NOTICE OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

MONDAY, APRIL 4, 2016

6:00 P.M.

Notice is hereby given of a meeting of the Tomball City Council, to be held on Monday, April 4, 2016 at 6:00 P.M., City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1.0 Call to Order

2.0 Invocation

- Led by Pastor Bob Webb, Rosehill United Methodist Church

3.0 Pledges to U.S. and Texas Flags

- Led by Members of the Tomball High School Student Council

4.0 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.]*

5.0 Presentations:

- Proclamation - **"Henleigh Kathryn Holmes Day"**
- Proclamation - **"National Postcard Week"**
- Proclamation - **"National Public Safety Telecommunicators Week"**

6.0 Reports and Announcements

- April 9, 2016 – ***8th Annual 5K Bunny Run and 1 Mile Kids Walk*** – 5K starts at 8:00 a.m.; 1 Mile starts at 9:00 a.m.
- April 9, 2016 – ***Lions Club Car Show*** at Lone Star College-Tomball – 8:00 a.m.-3:00 p.m.
- April 9, 2016 – **2nd Saturday at the Depot** – 4:00 p.m.
- April 11, 2016 – ***"2016 Ride 2 Recovery Texas Challenge"*** Welcome and Reception – 9:30 a.m.-11:00 a.m.
- April 16, 2016 – **Tomball Rotary Club Annual Fish Fry** at the Depot – 4:00 p.m.-8:00 p.m.
- April 18-23, 2016 – **Annual Spring Clean-Up and Chipping Week**
- April 20-21, 2016 – ***Shattered Lives*** Event – Tomball Memorial High School
- April 23, 2016 – **Tomball Consolidated Recycling Day** – Lone Star College-Tomball Campus, 30555 Tomball Parkway, South Entrance – 10:00 a.m.-2:00 p.m.
- April 30-May 1, 2016 – **Rails & Tails Mudbug Festival** at the Depot, with *"Trackside Toss"* Washers Tournament and *"Roux Run"* Crawfish Race
- May 5, 2016 – **National Day of Prayer**
- May 14, 2016 – Second Saturday at the Depot
- May 28, 2016 – **Tomball Chili Challenge 2016** at the Depot
- June 4, 2016 – ***Tomball Honky Tonk Music Festival*** at the Depot
- July 4, 2016 – **July Fourth Celebration & Street Festival** – Business 249 at FM 2920
- Reports by City staff and members of council about items of community interest on which no action will be taken:
  - George Shackelford – Doris Speer, City Secretary, earns **Master Municipal Clerk (MMC)** designation from the International Institute of Municipal Clerks (IIMC)

7.0 Approve the Minutes of the March 21, 2016 Regular City Council Meeting

8.0 Old Business:

8.1 Adopt, on Second Reading, Ordinance No. 2016-03, an Ordinance of the City of Tomball, Texas, Continuing the City's Juvenile Curfew Ordinance; and Making Other Findings and Provisions Related Thereto

8.2 Adopt, on Second Reading, Ordinance No. 2016-04, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (Cup) to Maple Creek Bed & Breakfast to Operate a "Bed and Breakfast Inn;" Said Property Being Approximately 5.663 Acres, and Being Legally Described as Tract 3, 5.663 Acres of McGraw Tract II, a Subdivision in the Ralph Hubbard Survey, Abstract 383, according to the Map or Plat Thereof Recorded in Vol. 423, Page 107, Map Records, Harris County, Texas, Generally Located East of Hospital Road on the North Side of E. Hufsmith Road; Providing Requirements and Conditions for This Cup; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof;

and Providing for Severability

8.3 Adopt, on Second Reading, Ordinance No. 2016-05, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Changing the Zoning District Classification of Approximately 13.1 Acres of Land, Legally Described as 5.001 Acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 Acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C., within the City of Tomball, Harris County, Texas, from the Agricultural District to the Commercial District; Said Property Being Generally Located on the East Side of Hufsmith-Kohrville, South of The Estates at Willow Creek Subdivision; Providing for the Amendment of the Official Zoning Map of the City; Providing for Severability; Providing for a Penalty of an Amount Not to Exceed $2,000 for Each Day of Violation of Any Provision Hereof, Making Findings of Fact; and Providing for Other Related Matters

9.0 New Business:

9.1 Presentation of the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending September 30, 2015.

9.2 Approve Request by Concordia Lutheran High School for City Support of the The Crusader Cook-Off, to be held on Saturday, April 23, 2016, through In-Kind Services, Including a Soft Road Closure of Timkin Road, Provided by the City of Tomball

9.3 Consideration and Possible Approval to Change the Speed Limit on Brown Road from 30 mph to 35 mph from State Hwy 249 Business to Baker Drive

9.4 Approve Lease of City Property located at 107 N. Cherry to Dennis Henderson for Use as Office Space and Additional Restaurant Seating and Authorize City Attorney to Draw Up Agreement and City Manager to Execute on Behalf of the City of Tomball

9.5 Presentation of Strategic Plan Update – City Council Report

10.0 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 31st day of March 2016 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

<u>Doris Speer</u>

____

Doris Speer
City Secretary, TRMC

This facility is wheelchair accessible and accessible parking spaces are available Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information.

AGENDAS MAY ALSO BE VIEWED ONLINE AT www.ci.tomball.tx.us.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

- Led by Pastor Bob Webb, Rosehill United Methodist Church

Background:

Origination:

Recommendation:

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

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

Regular City Council Agenda Item Data Sheet

Meeting Date: April 4, 2016

Topic:

- Led by Members of the Tomball High School Student Council

Background:

Origination:

Recommendation:

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

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

Background:

Origination:

Recommendation:

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

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

- Proclamation - **"Henleigh Kathryn Holmes Day"**
- Proclamation - **"National Postcard Week"**
- Proclamation - **"National Public Safety Telecommunicators Week"**

Background:

Origination:
Various

Recommendation:
N/A

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

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1st ☐ 2nd	Other

ATTACHMENTS:

National Postcard Week
National Public Safety Telecommunicators Week

Office of the Mayor

Tomball, Texas

Proclamation

WHEREAS, **National Postcard Week (NPCW)** is dedicated to the celebration of Deltiology, the study of postcards, to encourage and popularize the collecting, publishing, and mailing of picture postcards; and

WHEREAS, **National Postcard Day** began in 1911, when a few postcards were printed for Postcard Day, May 1, 1911, and in 1914, Hillsboro, Texas celebrated Postcard Day on February 7, by sending 20,000 postcards advertising Hillsboro to all quarters of the globe; and

WHEREAS, **National Postcard Week** began in 1984 with the idea that the International Federation of Postcard Dealers and various clubs would make their own postcards to celebrate and promote their hobby; and

WHEREAS, to celebrate **National Postcard Week**, Deltiologists (postcard collectors) may commission art from various artists to create postcard designs, create their own postcard designs, or purchase postcards to mail to other collectors, family members, and friends, making sure the words "National Postcard Week" and the date are on each postcard; and

WHEREAS, this year, **National Postcard Week (NPCW)** will be celebrated May 1-7, 2016 and the **Tomball Postcard Club** plans to have a display at the Lonestar College Library, Tomball Campus during the week;

NOW, THEREFORE, I, GRETCHEN FAGAN, Mayor of the City of Tomball, on behalf of the Tomball City Council and all citizens hereof, do hereby proclaim the week of May 1-7, 2016 as

"NATIONAL POSTCARD WEEK – MAY 1-7, 2016"

and in observance thereof, I do hereby encourage all Tomball residents to join the celebration.

In witness whereof I have hereunto set my hand and caused this seal to be affixed.

ATTEST:

DATE: March 15, 2016

Office of the Mayor

Tomball, Texas

Proclamation

WHEREAS, emergencies can occur at any time, requiring police, fire or emergency medical services; and

WHEREAS, when an emergency occurs, the prompt response of police officers, firefighters and paramedics is critical to the protection of life and preservation of property; and

WHEREAS, the safety of our police officers and firefighters depends upon the quality and accuracy of information obtained from citizens who telephone the tomball police-fire communications center; and

WHEREAS, Public Safety Dispatchers are the first and most critical contact our citizens have with emergency services; and

WHEREAS, Public Safety Dispatchers are the single vital link for our police officers and firefighters, monitoring their activities by radio, providing them information and insuring their safety; and

WHEREAS, Public Safety Dispatchers of the Tomball Police Department have contributed substantially to the public safety mission, apprehension of criminals, suppression of fires, and treatment of patients; and

WHEREAS, each dispatcher has exhibited compassion, understanding and professionalism during the performance of his or her job in the past year;

NOW, THEREFORE, I, GRETCHEN FAGAN, Mayor of the City of Tomball, on behalf of the Tomball City Council and all citizens hereof, do hereby proclaim the week of April 10-16, 2016 to be:

"National Public Safety Telecommunicators Week"

in Tomball, to honor the men and women whose diligence and professionalism keep our city, citizens and employees safe.

In witness whereof I have hereunto set my hand and caused this seal to be affixed.

____

ATTEST: ____________________

DATE: March 15, 2016

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

- April 9, 2016 – ***8th Annual 5K Bunny Run and 1 Mile Kids Walk*** – 5K starts at 8:00 a.m.; 1 Mile starts at 9:00 a.m.
- April 9, 2016 – ***Lions Club Car Show*** at Lone Star College-Tomball – 8:00 a.m.-3:00 p.m.
- April 9, 2016 – **2nd Saturday at the Depot** – 4:00 p.m.
- April 11, 2016 – ***"2016 Ride 2 Recovery Texas Challenge"*** Welcome and Reception – 9:30 a.m.-11:00 a.m.
- April 16, 2016 – **Tomball Rotary Club Annual Fish Fry** at the Depot – 4:00 p.m.-8:00 p.m.
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- May 14, 2016 – Second Saturday at the Depot
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- June 4, 2016 – ***Tomball Honky Tonk Music Festival*** at the Depot
- July 4, 2016 – **July Fourth Celebration & Street Festival** – Business 249 at FM 2920
- Reports by City staff and members of council about items of community interest on which no action will be taken:
  - George Shackelford – Doris Speer, City Secretary, earns **Master Municipal Clerk (MMC)** designation from the International Institute of Municipal Clerks (IIMC)

Background:

Origination:
Various

Recommendation:
N/A

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

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Bunny Run
Annual Spring Clean-Up and Chipping Week
Rails and Tails Mudbug Festival
"Trackside Toss" Washers Tournament
Chili Challenge 2016
July 4th Celebration and Street Festival
Master Municipal Clerk (MMC) Designation

Register Now!

RACESONLINE.COM

BUNNY RUN 2016

Saturday, April 9th

- 5K run and 1 mile family walk
- Run begins at 8 a.m.
- Walk starts at 9 a.m.
- T-shirts and other goodies
- Register at Racesonline.com or at the Tomball City Hall
- Blinged-Out Bunny Ears Contest
- Mascot Depot Dash
- Group discounts available

Call Denise at 281-351-5484 for details

City of Tomball
Spring Clean up
Week of April 18 – 23, 2016
Monday – Saturday - 8:00 am - 4:30 pm

***Objective*:**
Provide the citizens of Tomball the opportunity to dispose of large, hard-to-handle items that cannot be collected under the normal garbage service. **** (Remember this is for residents of Tomball only (must have City utility bill as proof); NO COMMERCIAL BUSINESS OPERATORS).****
Roll Offs will be available at the City Landfill Site (0.4 miles north of E. Hufsmith on Rudolph) to dispose of the acceptable items. See map to landfill site below.

Acceptable Items:

- Lumber
- Bicycle parts
- Plywood (4 cubic yd. max)
- Rugs/carpet
- Siding
- Clothing
- Box springs and mattresses
- Bricks (small amount)
- Empty buckets or pails
- Rocks (small amount)
- Washing machines
- Dryers
- Water heaters
- Furniture
- Gutter material
- Cardboard boxes
- Lawn mowers (oil & gas removed)
- Dishwashers

Not Acceptable:

- Tree trimmings
- Limbs or stumps
- Tires
- Engine blocks
- Structural steel
- Equipment with oil or gasoline
- Fertilizers
- Pool chemicals
- Batteries
- Oil filters
- Insecticides
- Container with unmarked labels holding liquids
- Sealed containers of any type
- Large amounts of construction or demolition material
- Smoke detectors
- Pressurized vessels
- Flammable, combustible or corrosive products
- Raw meats, food products or byproducts
- Televisions
- Computers
- Refrigerators
- AC units
- Appliances with Freon or fluids
- Paint

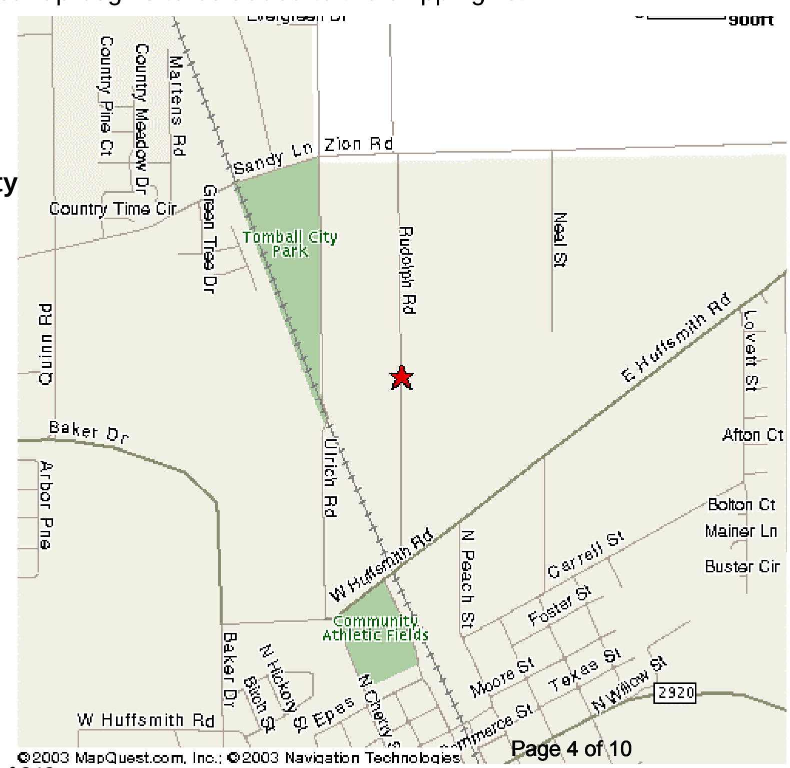
All appliances must be drained and tagged by a licensed technician.
Acceptable items are anything that is inert and would not harm the environment before or after disposal into a landfill.

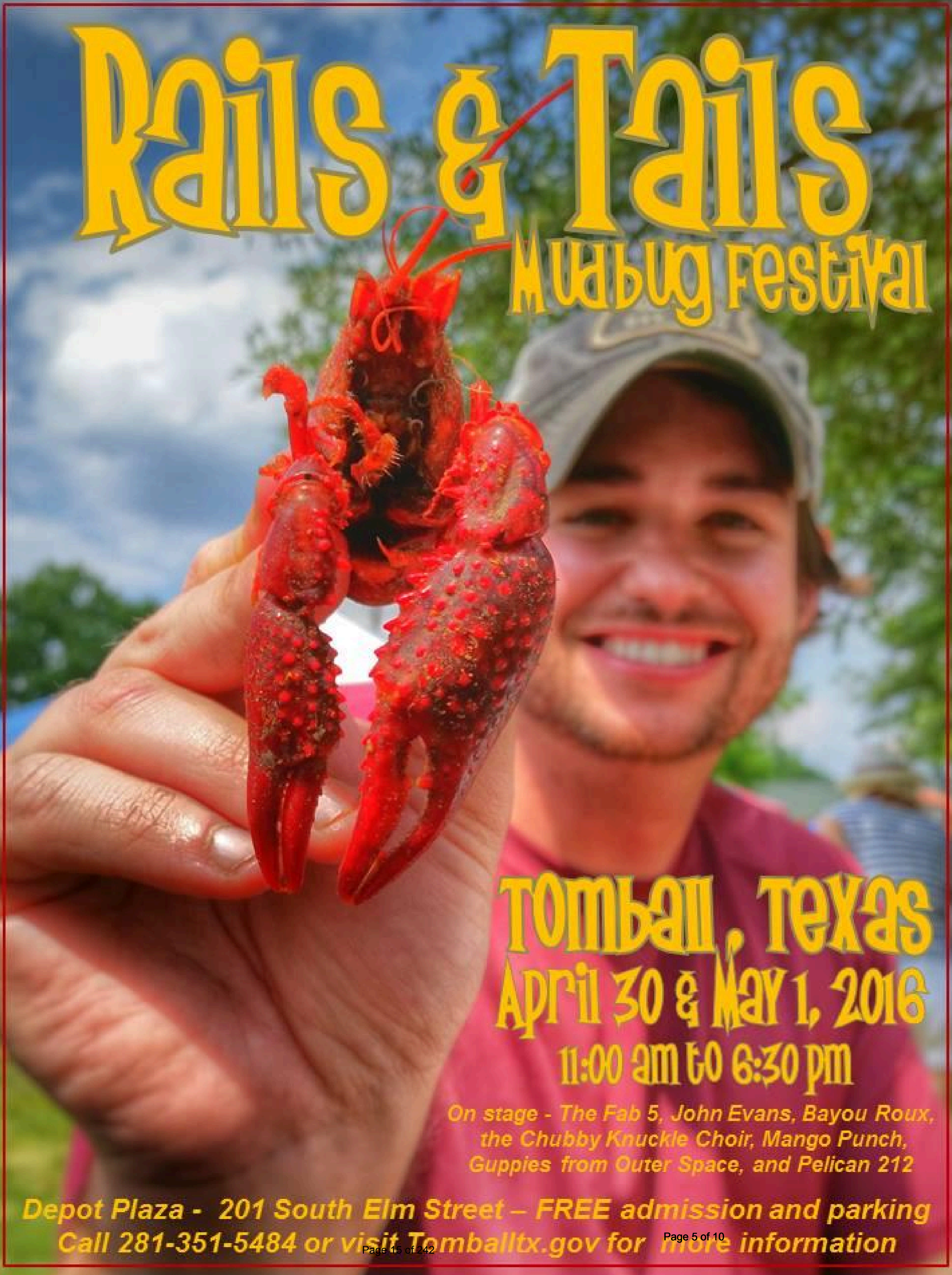
The City of Tomball will provide a free chipping service for brush and small limbs during the week of Tomball Cleanup. To participate, please call **(281) 290-1400** the week before the cleanup begins to be added to the chipping list.

CHIPPING SPECIFICATIONS:

- **Turn all big ends toward road or in one direction**
- **Limit size to 6 ft.-8 ft., maximum**
- **Keep logs separate from limbs, nothing over 6" dia.**
- **Place limbs & brush near roadside and not on property**
- **Leaves, please bag for regular garbage pickup**

Map to Tomball landfill site →




Rails & Tails
Mudbug Festival
Tomball, Texas
April 30 & May 1, 2016
11:00 am to 6:30 pm
On stage - The Fab 5, John Evans, Bayou Roux, the Chubby Knuckle Choir, Mango Punch, Guppies from Outer Space, and Pelican 212
Depot Plaza - 201 South Elm Street – FREE admission and parking
Call 281-351-5484 or visit Tomballtx.gov for more information

"TRACKSIDE TOSS"
WASHERS TOURNAMENT
A RAILS & TAILS MUDBUG FESTIVAL EVENT
PRESENTED BY CUSTOM WASHER BOARDS
★K-STAR 99.7FM
SATURDAY, APRIL 30, 2016
AT THE DOWNTOWN DEPOT
TOMBALL, TEXAS
$500 IN CASH PRIZES
SINGLE ELIMINATION
THREE-HOLE BOARD
CHECK-IN AND REGISTER AT NOON
TOSSING BEGINS AT 1 PM
For event information, call 281-351-5484 or visit tomballtx.gov.
Email Bret Nordquist at bret@customwasherboards.com to register.

