64</u>	<u>61,128.64</u>	<u>60,573.64</u>	<u>82,498.64</u>	<u>59,898.64</u>	<u>64,268.64</u>	<u>76,448.64</u>	<u>68,081.64</u>	<u>76,901.64</u>	<u>103,031.64</u>	<u>116,213.64</u>	<u>920,102.68</u>
Net Ordinary Income	<u>20,421.86</u>	<u>42,372.86</u>	<u>6,732.86</u>	<u>10,125.36</u>	<u>-26,733.89</u>	<u>16,488.36</u>	<u>-1,576.39</u>	<u>-18,872.64</u>	<u>70,405.11</u>	<u>25,733.61</u>	<u>-29,086.89</u>	<u>-76,733.14</u>	<u>39,277.07</u>
Principal Building Payment	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	3,150.00	37,800.00
xDepreciation Expense	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	1,705.00	20,460.00
Net Income	<u>15,566.86</u>	<u>37,517.86</u>	<u>1,877.86</u>	<u>5,270.36</u>	<u>-31,588.89</u>	<u>11,633.36</u>	<u>-6,431.39</u>	<u>-23,727.64</u>	<u>65,550.11</u>	<u>20,878.61</u>	<u>-33,941.89</u>	<u>-81,588.14</u>	<u>-18,982.93</u>

Greater Tomball Area Chamber of Commerce

Financial Statements and Independent Accountants' Review Report
for the Year Ended December 31, 2023
(with comparative totals for 2022)



Tipton & Company
CERTIFIED PUBLIC ACCOUNTANTS

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Tipton & Company

CERTIFIED PUBLIC ACCOUNTANTS

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 Houston, TX 77070
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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed the accompanying financial statements of Greater Tomball Area Chamber of Commerce (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

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

We are required to be independent of Greater Tomball Area Chamber of Commerce and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Report on Summarized Comparative Information

We have previously audited Greater Tomball Area Chamber of Commerce's 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated June 21, 2023. The summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Tipton & Company LLC

Tipton & Company LLC
 Certified Public Accountants
 Houston, Texas

March 12, 2024

Greater Tomball Area Chamber of Commerce

Statement of Financial Position

Item 6.

<i>As of December 31, (with comparative totals for 2022)</i>	Reviewed 2023	Audited 2022
Assets		
Cash and cash equivalents	\$ 223,989	\$ 588,088
Certificate of deposit	309,821	-
Accounts receivable, net	44,907	35,249
Prepaid expenses	10,291	10,098
Property and equipment, net	825,005	855,120
Total Assets	\$ 1,414,013	\$ 1,488,555
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 31,031	\$ 28,729
Deferred revenues	192,315	175,798
Note payable	381,706	527,582
Deposits	8,300	8,300
Total Liabilities	613,352	740,409
Net Assets		
Without donor restrictions	800,661	748,146
Total Net Assets	800,661	748,146
Total Liabilities and Net Assets	\$ 1,414,013	\$ 1,488,555

See accompanying notes and independent accountants' review report.

Greater Tomball Area Chamber of Commerce

Statement of Activities

Item 6.

<i>Year ended December 31, (with comparative totals for 2022)</i>	Reviewed 2023	Audited 2022
Without Donor Restrictions		
Revenue and Support		
Membership dues	\$ 483,928	\$ 431,425
Special events revenue	204,015	176,519
Direct benefits to donors	(22,952)	(19,129)
Capital improvement campaign	36,000	33,000
First Friday luncheon	42,420	29,402
Networking Breakfast	5,375	4,980
Women's Committee	26,350	37,823
City of Tomball hotel tax revenue	35,000	35,000
Rental income	64,624	64,624
Tenant reimbursements	12,386	11,182
Ads and ad commission	25,400	17,665
Contributed nonfinancial assets	29,008	40,943
Interest and investment income	12,619	1,424
Other income	16,733	14,099
Total Revenue and Support	970,906	878,957
Expenses		
Program Services		
Business resources	325,812	270,070
Advocacy	328,349	289,561
Total Program Services	654,161	559,631
Supporting Services		
General and administrative	127,020	100,685
Fundraising	137,210	117,102
Total Supporting Services	264,230	217,787
Total Expenses	918,391	777,418
Change in Net Assets	52,515	101,539
Net Assets, Beginning of Year	748,146	646,607
Net Assets, End of Year	\$ 800,661	\$ 748,146

See accompanying notes and independent accountants' review report.

Greater Tomball Area Chamber of Commerce

Statement of Functional Expenses

Year ended December 31, (with comparative totals for 2022)	Program Services			Supporting Services			Reviewed	Audited
	Business Resources	Advocacy	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	2023 Total	2022 Total
Payroll and related expenses								
Salaries	\$ 124,819	\$ 124,819	\$ 249,638	\$ 31,205	\$ 31,205	\$ 62,410	\$ 312,048	\$ 237,932
Payroll taxes	10,418	10,418	20,836	2,604	2,604	5,208	26,044	19,106
Employee benefits	14,911	14,911	29,822	3,728	3,728	7,456	37,278	32,936
Total payroll and related expenses	150,148	150,148	300,296	37,537	37,537	75,074	375,370	289,974
Other expenses								
Advertising	2,692	2,692	5,384	2,692	18,846	21,538	26,922	24,550
Bad debt	17,368	17,368	34,736	17,368	17,367	34,735	69,471	77,320
Bank fees	1,352	1,352	2,704	5,414	5,414	10,828	13,532	11,188
Board expenses	-	-	-	6,305	-	6,305	6,305	8,809
Computer maintenance	1,857	1,857	3,714	464	464	928	4,642	4,340
Contract labor	26,579	26,579	53,158	6,645	6,645	13,290	66,448	67,306
Depreciation	12,046	12,046	24,092	3,011	3,012	6,023	30,115	30,104
Dues and subscriptions	1,948	1,948	3,896	487	487	974	4,870	3,971
Employee development	4,906	4,906	9,812	1,226	1,226	2,452	12,264	6,800
Equipment lease	4,885	4,885	9,770	1,221	1,221	2,442	12,212	10,098
First Friday	37,020	-	37,020	-	-	-	37,020	31,047
Health committee	11,046	-	11,046	-	-	-	11,046	6,918
Insurance	4,122	4,122	8,244	1,031	1,031	2,062	10,306	10,042
Interest	6,776	6,776	13,552	1,694	1,694	3,388	16,940	21,408
Miscellaneous	6,410	8,373	14,783	6,276	3	6,279	21,062	13,569
Networking breakfast	1,617	-	1,617	-	-	-	1,617	159
Office supplies	2,277	2,277	4,554	569	569	1,138	5,692	6,396
Payroll service	2,352	2,352	4,704	588	588	1,176	5,880	5,898
Postage and delivery	866	433	1,299	433	1,156	1,589	2,888	3,052
Professional fees	-	-	-	16,005	-	16,005	16,005	7,505
Rent	593	593	1,186	148	148	296	1,482	1,360
Repairs and maintenance	10,078	10,078	20,156	2,519	2,519	5,038	25,194	18,036
Software	2,394	2,394	4,788	599	599	1,198	5,986	5,614
Special events	2,375	37,317	39,692	-	56,110	56,110	95,802	70,586
Taxes - income	-	-	-	10,542	-	10,542	10,542	2,160
Taxes - property	6,318	6,318	12,636	1,580	1,580	3,160	15,796	13,920
Telephone	2,806	2,806	5,612	701	701	1,402	7,014	6,687
Travel and entertainment	-	-	-	720	-	720	720	760
Utilities	4,981	4,981	9,962	1,245	1,245	2,490	12,452	11,006
Womens Committee	-	15,748	15,748	-	-	-	15,748	25,964
Total other expenses	175,664	178,201	353,865	89,483	122,625	212,108	565,973	506,573
Subtotal	325,812	328,349	654,161	127,020	160,162	287,182	941,343	796,547
Less: Direct benefit to donor	-	-	-	-	(22,952)	(22,952)	(22,952)	(19,129)
Total Expenses	\$ 325,812	\$ 328,349	\$ 654,161	\$ 127,020	\$ 137,210	\$ 264,230	\$ 918,391	\$ 777,418

See accompanying notes and independent accountants' review report.