CHILI CHALLENGE 2016

TOMBALL ★ TEXAS

MAY 28TH

PRESENTED BY

Kroger

*C. A.S .I. SANCTIONED COOK TEAMS

*BUSINESS CATEGORY

*KID COOKERS

*TROPHIES AWARDED IN ALL CATEGORIES

*MARGARITA POUR-OFF

THE POSSE BAND ON-STAGE STARTING AT NOON

FOOD & DRINKS VENDORS KIDS ZONE

CALL 281-351-5484 OR VISIT TOMBALLTX.GOV

AT TOMBALL'S HISTORIC DOWNTOWN DEPOT – 221 S. ELM


JULY FOURTH
CELEBRATION & STREET FESTIVAL
TOMBALL, TEXAS
PRESENTED BY ALLIED SIDING & WINDOWS
GIANT FIREWORKS SPECTACULAR
LIVE MUSIC ON THE K-STAR 99.7 FM STAGE
THE KROGER KIDS ZONE * FOOD AND BEVERAGES
FREE ADMISSION & PARKING * VISIT TOMBALLTX.GOV
BUSINESS 249 AT FM 2920 * GATES OPEN AT 5:00 PM
CALL 281-351-5484 OR VISIT TOMBALLTX.GOV FOR INFO

March 16, 2016

Dear Doris Speer, MMC:

On behalf of the Board of Directors, it is my pleasure to inform you that you have been awarded the International Institute of Municipal Clerks' designation of Master Municipal Clerk. Included in this package is your hard-earned MMC certificate, as well as your MMC lapel pin. We know you will wear it proudly.

IIMC grants the MMC designation only to those Municipal Clerks who complete demanding education requirements; and who have a record of significant contributions to their local government, their community and state.

In light of the speed and drastic nature of change these days, lifelong learning is not only desirable, it is necessary for all in local government to keep pace with growing demands and changing needs of the citizens we serve. We applaud your educational accomplishments and achievement of this milestone and congratulate you on your personal pursuit of professional excellence.

Sincerely,

Monica Martinez Simmons, MMC
IIMC President

8331 Utica Avenue, Suite 200, California 91730 • Phone (909) 944-4162 • Fax (909) 944-8545 • E-mail: hq@iimc.com

International Institute

INTERNATIONAL INSTITUTE • MUNICIPAL CLERKS •

Municipal Clerks

Hereby Confers The Designation of

Master Municipal Clerk

Upon

Doris Speer, MMC

In Fulfillment Of Requirements Prescribed By The International Institute Of Municipal Clerks.

Certified This 16 Day Of March A.D. 2016

IIMC President

IIMC Director of Education

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

Approve the Minutes of the March 21, 2016 Regular City Council Meeting

Background:

Origination:

City Secretary

Recommendation:

N/A

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

City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Draft Minutes - March 21, 2016 Regular City Council Meeting

MINUTES OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

MONDAY, MARCH 21, 2016

6:00 P.M.

1.0 Call to Order

The Council meeting was called to order at 6:03 p.m. by Mayor Fagan. Other members present:

Councilman Klein Quinn
Councilman Townsend
Councilman Degges
Councilman Stoll

Members absent:

Councilman Hudgens – Excused

Others present:

City Manager – George Shackelford
City Secretary – Doris Speer
City Attorney – Loren Smith
Police Chief – Billy Tidwell
Fire Chief – Randy Parr
Finance Director – Glenn Windsor
Public Works Director – David Esquivel
Director of Community Development – Craig Meyers
City Planner – Harold Ellis
Assistant City Planner – Amelia Lindley
Assistant Fire Chief – Jonathan Fontenot
Accountant – Christine Brookshire
CSO Administrative Assistant – Tracy Garcia

2.0 The invocation was led by Pastor Brandon Guindon, Real Life Ministries Texas.

3.0 The pledges to U. S. and Texas Flags were led by Members of Tomball High School FFA.

4.0 The following public comments were received:

Kevin Walker 1023 Cedar Post Court, 77375	-	Requested a traffic study and possible stop sign installed at the intersection of Lovett and Carrell.
Mary Harvey 405 S. Walnut, 77375	-	Expressed her desire to be reappointed to the Tourism Advisory Committee
Dinesh Parikh Dry Clean Express, 77375	-	Presented an update regarding on-going natural gas meter-related issues.

5.0 Mayor Fagan and Fire Chief Randy Parr Presented the following:

- Promotions and New Employees
  - Recognition of Captain James Jones – Promotion to Gunnery Sergeant, U. S. Marines
  - New Fire Department Captains
    - Steven Foehner
    - James Jones
    - Joe Sykora
  - New Fire Department Lieutenants:
    - Chris Caron
    - Matt Cappozelli
    - Chris Thornton
    - Matt Hughes
    - Steven McHenry
  - New Fire Department Driver/Operators:
    - Lori Bradshaw
    - Nathan Doe
    - Dave Harrington
    - Andrew Heinson
    - Brandon Reade

6.0 Reports and Announcements:

- March 31-April 3, 2016 – **Tomball German Heritage Festival** at the Depot. *Carnival Thursday evening; Friday, Bands 6:00 p.m.-10:00 p.m.; Saturday, 10:00 a.m.-10:00 p.m.; Sunday, 10:00 a.m.-6:00 p.m.*
- April 9, 2016 – ***8th Annual 5K Bunny Run and 1 Mile Kids Walk***
- April 9, 2016 – **Lions Club Car Show** at Lone Star College-Tomball Campus
- April 9, 2016 – **2nd Saturday at the Depot**

- April 11, 2016 (Monday) – ***"2016 Ride 2 Recovery Texas Challenge"*** Welcome and Reception at the Depot – 10:30 a.m.
- April 16, 2016 – **Tomball Rotary Club Annual Fish Fry** at the Depot
- April 18-23, 2016 – **Annual Spring Clean-Up and Chipping Week**
- April 20-21, 2016 – ***Shattered Lives*** Event – **Tomball Memorial High School**
- April 23, 2016 – **Tomball Consolidated Recycling Day** – Lone Star College-Tomball Campus, 30555 Tomball Parkway, South Entrance – 10:00 a.m.-2:00 p.m.
- April 30-May 1, 2016 – **Rails & Tails Mudbug Festival** at the Depot, ***"Trackside Toss"*** Washers Tournament
- May 28, 2016 – Tomball **Chili Challenge 2016** at the Depot
- July 4, 2016 – **July Fourth Celebration & Street Festival** – Business 249 at FM 2920
- Reports by City staff and members of Council about items of community interest on which no action will be taken:
    - Glenn Windsor – Finance Department has received the **Distinguished Budget Presentation Award for Fiscal Year 2015-2016 –** 8th consecutive year

7.0 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Minutes of the March 3 Special Council Meeting and the March 7, 2016 Regular City Council Meeting.

Motion carried unanimously.

8.0 New Business:

8.1 Mayor Fagan opened the Public Hearing and Review of the City of Tomball's Juvenile Curfew Ordinance at 6:15 p.m. to determine the Need to Re-adopt, Abolish, Continue or Modify the Ordinance.

Receiving no public comments, Mayor Fagan closed the Public Hearing at 6:15 p.m.

8.2 Motion was made by Councilman Townsend, second by Councilman Stoll to read Ordinance No. 2016-03 by caption only on first reading.

Motion carried unanimously.

Motion was made by Councilman Townsend, second by Councilman Klein Quinn, to adopt, on First Reading, Ordinance No. 2016-03, an Ordinance of the City of Tomball, Texas, Continuing the City's Juvenile Curfew Ordinance; and Making Other Findings and Provisions Related Thereto. Vote was as follows:

Councilman Hudgens	Absent
Councilman Stoll	Aye
Councilman Degges	Aye
Councilman Townsend	Aye
Councilman Klein Quinn	Aye

Motion carried unanimously.

8.3 Motion was made by Councilman Townsend, second by Councilman Degges, to reappoint Mary Harvey and Prakash Patel to their respective positions and to appoint Cindy Vincik to Position 5 of the Tourism Advisory Committee for Terms Expiring December 5, 2018.

Motion carried unanimously.

8.4 Consideration to approve **Zoning Case P15-0158**: Request by Maple Creek Bed & Breakfast, c/o Michael Clark, for a Conditional Use Permit to operate a Bed & Breakfast Inn. The property is located at 519 E. Hufsmith Road., east of Hospital Road on the north side of E. Hufsmith, is approximately 5.663 acres, and is zoned Single-Family 20 Estate District. The property is legally described as Tract 3, 5.663 acres of McGraw Tract II, a subdivision in the Ralph Hubbard Survey, Abstract 383, Harris County, Texas, according to the map or plat thereof recorded in Vol. 423, Page 107, Map Records, Harris County, Texas.

- Mayor Fagan opened the Public Hearing on **ZONING CASE P15-0158** at 6:40 p.m.

- Receiving no public comments, Mayor Fagan closed the Public Hearing at 6:40 p.m.

- Motion was made by Councilman Stoll, second by Councilman Townsend, to read Ordinance No. 2016-04 by caption only on first reading.

  Motion carried unanimously.

- Motion was made by Councilman Townsend, second by Councilman Degges, to adopt, on First Reading, Ordinance No. 2016-04, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (Cup) to Maple Creek Bed & Breakfast to Operate a "Bed and Breakfast Inn;" Said Property Being Approximately 5.663 Acres, and Being Legally Described as Tract 3, 5.663 Acres of McGraw Tract II, a Subdivision in the Ralph Hubbard Survey, Abstract 383, according to the Map or Plat Thereof Recorded in Vol. 423, Page 107, Map Records, Harris County, Texas, Generally Located East of Hospital Road on the North Side of E. Hufsmith Road; Providing

Requirements and Conditions for This Cup; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof; and Providing for Severability.

- Motion to AMEND was made by Councilman Townsend, second by Councilman Degges, to adopt, on First Reading, Ordinance No. 2016-04, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (CUP) to Maple Creek Bed & Breakfast to Operate a "Bed and Breakfast Inn;" Said Property Being Approximately 5.663 Acres, and Being Legally Described as Tract 3, 5.663 Acres of McGraw Tract II, a Subdivision in the Ralph Hubbard Survey, Abstract 383, according to the Map or Plat Thereof Recorded in Vol. 423, Page 107, Map Records, Harris County, Texas, Generally Located East of Hospital Road on the North Side of E. Hufsmith Road; Providing Requirements and Conditions for This CUP; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof; and Providing for Severability, with the addition to Section 6 that "no ATVs, motorcycles, dirt bikes, or four-wheelers shall be operated on site". Vote was as follows:

Councilman Hudgens	Absent
Councilman Stoll	Aye
Councilman Degges	Aye
Councilman Townsend	Aye
Councilman Klein Quinn	Aye

Motion, as AMENDED, carried unanimously.

8.5 Consideration to approve **Zoning Case P16-0020**: Request by Matthew Gilbert, on behalf of Brandt Construction, to amend Chapter 50 (Zoning) of the Tomball Code of Ordinance by rezoning approximately 13.1 acres of land, legally described as 5.001 acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C., within the City of Tomball, Harris County, Texas, generally located on the east side of Hufsmith-Kohrville, south of The Estates at Willow Creek subdivision, from the Agricultural District to the Commercial District.

- Mayor Fagan opened the Public Hearing on **ZONING CASE P16-0020** at 7:02 p.m.

- Receiving no public comments, Mayor Fagan closed the Public Hearing at 7:02 p.m.

- Motion was made by Councilman Degges, second by Councilman Stoll to read Ordinance No. 2016-05 by caption only on first reading.

  Councilman Townsend advised that he would abstain from discussion and vote on this item and has filed a Conflict of Interest with the City Secretary.

  Vote was as follows:

Councilman Hudgens	Absent
Councilman Stoll	Aye
Councilman Degges	Aye
Councilman Townsend	Abstain
Councilman Klein Quinn	Aye

  Motion carried unanimously.

- Motion was made by Councilman Degges, second by Councilman Stoll, to Adopt, on First Reading, Ordinance No. 2016-05, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Changing the Zoning District Classification of Approximately 13.1 Acres of Land, Legally Described as 5.001 Acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 Acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C., within the City of Tomball, Harris County, Texas, from the Agricultural District to the Commercial District; Said Property Being Generally Located on the East Side of Hufsmith-Kohrville, South of The Estates at Willow Creek Subdivision; Providing for the Amendment of the Official Zoning Map of the City; Providing for Severability; Providing for a Penalty of an Amount Not to Exceed $2,000 for Each Day of Violation of Any Provision Hereof, Making Findings of Fact; and Providing for Other Related Matters.

  Vote was as follows:

Councilman Hudgens	Absent
Councilman Stoll	Aye
Councilman Degges	Aye
Councilman Townsend	Abstain
Councilman Klein Quinn	Aye

  Motion carried unanimously.

8.6 Motion was made by Councilman Townsend, second by Councilman Stoll, to authorize the City Manager to Execute Necessary Documents to Apply for a UASI Grant to Electronically Link Five Major Dispatch Centers in Harris County.

Motion carried unanimously.

8.7 Motion was made by Councilman Townsend, second by Councilman Stoll, to award Contract for Project Number 2016-15 for the Purchase of Four (4) Zero Turn Commercial Mowers, in the Amount of $50,500, to D-S Lawn & Automotive.

Motion carried unanimously.

9.0 Motion was made by Councilman Townsend, second by Councilman Stoll, to adjourn.

Motion carried unanimously.

Meeting adjourned.

PASSED AND APPROVED this the 4th day of April 2016.

Doris Speer, TRMC, CMC	Gretchen Fagan
City Secretary	Mayor

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

Adopt, on Second Reading, Ordinance No. 2016-03, an Ordinance of the City of Tomball, Texas, Continuing the City's Juvenile Curfew Ordinance; and Making Other Findings and Provisions Related Thereto

Background:

The curfew ordinance must be readopted every three (3) years. The City is required to hold public hearings before adopting a new ordinance [L.G.C., Section 370.002(2)]:

"§ 370.002. REVIEW OF JUVENILE CURFEW ORDER OR ORDINANCE.

(a) Before the third anniversary of the date of adoption of a juvenile curfew ordinance by a general-law municipality or a home-rule municipality or an order of a county commissioners court, and every third year hereafter, the governing body of the general-law municipality or home-rule municipality or the commissioners court of the county shall:

(1) review the ordinance or order's effects on the community and on problems the ordinance or order was intended to remedy;
(2) conduct public hearings on the need to continue the ordinance or order; and
(3) abolish, continue, or modify the ordinance or order.

(b) Failure to act in accordance with Subsections (a)(1)-(3) shall cause the ordinance or order to expire."

Public hearings were held on March 7 and March 21, 2016 regarding the effectiveness and the need to continue the ordinance. This will be the first reading of the ordinance.

Ordinance No. 2013-02 was adopted on April 1, 2013; the new ordinance must be adopted within the three-year timeframe. The adoptive date (second reading) of Ordinance No. 2016-03 will be considered on April 4, 2016.

Origination:

Billy Tidwell, Chief of Police

Recommendation:

Adopt Ordinance No. 2016-03 on Second Reading

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

Doris Speer, City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Ordinance No. 2016-03
Ordinance No. 2016-03

ORDINANCE NO. 2016-03

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, CONTINUING THE CITY'S JUVENILE CURFEW ORDINANCE; AND MAKING OTHER FINDINGS AND PROVISIONS RELATED THERETO.

* * * * * * * * * * *

WHEREAS, the City of Tomball adopted a curfew ordinance that is codified as Article II of Chapter 30 of the Tomball Code of Ordinances; and

WHEREAS, the City has reviewed and continued the juvenile curfew ordinance by adopting a new ordinance every three years; and

WHEREAS, Section 370.002 of the Texas Local Government Code requires that the City Council of a city that adopts a juvenile curfew ordinance at least every three years review the ordinance's effects on the community and on problems the ordinance was intended to remedy; and

WHEREAS, the City Council conducted public hearings on March 7, 2016 and March 21, 2016 on the ordinance's effects on the community and on the problems the ordinance was intended to remedy; and

WHEREAS, the City Council finds that as a direct result of implementing a juvenile curfew the incidents of juvenile crime and victimization has been reduced; and

WHEREAS, the City Council finds the continuance of the juvenile curfew ordinance is necessary to provide for the protection of minors from each other and from other persons, for the enforcement of parental control over and responsibility for children, for the protection of the general public, and for the reduction of the incidence of juvenile violence and criminal activity; and

WHEREAS, a curfew applicable to persons under the age of 17 years will be in the interest of public health, safety, and general welfare, and will diminish the undesirable impact of such conduct on the citizens of the City of Tomball; now therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL:

Section 1. That in accordance with Section 370.002 of the Texas Local Government Code the City Council has reviewed the City's juvenile curfew ordinance, and its effects on the community and on the problems the ordinance was intended to remedy, and that the findings in the preamble of this ordinance are adopted and incorporated herein.

Section 2. The City's curfew ordinance, codified as Article II of Chapter 50 of the Tomball Code of Ordinances, is hereby continued and shall continue in full force and effect.

FIRST READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE 21ST DAY OF MARCH 2016.

COUNCILMAN HUDGENS	________
COUNCILMAN STOLL	________
COUNCILMAN DEGGES	________
COUNCILMAN TOWNSEND	________
COUNCILMAN KLEIN QUINN	________

SECOND READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE 4th DAY OF APRIL 2016.

COUNCILMAN HUDGENS	________
COUNCILMAN STOLL	________
COUNCILMAN DEGGES	________
COUNCILMAN TOWNSEND	________
COUNCILMAN KLEIN QUINN	________

____
GRETCHEN FAGAN, Mayor
City of Tomball

ATTEST:

____
DORIS SPEER, City Secretary
City of Tomball

ORDINANCE NO. 2016-03

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, CONTINUING THE CITY'S JUVENILE CURFEW ORDINANCE; AND MAKING OTHER FINDINGS AND PROVISIONS RELATED THERETO.

* * * * * * * * * * *

WHEREAS, the City of Tomball adopted a curfew ordinance that is codified as Article II of Chapter 30 of the Tomball Code of Ordinances; and

WHEREAS, the City has reviewed and continued the juvenile curfew ordinance by adopting a new ordinance every three years; and

WHEREAS, Section 370.002 of the Texas Local Government Code requires that the City Council of a city that adopts a juvenile curfew ordinance at least every three years review the ordinance's effects on the community and on problems the ordinance was intended to remedy; and

WHEREAS, the City Council conducted public hearings on March 7, 2016 and March 21, 2016 on the ordinance's effects on the community and on the problems the ordinance was intended to remedy; and

WHEREAS, the City Council finds that as a direct result of implementing a juvenile curfew the incidents of juvenile crime and victimization has been reduced; and

WHEREAS, the City Council finds the continuance of the juvenile curfew ordinance is necessary to provide for the protection of minors from each other and from other persons, for the enforcement of parental control over and responsibility for children, for the protection of the general public, and for the reduction of the incidence of juvenile violence and criminal activity; and

WHEREAS, a curfew applicable to persons under the age of 17 years will be in the interest of public health, safety, and general welfare, and will diminish the undesirable impact of such conduct on the citizens of the City of Tomball; now therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL:

<u>Section 1</u>. That in accordance with Section 370.002 of the Texas Local Government Code the City Council has reviewed the City's juvenile curfew ordinance, and its effects on the community and on the problems the ordinance was intended to remedy, and that the findings in the preamble of this ordinance are adopted and incorporated herein.

Section 2. The City's curfew ordinance, codified as Article II of Chapter 50 of the Tomball Code of Ordinances, is hereby continued and shall continue in full force and effect.

FIRST READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE 21ST DAY OF MARCH 2016.

COUNCILMAN HUDGENS	ABSENT
COUNCILMAN STOLL	AYE
COUNCILMAN DEGGES	AYE
COUNCILMAN TOWNSEND	AYE
COUNCILMAN QUINN	AYE

SECOND READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE 4th DAY OF APRIL 2016.

COUNCILMAN HUDGENS	________
COUNCILMAN STOLL	________
COUNCILMAN DEGGES	________
COUNCILMAN TOWNSEND	________
COUNCILMAN KLEIN QUINN	________

____
GRETCHEN FAGAN, Mayor
City of Tomball

ATTEST:

____
DORIS SPEER, City Secretary
City of Tomball

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

Adopt, on Second Reading, Ordinance No. 2016-04, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Granting a Conditional Use Permit (Cup) to Maple Creek Bed & Breakfast to Operate a "Bed and Breakfast Inn;" Said Property Being Approximately 5.663 Acres, and Being Legally Described as Tract 3, 5.663 Acres of McGraw Tract II, a Subdivision in the Ralph Hubbard Survey, Abstract 383, according to the Map or Plat Thereof Recorded in Vol. 423, Page 107, Map Records, Harris County, Texas, Generally Located East of Hospital Road on the North Side of E. Hufsmith Road; Providing Requirements and Conditions for This Cup; Containing Findings and Other Provisions Relating to the Subject; Providing a Penalty in an Amount Not to Exceed $2,000 for Violations Hereof; and Providing for Severability

Background:

The Planning and Zoning Commission is meeting at 4:30 p.m. on Monday, March 21, 2016, prior to the City Council meeting to deliberate on this item. Therefore, there is no P&Z recommendation in the packet of information. This item was initially scheduled for the March 14, 2016 Planning and Zoning Commission meeting, however the meeting was rescheduled due to a lack of quorum.