Greater Tomball Area Chamber of Commerce

Statement of Cash Flows

Item 6.

<i>Year Ended December 31, (with comparative totals for 2022)</i>	Reviewed 2023	Audited 2022
Cash Flows From Operating Activities		
Change in net assets	\$ 52,515	\$ 101,539
Adjustments to reconcile change in net assets to net change in operating activities:		
Unrealized (gain)/loss on certificate of deposit	(9,821)	-
Depreciation	30,115	30,104
Bad debt expense	69,471	77,320
Changes in assets and liabilities:		
Accounts receivable	(79,129)	(71,721)
Prepaid expenses	(193)	(263)
Accrued expenses	2,302	12,198
Deferred revenues	16,517	25,913
Total Adjustments	29,262	73,551
Net Change in Operating Activities	81,777	175,090
Cash Flows From Investing Activities		
Purchases of certificate of deposit	(300,000)	-
Purchases of property and equipment	-	(1,219)
Net Change in Investing Activities	(300,000)	(1,219)
Cash Flows From Financing Activities		
Payments on note payable	(145,876)	(45,733)
Net Change in Financing Activities	(145,876)	(45,733)
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, beginning of year	588,088	459,950
Cash and Cash Equivalents, end of year	\$ 223,989	\$ 588,088
Supplemental Disclosures:		
Interest paid	\$ 16,940	\$ 21,408
Federal income taxes paid	\$ 10,542	\$ 2,160

See accompanying notes and independent accountants' review report.

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

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

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

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

Basis of Accounting

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

Basis of Presentation

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

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

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Cash and Cash Equivalents

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

Certificates of Deposit

The Chamber has a certificate of deposit totaling \$309,821 bearing interest at 4.33% and maturing January 2024, with an early withdrawal penalty of 360 days of interest.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2023 and 2022, the allowance for bad debts was \$7,021 and \$7,021, respectively.

Property and Equipment

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

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

Contributed Nonfinancial Assets

Donated goods are recognized at fair value as contributions when an unconditional commitment is received from the donor. The related expense is recognized as the item is used or sold. All donated goods were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the donated services and assets. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Deferred Revenue

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

Use of Estimates

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

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Membership Dues

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

Functional Allocation of Expenses

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

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

Income Taxes

The Chamber is operating as a not-for-profit corporation, under Section 501(c)(6) of the Internal Revenue Code, and is not subject to income taxes with the exception of unrelated business income. The Chamber conducted unrelated business activities during the current year. Therefore, the Chamber paid \$10,542 and \$2,160 for federal income taxes in the years ended December 31, 2023 and 2022, respectively.

The Chamber applies the provisions of FASB ASC Topic 740, Income Taxes, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Topic 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. As of December 31, 2023 and 2022, no uncertain tax positions were identified.

Leases

The Chamber accounts for leases in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 842, *Leases*. Leases are evaluated using the criteria in FASB ASC 842 to determine whether they will be classified as operating leases or finance leases. The Chamber determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. The Chamber determines if an arrangement conveys the right to use an identified asset and whether the Chamber obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. The Chamber recognizes a lease liability and right-of-use (ROU) asset at the commencement date of the lease. The Chamber has elected to not recognize ROU assets and lease liabilities for short-term leases that have an initial lease term of 12 months or less and for leases that management deems immaterial.

Lease liabilities - Lease liabilities are measured based on the present value of future lease payments using the risk-free rate.

Right of use (ROU) assets - ROU assets are recognized at the present value of the lease payments at inception of the lease adjusted, as appropriate, for certain other payments and allowances related to obtaining the lease

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

and placing the asset in service. Lease expense is recognized on a straight-line basis as rent expense in the statement of functional expenses.

Advertising Cost

Advertising costs are expensed when incurred. Advertising costs for the years ended December 31, 2023 and 2022 amounted to \$26,922 and \$24,550, respectively.

Newly Adopted Accounting Pronouncements

Contributed Nonfinancial Assets

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

Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The ASU requires most leases to be recognized on the statement of financial position as lease assets and lease liabilities and requires both quantitative and qualitative disclosures regarding key information about leasing arrangements. The Organization adopted the new guidance effective July 1, 2022 using the modified retrospective method. Comparative information for fiscal year 2022 has not been restated and continues to be reported under Accounting Standards Codification (ASC) 840. There was no cumulative effect on beginning net assets for the year ended June 30, 2023.

NOTE 2 – LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2023, comprise the following:

<u>Financial assets:</u>	
Cash and cash equivalents	\$223,989
Certificate of deposit	309,821
Accounts receivable, net	44,907
Financial assets available to meet cash needs for general expenditures within one year	\$578,717

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Chamber considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Chamber sets a goal of having financial assets on hand to meet a minimum of 90 days of normal operating expenses, which are, on average, around \$68,000. As part of its liquidity management, the Chamber has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

NOTE 3 – CONCENTRATION OF CREDIT RISKS

The Chamber maintains its cash and certificate of deposit balances in a local bank. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Management periodically assesses the financial condition of the financial institutions and believes that any possible credit risk is minimal. As of December 31, 2023 and 2022, the Chamber had approximately \$284,000 and \$338,000, respectively, of cash certificate of deposit balances that were not insured by the FDIC. The Chamber has not experienced any losses in such accounts and believes the risk of future loss is mitigated by monitoring the balances and the financial institutions where the cash is deposited.

NOTE 4 – PROPERTY AND EQUIPMENT

As of December 31, 2023 and 2022, property, plant and equipment consisted of the following:

	Reviewed 2023	Audited 2022
Building and improvements	\$1,112,383	\$1,112,383
Computers and software	17,517	17,517
Office equipment	14,321	14,321
Furniture and fixtures	17,990	17,990
Land	145,000	145,000
Total property and equipment, gross	1,307,211	1,307,211
Less: Accumulated depreciation	(482,206)	(452,091)
Total property and equipment, net	\$825,005	\$855,120

Depreciation expense charged to operations for the years ended December 31, 2023 and 2022 was \$30,115 and \$30,104, respectively.

NOTE 5 – RENTAL INCOME

The Chamber generates rental income from leasing its office space to lessees. As the lessor, the Chamber is required to first determine whether the lease is an operating lease or a finance lease. A finance lease is one in which the risks and rewards inherent in the asset are transferred to the lessee. An operating lease is one in which the risks and rewards inherent in the asset are not transferred to the lessee. Only finance leases are required to be capitalized on the statement of financial position.

The Chamber leases office space to three other organizations as follows and as the risks and reward inherent in the asset are not transferred to the lessee, it has been determined that these leases are operating leases, so these leases have not been capitalized on the statement of financial position:

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

For the years ended December 31, 2023 and 2022, rental income was \$64,624 in both years.

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 6.