Origination:

Community Development

Recommendation:

N/A

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

COMMUNITY DEVELOPMENT DEPARTMENT

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Ordinance No. 2016-04 - P15-0158 Amended
STAFF REPORT
PUBLIC HEARING ANNOUNCEMENT
PROPERTY OWNER NOTICE

ORDINANCE NO. 2016-04

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY GRANTING A CONDITIONAL USE PERMIT (CUP) TO MAPLE CREEK BED & BREAKFAST TO OPERATE A "BED AND BREAKFAST INN;" SAID PROPERTY BEING APPROXIMATELY 5.663 ACRES, AND BEING LEGALLY DESCRIBED AS TRACT 3, 5.663 ACRES OF MCGRAW TRACT II, A SUBDIVISION IN THE RALPH HUBBARD SURVEY, ABSTRACT 383, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOL. 423, PAGE 107, MAP RECORDS, HARRIS COUNTY, TEXAS, GENERALLY LOCATED EAST OF HOSPITAL ROAD ON THE NORTH SIDE OF E. HUFSMITH ROAD; PROVIDING REQUIREMENTS AND CONDITIONS FOR THIS CUP; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO THE SUBJECT; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED $2,000 FOR VIOLATIONS HEREOF; AND PROVIDING FOR SEVERABILITY.

* * * * * * * * *

Whereas, Maple Creek Bed & Breakfast c/o Michael L. Clark, applicant, has requested a CUP to operate a "Bed and Breakfast Inn;" on approximately 5.663 acres of land, legally described as Tract 3, 5.663 acres of McGraw Tract II, a subdivision in the Ralph Hubbard Survey, Abstract 383, according to the map or plat thereof recorded in Vol. 423, Page 107, map records, Harris County, Texas, generally located east of Hospital Road on the North side of E. Hufsmith Road, in the City of Tomball, Harris County, Texas, (the "Property"), and

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

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

Whereas, the Planning & Zoning Commission recommended in its final report that City Council deny the requested CUP; and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing for the requested CUP, the City Council held the public hearing for the requested CUP and the City Council considered the final report of the Planning & Zoning Commission; and

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

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

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

Section 2. A CUP to operate a "Bed and Breakfast Inn" at the Property, in accordance with the concept plan, attached hereto as Exhibit "A," and subject to the terms and conditions set forth below, is hereby granted to Maple Creek Bed & Breakfast.

Section 3. The Official Zoning District Map of the City shall be revised and amended to show the CUP authorized for the Property, with the appropriate references thereon to the number and effective date of this Ordinance and a brief description of the nature of the CUP authorized.

Section 4. This Ordinance shall in no manner amend, change, supplement, or revise any provision of any ordinance of the City, save and except the granting of the CUP as herein provided.

Section 5. The CUP granted hereby shall be null and void after the expiration of two (2) years from the date of adoption hereof unless the Property is being used in accordance with the CUP herein authorized within said two-year period, or unless an extension of time is approved by City Council.

Section 6. The CUP authorized hereby shall be, and is, subject to the following additional limitations, restrictions, and conditions:

1) The site shall be developed and operated in substantial compliance with Exhibit "A."
2) **No recreational ATVs, motorcycles, motorized dirt bikes, or four-wheelers shall be operated on site.**

Section 7. Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined in an amount not to exceed $2,000. Each day of violation shall constitute a separate offense.

Section 8. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 21st DAY OF MARCH 2016.

COUNCILMAN HUDGENS	ABSENT
COUNCILMAN STOLL	AYE
COUNCILMAN DEGGES	AYE
COUNCILMAN TOWNSEND	AYE
COUNCILMAN QUINN	AYE

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 4TH DAY OF APRIL 2016.

COUNCILMAN HUDGENS	________
COUNCILMAN STOLL	________
COUNCILMAN DEGGES	________
COUNCILMAN TOWNSEND	________
COUNCILMAN QUINN	________

____

Gretchen Fagan, Mayor

ATTEST:

____

Doris Speer, City Secretary

Exhibit "A"
Concept Plan

Maple Creek Bed & Breakfast - Proposed Parking Plan

519 E Hufsmith Road; Tomball, Texas 77375

The City of Tomball Ordinances provide that with the approval of a Conditional Use Permit (CUP), the property at 519 E Hufsmith, which is currently zoned as SF 20, can be operated as a Bed & Breakfast with accommodations for up to five sets of guests.

The current configuration of the house gives it the ability to host four sets of guests. As per the City of Tomball Zoning Ordinance, a property being operated as a Bed & Breakfast shall provide each set of guests one parking spot along with two parking spots for the owner/operator of the property.

The parking plan diagramed below provides a total of seven (7) parking spaces, which exceeds the zoning requirements by one until such time as the house is modified to provide a fifth guest accommodation.

The proposed new parking area (spaces #6-7 in the above diagram) will consist of a 20-foot by 20-foot area of Type D HMAC pavement top upon a 10-inch base of compacted cement-stabilized base material.

The existing parking spaces depicted in the diagram (spaces #1-5) which be striped as applicable per relevant city and state code. Stall #3 will be designated and marked as a handicap accessible parking space.

Conditional Use Permit (CUP) Staff Report

Planning & Zoning Commission Public Hearing Date: March 21, 2016
City Council Public Hearing Date: March 21, 2016

Rezoning Case:	P15-0158
Property Owner(s):	Adam Ruiz, Jr.
Applicant(s):	Maple Creek Bed & Breakfast, c/o Michael L. Clark
Legal Description:	Tract 3, 5.663 acres of McGraw Tract II, a subdivision in the Ralph Hubbard Survey, Abstract 383
Location:	519 E. Hufsmith (Exhibit "A")
Area:	5.663 acres
Comp Plan Designation:	Rural Residential (Exhibit "B")
Present Zoning and Use:	Single-Family 20 Estate (Exhibit "C") / Single-Family home (Exhibit "D")
Proposed Use(s):	Bed and Breakfast Inn
Request:	CUP to allow a Bed and Breakfast Inn

Adjacent Zoning & Land Uses:

North: Single-Family 20 Estate District / Single-Family home

South: Single-Family 9 District / Wood shop and tax office

West: Single-Family 20 Estate District / Single-family home

East: Single-Family 20 Estate District / Single-family home

BACKGROUND

In December 2015, City staff met with Michael and Rebecca Clark and Samuel Whisler to discuss the possibility of converting an existing residence they are interested in purchasing into a Bed and Breakfast. City staff informed the applicant of the following:

- The proposed use is classified as a "Bed and Breakfast Inn" per Section 50-82 (b) (*Use Charts*) of the Zoning Ordinance;
- The property is zoned Single-Family 20 Estate District; and
- The "Bed and Breakfast Inn" use is only permitted in the Single-Family 20 Estate District with a Conditional Use Permit (CUP).

On December 29, 2015, City Staff received a CUP application (Exhibit "E") and concept plan (Exhibit "F") requesting a CUP for Maple Creek Bed & Breakfast.

The case was initially placed on the February 8, 2016 Planning and Zoning Commission meeting, however, the applicant requested that the case be placed on a future agenda to allow for further research on their part.

ANALYSIS

According to Section 50-81 (f) of the Zoning Ordinance, when considering applications for a CUP, the City shall, on the basis of the concept plan and other information submitted, evaluate the impact of the conditional use on, and the compatibility of the use with, surrounding properties and neighborhoods to ensure the appropriateness of the use at a particular location. Specific considerations shall include the extent to which:

1. **The proposed use at the specified location is consistent with the goals, objectives, and policies contained in the adopted Comprehensive Plan;**

   The Comprehensive Plan identifies the subject site as Rural Residential which is typically for "single family detached residential development on minimum 1 acre lots". The proposed use appears to be consistent with the Comprehensive Plan for the following reasons:

   - Although Bed and Breakfast Inn is not specifically mentioned in the Rural Residential section of the Comprehensive Plan as an envisioned use, this request is a use permitted by CUP in the SF-20E District which is the district most compatible with the Rural Residential classification.

   - The scale of operation, location of the structures, hours of operation, landscaping, and screening/buffering mechanisms proposed on the concept plan appear to minimize potential impact of the use on adjacent properties.

2. **The proposed use is consistent with the general purpose and intent of the applicable zoning district regulations;**

   According to the Zoning Ordinance, "a conditional use is a land use which, because of its unique nature, is compatible with the permitted land uses in a given zoning district only upon a determination that the external effects of the use in relation to the existing and planned uses of adjoining property and the neighborhood can be mitigated through imposition of certain standards and conditions."

   The external effect of the proposed use on the existing and planned uses of adjoining property and neighborhood appear to be mitigated through the scale of operation, location of the structures, hours of operation, landscaping, and screening/buffering mechanisms proposed on the concept plan as discussed above.

3. **The proposed use meets all supplemental standards specifically applicable to the use as set forth in the Zoning Ordinance;**

   Should the CUP application be approved by City Council, the applicant will be required to submit a site plan application, and supporting documents, to the City for review and approval. Specific details of site modifications will be shown at the time of site plan review, however, the proposed concept plan appears to be generally consistent with the Zoning Ordinance.

4. **The proposed use is compatible with and preserves the character and integrity of adjacent development and neighborhoods and, as required by the particular circumstances, includes improvements or modifications either on-site or within the public rights-of-way to mitigate development-related adverse impacts;**

   The proposed use appears to be compatible with and preserves the character and integrity of the adjacent development and neighborhood. While the site is currently a single-family home and is surrounded predominantly by single-family homes, they are large lot homes which are significantly setback from property lines. Furthermore, it is not anticipated that the conversion from residential to the proposed bed and breakfast will negatively impact adjacent properties as the size of the home will not permit a large operation. Additionally, as a CUP is required to have a concept plan, future expansions to this site or structure will require further approvals by City Council.

5. **The proposed use is not materially detrimental to the public health, safety, convenience and welfare, or results in material damage or prejudice to other property in the vicinity.**

   The proposed uses and concept plan do not appear to be materially detrimental to the public health, safety, convenience and welfare, or result in material damage or prejudice to other property in the vicinity.

PUBLIC COMMENT

Property owners within 200 feet of the project site were mailed notification of this proposal on March 2, 2016. A sign was placed on the property and Notice of Public Hearing was published in the paper on February 29, 2016. As of March 10, 2016, no public comment forms have been received.

When the case was originally scheduled to be placed on the February 8, 2016 P&Z agenda, notification was mailed to property owners on January 27, 2016. Four responses were received. Three were in opposition of the case and one with concerns about the case.

RECOMMENDATION

Based on the findings outlined in the analysis section of this staff report, City staff recommends **APPROVAL** of Zoning Case P15-0158, subject to the following condition of approval:

1) The site shall be developed and operated in substantial compliance with Exhibit "F."

EXHIBITS

A. Aerial Photo
B. Comprehensive Plan
C. Zoning Map
D. Site Photo
E. CUP Application
F. Concept Plan
G. Supplemental Information

Exhibit "A"
Aerial Photo

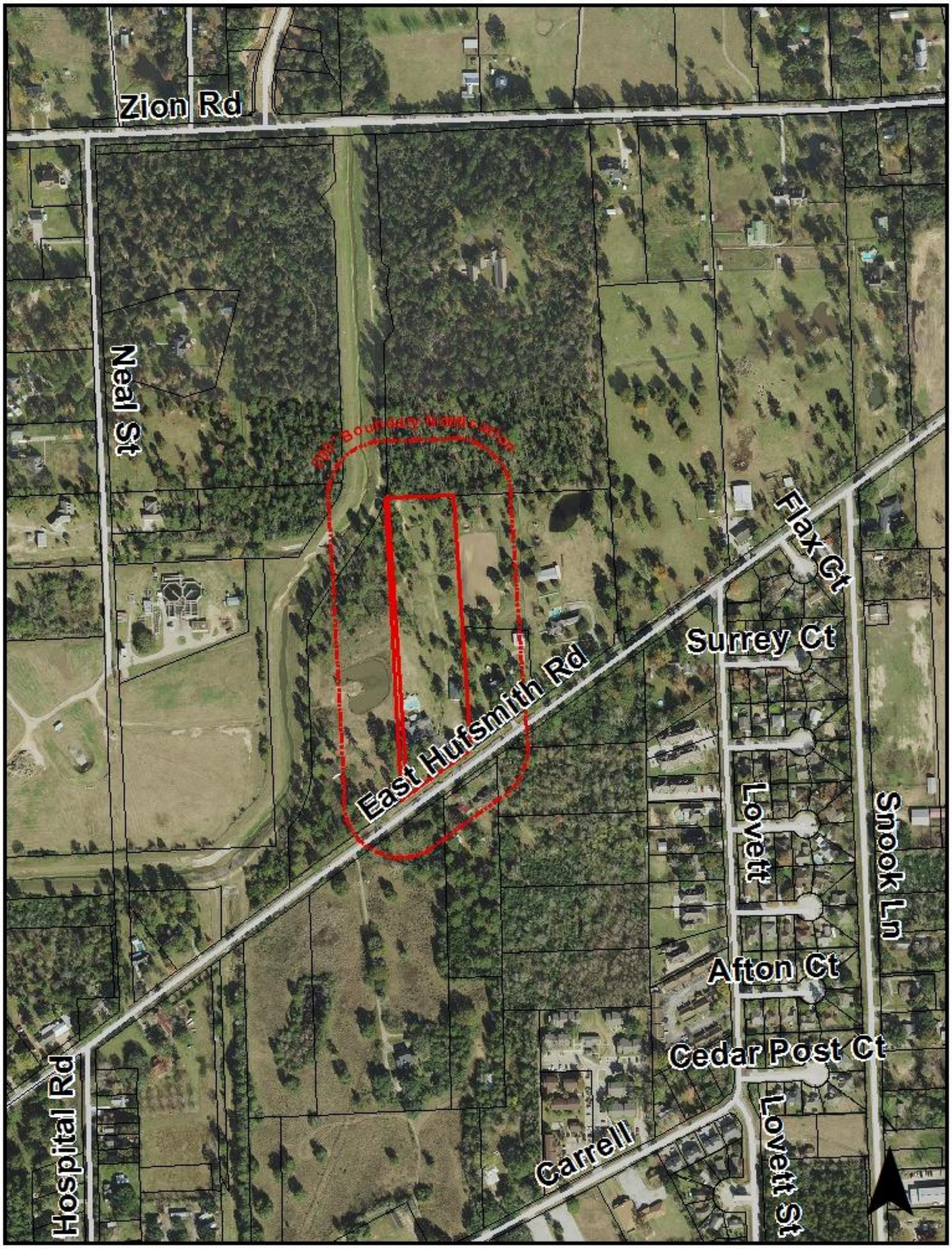


Exhibit "B"
Comprehensive Plan

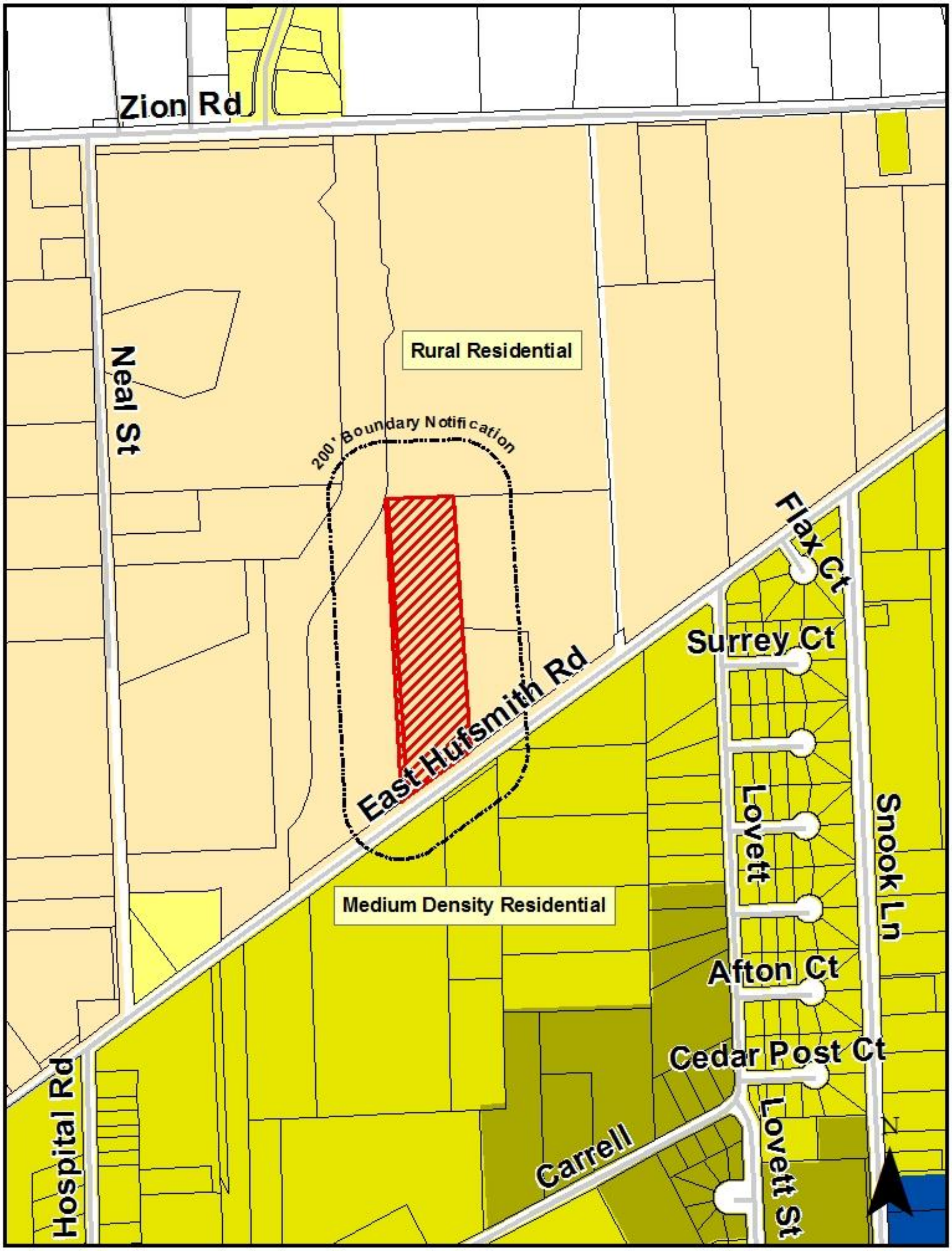


Exhibit "C"
Zoning Map

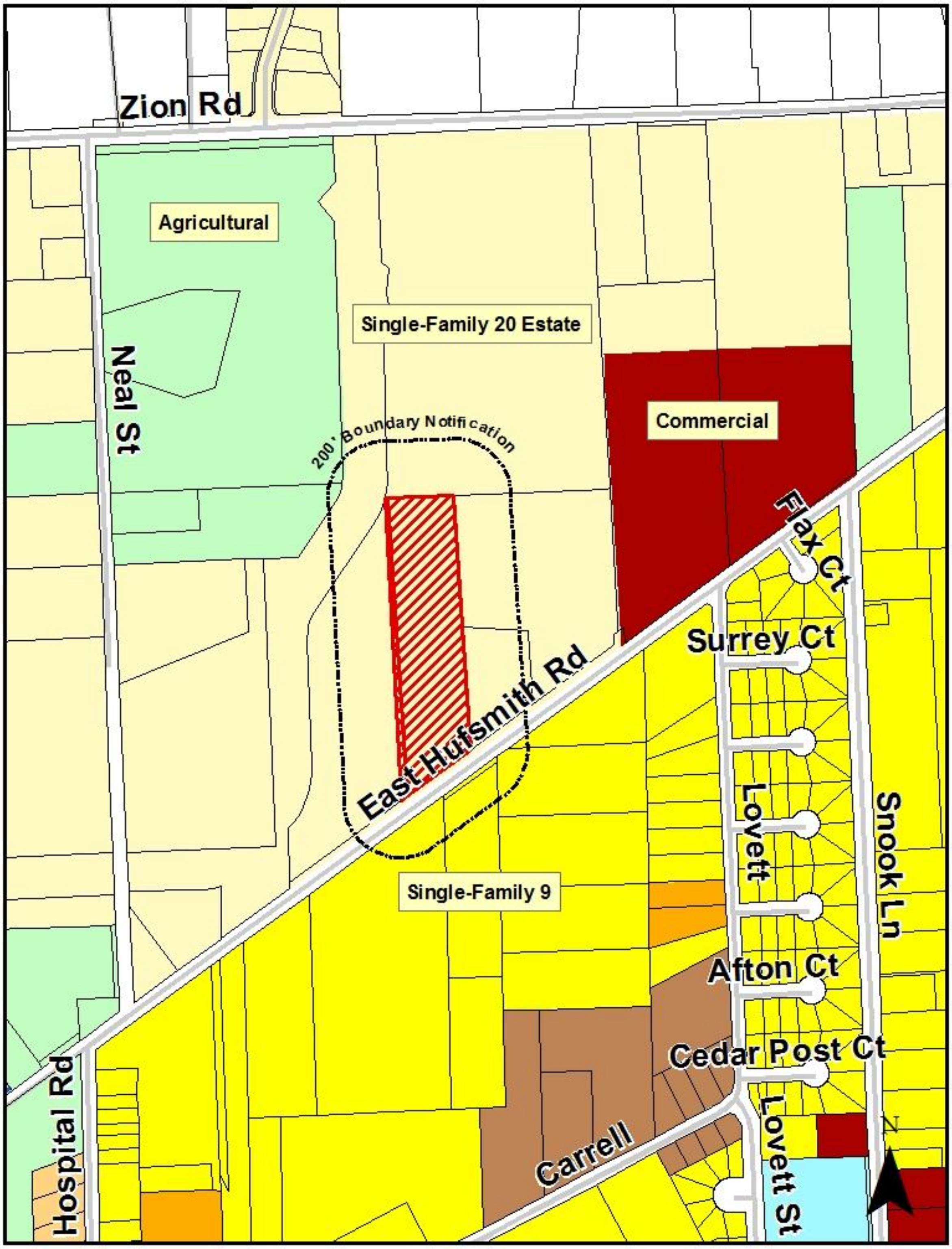


Exhibit "D"
Site Photo

Figure 1 and 2: Subject site
Source: City of Tomball

CITY OF TOMBALL

Application for
CONDITIONAL USE PERMIT

Submitted by:

MAPLE CREEK BED & BREAKFAST

Owners:
Michael & Rebecca Clark
Samuel & Katelyn Whisler

MAPLE CREEK BED & BREAKFAST

Michael & Rebecca Clark
Samuel & Katelyn Whisler
15210 Dawn Meadows Drive
Houston, Texas 77068

December 30, 2015

City of Tomball
Community Development Department
Planning Division
501 James Street
Tomball, Texas 77375

RE: 519 E. Hufsmith, Tomball, Texas 77375

To Whom It May Concern:

According to the city's website, "Tomball is described as a diverse and vibrant community near to the big city while retaining its small town history and hometown sensibilities." We believe that the addition of a Bed & Breakfast establishment would help preserve the friendly charm and country atmosphere that Tomball enjoys by offering a relaxing and comfortable alternative to staying in a chain hotel. Maple Creek Bed & Breakfast would strive to welcome guests in like family and provide an experience that showcases the benefits of personal touch.

Attached please find our Application for a Conditional Use Permit for the property located at 519 E. Hufsmith in Tomball, Texas. This property is currently zoned as a single-family (SF-20) home and has been on the real estate market since February 2015. Our family is interested in purchasing this property, contingent upon the City of Tomball's approval to operate the home as a Bed & Breakfast. Ownership and management of the property would be shared by the four of us. We bring a total of five college degrees, 25 years of corporate business experience, 15 years of small business experience and four years of concierge experience, some of which is specific to the Bed & Breakfast industry.

We met with Harold Ellis, Craig Meyers and Lance Wilson on December 16, 2015 to seek their input regarding the steps that need to be taken to safely operate this home as a business. Their recommendations include:

- The addition of a 13D fire sprinkler system
- Additional parking spaces
- Lighting of parking areas
- Fencing targeted at protecting the privacy of the neighbors while also preserving the beauty of the property
- Pool signage displaying depth, rules and lifeguard presence

Implementation of these items will begin after we close on the sale of the home, currently scheduled for February 29, 2016, provided we receive the approval of our C.U.P. application.

Tomball is conveniently located to a wide variety of sight-seeing and recreational activities located in and around Houston. Given its access to the existing Tomball Parkway and the future Grand Parkway, our Bed & Breakfast would attract guests to Tomball from a wide variety of markets. Business travelers, families on vacation or couples looking for a romantic get-away would all enjoy a warm welcome – a place where our family can make our guests' needs the highest priority!

It is our family's dream to own and operate this type of business, and we are confident that the City of Tomball will not regret issuing a C.U.P. to make this dream a reality. Please do not hesitate to contact us at *bnbresearchers@gmail.com* or *(832) 248-5232* should you need any additional information to complete our application.

Excited about working together,

Michael Clark   Rebecca Clark   Samuel Whisler   Katelyn Whisler

Revised 5/19/15

APPLICATION FOR CONDITIONAL USE PERMIT

Community Development Department
Planning Division

A conditional use is a land use which, because of its unique nature, is compatible with the permitted land uses in a given zoning district only upon a determination that the external effects of the use in relation to the existing and planned uses of adjoining property and the neighborhood can be mitigated through imposition of certain standards and conditions.

No conditional use shall be established and no building permit shall be issued for any use designated as a conditional use within any zoning district until a conditional use permit (CUP) is approved and issued in accordance with the provisions of Section 50-34 of the Code of Ordinances.

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

Applicant MAPLE CREEK BED + BREAKFAST
Name: C/O MICHAEL L. CLARK Title: CO-OWNER
Mailing Address: 15210 DAWN MEADOWS City: HOUSTON State: TX
Zip: 77068
Phone: (832) 248-5232 Fax: (____) ____________ Email: MIKE.BECKY

(CURRENT) **Owner**
Name: ADAM RUIZ, JR. Title: Owner
Mailing Address: Adam.Ruiz13@Gmail City: Port Arthur State: TX
3594 Martin Luther King Jr Blvd
Zip: ____________
Phone: (~~76~~) 8821648 Fax: (____) ____________ Email: ____________

Engineer/Surveyor (if applicable)
Name: ____________ Title: ____________
Mailing Address: ____________ City: ____________ State: ____________
Zip: ____________
Phone: (____) ____________ Fax: (____) ____________ Email: ____________

PROSPECTIVE BUYERS: (APPLICANTS)

MICHAEL + REBECCA CLARK
15210 DAWN MEADOWS
HOUSTON, TX. 77068

SAMUEL + KATELYN WHISLER
9889 CYPRESSWOOD DR., #9201
HOUSTON, TX. 77070

Description of Proposed Project: TRANSITION EXISTING SINGLE-FAMILY HOME TO A 5-BEDROOM BED + BREAKFAST

Physical Location of Property: 519 E. HUFSMITH, TOMBALL, TX. 77375

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

Legal Description of Property: TR3 + 4B McCRAW TRACT 11 AMEND

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

HCAD Identification Number: 120-291-000-0011 120-291-000-0003 Acreage: .416 5.105

Current Use of Property: SINGLE FAMILY HOME

Proposed Use of Property: 5-BEDROOM BED + BREAKFAST

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

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

X Michael D. Clark Samuel S. Whisen Rebecca M. Clark Katelyn Whisen 12/23/15

Signature of Applicant **Date**

X [signature] 12/24/15

Signature of Owner **Date**

CITY OF TOMBALL
281-351-5484

REC#: 00906112 12/29/2015 1:38 PM
OPER: CK TERM: 005
REF#: W 7667

TRAN: 130.0000 PLANNING AND ZONING
MAPLE CREEK B&B
519 E HUFSMITH
100-5442
CONDITIONAL USE PER 600.00CR

TENDERED: 600.00 CHECK
APPLIED: 600.00-

CHANGE: 0.00

EXECUTIVE SUMMARY

Maple Creek Bed & Breakfast, Tomball, Texas
Owners: Michael & Rebecca Clark and Samuel & Katelyn Whisler

Product

Maple Creek Bed & Breakfast is located at 519 East Hufsmith in Tomball, Texas. It is our goal to welcome guests in like family and provide them a relaxing and comfortable alternative to staying in a chain hotel. We desire to provide an experience that showcases the benefits of personal touch in a charming, country atmosphere. The business is located inside of a large home that includes four guest suites, four full-bathrooms, one half-bath, a pool as well as separate living quarters for on-site management. There will be parking equal to the number of guest suites, in addition to parking for the on-site management. No new construction is needed on the main house.

In addition to comfortable guests rooms and a warm breakfast served daily, there are also many amenities available for guests to enjoy. On-site recreation available to our guests include swimming, archery and fishing, in addition to billiards, ping pong, and a large video library for guests' viewing enjoyment. Activities located nearby in the city of Tomball include shopping, antique looking, a shooting range, bowling, fresh berry picking, a drive-in movie theater and the largest Farmers Market in Harris County. Sights located within a short drive of the B&B include several museums, the Houston Zoo, the Houston Aquarium, and several theaters performing operas and plays. Seasonal activities include the German Heritage Festival (March), Houston Rodeo (March), and the Renaissance Festival (October-November). With convenient access to Highway 249 and the future Grand Parkway, all of Houston is very accessible!

Market

Whether they be traveling a long distance or just wanting to escape the mundaneness of their daily routine, Maple Creek Bed & Breakfast will strive to make each booking a memorable experience. Our most frequent customers will be the couple looking for a romantic get-away or visiting local friends and family. Our other customers will be business travelers from nearby businesses such as Baker Hughes, HP or those of The Woodlands and downtown Houston. We will also target guests who are in town utilizing any of Tomball's amenities, such as Tomball Regional Medical Center or Prospects Baseball Academy. All of these travelers not only want a comfortable spot to lay their heads, but also a personal touch that a normal hotel could not offer them.

Our competition will be anyone or place that offers an overnight stay. That would include other B&B's, hotels, motels or even friends & family members. While all of our competitors provide a place to sleep, not all serve a fresh, homemade breakfast like Maple Creek. Hotels and motels have become sterilized with each room looking the same as the next one. Our B&B will give guests a unique room that no one else will be able to imitate. This, in addition to our plethora of amenities, will differentiate Maple Creek from our competitors.

Promotion

One of our first priorities will be to get Maple Creek B&B's website up and running. Another important step will be to gain exposure on various websites that specifically promote Bed & Breakfast establishments such as *www.bedandbreakfast.com* or *www.iloveinns.com*. People who go to those sites are looking for places like Maple Creek Bed & Breakfast rather than "cookie-cutter" hotels. We will also market online via social media such as Facebook, Pinterest, TripAdvisor and Google. At the beginning of our business, we would like to use a crowd funding program to spread word of our existence while also easing our financial outlays. Websites such as *www.kickstarter.com* or *www.indiegogo.com* give people an opportunity to invest in individuals and companies who are trying to reach a financial goal for a specific purpose. In addition to these online and digital forms of marketing, we will also use physical advertising tools such as brochures and printed advertising. We desire to build friendships with the other local business owners in the area so that we can work together to promote each other's businesses. All of these marketing outlets will allow us to portray ourselves to our potential customers as a comfortable and beautiful place to spend the night and enjoy the City of Tomball.

Management

Maple Creek B&B is a service-based business that will be jointly managed and maintained by the four owners – Michael & Rebecca Clark and Samuel & Katelyn Whisler. Oversight of the day-to-day tasks will be shared by Rebecca Clark and Katelyn Whisler, and will include reservations, marketing, customer service, preparation of breakfast and preparing the suites for guest arrival. As we will not be preparing food for any non-guests, a health permit is not required. Rebecca has a BA in Management Information Systems and brings to the venture 15 years of small business experience. She also has three years of management and bookkeeping experience in a related concierge industry. Katelyn has a BA in Management and a BA in Marketing, in addition to invaluable experience gained while being involved with the daily operation of a competing B&B in Houston for nine months. Both accomplished hostesses, these skills will be important as we anticipate and meet our guests' desires and needs.

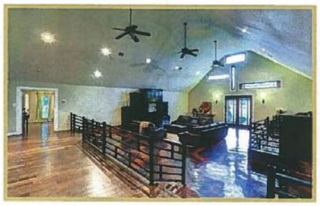
Maintenance of the physical property and our public relations (both on-line and face-to-face) will be shared by Michael Clark and Samuel Whisler. Michael has an AA in Computer Programming and extensive experience in home building and remodeling projects. Samuel has a BS in Electrical Engineering and will oversee our on-line presence through web design. Both men have a talent for new ideas and connecting to people. Their involvement will be primarily on the weekends while continuing to earn capital in their current occupations.

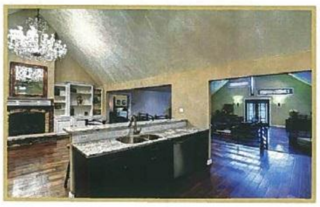

519 E Hufsmith Road

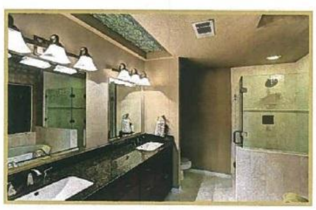
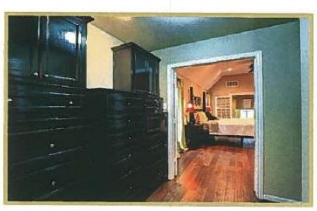

Marketed By:
Andrea Saavedra
GAVA Homes & Loans
Office: 713-643-7000 | Cell: 956-821-3836
andrea@gavahomes.com

519 E Hufsmith Road

5 Bedrooms, 4 Full Baths & 1 Half Bath, 4 Car Detached Garage



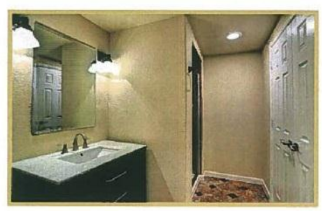
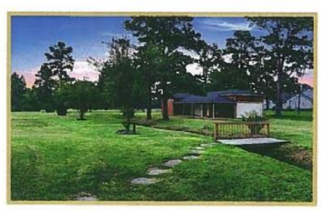



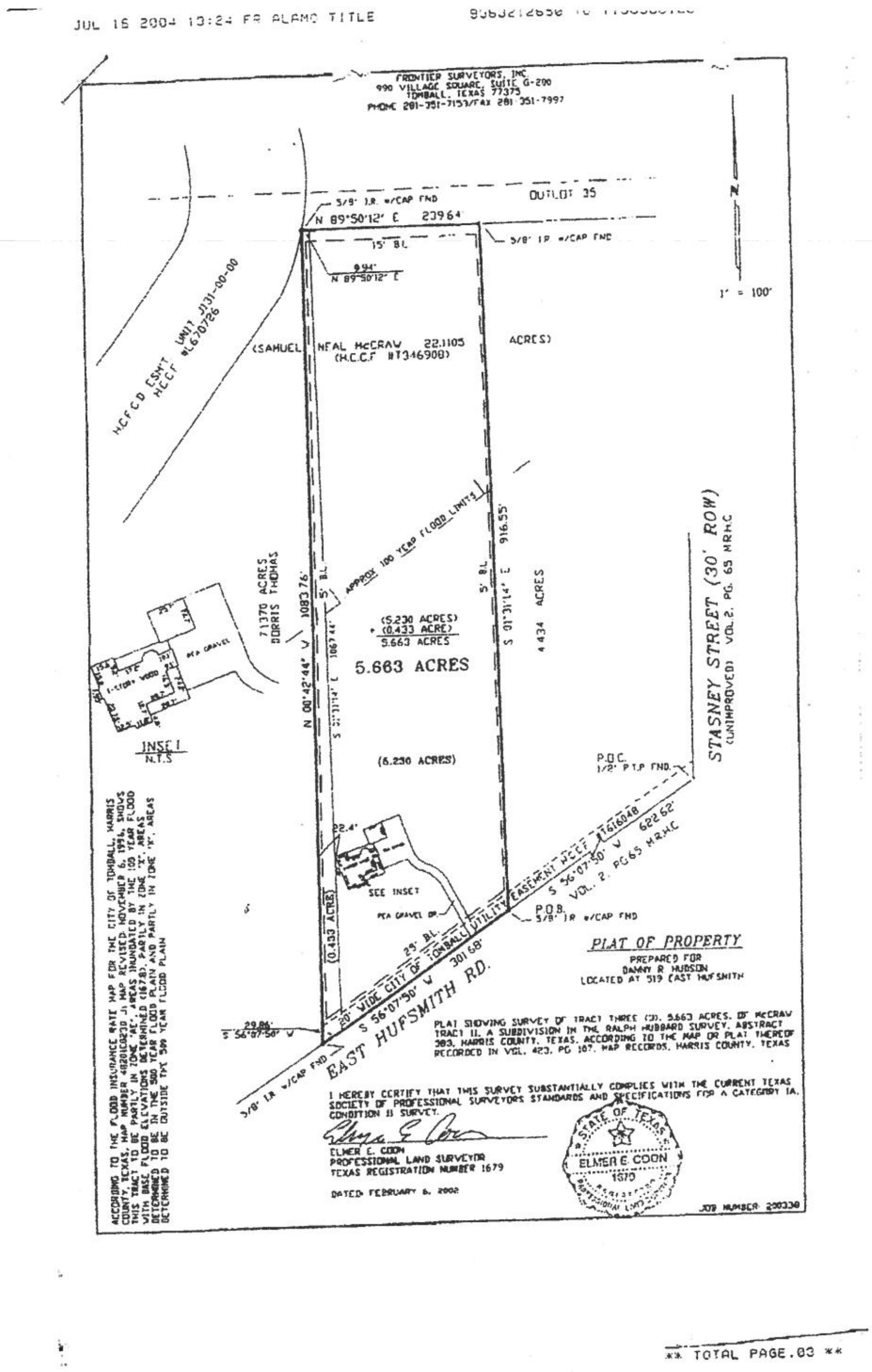
Living Room:	*24 x 24*
Game Room:	*16 x 16*
Study/Library:	*12 x 12*
Dining Room:	*14 x 14*
Kitchen:	*15 x 20*
Master Bedroom:	*17 x 17*
Second Bedroom:	*19 x 14*
Third Bedroom:	*18 x 14*
Fourth Bedroom:	*11 x 12*
Fifth Bedroom:	*11 x 12*

House Sq. Ft.: 5,502 per Seller

Year Built: 1999 per Appraisal District

Spectacular ranch style estate right here in Tomball! 5 bedroom, 4.5 baths, wood floors, granite throughout, 2 junior master suites, a study, a game room, attached carport, detached 4 +/- car garage with workshop, beautiful fenced pool with exterior winter warming chimney, a pond for your horses to wander through, acreage for your furry family to romp around in, room to grow and so much more.