Future minimum rentals expected to be collected are as follows:

For the years ending December 31,	
2024	\$ 39,140
Thereafter	-
Total	\$ 39,140

NOTE 6 – LEASE AGREEMENTS

The Chamber has entered into noncancelable operating leases that expire in 2024 and 2026. For the years ended December 31, 2023 and 2022, the total rental expense under these leases was \$13,694 and \$11,458, respectively. The Chamber's lease arrangements are not recognized in the statement of financial position as they are immaterial. Future minimum lease payments are as follows:

For the years ending December 31,	
2024	\$2,749
2025	1,969
2026	492
Thereafter	-
Total	\$5,210

NOTE 7 – NOTE PAYABLE

The Chamber had a note payable due in monthly installments to a financial institution for an office building in the amount of \$6,729 for 83 months beginning January 10, 2010 through November 10, 2016. This note was secured by the Quinn Road office building, with interest at 5% through October 9, 2021. On December 10, 2016, a balloon payment of any unpaid principal and interest became due and payable, at which time the loan was modified to require monthly installments of \$5,595 at the same interest rate and terms and to become due and payable on December 10, 2023. Effective October 10, 2021, the interest rate was modified to 4%, requiring the same monthly installments and due date. In December 2023, the interest rate was modified to 7% and the note is due and payable on demand. If demand is not earlier made, the note shall be due and payable in monthly payments of principal and interest of \$5,224, commencing on January 10, 2024 through December 10, 2026, when the entire amount remaining unpaid shall be due and payable.

As of December 31, 2023 and 2022, the balance was \$381,706 and \$527,582, respectively. Future scheduled maturities of the note payable are as follows:

For the years ending December 31,	
2024	\$381,706
Thereafter	-
Total	\$381,706

Greater Tomball Area Chamber of Commerce

Notes to Financial Statements

Item 6.

NOTE 8 – CONCENTRATIONS

For the years ended December 31, 2023 and 2022, respectively, approximately fifty percent (50%) and forty-nine percent (49%) of the Chamber’s total revenue and support came from membership dues.

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

NOTE 9 – CONTRIBUTED NONFINANCIAL ASSETS

For the years ended December 31, 2023 and 2022, the Chamber’s contributed nonfinancial assets consist of the following:

	2023	2022
Advertising	\$22,720	\$22,720
Repairs and maintenance	6,600	6,600
Supplies	4,500	3,500
Venues	6,300	5,300
Miscellaneous	3,348	2,823
Total contributed nonfinancial assets	\$43,468	\$40,943

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

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 12, 2024, the date the financial statements were available to be issued. No events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

**GREATER TOMBALL AREA CHAMBER OF COMMERCE
2024 BOARD OF DIRECTORS**

CHAIR OF THE BOARD

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awellbrock@tomballchamber.org

Request for Taxpayer Identification Number and Certification

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

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

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

Greater Tomball Area Chamber of Commerce

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

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

- Individual/sole proprietor
- C corporation
- S corporation
- Partnership
- Trust/estate
- LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) _____
- Other (see instructions) _____

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

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

Exempt payee code (if any) _____

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) _____

(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See Instructions

5 Address (number, street, and apt. or suite no.). See instructions.

PO Box 516

6 City, state, and ZIP code

Tomball, TX 77377-0516

7 List account number(s) here (optional)

Requester's name and address (optional)

Print or type. See Specific Instructions on page 3.

Part I Taxpayer Identification Number (TIN)

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

Social security number									
			-						
or									
Employer identification number									
7	4	-	1	4	9	5	1	2	5

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

Part II Certification

Under penalties of perjury, I certify that:

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

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

Sign Here

Signature of U.S. person

Date

4/1/24

General Instructions

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

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

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: September 23, 2024

Topic:

Consideration of Application from the Spring Creek County Historical Association for use of FY 2024-2025 Hotel Occupancy Funds for 2024-2025 Operations Activities.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Sueanne Larson, Finance Manager

FUNDING (IF APPLICABLE)

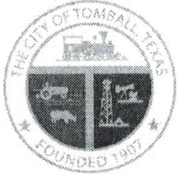
Are funds specifically designated in the current budget for the full amount required for this purpose?

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

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

Signed Bragg Farmer
Finance Director 9/6/2024

Approved by _____
City Manager _____ Date _____



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 6/20/24
 Name of Organization/Business: SPRING CREEK COUNTY HISTORICAL ASS.
 Street Address: 510 Pine Street
 City: Tomball State: TX Zip Code: 77375
 Contact Name: Rayford Lynn McCoy
 Phone Number: 281-384-2621 Email: rayford.mccoy@gmail.com

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

Purpose of organization/business: Promotion & preservation of objects which
establish or illustrate the history, culture & daily life in the area
of Tomball and Northern Harris County

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

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

Yes No

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

Select all categories that apply.

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

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Tomball Museum Center

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

Date(s) of event/expenditure: Throughout year

Location of event/expenditure: 510 Pine Street (approx 9 acres)

Description of event/expenditure: School tours, guided tours, accomodation of county tours for sr. citizens, carshow(s), quiltshows, candlelight tours

Estimated local attendees: 2000+ Estimated out of town attendees: 500

If approved, how will the grant funds be used? Maintenance, repairs, utilities, brochures, landscaping, website development etc.

How will you measure the impact of your event on local overnight accommodations? by monitoring attendance at events vs. prior events, tracking addresses of museum tour participants and tracking brochures distributed at hotels & motels

Amount of funding requested: \$ 59500

Current operating budget for the event/expenditure: \$ 75000 (approx)

Total funding dedicated to advertising/promotion of event/expenditure: \$ 5000 (brochures & website)

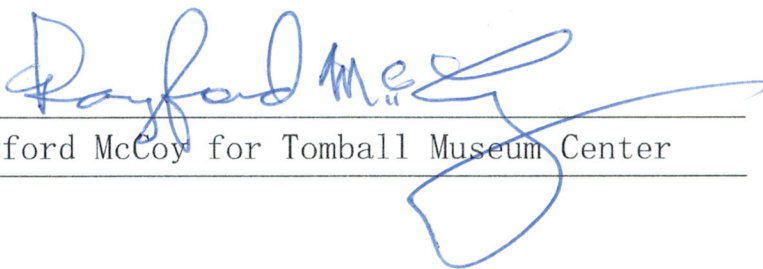
Organization's direct contribution to the operating and advertising budget: \$ 20000

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

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

How do you intend to advertise or promote your event to gain overnight stays in Tomball? see above & by word of mouth for wedding venue and reputation among professional protographers for photo shoots.

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

Applicant Signature: 
Applicant Name: Rayford McCoy for Tomball Museum Center

Required Documents:

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

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

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

TOMBALL MUSEUM CENTER
 FY 24-25 HOT REQUEST

<u>CATEGORY</u>	<u>AMOUNT</u>	<u>CATEGORY CUM.</u>
STRUCTURAL REPAIRS		
OIL CAMP HOUSE LEVELING & STABILIZATION	15000	15000
CORN CRIB STABILIZATION, POSSIBLE REMOVAL	2500	17500
PROVIDE FOR DRAINAGE ON "PARADE GROUNDS"	2500	20000
MAINTENANCE/PAINTING		
CHURCH PAINTING & NECESSARY SIDING REPLACEMENT	5000	5000
SCHOOLHOUSE PAINTING & NEC SIDING REPAIRS	3000	8000
OIL CAMP HOUSE PAINTING & NEC SIDING REPAIRS	3000	11000
OIL CAMP HOUSE, REPAIR/REPLACE FRONT & REAR DOORS	1500	12500
COMMUNITY EVENTS		
CANDLELIGHT TOURS (ASSOC. WITH GERMAN FESTIVAL	3500	3500
ANTIQUE CAR SHOW & PARADE	2000	5500
QUILT & CRAFTING SHOWS	1500	7000
LANDSCAPING		
APPROX. 9 ACRES, BI-WEEKLY	7200	7200
UTILITIES		
ELECTRICITY	7200	7200
CITY OF TOMBALL (4 METERS/BILLS)	3600	10800
ADVERTISING & PUBLIC RELATIONS		
WEBSITE AND PRINTING COSTS	2000	2000
REQUEST TOTAL FOR FY 24_25		59500