JUL 16 2004 10:24 FR ALAMO TITLE
FRONTIER SURVEYORS, INC
990 VILLAGE SQUARE, SUITE G-200
TOMBALL, TEXAS 77375
PHONE 281-351-7153/FAX 281 351-7997
OUTLOT 35
N 89°50'12" E 239.64
5/8" IR w/CAP FND
15' BL
1" = 100'
(SAMUEL NEAL McCRAW 22.1105 ACRES)
(H.C.C.F #T346908)
HCFCD ESMT UNIT J131-00-00
APPROX 100 YEAR FLOOD LIMITS
916.55'
S 01°31'14" E
N 00°42'44" W 1083.76'
5' BL
71370 ACRES DORRIS THOMAS
4.434 ACRES
(5.230 ACRES)
+ (0.433 ACRE)
5.663 ACRES
5.663 ACRES
(6.230 ACRES)
INSET
N.T.S
1-STORY WOOD
PEA GRAVEL
STASNEY STREET (30' ROW)
(UNIMPROVED) VOL. 2, PG. 65 MRHC
P.O.C.
1/2" PIP FND
S 56°07'50" W 622.62'
VOL. 2, PG 65 MRHC
SEE INSET
PEA GRAVEL DR
(0.433 ACRE)
P.O.B.
5/8" IR w/CAP FND
20' WIDE CITY OF TOMBALL UTILITY EASEMENT HCCF #616048
25' BL
S 56°07'50" W 301.68'
EAST HUFSMITH RD.
29.86'
S 56°07'50" W
5/8" IR w/CAP FND
PLAT OF PROPERTY
PREPARED FOR
DANNY R HUDSON
LOCATED AT 519 EAST HUFSMITH
PLAT SHOWING SURVEY OF TRACT THREE (3), 5.663 ACRES, OF McCRAW TRACT II, A SUBDIVISION IN THE RALPH HUBBARD SURVEY, ABSTRACT 383, HARRIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOL. 423, PG 107, MAP RECORDS, HARRIS COUNTY, TEXAS
I HEREBY CERTIFY THAT THIS SURVEY SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1A, CONDITION II SURVEY.
ELMER E. COON
PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NUMBER 1679
DATED: FEBRUARY 6, 2002
STATE OF TEXAS
ELMER E COON
1679
JOB NUMBER 200338
** TOTAL PAGE.03 **

EXHIBIT "A"

DESCRIPTION OF A TRACT OF LAND CONTAINING
0.4163 ACRE (18,135 SQUARE FEET) SITUATED IN THE
RALPH HUBBARD SURVEY, A-383, HARRIS COUNTY,
TEXAS

Being a tract of land containing 0.4163 acre (18,135 square feet) situated in the Ralph Hubbard Survey, A-383, in Harris County, Texas, and being out of Tract Four of McCraw Tract II, Amending Plat, a subdivision plat recorded under County Clerk's Film Code No. 463122 of the Map Records of Harris County, Texas. Said 0.4163-acre tract being more particularly described by metes and bounds as follows:

BEGINNING at a point located in the east line of a 513,211 square foot (11.782 acres) tract as conveyed unto Harris County Flood Control District by deed recorded under County Clerk's File No. L670726, Film Code No. 116-78-0536 of the Official Public Records of Real Property of Harris County, Texas, for the northwest corner of said Tract Four, for the north corner of a 7.1370-acre tract as conveyed unto Deborah Lynne Watson (also known as Debbie Watson) by deed recorded under County Clerk's File No. U917673, Film Code No. 537-99-1616 of the Official Public Records of Real Property of Harris County, Texas, for the southwest corner of a 22.0000-acre tract as conveyed unto William E. Sumner Jr. by deed recorded under County Clerk's File No. S095461, Film Code No. 509-84-2048 of the Official Public Records of Real Property of Harris County, Texas, and for the northwest corner of said tract herein described;

THENCE North 89° 50' 38" East with the north line of said Tract Four and the south line of said 22.0000-acre tract, a distance of 9.71 feet to a found 5/8-inch iron rod with cap stamped "EE COON R.P.L.S. 1679" for the northeast corner of said Tract Four, for the northwest corner of Tract Three of said subdivision as conveyed unto Adam Ruiz, Jr., described as Tract Three (3) by deed recorded under County Clerk's File No. X749455, Film Code No. 588-71-8479 of the Official Public Records of Real Property of Harris County, Texas, and for the northeast corner of said tract herein described;

THENCE South 01° 33' 06" East with the east line of said Tract Four and the west line of said Tract Three, a distance of 1,043.91 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb, Fendley & Associates" located in the northwesterly right-of-way line of Tomball-Hufsmith Road (70 feet wide) as described in deed (unrecorded) dated March 17, 2010 between Samuel Neal McCraw and the City of Tomball for the southeasterly corner of said tract herein described;

THENCE South 56° 07' 12" West with the northwesterly right-of-way line of said Tomball-Hufsmith Road, a distance of 29.46 feet to a set 5/8-inch iron rod with yellow cap stamped "Cobb, Fendley & Associates" southwesterly corner of said tract herein described;

THENCE North 00° 45' 54" West with the east line of said 7.1370-acre tract, a distance of 1,060.01 feet to the **POINT OF BEGINNING** and containing 0.4163 acre (18,135 square feet) of land, more or less.

EXHIBIT

"A"

521-88-1346

BEING 2.0322 acre tract of land out of Lot Number 58 of the Five (5) Acre Tracts, Tom Ball Townsite, as per map of record in Volume 2, Page 65, Harris County Map Records; said 2.0322 acre tract being more particularly described as follows: 1

BEGINNING at a 5/8 inch iron pipe found marking the South corner of the herein described tract in the intersection of the East right-of-way line of Neal Street, 30.00 feet wide with the Northeasterly right-of-way line of Tomball-Huffsmith Road, width varies;

THENCE North 00°21'55" West, 385.87 feet in the East line of said Neal Road to a point for corner;

THENCE North 89°45'12" East, 244.73 feet in the South line of Harris County Flood Control District Easement Unit J131-00-00, filed for record under Harris County Clerk's File Number L670726, Real Property Records, Harris County, Texas, to a 5/8 inch iron rod found for the point of curvature of a curve to the left;

THENCE 73.56 feet in the arc of said curve to the left having a radius of 300.00 feet and a central angle of 14°04'29" to a 5/8 inch iron rod found for the point of tangency;

THENCE South 00°44'27" West, 184.75 feet in the West line of said Harris County Flood Control District Easement to a 5/8 inch iron rod found for corner in the North right-of-way line of said Tomball-Huffsmith Road;

THENCE South 55°52'40" West, 376.96 feet in the Northeast line of said Tomball-Huffsmith Road to the PLACE OF BEGINNING containing 2.0322 acres of land.

Title Data, Inc. ST TDI20006 HA T346908.005

EXHIBIT

"B"

521-88-1347

BEING 44.1105 acre tract of land out of Lot Numbers 5, 11, 17, 23, 29, 34, 35, 40, 41, 45, 46, 50, 54, and 58, out of the Five (5) Acre Tracts, Tom Ball Townsite, as per map of record in Volume 2, Page 66, of the Harris County Map Records, said 44.1105 acres being more particularly described as follows:

BEGINNING at a 6 inch diameter fence post found in the South right-of-way line of Zion Road, varying widths, and marking the Northeast corner of the herein described tract, 25.30 feet South of the Northeast corner of Outlot Number 5 of said Tomball Five (5) Acre Tracts;

THENCE South 01°31'14" East, 1442.75 feet in the West right-of-way line of Stanney Street, a 30.00 foot wide public street to a 1/2 inch pinched top pipe found marking the intersection of the Northeasterly line of Tomball-Huffsmith Road, width varies, with the West right-of-way line of said Stanney Street;

THENCE South 56°05'44" West, 1437.71 feet in the Northeasterly line of said Tomball-Huffsmith Road to a 5/8 inch iron rod found for corner in the North-East right-of-way line of said Tomball-Huffsmith Road;

THENCE in the Easterly line of Harris County Flood Control District Easement, Unit J131-00-00 and filed for record under Harris County Clerk's File Number 1697726, Real Property Records, Harris County, Texas, North 00°25'07" East, 229.26 feet to a 5/8 inch iron rod;

THENCE continuing in said Easterly line North 47°55'31" East, 4.82 feet to a point of curvature of a curve to the left;

THENCE 233.81 feet in the arc of a curve to the left having a radius of 300.00 feet and a central angle of 44°39'31" to a 5/8 inch iron rod marking the point of tangency;

THENCE continuing in the East line of said Harris County Flood Control District Easement, North 00°28'23" East, 453.12 feet to a 5/8 inch iron rod found for the point of curvature of a curve to the right;

THENCE 93.02 feet in the arc of a curve to the right having a radius of 150.00 feet and a central angle of 35°32'08" to a 5/8 inch iron rod found marking the point of tangency;

THENCE continuing in said East line of Harris County Flood Control District Easement North 36°01'16" East, 365.18 feet to a 5/8 inch iron rod found for the point of curvature of a curve to the left;

THENCE 189.85 feet in the arc of a curve to the left having a radius of 300.00 feet and a central angle of 36°15'00" to a 5/8 inch iron rod found marking the point of tangency for said curve;

THENCE continuing in said East line of Harris County Flood Control District Easement, North 02°23'18" East, 443.25 feet to a 1/2 inch iron rod set for an angle point;

THENCE North 42°38'04" East, 61.40 feet to a 1/2 inch iron rod set for angle point;

THENCE continuing in said East line of Harris County Flood Control Easement, North 07°51'26" East, 122.42 feet to a 1/2 inch iron rod set for an angle point;

THENCE North 03°29'58" East, 108.43 feet to a 1/2 inch iron rod set for an angle point;

THENCE continuing in said Easterly line of Harris County Flood Control District Easement, North 41°36'01" West, 26.88 feet to a 1/2 inch iron rod set for angle point;

THENCE North 04°15'29" West, 460.78 feet to a 1/2 inch iron rod set marking the intersection of the Easterly line of said Harris County Flood Control District Easement with the South right-of-way line of Zion Road;

THENCE North 89°50'12" East, 718.15 feet in the South right-of-way line of said Zion Road to the PLACE OF BEGINNING containing 44.1105 acres of land.

Title Data, Inc. SI TDI20006 HA T346908.006

EXHIBIT

"C"

521-88-1348

BEING 22.0000 acre tract of land out of Lot Numbers 5, 11, 17, 23, 29, and 35 of the Five (5) Acre Tracts, Tom Ball Townsite, as per map of record in Volume 2, Page 65, Harris County Map Records; said 22.0000 acre tract being more particularly described as follows:

BEGINNING at a 6 inch diameter fence post found in the South right-of-way line of Zion Road, varying widths, and marking the Northeast corner of the herein described tract, 26.30 feet South of the Northeast corner of Outlot Number 5 of said Five (5) Acre Tracts;

THENCE South 01°31'14" East, 1282.89 feet in the West right-of-way of Stanley Street, 30.00 feet wide, to a 1/2 inch iron rod set for corner in the East line of Five (5) Acre Tract Number 35;

THENCE South 89°50'12" West, 791.92 feet in a line parallel to and 54.69 feet Southerly of the North line of Lot Number 35 of said Five (5) Acre Tracts, to a 1/2 inch iron rod set in the arc of a curve to the left in the Easterly line of a Harris County Flood Control District Easement known as Unit 131-00-00 and filed for record under Harris County Clerk's File Number L670726, Real Property Records, Harris County, Texas;

THENCE 83.66 feet in the arc of a non tangent curve to the left having a radius of 300.00 feet and a central angle of 15°58'40" in said Easterly line of said Harris County Flood Control District Easement to a 5/8 inch iron rod found for the point of tangency of said curve;

THENCE North 02°33'18" East, 443.25 feet in the Easterly line of said Harris County Flood Control District Easement to a 1/2 inch iron rod set for an angle point;

THENCE North 42°28'02" East, 61.40 feet in the Easterly line of said Harris County Flood Control District Easement to a 1/2 inch iron rod set for an angle point;

THENCE North 07°51'26" West, 122.42 feet in the Easterly line of said Harris County Flood Control District Easement to a 1/2 inch iron rod set for an angle point;

THENCE North 03°29'58" East, 108.19 feet in the Easterly line of said Harris County Flood Control District Easement to a 1/2 inch iron rod set for an angle point;

THENCE North 42°36'01" West, 26.83 feet in the Easterly line of said Harris County Flood Control District Easement to a 1/2 inch iron rod set for an angle point;

THENCE North 04°15'29" West, 469.76 feet in the Easterly line of said Harris County Flood Control District Easement to a 1/2 inch iron rod set for corner in the South right-of-way line of Zion Road;

THENCE North 89°50'12" East, 768.45 feet in the South right-of-way line of said Zion Road to the PLACE OF BEGINNING containing 22.0000 acres of land.

RECORDER'S MEMORANDUM:
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

96 OCT 27 PM 1:30

Title Data, Inc. ST TDI20005 EA T346908.007

521-88-1349

THE STATE OF TEXAS }
COUNTY OF HARRIS }

OCT 27 1998

COUNTY CLERK
HARRIS COUNTY TEXAS

Title Data, Inc. ST TDI20006 HA T346908.008

Exhibit “F”
Concept Plan

Maple Creek Bed & Breakfast - Proposed Parking Plan

519 E Hufsmith Road; Tomball, Texas 77375

The City of Tomball Ordinances provide that with the approval of a Conditional Use Permit (CUP), the property at 519 E Hufsmith, which is currently zoned as SF 20, can be operated as a Bed & Breakfast with accommodations for up to five sets of guests.

The current configuration of the house gives it the ability to host four sets of guests. As per the City of Tomball Zoning Ordinance, a property being operated as a Bed & Breakfast shall provide each set of guests one parking spot along with two parking spots for the owner/operator of the property.

The parking plan diagramed below provides a total of seven (7) parking spaces, which exceeds the zoning requirements by one until such time as the house is modified to provide a fifth guest accommodation.

The proposed new parking area (spaces #6-7 in the above diagram) will consist of a 20-foot by 20-foot area of Type D HMAC pavement top upon a 10-inch base of compacted cement-stabilized base material.

The existing parking spaces depicted in the diagram (spaces #1-5) which be striped as applicable per relevant city and state code. Stall #3 will be designated and marked as a handicap accessible parking space.

CITY OF TOMBALL

Application for

CONDITIONAL USE PERMIT

Attachment:
Neighbor Relationships & Communications

Submitted by:

MAPLE CREEK BED & BREAKFAST

Owners:
Michael & Rebecca Clark
Samuel & Katelyn Whisler

MAPLE CREEK BED & BREAKFAST

Michael & Rebecca Clark
Samuel & Katelyn Whisler
15210 Dawn Meadows Drive
Houston, Texas 77068

March 7, 2016

City of Tomball
Community Development Department
Planning Division
501 James Street
Tomball, Texas 77375

RE: 519 E. Hufsmith, Tomball, Texas 77375

To Whom It May Concern:

After submitting our Conditional Use Permit on December 30, 2015, it was brought to our attention that a few of the neighbors had some concerns about a business being operated in such close proximity to their homes. This knowledge was of great concern to us, as we desire to have strong and friendly relationships with our neighbors from day one of our moving into the Tomball area. Following please find an attachment we would like to submit along with our original application. This documentation summarizes all of our efforts to reach out to the neighbors to allow them to meet us and address any and all concerns they might have about Maple Creek Bed & Breakfast. You will find the following for your review:

- Journal outlining all Neighbor Communications as of 3/6/16
- Letter of Introduction that we sent to all neighbors on 2/25/16
- Follow-up Q&A letter we sent to all neighbors on 3/1/16
- A Q&A sheet that we put together that answers several of the questions posed to us
- Check-in paperwork that each guest would sign that states the services provided and property guidelines and policies

Our proposed closing date for the purchase of this property has been rescheduled for April 6, 2016, again contingent upon receiving the approval of our C.U.P. application. We are committed to being a positive addition to Tomball, and will do everything possible to develop healthy relationships with both the City and each and every neighbor.

Thank you for your consideration!

Michael & Rebecca Clark
Samuel & Katelyn Whisler
MAPLE CREEK BED & BREAKFAST Management Team

JOURNAL OF NEIGHBOR COMMUNICATIONS
as of 3/6/16

All neighbors

January 25, 2016 - Letter of introduction from Maple Creek B&B explaining our dream, vision for the property, education and personal background. (Copy attached.)

February 9, 2016 - Meet & Greet meeting at 519 E. Hufsmith. Flyers handed out inviting the surrounding neighbors into the home to discuss any thoughts or concerns.

March 1, 2016 - Follow-up letter summarizing steps taken to allow Maple Creek B&B to be a positive addition to the community. Included a Q&A sheet that answered several questions about the B&B as well as the meaning of a Conditional Use Permit. Also included a copy of our "Check-in Policy Sheet" that all guests will sign when they stay with us. (Copy of all attached.)

1430 Neal Drive, Tomball, Texas 77375

Letter of introduction from Maple Creek B&B to all neighbors (referred to above)
Q&A meeting on 2/9/16 at the 519 E. Hufsmith property

Concern: That our guests might wander off of our property, making an existing problem of pedestrians along the waterway trespassing onto adjoining properties worse.

Solution: #1- Agreed to place fencing & signage along the northern boundary to clearly mark property line and minimize pedestrians wandering along the waterway.
#2- Customized our check-in sheet to specifically state that our guests need to remain on the B&B property.
#3- Customized our check-in sheet to forbid use of motorized recreation vehicles

Follow-up letter to all neighbors with Q&A and Policy Sheet attachments (referred to above)

523 E. Hufsmith Road, Tomball, Texas 77375

Face-to-face introduction on 12/27/15.
Letter of introduction from Maple Creek B&B to all neighbors (referred to above)
Q&A meeting on 2/9/16 at the 519 E. Hufsmith property

Concern: #1- That B&B guests might wander off of our property onto theirs
#2- That a B&B is not allowed to operate on SF-20 zoned properties

Solution: #1- Offered to erect a fence of their choosing: 6' opaque fence, 3' corral fence, a hedge or no fence at all
#2- Customized our check-in policy sheet to specifically state that guests need to remain on our property
#3- Explained that certain businesses are allowed to operate on SF-20 land, but only if they complete the CUP application process.

Personal letter to owner on 2/24/16 seeking to finalize fencing choice.
Follow-up letter to all neighbors with Q&A and Policy Sheet attachments.
Voice-mail messages left on 3/4/16 and 3/5/16 offering to meet to finalize fencing choice.

535 E. Hufsmith Road, Tomball, Texas 77375

Face-to-face introduction on 11/22/16.

Letter of introduction from Maple Creek B&B to all neighbors (referred to above)

Breakfast meeting on 2/23/16 to discuss B&B plans, neighborhood concerns and plats on file

Follow-up letter to all neighbors with Q&A and Policy Sheet attachments (referred to above)

12321 Zion Road, Tomball, Texas 77375

Letter of introduction from Maple Creek B&B to all neighbors (referred to above)

Email correspondance on 2/18/16 and 2/19/16

Concern: That once a business was allowed to operate at 519 E. Hufsmith, other (less-desirable) businesses could follow.

Solution: Explained that this Conditional Use Permit is ONLY valid for a Bed & Breakfast, and cannot be transferred to any other type of business

Follow-up letter to all neighbors with Q&A and Policy Sheet attachments (referred to above)

MAPLE CREEK BED & BREAKFAST
15210 Dawn Meadows Dr. Houston, Texas 77068

January 25, 2016

Dear Neighbor,

After living in Houston for 22 years, our family is getting ready to relocate to Tomball! We are so excited about the doors the Lord has opened for us to launch our family dream of operating a small Bed & Breakfast in a quiet & relaxing setting on East Hufsmith Road.

You will be receiving a letter in the mail from the City of Tomball letting you know of our request to use the single-family home at 519 East Hufsmith as a Bed & Breakfast. We appreciate that Tomball places a high priority on wanting to maintain their quiet, small-town feeling. We would like all of you to know that we desire our move to your city to be a positive addition, and not a distraction in any way from the peaceful setting we all enjoy.

Our plan for Maple Creek Bed & Breakfast is for the main home to offer four suites to welcome guests into, and we will serve them a homemade breakfast in the morning. On-site activities offered will include swimming, archery, and bird & deer watching – we've already seen both! The detached garage will be converted into a small apartment that will allow two of the owners to live full-time on the property so that the home will never be left vacant or unattended. The most common guests that frequent Bed & Breakfasts are either young, romantic newlywed couples, or the couples aged 50-70 who are enjoying their empty-nest years. Both of these demographics will maintain the quiet atmosphere everyone currently enjoys. We do not plan to enlarge the house from its current size or make any additions, except for maybe a pretty gazebo in the backyard!

If you have any concerns or questions about our plans, we would welcome the opportunity to talk with you about them! Mike is coordinating all of our communication and can be reached at (832) 248-5232. We look forward to getting to know all of you better in the near future!

Sincerely,

Mike & Becky Clark Samuel & Katie Whisler

About the Owners

Mike & Becky Clark

Mike & Becky have been married for 26 years and have five children. Mike works as a computer programmer specializing in the oil & gas industry, and is currently working as a contractor at Shell Trading. Becky graduated from Liberty University and was trained in property management. She has been a busy stay-at-home mom for the last 18 years, choosing to home-school all of their children. Active members of Champion Forest Baptist Church, family hobbies include swimming, reading, volleyball, home-remodeling and woodworking.

Samuel & Katie Whisler

Katie is the oldest daughter of Mike & Becky, and she and Samuel are newlyweds! They have been married for 18 months, and are currently pursuing their individual careers. Samuel graduated from Rice University and works as an electrical engineer at CenterPoint Energy. Katie graduated from Houston Baptist University and works as an Implementation Manager at HR&P, a human resource company. Members of Champion Forest Baptist Church, they enjoy bowling, volleyball and hammock-ing!

MAPLE CREEK BED & BREAKFAST

15210 Dawn Meadows Dr. Houston, Texas 77068

March 1, 2016

Dear Neighbor,

We wanted to give you an update on our family's plan to move to Tomball with the hope of eventually converting the home located at 519 East Hufsmith into a small Bed & Breakfast. We appreciate the opportunities we have had to meet several of you, and for the conversations we've had offering both your support as well as your concerns about becoming your neighbors. Our request for a Conditional Use Permit with the City of Tomball has raised some questions which we would like to clarify for you.