ORGANIZED BUDGET FOR 2024-2025

CATEGORY	CITY FUNDS	OTHER FUNDS	TOTAL
STRUCTURAL REPAIRS	20000		20000
MAINTENANCE & PAINTING	12500	1000	13500
COMMUNITY EVENTS	7000	2000	9000
LANDSCAPING	7200	500	7700
UTILITIES	10800	2000	12800
ADVERTISING & PUBLIC RELATIONS	2000	1500	3500
MISCELLANEOUS		1000	1000
PERSONNEL		12000	12000
TOTALS	59500	20000	79500

		2023					2024		
		July	October	November	December	2023 in General	January	February	March
Museum Specifics	Volunteer Hours			530 hours (96 in 2022)	435 hours		379 hours (337 in 2023)	444 hours (369 in 2023)	508.28 hours (348.43 in 2023)
	Visitors (to Museum)				2,171 visitors (537 in 2022)		115 visitors (68 in 2023)	32 Visitors (21 in 2023)	258 visitors
	Money Earned				\$4,113 (\$2,600 in 2022)	\$75 in donations from festivals	\$641 (\$364 in 2023)	\$240	
Events	Car Social		447 Visitors						
	Peak Into the Past (Pearl Fincher Fine Arts Museum)			About 150 visitors					
	Tea and Chat							\$13 in sales from bookstore + donations	
Social Media	Facebook	Up 30.5%	Reached 6,723 people (Up 52.8%) Visits up 16%				Visits Down; Reach Down; New Likes Up	Visits up 22.5%; Reach up slightly	
	Instagram	Up 260% (16,061 hits)					Visits Down; Reach Up; Followers Up	Visits up 17.6%; Reach down 2.7%	
	Museum Website							910 visitors	

SPRING CREEK COUNTY HISTORICAL ASSOCIATION

BOARD OF DIRECTORS

<u>INDIVIDUAL</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>ZIP</u>	<u>PHONE</u>	<u>E-MAIL</u>
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BECKY CLEPPER	713 CLAYTON ST.	TOMBALL	77375	713-702-3513	heartbeckyc@gmail.com
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BOBBY RUSSELL	PO BOX 1862	TOMBALL	77377	281-610-6685	Bearkats73@aol.com
CECILIE LANG	15119 TIMBERSHIRE COURT	MAGNOLIA	77355	281-252-0943	grlang@yahoo.com
HENRY REID	11102 OLDE MINT HOUSE LN	TOMBALL	77375	281-831-0738	henryreid@gmail.com
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MARY MCCOY	31215 HELEN LN.	TOMBALL	77375	281-507-8693	marymccoy06@gmail.com
JOANN EHRHARDT	6607 KLEIN CEMETARY RD.	KLEIN	77379	713-376-0188	joann6607@gmail.com

SCCHA March 2018
3/10/2024

Date	Num	Transaction	Payment	C	Deposit	Balance
2/3/2024	DEP	Americo Energy Resources cat: Royalties			466.10	28,230.86
2/3/2024	DEP	Doation cat: Tours			76.00	28,306.86
2/3/2024	DEP	Square cat: Donation memo: Tour Marisol Lopez			9.47	28,316.33
2/6/2024	DEP	Square cat: Photographers memo: Victoria Wright			24.12	28,340.45
2/7/2024	DEP	Square cat: Tours memo: William Blois			23.15	28,363.60
2/7/2024	1850	R.L. McCoy cat: Reimbursement memo: Fans	52.91			28,310.69
2/7/2024	1851	Void				28,310.69
2/7/2024	1852	Void				28,310.69
2/7/2024	1853	Reliant Engery cat: Utilities:Electric	294.64			28,016.05
2/7/2024	1854	Reliant Engery cat: Utilities:Electric	72.84			27,943.21
2/7/2024	1855	Reliant Engery cat: Utilities:Electric	100.96			27,842.25
2/7/2024	1856	AT&T/U-verse cat: Utilities:Telephone memo: 257433004	272.39			27,569.86
2/8/2024	DEP	Square cat: Photographers memo: Karina Pena			24.12	27,593.98
2/9/2024	1857	Reliant Engery cat: Utilities:Electric memo: 3 Accounts	602.20			26,991.78
2/10/2024	DEP	Square cat: Tours memo: Joel Hinton			34.87	27,026.65
2/10/2024	1858	Texas Cotton Gin Museum memo: Cotton Bale	100.00			26,926.65
2/10/2024	1859	Lucy Harvell cat: Reimbursement memo: Reimbursement Flags	160.40			26,766.25
2/11/2024	DEP	Square cat: Tours memo: Mary Campbell			4.58	26,770.83
2/12/2024	DEP	Square cat: Photographers memo: Karina Pena			24.12	26,794.95
2/12/2024	1860	Kasie Kimbrell cat: Cleaning memo: Cleaning Service	100.00			26,694.95
2/14/2024	1861	Atlas Air Conditioning & Heat cat: Griffin House	225.00			26,469.95

SCCHA March 2018
3/10/2024

Date	Num	Transaction	Payment	C	Deposit	Balance
2/14/2024	1862	Bob Watts cat: Reimbursement	25.98			26,443.97
2/18/2024	DEP	Square cat: Kids Museum Day Event memo: Christian Howard			9.47	26,453.44
2/19/2024	DEP	Square cat: Photographers memo: Rachael Lechman			24.12	26,477.56
2/19/2024	DEP	Square cat: Photographers memo: Karina Pena			24.12	26,501.68
2/20/2024	DEP	Square cat: Photographers memo: Morgan Vermilyen			24.12	26,525.80
2/21/2024	DEP	Book cat: Book Sales			13.00	26,538.80
2/21/2024	DEP	Memorial cat: Memorial			500.00	27,038.80
2/21/2024	DEP	Building Use cat: Buildig Use memo: Wedding			250.00	27,288.80
2/21/2024	DEP	Donation cat: Donation Tours memo: Tours			146.00	27,434.80
2/21/2024	DEP	Donation cat: Donation Tours memo: correction on 2/21/2024 deposit			20.00	27,454.80
2/21/2024	DEP	Square cat: Tours memo: Jose Angel Garcia Hinojosa			34.87	27,489.67
2/21/2024	1863	Nathan Marx cat: Building Use Refund memo: Wedding Cancellation	250.00			27,239.67
2/21/2024	1864	David Roche cat: Auto:Fuel Reimbursement memo: Cotton Bale Pickup	45.00			27,194.67
2/21/2024	1865	City Of Tomball cat: Utilities	529.65			26,665.02
2/21/2024	1866	Mary McCoy cat: Salary	960.79			25,704.23
2/23/2024	DEP	Square cat: Tours memo: Maria Prein			11.42	25,715.65
2/24/2024	1867	Bob Watts cat: Reimbursement memo: Stacey Harding Expense Lighting	43.94			25,671.71
2/24/2024	1868	Rene Velasquez cat: Lawn Care:Mowing	600.00			25,071.71
2/25/2024	DEP	Square cat: Tours memo: Don Sneck			23.15	25,094.86
2/25/2024	DEP	Square cat: Tours memo: Jacqueline Turner			9.47	25,104.33