- First and most importantly is the fact that we are not seeking to rezone the property to "commercial." The property will not change from its current "residential" zoning. We are simply seeking a permit that will allow a Bed & Breakfast to be operated from the home. This permit is only valid for a B&B, and cannot be used or transferred to any other type of business. We would, in fact, stand with you to oppose the surrounding properties being rezoned as "commercial" and completely understand your concerns about that issue.
- Our B&B would only be offering four (4) guest suites, and we will do everything possible to ensure that our guests remain on our property. We plan to add appropriate fencing and signs to clarify property lines and minimize any accidental wandering.
- We have created a "policy sheet" that each guest will be asked to sign and initial when they stay with us. This sheet is attached for your review, and summarizes our services as well as our restrictions, including the prohibition of motorized recreation vehicles and the need to stay on the Maple Creek property.
- Two of the owners will be living on-site, which will allow us to make sure that the rules and policies are being adhered to.
- We put together and also included for your review a "Q&A Sheet" that attempts to answer some of the most common questions.

We are excited about getting to share our vision with the City of Tomball at the zoning committee meeting on March 14th. If you have any additional questions that should arise before then, please contact us at (832) 248-5232 so that we can clarify or find solutions to any remaining concerns.

The customers who tend to seek out a Bed & Breakfast do so because they desire a quiet, homey place to stay versus loud, cluttered hotels. B&B's also often serve as an extension of resident's own homes, offering an extra "guest bedroom" when company comes to town. We love the beauty and peacefulness of this acreage, and seek to protect it so that we can continue to reside on this property for many, many years to come!

Sincerely,

Mike & Becky Clark Samuel + Kateryn Whisler

Mike & Becky Clark Samuel & Katie Whisler

Zoning & Conditional Use Permit Q&A

Goal: Secure a Conditional Use Permit (CUP) from the City of Tomball to operate a Bed & Breakfast at 519 E Hufsmith, which is currently zoned as Residential SF-20 (Single-Family 20,000 sq. ft.).

Q: Will the property be rezoned 'commercial' and therefore expose this and adjoining properties to future unwanted commercial businesses?

A: No. We are not seeking to change the zoning designation of this property from Residential SF-20 to any other type of zoning classification. We want to keep the Residential SF-20 designation!

Q: Can a CUP for a Bed & Breakfast be transferred to another type of business?

A: No. If the Bed & Breakfast were to go out of business or the property be sold, the property would have to: 1) revert to being just a private residence, 2) continue operating as a Bed & Breakfast, or 3) apply for its own CUP.

Q: If the property obtains a CUP, does that mean <u>any</u> business can operate here?

A: No. A CUP is only valid for the one specific type of business listed on the approved CUP application.

Q: Will guests of the Bed & Breakfast be riding motorized vehicles (ATVs/motorcycles) along the drainage ditch?

A: No, it is against the policy of the Bed & Breakfast to operate any motorized recreation type vehicle on the property or onto any adjoining property.

Q: Will an 'opaque' fence be constructed between the subject property and adjoining residential properties?

A: The City of Tomball will not require that a fence be constructed between us and adjoining properties if both parties don't want a fence. We don't want to put up a fence if at all possible as we want the open views and the free movement of wildlife across and on our property.

Q: Where will guests park their cars?

A: Guests will park close to the main house on the existing paved areas.

WELCOME TO
MAPLE CREEK BED & BREAKFAST

Maple Creek Bed & Breakfast is an exclusive property where every guest is both important and special to us! We look forward to making your visit pleasant and comfortable.

BREAKFAST – is served in the main dining room from 8:30 – 10:00am. If you have any allergies or dietary restrictions, please let us know. Arrangements can also be made to have breakfast delivered to your room.

RECREATION – please feel free to make use of the pool table, ping pong table & foosball table located in the game room. There is also a library of movies available on the bookcase in the living room. Please feel free to take the DVD's back to your room for your viewing enjoyment.

There is a directory in your room that contains an extensive list of restaurants, theaters, churches and activities located in and around Tomball and the surrounding Houston area.

Initial: ____ *POOL* – is open from 9:00am – 9:00pm. Please note that there is **NO LIFEGUARD ON DUTY.**

CHECK-OUT – is no later than 11:00am to allow us to prepare your suite for our next guest.

For the comfort & safety of our other guests, there will be:

Initial: ____

- **NO SMOKING** except in your own vehicles or the designated area in the front yard.
- **NO PETS** due to potential allergies of other guests.
- **NO ALCOHOL IN PUBLIC AREAS**. All consumption of alcohol must be inside of your own suite.
- **NO MOTORIZED RECREATIONAL VEHICLES** such as ATV's or off-road motorcycles.
- **NO TRESPASSING ONTO ADJOINING PROPERTIES.** We enjoy good relationships with our neighbors....please help us continue those friendships by abiding by all signage & fencing and limit your enjoyment of the beautiful countryside to the Maple Creek property.

____
Guest Signature

____
Date

NOTICE OF PUBLIC HEARING
CITY OF TOMBALL
PLANNING & ZONING COMMISSION (P&Z)
MARCH 21, 2016
&
CITY COUNCIL
MARCH 21, 2016

Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, March 21, 2016, at 4:30 P.M.,** and by the City Council of the City of Tomball on **Monday, March 21, 2016, at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

Zoning Case P15-0158: Request by Maple Creek Bed & Breakfast, c/o Michael Clark, for a Conditional Use Permit to operate a Bed & Breakfast Inn. The property is located at 519 E. Hufsmith Road., east of Hospital Road on the north side of E. Hufsmith, is approximately 5.663 acres, and is zoned Single-Family 20 Estate District. The property is legally described as Tract 3, 5.663 acres of McGraw Tract II, a subdivision in the Ralph Hubbard Survey, Abstract 383, Harris County, Texas, according to the map or plat thereof recorded in Vol. 423, Page 107, Map Records, Harris County, Texas.

Zoning Case P16-0020: Request by Matthew Gilbert, on behalf of Brandt Construction to amend Chapter 50 (Zoning) of the Tomball Code of Ordinance by rezoning approximately 13.1 acres of land, legally described as 5.001 acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C. , within the City of Tomball, Harris County, Texas, generally located on the east side of Hufsmith-Kohrville, south of The Estates at Willow Creek subdivision, from the Agricultural District to the Commercial District.

At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, at the Public Works Building, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contacting the Assistant City Planner, Amelia Lindley, at (281) 290-1410 or at alindley@tomballtx.gov.

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 **15th** day of **March, 2016** by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Kim Chandler
Kim Chandler
Secretary of the Board

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.tomballtx.gov.

Community Development Department

Notice of Public Hearing

YOU ARE INVITED TO ATTEND Public Hearings before the **PLANNING & ZONING COMMISSION** and **CITY COUNCIL** of the City of Tomball regarding the following item:

CASE NUMBER: P15-0158

APPLICANT/OWNER: Maple Creek Bed & Breakfast, c/o Michael Clark

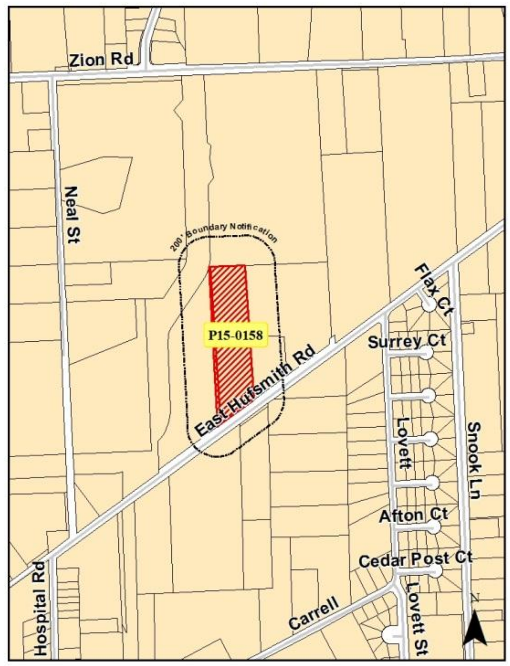
LOCATION: 519 E. Hufsmith Road, East of Hospital Road on the North side of E. Hufsmith Road.

PROPOSAL: Request for a Conditional Use Permit to operate a Bed & Breakfast on approximately 5.663 acres. The property is zoned Single-Family 20 Estate District and is legally described as Tract 3, 5.663 acres of McGraw Tract II, a subdivision in the Ralph Hubbard Survey, Abstract 383, Harris County, Texas, according to the map or plat thereof recorded in Vol. 423, Page 107, Map Records, Harris County, Texas.

CONTACT: Amelia Lindley
PHONE: (281) 290-1410
E-MAIL: alindley@tomballtx.gov

Interested parties may contact the City of Tomball between 8:00 a.m. and 5:00 p.m. Monday through Friday for further information. The application is available for public review Monday through Friday, except holidays, between the hours of 8:00 a.m. and 5:00 p.m. in the Community Development Department office, located at 501 James Street, Tomball, TX 77375. The staff report will be available no later than 4:00 p.m. on the Friday preceding the meeting.

This notice is being mailed to all owners of real property within 200 feet of the request as such ownership appears on the last approved Harris County Appraisal District tax roll.



Planning & Zoning Commission Public Hearing:
Monday, March 14, 2016, 6:00 PM

City Council Public Hearing:
***Monday, March 21, 2016, 6:00 PM**

The Public Hearings will be held in the City Council Chambers, City Hall
401 Market Street, Tomball, Texas

*Should the Planning & Zoning Commission vote to table the recommendation on the case, the date and time of a future meeting will be specified and the City Council will not review the subject case until such a recommendation is forwarded to the City Council by the Planning & Zoning Commission.

Regular City Council Agenda Item Data Sheet

Meeting Date: April 4, 2016

Topic:
Adopt, on Second Reading, Ordinance No. 2016-05, an Ordinance of the City of Tomball, Texas, Amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by Changing the Zoning District Classification of Approximately 13.1 Acres of Land, Legally Described as 5.001 Acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 Acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C., within the City of Tomball, Harris County, Texas, from the Agricultural District to the Commercial District; Said Property Being Generally Located on the East Side of Hufsmith-Kohrville, South of The Estates at Willow Creek Subdivision; Providing for the Amendment of the Official Zoning Map of the City; Providing for Severability; Providing for a Penalty of an Amount Not to Exceed $2,000 for Each Day of Violation of Any Provision Hereof, Making Findings of Fact; and Providing for Other Related Matters

Background:
The Planning and Zoning Commission is meeting at 4:30 p.m. on Monday, March 21, 2016, prior to the City Council meeting to deliberate on this item. Therefore, there is no P&Z recommendation in the packet of information. This item was initially scheduled for the March 14, 2016 Planning and Zoning Commission meeting, however the meeting was rescheduled due to a lack of quorum.

Origination:
Community Development

Recommendation:
N/A

Party(ies) responsible for placing this item on agenda:
COMMUNITY DEVELOPMENT DEPARTMENT

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Ordinance No. 2016-05 - P16-0020
STAFF REPORT
PUBLIC HEARING ANNOUNCEMENT
PROPERTY OWNER NOTICE

ORDINANCE NO. 2016-05

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY CHANGING THE ZONING DISTRICT CLASSIFICATION OF APPROXIMATELY 13.1 ACRES OF LAND, LEGALLY DESCRIBED AS 5.001 ACRES H.C.C.F. NO. X733739 PORTION OF LOTS 487, 488, & 489 AND 8.1479 ACRES H.C.C.F. NO. U200671 PORTION OF LOTS 487, 488 & 489 TOMBALL TOWNSITE VOLUME 2, PAGE 65 M.R.H.C., WITHIN THE CITY OF TOMBALL, HARRIS COUNTY, TEXAS, FROM THE AGRICULTURAL DISTRICT TO THE COMMERCIAL DISTRICT; SAID PROPERTY BEING GENERALLY LOCATED ON THE EAST SIDE OF HUFSMITH-KOHRVILLE, SOUTH OF THE ESTATES AT WILLOW CREEK SUBDIVISION; PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP OF THE CITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED $2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF, MAKING FINDINGS OF FACT; AND PROVIDING FOR OTHER RELATED MATTERS.

* * * * * * * * * *

Whereas, Matthew Gilbert, applicant, has requested that approximately 13.1 acres of land, legally described as 5.001 acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C., generally located on the east side of Hufsmith-Kohrville, south of The Estates at Willow Creek subdivision, in the City of Tomball, Harris County, Texas, (the "Property"), be rezoned; and

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

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

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

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing for the requested rezoning, the City Council held the public hearing for the requested rezoning and the City Council considered the final report of the Planning & Zoning Commission; and

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

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

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

Section 2. The zoning classification of the Property is hereby changed from the Agricultural District to the Commercial District subject to the regulations, restrictions, and conditions hereafter set forth.

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

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

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

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

FIRST READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 21ST DAY OF MARCH 2016.

COUNCILMAN HUDGENS	ABSENT
COUNCILMAN STOLL	AYE
COUNCILMAN DEGGES	AYE
COUNCILMAN TOWNSEND	AYE
COUNCILMAN QUINN	AYE

SECOND READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 4TH DAY OF APRIL 2016.

COUNCILMAN HUDGENS	________
COUNCILMAN STOLL	________
COUNCILMAN DEGGES	________
COUNCILMAN TOWNSEND	________
COUNCILMAN QUINN	________

____

Gretchen Fagan, Mayor

ATTEST:

____

Doris Speer, City Secretary

Rezoning Staff Report

Planning & Zoning Commission Public Hearing Date: March 21, 2016
City Council Public Hearing Date: March 21, 2016

Rezoning Case: P16 -0020

Property Owner(s): Brandt Exploration LLC

Applicant(s): Matthew Gilbert, on behalf of Brandt Exploration

Legal Description: 5.001 acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C.

Location: East side of Hufsmith-Kohrville, south of The Estates at Willow Creek subdivision (Exhibit "A")

Area: 13.1 acres

Comp Plan Designation: Medium Density Residential (Exhibit "B")

Present Zoning and Use: Agricultural (Exhibit "C") / Vacant (Exhibit "D")

Proposed Use(s): Office building with accessory structure

Request: Rezone from Agricultural to Commercial

Adjacent Zoning & Land Uses:

North: ETJ / Residential home and Neighborhood

South: ETJ / Vacant

West: Commercial District / Big League Baseball Academy, VZ Autoworks, Ellis Performance, Copan Trade Coffee Roasters

East: ETJ / Vacant

BACKGROUND

City staff met with Brandt Construction and Project Manager, Matthew Gilbert on January 6, 2016 to discuss the possibility of rezoning their property for the construction of an office warehouse building.

The property was annexed into the City in 2006. The property owners were issued a vested rights letter (Exhibit "F") on January 10, 2011 for the purpose of a commercial development. The letter granted the property a Commercial zoning classification allowing all uses permitted in the Commercial District. Without any activity on the property or permits pulled, the vested rights letter has expired.

Chapter 50 (Zoning) of the Tomball Code of Ordinances states in Section 50-68 (a) "*territory that has been newly annexed into the city may be initially zoned agricultural, and the district is* *considered a temporary holding zone until permanent zoning is approved. It is anticipated that agricultural zoned land will ultimately be rezoned to another zoning classification for its intended use in accordance with the comprehensive plan in the future*." The property owners are requesting to rezone to a zoning district which will accommodate the proposed development.

ANALYSIS

According to Section 50-77 (a), the Commercial District "*is intended to provide a location for commercial and service-related establishments, such as wholesale product sales, welding/contractors shops, automotive repair shows, and other similar commercial uses*".

There are several nonresidential land uses in the vicinity of the subject site. Properties located to the north, east and south are not within the City Limits. The uses on these properties include a residential neighborhood (The Estates at Willow Creek) to the north and vacant land to the east and south. Across Hufsmith-Korhville, there is a baseball academy, an automotive shop and a coffee roasting company. These properties are zoned Commercial.

The Comprehensive Plan designates the property as Medium Density Residential. Surrounding properties are designated Low Density Residential to the north, Rural Residential to the east and south and Medium Density Residential to the west. As mentioned, there are a number of commercial land uses as well as commercially zoned properties in the area. Hufsmith-Kohrville and (future) Medical Complex Drive are both designated as Major Arterials by the City's Major Thoroughfare Plan. Section 50-77 states convenient access to thoroughfares is an important component for commercial zoning districts. While the Comprehensive Plan designates this area as residential, the proposed request appears to be most compatible with the area and existing and proposed roadway networks in the vicinity.

ZONING CONSIDERATIONS

In making its recommendation regarding a proposed zoning change, the Planning and Zoning Commission and City Council shall consider the following factors:

A. Whether the uses permitted by the proposed change will be appropriate in the immediate area concerned, and their relationship to the general area and to the City as a whole.

There are commercial uses in the immediate area including a Big League Baseball Academy, VZ Autoworks, Ellis Performance, Copan Trade. The subject site is also within close proximity of the TEDC Business and Technology Park as well as the Baker Hughes developments.

B. Whether the proposed change is in accordance with any existing or proposed plans for providing public schools, streets, water supply, sanitary sewers, and other utilities to the area.

The proposed rezoning is not anticipated to negatively impact any existing or proposed plans for providing public schools, streets, water supply, sanitary sewers, and other utilities to the area. The exact alignment of the future Medical Complex Drive has not been determined and should not affect the development of this site.

C. The amount of vacant land currently classified for similar development in the vicinity and elsewhere in the City, and any special circumstances which may make a substantial part of such vacant land unavailable for development.

There are vacant properties in the vicinity and elsewhere in the City zoned Commercial District, however, the property in question was once vested as Commercial and has been planned for commercial development.

D. The recent rate at which land is being developed in the same zoning classification as the request, particularly in the vicinity of the proposed change.

There has been steady development City-wide in the Commercial District.

E. How other areas designated for similar development will be, or are likely to be, affected if the proposed amendment is approved.

If the proposed rezoning is approved, few, if any effects on other areas designated for similar developments are anticipated.

F. Any other factors that will substantially affect the public health, safety, morals, or general welfare.

The proposed rezoning does not appear to negatively affect the public health, safety, morals, or general welfare. As previously mentioned, the proposed development will blend well with other existing developments in the immediate area.

G. Whether the request is consistent with the Comp Plan.

The Future Land Use plan designates the property Medium Density Residential; however, the nearby properties are zoned Commercial and currently have Commercial uses established.

PUBLIC COMMENT

Property owners that are within the city limits and within 200 feet of the project site were mailed notification of this proposal on March 1, 2016. Notice of Public Hearing was published in the paper and a sign was placed on the property on February 29, 2016. As of March 10, 2016, no public comment forms have been received.

RECOMMENDATION

Based on the findings outlined in the analysis section of this staff report, City staff recommends **APPROVAL** of Zoning Case P16-0020.