SCCHA March 2018
3/10/2024

Date	Num	Transaction	Payment	C	Deposit	Balance
2/25/2024	1869	Kasie Kimbrell cat: Cleaning	100.00			25,004.33
2/27/2024	DEP	Square cat: Photographers memo: Danielle Griffin			24.12	25,028.45
2/27/2024	DEP	Square cat: Photographers memo: Jennifer Schranz			24.12	25,052.57
2/27/2024	DEP	Square cat: Photographers memo: Karina Pena			24.12	25,076.69

SCCHA March 2018
5/13/2024

Date	Num	Transaction	Payment	C	Deposit	Balance
3/4/2024	DEP	Doation cat: Tours			101.00	25,177.69
3/4/2024	DEP	Donnation cat: Fans			40.00	25,217.69
3/4/2024	DEP	Americo Energy Resources cat: Royalties			423.69	25,641.38
3/4/2024	DEP	Square cat: Tours memo: Douglas Ratigan			9.47	25,650.85
3/4/2024	DEP	Square cat: Tours memo: German Contreras			58.32	25,709.17
3/4/2024	1870	Greater Tomball Area Chamber Of Comm... cat: Dues memo: Dues	250.00			25,459.17
3/4/2024	1871	Bob Watts cat: Reimbursement memo: Jim Hayhurst Gift	121.70			25,337.47
3/4/2024	1872	Reliant Engery cat: Utilities:Electric	366.62			24,970.85
3/10/2024	DEP	Donation cat: Donation memo: H. Reid			250.00	25,220.85
3/10/2024	1873	Kasie Kimbrell cat: Cleaning	100.00			25,120.85
3/10/2024	1874	Coastal Fumigators cat: Termite Ser Agree Renewal memo: Church	525.00			24,595.85
3/10/2024	1875	Lowe's cat: Maintenance memo: 9900391420 9	65.80			24,530.05
3/11/2024	DEP	Square cat: Photographers memo: Rachael Lechman			24.12	24,554.17
3/18/2024	DEP	Square cat: Tours memo: Quentin Schaefer			46.60	24,600.77
3/18/2024	DEP	Square cat: Tours memo: Emily Britt			23.15	24,623.92
3/18/2024	DEP	Square cat: Tours memo: Fuck			19.24	24,643.16
3/18/2024	DEP	Square cat: Tours memo: Laura Kies			23.15	24,666.31
3/18/2024	DEP	Square cat: Tours memo: Val D. Ricks			34.87	24,701.18
3/18/2024	1876	Mary McCoy cat: Salary	960.79			23,740.39
3/19/2024	DEP	Square cat: Membership memo: Barbara Powell			33.90	23,774.29

Simmons BK March & April 2024

Item 7.

SCCHA March 2018
5/13/2024

Date	Num	Transaction	Payment	C	Deposit	Balance
3/19/2024	DEP	Square cat: Membership memo: Barbara Powell			33.90	23,808.19
3/19/2024	DEP	Square cat: Photographers memo: Karina Pena			24.12	23,832.31
3/20/2024	DEP	Donation cat: Donation Tours memo: Tours			160.00	23,992.31
3/20/2024	DEP	Building Use cat: Buildig Use memo: Magnolia Rangers UDoTC			25.00	24,017.31
3/20/2024	1877	ADT Security Service cat: Utilities:Alarm memo: 202346927	147.73			23,869.58
3/20/2024	1878	AT&T/U-verse cat: Utilities:Telephone memo: 257433004	0.03			23,869.55
3/20/2024	1879	Chaseloch Storage cat: Maintenance memo: Loom Repair	200.00			23,669.55
3/20/2024	1880	City Of Tomball cat: Utilities	574.97			23,094.58
3/20/2024	1881	Mary Mcoy cat: Reimbursement memo: Ink	61.69			23,032.89
3/25/2024	DEP	Square cat: Tours memo: Kayla Alsobrook			11.42	23,044.31
3/25/2024	DEP	Square cat: Photographers memo: Rachael Lechman			24.12	23,068.43
3/27/2024	DEP	Square cat: Photographers memo: Melissa Carson			24.12	23,092.55
3/27/2024	1882	Rene Velasquez cat: Lawn Care:Mowing	600.00			22,492.55
3/27/2024	1883	Mary Mcoy cat: Candlelight Tours	344.02			22,148.53
3/28/2024	DEP	Square cat: Photographers memo: Karina Pena			24.12	22,172.65
3/31/2024	1884	Kasie Kimbrell cat: Cleaning	100.00			22,072.65
4/1/2024	DEP	Square cat: Photographers memo: Danielle Griffin			24.12	22,096.77
4/1/2024	DEP	Square cat: Photographers memo: Angie Church			24.12	22,120.89
4/1/2024	1885	Nelson Martinez memo: Tree Trrimming	850.00			21,270.89
4/3/2024	DEP	Americo Energy Resources cat: Royalties			448.54	21,719.43

SCCHA March 2018
5/13/2024

Date	Num	Transaction	Payment	C	Deposit	Balance
4/3/2024	DEP	Donation cat: Donation Tours memo: Tours			39.00	21,758.43
4/3/2024	1886	Mary Mcoy cat: Reimbursement memo: Cleaning Supplies	148.69			21,609.74
4/3/2024	1886	cat: Candlelight Tours	12.99			21,596.75
4/3/2024	1886	cat: Hospitality memo: Water	41.96			21,554.79
4/3/2024	1886	cat: Office Supplies	189.50			21,365.29
4/4/2024	DEP	Square cat: Quilt Show 2024 memo: Shirley Lusk			19.24	21,384.53
4/5/2024	DEP	Square cat: Tours memo: Patti Schneider			19.24	21,403.77
4/8/2024	DEP	Square cat: Tours memo: Keiko Norwood			14.35	21,418.12
4/8/2024	DEP	Square cat: Photographers memo: Angie Church			24.12	21,442.24
4/11/2024	DEP	Square cat: Photographers memo: Nichole Daniel			24.12	21,466.36
4/11/2024	DEP	Square cat: Tours memo: Sanjay Baello			34.87	21,501.23
4/14/2024	1887	AT&T/U-verse cat: Utilities:Telephone memo: 257433004	131.20			21,370.03
4/14/2024	1888	City Of Tomball cat: Utilities	123.92			21,246.11
4/14/2024	1889	Lucy Harvell cat: Reimbursement memo: Supplies	160.40			21,085.71
4/14/2024	1890	Reliant Engery cat: Utilities:Electric	277.08			20,808.63
4/14/2024	1891	U.S.Treasury cat: Employee Tax memo: 941	799.26			20,009.37
4/14/2024	1892	Mary McCoy cat: Salary	960.79			19,048.58
4/15/2024	DEP	Square cat: Tours memo: Gus Verraires			23.15	19,071.73
4/15/2024	DEP	Square cat: Tours memo: Lisa Ireland			34.86	19,106.59

SCCHA March 2018
5/13/2024

Date	Num	Transaction	Payment	C	Deposit	Balance
4/15/2024	DEP	Square cat: Tours memo: Taylor Goodrich			11.42	19,118.01
4/15/2024	DEP	Square cat: Donation Tours memo: Mary Vatuna			48.55	19,166.56
4/15/2024	DEP	Square cat: Tours memo: Diana Martinez			29.01	19,195.57
4/15/2024	DEP	Square cat: Photographers memo: Ashley Ebert			24.13	19,219.70
4/15/2024	1904	Square cat: Membership memo: Lucy Harvill			33.90	19,253.60
4/18/2024	DEP	Square cat: Photographers memo: Danielle Griffin			24.12	19,277.72
4/18/2024	DEP	Square cat: Tours memo: Patrick Huson			46.60	19,324.32
4/18/2024	DEP	Square cat: Tours memo: Scott Eldredge			14.36	19,338.68
4/21/2024	1894	Kasie Kimbrell cat: Cleaning	100.00			19,238.68
4/22/2024	DEP	Square cat: Tours memo: Jeff Tetz			9.47	19,248.15
4/22/2024	DEP	Square cat: Tours memo: Holly McNeill			34.87	19,283.02
4/22/2024	DEP	Square cat: Tours memo: Dalton Dietert			9.47	19,292.49
4/24/2024	DEP	Square cat: Membership memo: Susan Parmlee			33.89	19,326.38
4/24/2024	1893	Void				19,326.38
4/24/2024	1895	Tim Kennedy cat: Office Supplies	139.12			19,187.26
4/24/2024	1896	Elizabethj Cummings cat: Library Supplies memo: Repair Supplies	283.22			18,904.04
4/24/2024	1897	Rene Velasquez cat: Lawn Care:Mowing	600.00			18,304.04
4/26/2024	DEP	Square cat: Photographers memo: Danielle Griffin			24.12	18,328.16
4/26/2024	DEP	Square cat: Membership memo: George McQueen			48.55	18,376.71

Simmons BK March & April 2024

Item 7.

SCCHA March 2018

5/13/2024

Date	Num	Transaction	Payment	C	Deposit	Balance
4/26/2024	DEP	Square cat: Tours memo: Nancy Foylin			9.47	18,386.18
4/26/2024	1898	R & D Painting cat: Maintenance Painting	6,200.00			12,186.18
4/27/2024	DEP	Square cat: Tours memo: Taylor Porche			9.47	12,195.65
4/29/2024	DEP	Square cat: Membership memo: James M. Sigmund			48.55	12,244.20

Spring Creek County Historical Association

Item 7.

Profit and Loss
January - April, 2024

	TOTAL
Income	
Building Use Income	535.00
Donations	
Donations - Undesignated	406.00
Memorial Donations	1,950.00
Photography Donations	525.00
Total Donations - Undesignated	2,881.00
Total Donations	2,881.00
Grant - City of Tomball	14,681.90
Program Income	
Candlelight Tour Income	488.90
Kids' Museum	0.00
Membership Dues Income	475.00
Tea and Chat Income	425.00
Tours Income	1,607.00
Total Program Income	2,995.90
Quilt Show	20.00
Sales of Product Income	
Books	238.00
Fans	170.00
Total Sales of Product Income	408.00
Uncategorized Income	29.47
Total Income	\$21,551.27
GROSS PROFIT	\$21,551.27
Expenses	
Bank Service Charges	40.00
Depreciation Expense	117.00
Docent Expense	100.00
Dues & Subscriptions	250.00
Events Expense	32.32
Antique Car Show Expenses	803.42
Candlelight Tour Expense	382.90
Total Events Expense	1,218.64
Insurance	935.00
Insurance -COMMERCIAL LIABILITY	2,521.00
Merchant Fees	105.04
Office Expenses	614.06
Operations	356.47
Advertising and Publicity	99.75
Postage, Mailing Service	39.00

Profit and Loss
January - April, 2024

Item 7.

	TOTAL
Supplies	387.93
Total Operations	883.15
Repairs & Maintenance	850.00
Buildings & Grounds Maintenance	15,333.08
Cleaning	1,548.69
Lawn Service	3,600.00
Total Repairs & Maintenance	21,331.77
Salaries	4,560.00
Security	50.00
Storage Unit	200.00
Taxes	
Payroll Taxes	348.84
Royalty Taxes	89.40
Total Taxes	438.24
Telephone	534.79
Utilities	3,547.44
Total Expenses	\$37,446.13
NET OPERATING INCOME	\$ -15,894.86
Other Income	
Bank Rewards	40.00
Interest Income - CD	2,387.34
Royalty Income	
Americo Energy Resources	1,939.94
Total Royalty Income	1,939.94
Total Other Income	\$4,367.28
NET OTHER INCOME	\$4,367.28
NET INCOME	\$ -11,527.58

Request for Taxpayer Identification Number and Certification

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

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

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type.
See Specific Instructions on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)
SPRING CREEK COUNTY HISTORICAL ASSOCIATION

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

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

Individual/sole proprietor C corporation S corporation Partnership Trust/estate

LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership)

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

Other (see instructions)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions

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

Exempt payee code (if any) _____

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) _____

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.
P.O. BOX 457

6 City, state, and ZIP code
TOMBALL, TX. 77375

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

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

Social security number

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or

Employer identification number

7	4	-	6	0	7	0	5	7	2
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Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

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

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

Sign Here Signature of U.S. person *[Signature]* Date 6/29/2024

General Instructions

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

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

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

TAC Board Meeting Agenda Item Data Sheet

Meeting Date: September 23, 2024

Topic:

Consideration of Application from the Tomball Sister City Organization for use of FY 2024-2025 Hotel Occupancy Tax Funds for the 2024 German Christmas Market.

Background:

Origination: Finance

Recommendation:

Party(ies) responsible for placing this item on agenda: Bragg Farmer, Finance Director

FUNDING (IF APPLICABLE)

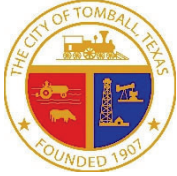
Are funds specifically designated in the current budget for the full amount required for this purpose?

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

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

Signed Bragg Farmer
Finance Director 9/6/2024

Approved by _____
City Manager _____ Date _____



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: 6/24/2024
 Name of Organization/Business: Tomball Sister City
 Street Address: PO Box 1131
 City: Tomball State: TX Zip Code: 77377
 Contact Name: Craig Bogner
 Phone Number: 832-715-6291 Email: Craig@tomballgermanfest.org

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

Purpose of organization/business: TO KEEP THE GERMAN CULTURE AND HERITAGE OF TOMBALL PAST
SUPPORT EXCHANGE STUDENTS FROM TELGTE GERMANY TOMBALL'S SISTER CITY.

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

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

Yes No

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

Select all categories that apply.

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

Is this a new event/expenditure? Yes No

Name of the event/expenditure: Tomball German Christmas Market

Website address of event/expenditure: Tomballgermanfest.org

Date(s) of event/expenditure: Dec. 13,14,15 2024

Location of event/expenditure: 100,200,300,400 Blocks of Market

Description of event/expenditure: To keep the German culture and heritage.

Support exchange student program from our sister city in Telgte Germany

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

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

ADVERTISING, TENTS & CHAIRS GENERATORS & LIGHT TOWERS

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

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

Amount of funding requested: \$ 80K

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

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

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

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


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

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

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

Website has links to Hotels.

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

Applicant Signature: 

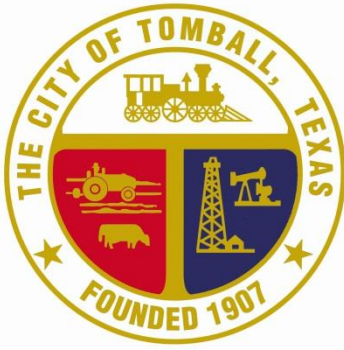
Applicant Name: Craig Bogner

Required Documents:

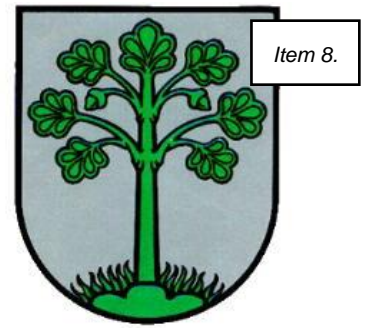
- Itemized budget of expenditures for grant funds
- Organization’s most recent annual budget
- Organization’s most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently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