EXHIBITS

A. Aerial Photo
B. Comprehensive Plan
C. Zoning Map
D. Site Photo
E. Application
F. Vested Rights Letter

Exhibit "A"
Aerial Photo

Exhibit "B"
Comprehensive Plan

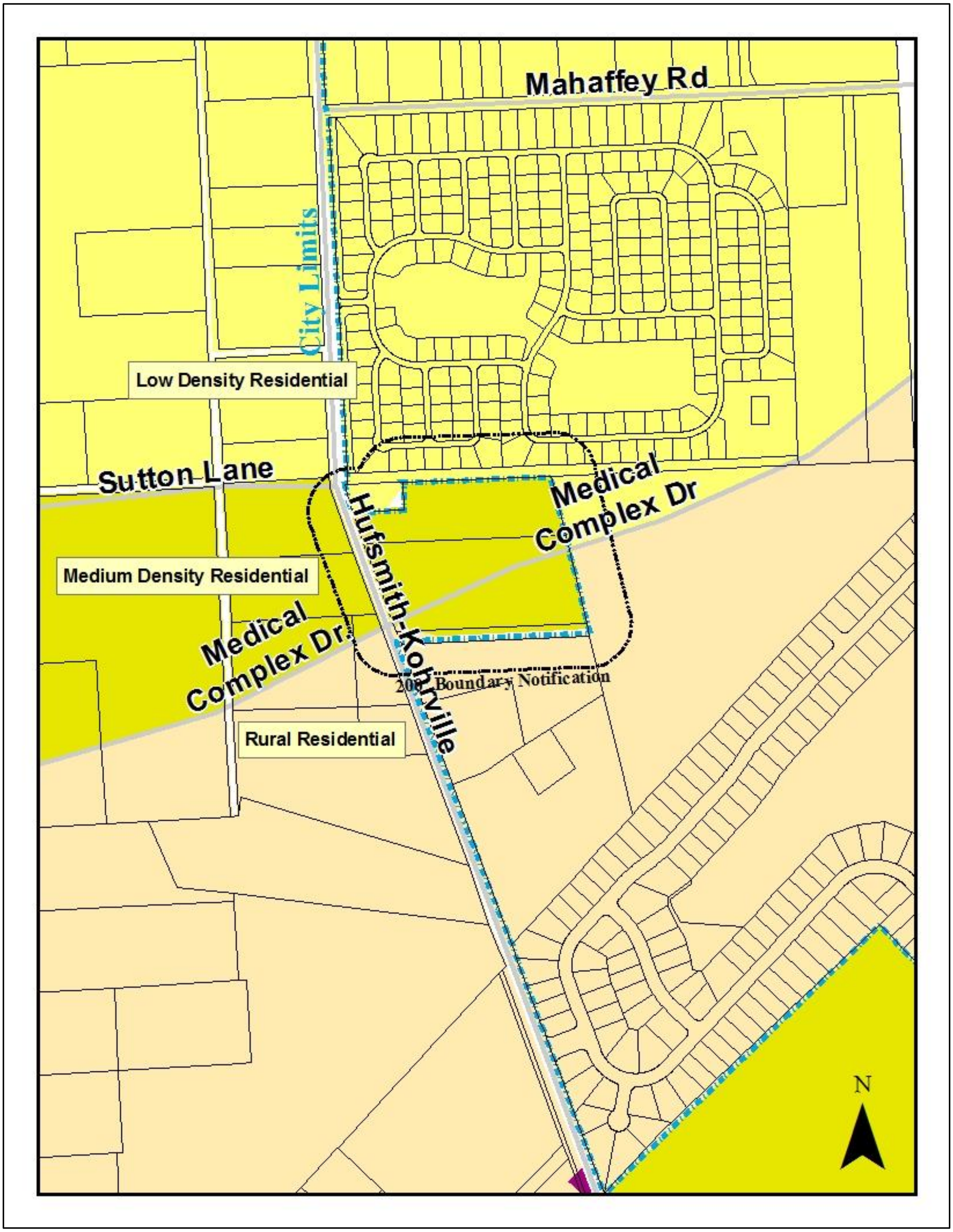


Exhibit "C"
Zoning Map

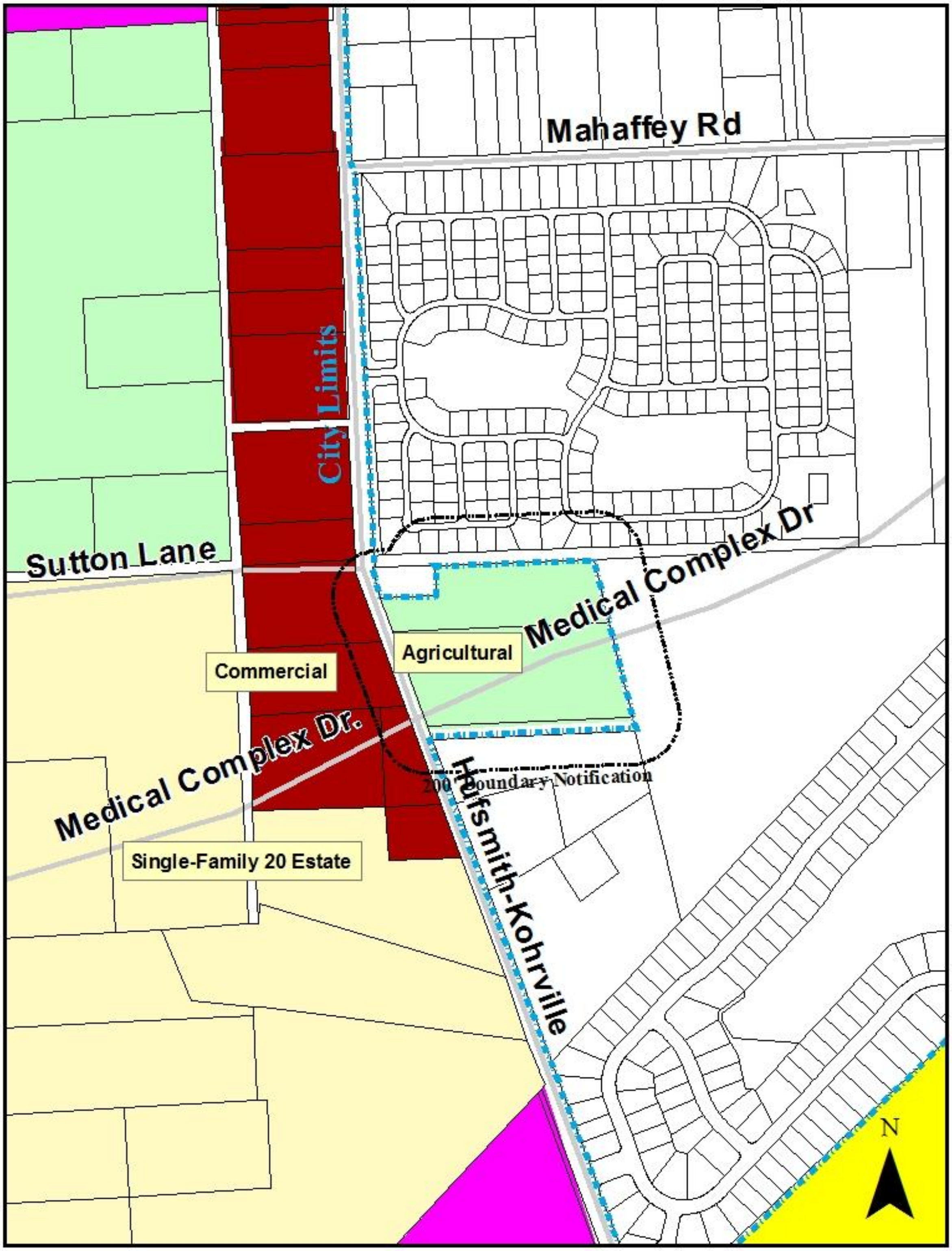


Exhibit "D"
Site Photo

Looking across Hufsmith-kohrville at the property

Looking North

Looking South

Exhibit "E"
Application

Revised 5/19/15

$540.00

RECEIVED FEB 03 2016

ZChg-0020

APPLICATION FOR REZONING

Community Development Department
Planning Division

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

Applicant
Name: Matthew Gilbert Title: Project Manager
Mailing Address: 21020 Park Row City: Katy State: Tx
Zip: 77449
Phone: (281) 578-9595 Fax: (281) 578-9686 Email: Matthew@brooksandsparks.com

Owner
Name: Robert E. Brandt Title: President
Mailing Address: 10330-A Lake Road City: Houston State: Tx
Zip: 77070
Phone: (281) 831-4101 Fax: ( ) N/A Email: brandtconstructionllc@yahoo.com

Engineer/Surveyor (if applicable)
Name: * same as applicant * Title:
Mailing Address: City: State:
Zip:
Phone: ( ) Fax: ( ) Email:

Description of Proposed Project: Construction of Office Building

Physical Location of Property: East side of Huffsmith-Kohrville 1,075' south of Willow Creek Estates Lane
[General Location – approximate distance to nearest existing street corner]

Legal Description of Property: 13.11459 acres (TRS 487B-1, 488A, 489A Tomball Outlots) (TRS 487C, 488B, 489B, 490B) [Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Current Zoning District: Agricultural

Current Use of Property: Vacant

Proposed Zoning District: Commercial

Proposed Use of Property: Office Building

HCAD Identification Number: 035 296 000 0485 0352960000536 Acreage: 13.11459

City of Tomball, Texas 501 James Street, Tomball, Texas 77375 Phone: 281-290-1405 www.tomballtx.gov

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

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

X ______________________ 2.2.2015

Signature of Applicant **Date**

X Robert E Brandt 2/3/16

Signature of Owner **Date**

CITY OF TOMBALL
281-351-5484

REC#: 00911189 2/03/2016 9:59 AM
OPER: CK TERM: 005
REF#: W 30431

TRAN: 130.0000 PLANNING AND ZONING
HUFSMITH/WILLOW CREEK
100-5441
REZONING APPLICATIO 540.00CR

TENDERED: 540.00 CHECK
APPLIED: 540.00-

CHANGE: 0.00

BROOKS & SPARKS, INC.
CONSULTING ENGINEERING

February 2, 2016

City of Tomball
Planning and Zoning Department
501 James Street
Tomball, Texas 77375

RE: Rezoning Request for the Proposed Brandt Construction Office Building located on 13.11459 acres of land, including 4.998 acres of land (TRS 487B-1, 488A, & 489A Tomball Outlots) and 8.1479 acres of land (TRS 487C, 488B, 489B, & 490B Tomball Outlots)

Dear Planning Division,

Mr. Brandt is planning to construct an office building for his construction company on the above referenced project. The property is currently zoned Agricultural and the office building that is proposed is not a current allowable use for this zoning classification. Mr. Brandt respectfully requests the above referenced property be rezoned Commercial so the proposed office building will be an allowable use and can be permitted and constructed. The requested zoning of Commercial will match the other tracts located within the City of Tomball immediately on the west side of Huffsmith-Kohrville road.

Please allow this letter to serve as a formal request for the above referenced project to be considered and rezoned from agricultural use to commercial use.

Sincerely,

Matthew A. Gilbert
Project Manager.

21020 PARK ROW • KATY TEXAS 77449
281-578-9595 • FAX: 281-578-9686

Exhibit "F"
Vested Rights Letter

City of Tomball

Gretchen Fagan
Mayor

George Shackelford
City Manager

January 10, 2011

Robert E. Brandt, President
Brandt Exploration, LLC
10330-A Lake Road
Houston, TX 77070

Re: Vested Rights Determination Letter for the Brandt Exploration Commercial Development of 13.11459 acres of land, including 4.998 acres of land (TRS 487B-1, 488A, & 489A Tomball Outlots) and 8.1479 acres of land (TRS 487C, 488B, 489B, & 490B Tomball Outlots)

Dear Mr. Brandt:

By letter dated November 30, 2010, you have asserted a vested right under Chapter 245 of the Texas Local Government Code with respect to the development of approximately 13.1459 acres of property owned or controlled by Brandt Exploration, LLC. After reviewing your vested rights request, the City's records, and consultation with the City's Attorney, I issue this vested rights determination in accordance with Section 48.5 of the City of Tomball's Zoning Ordinance.

Property Owner(s):

Brandt Exploration, LLC
10330 Lake Road -A
Houston, TX 77070-1696

RDBE, LLC
18718 Spring Heather Court.
Spring, TX 77379-2780

The Property: Seven tracts totaling approximately 13.1459 acres of land, out of the Tomball Outlots, (legally described as TRS 487B-1, 488A, 489A, 487C, 488B, 489B, & 490B) Harris County, Texas, generally located on the easterly side of Hufsmith Kohrville Road, northerly of Spell Road. See Exhibit A, attached.

The Project: A commercial development consisting of seven tracts totaling approximately 13.1459 acres as configured in substantially the same layout as shown on the Preliminary Site Plans submitted to the City on February 14, 2007. (See Exhibit B, attached).

Date of First Permit: November 20, 2006 (Annexation Ordinance No. 2006-20 (4.998 acres) and Annexation Ordinance No. 2006-21 (8.1479 acres), Exhibit C).

Regulations Applicable to Property Owner, the Property, and the Project:

All of the City's current Ordinances, including the City's Zoning Ordinance adopted February 4, 2008, are applicable to the Property Owner, the Property and the Project EXCEPT as follows:

1. The property classification (i.e., use) of the City's Zoning Ordinance. The Property shall be deemed to have a prior classification of C-Commercial District under the City's Zoning Ordinance for development of the Project. The Property may be used for any use permitted by right in the City's C-Commercial District under Sections 30 and 38 of the City's Zoning Ordinance, as provided in the Zoning Ordinance as of the date of this letter.

2. The lot size, lot dimension, and building size requirements of the City's Zoning Ordinance. The Property shall comply with the Preliminary Site Plans and the City's lot size, lot dimension, and building size requirements that existed prior to the City's Zoning Ordinance for development of the Project, or the City's current Ordinances.

3. Lot coverage requirements of the City's Zoning Ordinance. The Property shall comply with the Preliminary Site Plans and the City's lot coverage requirements that existed prior to the City's Zoning Ordinance for development of the Project, or the City's current lot coverage requirements.

4. Landscaping Requirements of the City's Zoning Ordinance. The Property shall comply with the Preliminary Site Plans and the landscaping requirements that existed prior to the City's Zoning Ordinance for development of the Project, or the City's current landscaping requirements.

Duration of Determination: Pursuant to Zoning Ordinance Section 48.2, some permits vested under this letter may expire two years from the date of such permit unless progress is made towards completion of the Project; provided, however, that such permit(s) shall expire no earlier than the fifth anniversary of the date the first permit applications were filed for the Project (i.e., November 20, 2011), pursuant to Section 245.005 (b) of the Texas Local Government Code. Provided, further, a permit application may expire in less than two years if the applicant fails to provide documents or information necessary to comply with the City's regulations after receiving written notice from the City as provided by Section 245.002(e)(2) of the Texas Local Government Code.

Rights of Appeal: This letter has certain legal consequences. The property owner and/or the City Council have the right to appeal this determination to the City's Board of Adjustments if the property owner and/or the City Council believes that this vested rights determination is in error. Zoning Ordinance, 48.6. Any appeal of my determination must be filed with the Board of Adjustments within 15 calendar days. Zoning Ordinance, 9.8 C. If my determination is not timely appealed to the Board of Adjustments, then my determination shall be considered binding upon the City and the property owners for the duration of the Project. Id. 48.8.

Sincerely,

George Shackelford
City Manager

cc: Mayor and City Council
Scott Bounds, Olson & Olson, LLP
Dan Dompier, DK Interests

NOTICE OF PUBLIC HEARING
CITY OF TOMBALL
PLANNING & ZONING COMMISSION (P&Z)
MARCH 21, 2016
&
CITY COUNCIL
MARCH 21, 2016

Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, March 21, 2016, at 4:30 P.M.,** and by the City Council of the City of Tomball on **Monday, March 21, 2016, at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

Zoning Case P15-0158: Request by Maple Creek Bed & Breakfast, c/o Michael Clark, for a Conditional Use Permit to operate a Bed & Breakfast Inn. The property is located at 519 E. Hufsmith Road., east of Hospital Road on the north side of E. Hufsmith, is approximately 5.663 acres, and is zoned Single-Family 20 Estate District. The property is legally described as Tract 3, 5.663 acres of McGraw Tract II, a subdivision in the Ralph Hubbard Survey, Abstract 383, Harris County, Texas, according to the map or plat thereof recorded in Vol. 423, Page 107, Map Records, Harris County, Texas.

Zoning Case P16-0020: Request by Matthew Gilbert, on behalf of Brandt Construction to amend Chapter 50 (Zoning) of the Tomball Code of Ordinance by rezoning approximately 13.1 acres of land, legally described as 5.001 acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C. , within the City of Tomball, Harris County, Texas, generally located on the east side of Hufsmith-Kohrville, south of The Estates at Willow Creek subdivision, from the Agricultural District to the Commercial District.

At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, at the Public Works Building, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contacting the Assistant City Planner, Amelia Lindley, at (281) 290-1410 or at alindley@tomballtx.gov.

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 **15th** day of **March, 2016** by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Kim Chandler
Kim Chandler
Secretary of the Board

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.tomballtx.gov.

Notice of Public Hearing

YOU ARE INVITED TO ATTEND Public Hearings before the **PLANNING & ZONING COMMISSION** and **CITY COUNCIL** of the City of Tomball regarding the following item:

CASE NUMBER: P16-0020

APPLICANT/OWNER: Matthew Gilbert, on behalf of Brandt Construction, c/o Robert E. Brandt.

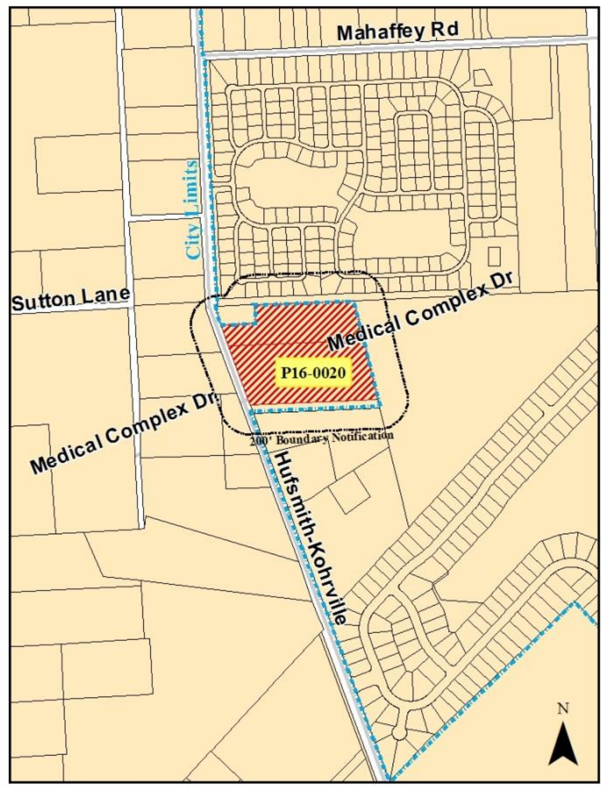
LOCATION: East side of Hufsmith-Kohrville, south of The Estates at Willow Creek subdivision.

PROPOSAL: Request to amend Chapter 50 (Zoning) of the Tomball Code of Ordinance by rezoning approximately 13.1 acres of land, legally described as 5.001 acres H.C.C.F. No. X733739 Portion of Lots 487, 488, & 489 and 8.1479 acres H.C.C.F. No. U200671 Portion of Lots 487, 488 & 489 Tomball Townsite Volume 2, Page 65 M.R.H.C., within the City of Tomball, Harris County, Texas, from the Agricultural District to the Commercial District.

CONTACT: Amelia Lindley
PHONE: (281) 290-1410
E-MAIL: alindley@tomballtx.gov

Interested parties may contact the City of Tomball between 8:00 a.m. and 5:00 p.m. Monday through Friday for further information. The application is available for public review Monday through Friday, except holidays, between the hours of 8:00 a.m. and 5:00 p.m. in the Community Development Department office, located at 501 James Street, Tomball, TX 77375. The staff report will be available no later than 4:00 p.m. on the Friday preceding the meeting.

This notice is being mailed to all owners of real property within 200 feet of the request as such ownership appears on the last approved Harris County Appraisal District tax roll.



Planning & Zoning Commission
Public Hearing:
Monday, March 14, 2016, 6:00 PM

City Council Public Hearing:
***Monday, March 21, 2016, 6:00 PM**

The Public Hearings will be held in the
City Council Chambers, City Hall
401 Market Street, Tomball, Texas

*Should the Planning & Zoning Commission vote to table the recommendation on the case, the date and time of a future meeting will be specified and the City Council will not review the subject case until such a recommendation is forwarded to the City Council by the Planning & Zoning Commission.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:
Presentation of the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending September 30, 2015.

Background:
The firm of Weaver, LLP (formerly Weaver & Tidwell, LLP) has completed the audit of our financial statements for the fiscal year ending September 30, 2015. A Single Audit, as was presented last year, was not required for fiscal 2015 since the city received less than $ 500,000 in federal grant funds.

Sarah Roberts, CPA and Laura Lambert, CPA will be at the meeting to present a summary of the CAFR.

Origination:
Finance

Recommendation:
Acceptance of the Report by City Council

Party(ies) responsible for placing this item on agenda:
Glenn Windsor, CPA, Finance Director

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Comprehensive Annual Financial Report for the Fiscal Year Ending September 30, 2015

CITY OF TOMBALL, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2015

City Manager
George Shackelford

Prepared by:
Glenn Windsor, CPA, CGFO
Finance Director

Kacie Richardson, CGFO
Senior Accountant

CITY OF TOMBALL, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2015

CONTENTS

CONTENTS – CONTINUED

INTRODUCTORY SECTION

City of Tomball

Gretchen Fagan
Mayor

George Shackelford
City Manager

March 24, 2016

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

It is with great pleasure that we present to you a copy of the Comprehensive Annual Financial Report (CAFR) of the City of Tomball, Texas (the "City") for the fiscal year ended September 30, 2015. The responsibility for both the accuracy of the presented information and the completeness and fairness of the presentation of the data, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the results of operations of the various funds of the City, as well as the fund balances. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

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

Profile of the Government

The City, incorporated on July 18, 1933, is located northwest of Houston, Texas, in a rapidly growing area of Harris County. The City currently occupies a land area of 12.29 square miles and serves an estimated population of 11,299. The City of Tomball is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs when deemed appropriate by the governing council.