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

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



**TOMBALL SISTER CITY
ORGANIZATION, INC.**
Tomball, Texas – Telgte, Germany
P.O. Box 1131
Tomball, Texas 77377



July 2024

Honorable Mayor and City Council

Re: Request for Support of the German Heritage Festival

The Tomball Sister City Organization, Inc. would like to continue the success of our Heritage Festival and bring thousands of visitors to Tomball this year. With this in mind, we respectfully request the following from our city:

(A) In-kind support for the 2024 TGCM, Dec.13,14,15 2025 TGHF March 28,29,30

1. Personnel:

Public Works:

Ten (10) employees for Friday night, 6:00 pm - 11:00 pm

Eleven (12) employees for Saturday, 8:00 am - 11:00 pm

Eleven (12) employees for Sunday, 8:00 am - 9:00 pm

Employees will need the use of gators for trash pick-up

Police Department:

Six (10) Officers for Friday, 5:00 pm - 11:00 pm

Six (10) Officers for Saturday, 9:00 am - 11:00 pm

Six (10) Officers for Sunday, 10:00 am - 6:00 pm

Three (3) Officers for Sunday night, 6:00 pm - 10:00 pm (for carnival area)

Fire Department:

Two (2) Firefighter/EMTs for Friday, 5:00 pm - 11:00 pm

Two (2) Firefighter/EMTs for Saturday, 9:00 am - 11:00 pm

Two (2) Firefighter/EMTs for Sunday, 10:00 am - 6:00 pm

1 Special Event Vehicle (Fire) for duration of event

2. Facilities

The use of the Community Center Friday, 10:00 am - 10:00 pm and Saturday, 8:00 am - 10:00 pm and Sunday, 8:00 am - 8:00 pm, and one (1) employee working these hours, also.

3. Supplies/Rentals:

Three (4) 40-yard roll-off, One (1) 30-yard roll-off, and Four (4) 8-yard dumpsters.

Seventy (70) trash barrels with 500 liners

Thirty (30) barricades, sixteen (16) traffic cones

Forty-Two (42) Jersey Barriers – Traffic safety & crowd protection

Two (2) City owned Generators & Light Towers

Fuel Top-off for Generators from City's Fuel supply

4. Street Closures:

We respectfully request permission to close the following City Streets:

12:00 noon, Thursday - 10:00 pm, Sunday:

- 100 Block S. Elm Street & Oak Street
- 100 - 200 – 300-400 Blocks of Market Street
- Intersection of Market & 200 Block S. Walnut

5:00 pm Friday until 10:00 pm Sunday: 100 Block Walnut (This is to give access to the Harris County Tax Office.)

We have also requested of Harris County that S. Cherry Street be closed 9:00 am Friday – 8:00 pm, Sunday.

We request the use of the Following. 5 PM Thursday (1) Heritage Plaza Parking Lot across from City Hall. (2) East end of Heritage Park (3) South lot of the Police Parking Lot. 5 PM Friday (4) Westside of parking lot next to city hall.

(B) Cash Request: Reimbursement, not to exceed 80 K as Approved by TAC Board.

(C) Transportation:

We request transportation for the off-site parking to the festival. 1 City shuttle service and 2 Drivers 30 minutes before start of festival and 30 minutes after close of festival on Saturday and Sunday.

Carnival Hours: Friday, 3:00 pm – 11:00 pm; Saturday, 10:00 am – 11:00 pm; Sunday, 10:00 am – 10:00 pm.

Sincerely,
Craig Bogner

Tomball Sister City Organization

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Item 8.

Date: **MAY 21 2003**

THE TOMBALL SISTER CITY
ORGANIZATION
401 MARKET ST
TOMBALL, TX 77375

Employer Identification Number:
43-1991155
DLN:
403136001
Contact Person:
GIL STOREY ID# 52603
Contact Telephone Number:
(877) 829-5500
Internal Revenue Code
Section 501(c)(4)
Accounting Period Ending:
December 31
Form 990 Required:
Yes
Addendum Applies:
No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in the section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$100 or more during a calendar year. And, unless excepted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay \$50 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, employment, or other Federal taxes, please address them to this office.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth

Letter 948 (DO/CG)

The Tomball Sister City Organization

Independent Accountants' Review Report and
Financial Statements for the Fiscal Year Ended September 30, 2023
(with comparative totals for 2022)



Tipton & Company
CERTIFIED PUBLIC ACCOUNTANTS

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Tipton & Company

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed the accompanying financial statements of The Tomball Sister City Organization (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

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

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Report on Summarized Comparative Information

We have previously reviewed The Tomball Sister City Organization's 2022 financial statements dated November 29, 2022. The summarized comparative information presented herein as of and for the year ended September 30, 2022, is consistent, in all material respects, with the reviewed financial statements from which it has been derived.

Tipton & Company LLC

Tipton & Company
 Certified Public Accountants
 Houston, Texas

May 23, 2024

The Tomball Sister City Organization

Statement of Financial Position

Item 8.

As of September 30, (with comparative totals for 2022)	2023	2022
Assets		
Cash and cash equivalents	\$ 215,218	\$ 255,692
Property and equipment, net	3,723	4,849
Total Assets	\$ 218,941	\$ 260,541
Liabilities and Net Assets		
Liabilities		
Deferred revenue	\$ 40,125	\$ 48,252
Accrued expenses	10,754	16,097
Total Liabilities	50,879	64,349
Net Assets		
Without donor restriction	168,062	196,192
Total Net Assets	168,062	196,192
Total Liabilities and Net Assets	\$ 218,941	\$ 260,541

See accompanying notes and independent accountants' review report.

The Tomball Sister City Organization

Statement of Activities

Item 8.

<i>Year ended September 30, (with comparative totals for 2022)</i>	2023	2022
	Total	Total
Without Donor Restrictions		
Public Support and Revenues		
Public Support		
Tomball German Heritage Festival grant	\$ 80,000	\$ 80,000
Tomball German Christmas Market grant	80,000	80,000
Revenue		
Tomball German Heritage Festival sponsorship and fees	183,202	173,510
Tomball German Christmas Market sponsorship and fees	161,058	137,555
Other income	268	190
Total Public Support and Revenues	504,528	471,255
Expenses		
Program Activities		
Tomball German Heritage Festival	211,373	190,584
Tomball German Christmas Market	212,337	188,635
Total Program Activities	423,710	379,219
Supporting Activities		
Management and general	61,065	52,087
Fundraising	47,883	37,990
Total Supporting Activities	108,948	90,077
Total Expenses	532,658	469,296
Change in Net Assets	(28,130)	1,959
Net Assets, Beginning of Year	196,192	194,233
Net Assets, End of Year	\$ 168,062	\$ 196,192

See accompanying notes and independent accountants' review report.

The Tomball Sister City Organization
Statement of Functional Expenses

Year ended September 30, (with comparative totals for 2022)	Program Activities			Supporting Activities			2023 Total	2022 Total
	Tomball German Heritage Festival	Tomball German Christmas Market	Total Program Activities	Management & General	Fundraising	Total Supporting Activities		
Salaries and related expenses								
Salaries and wages	\$ 12,471	\$ 12,471	\$ 24,942	\$ 14,965	\$ 9,977	\$ 24,942	\$ 49,884	\$ 49,300
Payroll taxes	992	992	1,984	1,190	793	1,983	3,967	3,771
Employee benefits	58	58	116	69	46	115	231	237
Total salaries and related expenses	13,521	13,521	27,042	16,224	10,816	27,040	54,082	53,308
Other Expenses								
Advertising	19,144	17,461	36,605	-	36,605	36,605	73,210	53,086
Auto	-	-	-	1,454	-	1,454	1,454	2,253
Depreciation	-	-	-	1,126	-	1,126	1,126	1,126
Distributors	93,588	105,903	199,491	-	-	-	199,491	179,562
Donations	-	-	-	3,861	-	3,861	3,861	1,000
Dues	-	-	-	5,257	-	5,257	5,257	5,104
Equipment rental	-	-	-	-	-	-	-	13,720
Exchange students	3,859	3,859	7,718	-	-	-	7,718	8,368
Hospitality	934	2,252	3,186	-	-	-	3,186	4,912
Insurance	-	-	-	7,670	-	7,670	7,670	8,088
Maintenance	-	-	-	2,023	-	2,023	2,023	750
Miscellaneous	-	265	265	3,030	-	3,030	3,295	2,932
Postage	-	-	-	235	-	235	235	256
Professional fees	-	-	-	5,000	-	5,000	5,000	-
Security	3,580	3,420	7,000	-	-	-	7,000	3,430
Service fees	478	478	956	884	382	1,266	2,222	2,054
Storage	-	-	-	1,246	-	1,246	1,246	2,036
Supplies	6,655	5,107	11,762	-	-	-	11,762	4,020
Taxes	101	101	202	121	80	201	403	2,064
Travel and entertainment	69,513	59,287	128,800	5,619	-	5,619	134,419	111,638
Utilities	-	-	-	6,143	-	6,143	6,143	5,619
Volunteers	-	683	683	-	-	-	683	500
Website	-	-	-	1,172	-	1,172	1,172	3,470
Total Other Expenses	197,852	198,816	396,668	44,841	37,067	81,908	478,576	415,988
Total Expenses	\$ 211,373	\$ 212,337	\$ 423,710	\$ 61,065	\$ 47,883	\$ 108,948	\$ 532,658	\$ 469,296

See accompanying notes and independent accountants' review report.

The Tomball Sister City Organization

Statement of Cash Flows

Item 8.

Year ended September 30, (with comparative totals for 2022)	2023	2022
Cash Flows from Operating Activities		
Change in Net Assets	\$ (28,130)	\$ 1,959
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation expense	1,126	1,126
Change in operating assets and liabilities:		
Deferred revenue	(8,127)	14,336
Accrued expenses	(5,343)	2,041
Total Adjustments	(12,344)	17,503
Net Change from Operating Activities	(40,474)	19,462
Net Change in Cash and Cash Equivalents	(40,474)	
Cash and Cash Equivalents, beginning of year	255,692	236,230
Cash and Cash Equivalents, end of year	\$ 215,218	\$ 255,692

See accompanying notes and independent accountants' review report.

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

The Tomball Sister City Organization

Notes to Financial Statements

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

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

Computers	2 years
Trailers	5 - 15 years

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

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

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

Contributed Nonfinancial Assets – Contributed nonfinancial assets are recognized as contributions at fair value when an unconditional commitment is received from the donor. The related expense is recognized as the item is used. Contributed services are recognized as support at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service, and the service would typically need to be purchased if not donated.

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

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

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

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

Income Taxes – The Organization is a nonprofit corporation that is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (“Code”) and comparable State law, and contributions to it are tax deductible within the limitations prescribed by the Code. The Organization did not conduct any unrelated

The Tomball Sister City Organization

Notes to Financial Statements

Item 8.

business activities in the current fiscal year. Therefore, the Organization has made no provision for federal income taxes in the accompanying financial statements.

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

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

Advertising – Advertising costs are expensed as incurred. Advertising expense for the year ended September 30, 2023 and 2022 was \$73,210 and \$53,086, respectively.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of September 30, 2023, are comprised of cash and cash equivalents amounting to \$215,218.

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

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

NOTE 3 – CONCENTRATIONS

The Organization maintains cash balances at one financial institution located in Texas. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2023 and 2022, the Organization had no uninsured balances.

For the year ended September 30, 2023, one grantor accounted for thirty-one percent (31%) of total public support and revenue. For the year ended September 30, 2022, one grantor accounted for thirty-four percent (34%) of total public support and revenue.

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

The Tomball Sister City Organization

Item 8.

Notes to Financial Statements

NOTE 4 – PROPERTY AND EQUIPMENT

As of September 30, 2023 and 2022, property and equipment consist of the following:

	2023	2022
Computers	\$3,357	\$3,357
Trailers	8,248	8,248
Subtotal property and equipment	11,605	11,605
Less: accumulated depreciation	(7,882)	(6,756)
Total property and equipment, net	\$3,723	\$4,849

Depreciation expense for the years ended September 30, 2023 and 2022 was \$1,126 in both years.

NOTE 5 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 23, 2024, the date the financial statements were available to be issued. No additional events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

The Tomball Sister Cities Organization

Item 8.

Budget Overview: Budget_FY24_P&L - FY24 P&L

October 2023 - September 2024

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

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

Tomball Sister City Organization, Inc.
P. O. Box 1131, Tomball, TX 77377
AS OF 9-11-2023

Officers and Board of Directors

NAME & ADDRESS	PHONE	EMAIL	TERM EXPIRES
Grady Martin, Chair 8118 Spring Stuebner Road Spring, Texas 77379	713-829-7116	gradsand@yahoo.com	2024
Kit Pfeiffer, Vice Chair 31214 Helen Lane Tomball, Texas 77375	281-460-7630	kitpfeiffer@yahoo.com	2024
Sandra Martin 8118 Spring Stuebner Road Spring, Texas 77379	713-829-0313	gradsand@yahoo.com	2024
Craig Bogner Treasurer, General Manager 31226 Antonia Lane Tomball, Texas 77375	832-715-6291	craigbogner@gmail.com craig@tomballgermanfest.org	2026
Amy Mason 26003 Di-jon Tomball, Texas 77377	713-412-1882	amyamason@yahoo.com	2025
Elizabeth Barnett, Secretary 2 Blue Bungalow Drive Spring, Texas 77389	281-900-8663	ebarnett@houstonmethodist.org	2025
Sonja Love 11907 Julia Lane Magnolia, Texas 77354	832-236-5412	larry.sonja@sbcglobal.net	2024
Wesley Burke 11918 Painted Canyon Dr. Tomball, Texas 77377	832-347-0699	wesleyjburke.com	2026
Nora Stovall 307 Florence Street Tomball, Texas 77375	281-541-1449	norastovall@sbcglobal.net	2026
Shawn Mason 26003 Di-jon Tomball, Texas 77377	281-799-9292	shama_go14@yahoo.com	2024
Mark Barnett 2 Blue Bungalow Drive Spring, Texas 77389	832-326-8141	mjbarnett76@yahoo.com	2025
Klaus Rotermund 18915 Ayston Drive Tomball, Texas 77375	832-594-6258	klaro10@att.net	2025

Request for Taxpayer Identification Number and Certification

Item 8.

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

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

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Tomball Sister City Org

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

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

Individual/sole proprietor or single-member LLC C Corporation S Corporation Partnership Trust/estate

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

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

Other (see instructions) ▶ _____

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

Exempt payee code (if any) 1

Exemption from FATCA reporting code (if any) _____

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

5 Address (number, street, and apt. or suite no.) See instructions.
PO BOX 1311

6 City, state, and ZIP code
TOMBALL TX 77377

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

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

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

Social security number									
			-			-			
or									
Employer identification number									
4	3	-	1	9	9	1	1	5	5

Part II Certification

Under penalties of perjury, I certify that:

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

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

Sign Here Signature of U.S. person ▶ CBoq Date ▶ 7/10/2023

General Instructions

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

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

Purpose of Form

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

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
 - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
 - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
 - Form 1099-S (proceeds from real estate transactions)
 - Form 1099-K (merchant card and third party network transactions)
 - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

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

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.