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

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

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the Finance Director. These requests serve as a starting point for developing a proposed budget. The Finance Director provides the information to the City Manager who then presents this proposed budget to the council for review. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function, and department. Department heads may make requests to the City Manager for transfers of appropriations within a department. Transfers of appropriations between departments, however, require the approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 62 as part of required supplementary information. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the non-major governmental fund subsection of this report, which starts on page 68.

Factors Affecting Financial Condition

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

Local Economy

The City is located approximately 32 miles northwest of Houston and is primarily surrounded by municipal utility districts, making it one of the only incorporated area in this portion of Harris County. As a result, the City has evolved into the area's principal commercial center. Assessed values for Fiscal 2015 reflect an increase of 4.22% to $1.53 billion. This property value increase is the result of continued commercial development within the City including the expansion of the training facility at Baker-Hughes, continued development of the medical complex, and additional growth in the retail sector. New single-family residential developments were under construction at the end of the fiscal year, including The Reserve at Spring Lake with 95 individual lots and homes with an average value of $500,000 and the Raleigh Creek subdivision with 32 homes with an average value of $450,000.

Sales tax revenues continued to increase but not at the rate of the prior year. The City had a 2.92% increase in this major revenue source during 2014-2015. New retail businesses continue to open in the retail district located on the City's west side.

The region (which covers an area within a five-mile radius from the center of the City) has an employed labor force of approximately 26,000 within a 5 mile radius. The largest groups of employers are in service and retail trade.

Long-Term Financial Planning

The City continued the construction and design of Medical Complex Drive and the M121 drainage channel which was designed to mitigate flooding in the downtown area. Funding for both of these projects came from the issuance of $14.5 million in Certificates of Obligation issued January, 2012. At September 30, 2015, Medical Complex Drive was substantially complete with completion expected in early 2016.

In conjunction with the Tomball Economic Development Corporation, the City issued $ 8,500,000 in Certificates of Obligation (May 2013) to finance the construction of infrastructure to service a new business park on the southeast corner of the City.

In July 2015, bids were awarded for the construction of roadways, water, sewer, gas, and drainage within the park as well as turn lanes and box culverts within the public right-of way adjacent to the park entrances. At September 30, 2015, the turn lanes had been completed, the perimeter storm sewer had been installed, the first 500 feet of Spell Road, west of Hufsmith-Korville was complete and infrastructure construction was generally on schedule.

The TEDC sold its first lot, a 17.38 acre tract, to Packers Plus Energy Services for $2,106,595 in July, 2015.

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

Major Initiatives

The largest revenue source in the General Fund is sales tax. The City has experienced significant commercial and retail growth over the last several years. However, because of the recession experienced in 2008-2009, the City continued a conservative approach in budgeting sales tax revenues. For fiscal 2015, sales tax revenues were projected at $ 10,400,000 but with a possible decline in the area due to reduced oil prices, a conservative approach projects these revenues at the same level for fiscal 2016.

In August 2011, the City Council completed a five year visioning and strategic planning session to chart a course for the City. In that session the council decided to focus on expanding and improving the City's quality infrastructure, facilities and public services to meet current and future needs; improving multimodal accessibility to the City and within Tomball; creating a highly efficient, service-oriented culture within the City of Tomball; ensuring the City's revenue stream is sufficient to sustain the operation and future needs; and implementing economic development strategies to increase revenues to the City, diversify the tax base, create quality employment and housing opportunities, grow local businesses, and maximize the community's economic assets.

Goals achieved as a result of this process include continued annual funding of the capital improvement program, major improvements to the City website, re-codification of the Tomball city ordinances and the creation of the financial transparency web page. The City has approved funding for several sidewalk projects to improve accessibility within the City, including the Medical District sidewalks. The City approved a Professional Services agreement for the development of a Downtown Specific Plan, which addresses land use and zoning regulations for the downtown area. This plan had not been adopted at September 30, 2015. The current strategic plan builds on the 2008 plan which resulted in the completion of an FM 2920 Access Management Study, a Livable Centers Downtown Plan and the first citywide Comprehensive Plan.

Financial Information

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

Budgeting Controls

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

Debt Administration

The City may issue General Obligation bonds that are approved by voters in a capital improvements plan. Certificates of Obligation can be used for major construction projects and for the financing of vehicles and equipment.

When available, sales tax revenue in excess of budgeted projections can be dedicated to one-time capital purchases.

Independent Audit

The City Charter requires an independent audit of the accounts of the City by an independent auditor. The firm of Weaver and Tidwell, LLP, Certified Public Accountants, has issued an unmodified ("clean") opinion on the City of Tomball's financial statements for the year ended September 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

Awards

The Government Finance Officers' Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year September 30, 2014. This was the 25th consecutive year that the City has received this award. In order to be awarded the Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfies both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is held for a period of one year only. Our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement requirements, and will be submitted to GFOA to determine its eligibility for another certificate.

The City also received the Distinguished Budget Presentation Award for the fiscal year beginning October 1, 2014. This is the seventh consecutive year that the City has received this award from the GFOA. The award is made to those cities whose budget presentations meet very stringent presentation guidelines. The budget document must be of the very highest quality that reflects both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's recommended practices on budgeting.

For the fourth consecutive year, the City was also awarded the Leadership Award as part of the "Texas Transparency" program from the Texas Comptroller of Public Accounts. The City received the Gold award the first two years and the Platinum award for the past two years. This program involves publishing financial information such as CAFRs, budgets, and check registers to demonstrate transparent government to both the citizens and other members of the public.

Acknowledgements

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

Respectfully submitted,

Glenn Windsor, CPA, CFE, CGFO
Finance Director

CITY OF TOMBALL, TEXAS
PRINCIPAL OFFICIALS AS OF SEPTEMBER 30, 2015

City Officials	Elected Position	Term Expires
Gretchen Fagan	Mayor	2016
F. S. "Field" Hudgens	Councilman Position 1	2017
Mark Stoll	Councilman Position 2	2018
Chad Degges	Councilman Position 3	2016
Derek Townsend, Sr.	Councilman Position 4	2018
Lori Klein Quinn	Councilman Position 5	2017

Department Heads	Appointive Position
George Shackelford	City Manager
Robert Hauck	Assistant City Manager
Doris Speer	City Secretary
Billy Tidwell	Chief of Police
David Esquivel	Director of Public Works
Randall Parr	Fire Chief
Craig Meyers	Community Development Director
Glenn Windsor	Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Tomball

Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO

Staff Organizational Chart

Tomball Citizens

Mayor and City Council

- Tomball Economic Development Corporation
- Planning Commission
- Municipal Judge
- City Attorney
- Other Boards & Commissions
- **City Manager**
  - City Secretary
    - Reception/Vital Statistics
  - Director of Human Resources
    - Personnel
    - Payroll
    - Risk Management
  - Director of Finance
    - Accounting
    - Budgeting
    - Purchasing
    - Utility Billing
  - Fire Chief
    - Fire Marshal
    - Fire Department
    - Emergency Management
  - Police Chief
    - Investigations
    - Patrol
    - Special Services
  - Assistant City Manager
    - Director of Community Development
      - Engineering
      - Planning
      - Construction Inspection
        - Building Inspections
        - Permits
        - Code Compliance
    - Director of Public Works
      - General Services
        - Facilities
        - Streets
        - Parks
        - Garage
        - Sanitation
      - Utility Services
        - Water
        - Sewer
        - Gas
    - Director of Information Systems
      - Information Technology
      - Geograpical Information Systems
    - Municipal Court
    - Director of Marketing
      - Community Center

FINANCIAL SECTION

weaver
Assurance • Tax • Advisory

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Tomball, Texas (the City) as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

AN INDEPENDENT MEMBER OF BAKER TILLY INTERNATIONAL
WEAVER AND TIDWELL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS
24 GREENWAY PLAZA, SUITE 1800, HOUSTON, TX 77046
P: 713.850.8787 F: 713.850.1673

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the basic financial statements, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Reporting for Pensions - an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.* Beginning net position on the government-wide Statement of Activities and on the proprietary funds Statement of Revenues, Expenses and Changes in Fund Net Position has been restated to reflect the effect of implementation of these statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Contributions, Schedule of Funding Progress – Post Employment Benefits Plan Other Than Pensions and Schedule of Revenues Expenditures, and Changes in Fund Balance, Budget and Actual – General Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
March 24, 2016

Management's Discussion and Analysis
(Unaudited)

As Management of the City of Tomball, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2015. This information is not intended to be a complete statement of the City's financial condition. We recommend and encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City of Tomball exceeded its liabilities at the close of the most recent fiscal year by $ 90,664,834 (net position). Of this amount, $10,694,702 is unrestricted net position for governmental activities and $10,960,950 for business-type activities.

- The City's net position increased by $5,533,180. This included an increase of $218,344 in unrestricted net position, an increase of $5,658,904 in net investment in capital assets, and a decrease of $344,068 in restricted net position.

- As of the close of the current fiscal year, the City of Tomball's governmental funds reported combined ending fund balances of $ 37,019,902. Of the ending fund balance, $23,370,264 is restricted for specific purposes (e.g., capital projects, debt service); $167,060 is committed for specific purposes; $127,671 is assigned by the City for specific purposes; $14,435 is non-spendable and $13,340,472 is unassigned and available to meet the government's ongoing obligations in accordance with the City's fund designation and fiscal policies.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position serve as useful indicators of whether the financial position of the City is improving or deteriorating. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm sewer, gas distribution, water distribution and sewer collection lines, etc.), to assess the overall financial condition of the City.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but not used compensated absences). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in the governmental fund statements.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees (business-type activities).

- Governmental activities include most of the City's basic services, (general government, public safety, public works and community services). Property taxes, sales taxes, and franchise fees primarily finance these activities.

- Business-type activities include the City's water, sewer, and gas system. Charges for services cover all or most of the costs for these services.

- Component Unit activities include activities of The Tomball Economic Development Corporation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used by state and local governments to control and manage money for particular purposes and to ensure finance-related legal requirements. The City uses two fund types – governmental and proprietary.

- **Governmental funds** – Similar to the governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds focus on current sources and uses of spendable resources. The governmental fund statements provide a detailed short-term view of the City's general government operations and help you to determine whether resources are available in the near future to finance City programs. Comparing the information presented for governmental funds with the information presented for governmental activities in the government-wide financial statements will help the reader to better understand the long-term impact of the government's near-term financing decisions. The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances include a reconciliation to provide such comparison.

  The City maintains ten governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund and the Capital Projects Fund; these funds are considered to be major funds. The other seven funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements found in this report.

- **Proprietary funds** – The City maintains two types of proprietary funds. The City uses the Enterprise Fund for water, sewer, and gas operations. The Enterprise Fund reports the same functions presented as business-type activities in the government-wide financial statements. The second proprietary fund is the Internal Service Fund. This fund is used to account for fleet replacements and employee benefits. The Internal Service Fund is included within the governmental activities in the government-wide financial statements.

  Proprietary fund financial statements provide the same type of information as the government-wide financial statements, with more detail, and include the Internal Service Fund type activity.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules that further support the information in the financial statements. These statements are presented immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's assets exceed liabilities by $90.7 million as of September 30, 2015. The largest portion of the City's net position (71%) reflects its investments in capital assets (e.g., land, buildings, equipment, improvements, construction in progress and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. It should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF TOMBALL'S NET POSITION

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Current and other assets	$ 41,754,802	$ 44,326,885	$ 13,036,258	$ 14,250,852	$ 54,791,060	$ 58,577,737
Capital assets	42,280,309	37,259,410	37,546,729	38,068,770	79,827,038	75,328,180
Total assets	84,035,111	81,586,295	50,582,987	52,319,622	134,618,098	133,905,917
Total deferred outflows of resources	1,381,985	394,282	180,257	-	1,562,242	394,282
Long-term liabilities	33,882,012	31,928,599	4,412,941	6,358,235	38,294,953	38,286,834
Other liabilities	5,212,757	4,737,895	1,946,830	2,659,610	7,159,587	7,397,505
Total liabilities	39,094,769	36,666,494	6,359,771	9,017,845	45,454,540	45,684,339
Total deferred inflows of resources	52,014	-	8,952	-	60,966	-
Net position:						
Net investment in capital assets	31,267,016	28,189,848	33,433,571	30,851,835	64,700,587	59,041,683
Restricted	4,308,595	3,557,490	-	1,095,173	4,308,595	4,652,663
Unrestricted	10,694,702	13,566,745	10,960,950	11,354,769	21,655,652	24,921,514
Total net position	$ 46,270,313	$ 45,314,083	$ 44,394,521	$ 43,301,777	$ 90,664,834	$ 88,615,860

Combined governmental and business-type activities increased the City's net position by $5,533,180 in 2015. The following table provides a summary of the City's operations for the year ended September 30, 2015. Governmental activities increased the City of Tomball's net position by $3,928,839. This increase is primarily related to the increase in sales tax revenues over the fiscal year in the Retail and Services industries. Business-type activities increased the City's net position by $1,604,341.

CITY OF TOMBALL'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	$ 3,694,337	$ 3,762,025	$ 10,908,120	$ 11,336,758	$ 14,602,457	$ 15,098,783
Operating grants and contributions	1,039,237	1,844,224	670,000	670,000	1,709,237	2,514,224
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	5,241,928	5,009,955	-	-	5,241,928	5,009,955
Sales taxes	10,839,818	10,532,691	-	-	10,839,818	10,532,691
Franchise taxes	1,282,598	1,253,077	-	-	1,282,598	1,253,077
Other taxes	538,843	590,910	-	-	538,843	590,910
Gain on sale of capital assets	17,634	-	-	-	17,634	-
Investment earnings	40,115	30,636	33,771	(1,417)	73,886	29,219
Miscellaneous	475,712	253,375	47,847	45,800	523,559	299,175
Total revenues	23,170,222	23,276,893	11,659,738	12,051,141	34,829,960	35,328,034
Expenses:						
General government	4,968,344	4,789,051	979,161	909,211	5,947,505	5,698,262
Public safety	8,493,353	8,069,621	-	-	8,493,353	8,069,621
Public works	6,181,783	6,137,989	-	-	6,181,783	6,137,989
Community services	313,713	338,381	-	-	313,713	338,381
Water	-	-	3,087,563	2,962,612	3,087,563	2,962,612
Sewer	-	-	2,418,443	1,978,197	2,418,443	1,978,197
Gas	-	-	1,963,162	2,229,583	1,963,162	2,229,583
Interest on long-term debt, fiscal agent fees	891,258	926,584	-	245,129	891,258	1,171,713
Total expenses	20,848,451	20,261,626	8,448,329	8,324,732	29,296,780	28,586,358
Increases/(Decrease) in net position before transfers	2,321,771	3,015,267	3,211,409	3,726,409	5,533,180	6,741,676
Transfers	1,607,068	1,691,621	(1,607,068)	(1,691,621)	-	-
Change in net position	3,928,839	4,706,888	1,604,341	2,034,788	5,533,180	6,741,676
Net position, beginning- as originally reported	45,314,083	41,063,373	43,301,777	41,368,304	88,615,860	82,431,677
Implementation of change in accounting principle	(2,972,609)	(456,178)	(511,597)	(101,315)	(3,484,206)	(557,493)
Net position, beginning- restated	42,341,474	40,607,195	42,790,180	41,266,989	85,131,654	81,874,184
Net position, ending	$ 46,270,313	$ 45,314,083	$ 44,394,521	$ 43,301,777	$ 90,664,834	$ 88,615,860

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $37,019,902. Approximately 36% of this amount ($13,340,472) is unassigned fund balance; however, $127,671 is assigned for encumbrances at year-end for the General Fund and $167,060 is committed in the Special Revenue Funds for City functions; $23,384,699 is non-spendable or restricted as follows:

Non-spendable (.04%)

• Prepaid items	$ 14,435

Restricted (63%)

• Debt service	$ 3,081,703
• Construction	18,936,347
• Enabling legislation	1,352,214

In the General Fund, fund balance increased by $68,539. This increase was primarily due to an increase in Sales Tax revenues. The Debt Service Fund Balance increased by $444,848 primarily from an increase in property tax revenues.

Proprietary Fund

Unrestricted net position of the respective proprietary funds are Enterprise (water, sewer, gas) of $10,684,955 and Internal Service Fund (fleet replacement fund and employee benefits trust fund) of $2,683,448. The net position of the water, sewer, and gas fund increased $1,457,669. Inter-fund transfers were less than the previous year. Actual revenues from water, sewer, and gas sales decreased during the year because of both a mild winter and more rainfall during the summer. Net position of the internal service fund increased $359,657. This was due primarily to an increase in the participant's cost of group health insurance coverage.

General Fund Budgetary Highlights

The budget for the 2014-2015 General Fund increased from the previous year, 2013-2014. Additional supplemental expenditures in the amount of $1,361,344 were approved together with vehicle replacements of $502,247 and cash funded capital expenditures of $1,465,675.

There was not a significant change to Fund Balance with an increase from the beginning of the year of $68,539. The beginning fund balance of $13,414,039 increased to $13,482,578.

CAPITAL ASSETS

The City of Tomball's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of September 30, 2015 is $79,827,038. The investment in capital assets includes land, buildings and improvements, equipment, infrastructure, and construction in progress.

CITY OF TOMBALL'S CAPITAL ASSETS AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	$ 6,379,852	$ 5,651,056	$ 1,403,735	$ 1,403,735	$ 7,783,587	$ 7,054,791
Buildings and improvements	7,349,574	7,581,664	-	-	7,349,574	7,581,664
Gas system	-	-	3,066,176	3,206,261	3,066,176	3,206,261
Water and Sewer system	-	-	28,661,983	29,776,108	28,661,983	29,776,108
Equipment	1,284,818	1,407,784	2,755,395	2,530,434	4,040,213	3,938,218
Vehicles	1,236,473	394,421	-	-	1,236,473	394,421
Infrastructure	14,647,502	15,228,191	-	-	14,647,502	15,228,191
Construction in progress	11,382,090	6,996,294	1,659,440	1,152,232	13,041,530	8,148,526
Total capital assets	$ 42,280,309	$ 37,259,410	$ 37,546,729	$ 38,068,770	$ 79,827,038	$ 75,328,180

Additional information on the City's capital assets can be found in the notes on pages 41 through 43 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City of Tomball had a total bonded debt and capital lease obligation of $33,920,000.

CITY OF TOMBALL'S OUTSTANDING DEBT AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
General obligations	$ 8,437,500	$ 9,710,500	$ 4,042,500	$ 4,669,500	$ 12,480,000	$ 14,380,000
Certificates of Obligation	20,640,000	21,565,000	-	-	20,640,000	21,565,000
Revenue bonds payable	-	-	-	2,465,000	-	2,465,000
Capital leases	800,000	535,464	-	-	800,000	535,464
	$ 29,877,500	$ 31,810,964	$ 4,042,500	$ 7,134,500	$ 33,920,000	$ 38,945,464

The City's General Obligation, Revenue Bond, and Certificates of Obligation ratings are listed below:

	Standard & Poor's
General Obligation Bonds	AA+
Revenue Bonds	AA-
Certificates of Obligation	AA+

Additional information on the City's outstanding debt can be found on pages 44 through 47 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Tomball continues to experience growth, both within the corporate City limits and the surrounding area. The City's current population is estimated to be 11,299. However, within a 3 mile radius it is estimated to be 15,789. Within a 5 mile radius, the estimate rises to 77,560.

The City is continuing to focus on Economic Development initiatives, including the revitalization of the historic downtown area and the continuing development of two major retail developments on the west side of the City. On the north side, two new residential developments were under construction at the close of the fiscal year.

The City's largest source of revenue continues to be sales taxes. During the fiscal year the City experienced an increase in this resource of 2.92%. With the continuing expansion of the local and surrounding economy, this trend is expected to continue, however, management is closely monitoring changes related to the oil and gas business in the Houston area.

Construction of State Highway 249 expansion through the City was completed in April, 2015. At the end of fiscal year, State Highway 99, also known as the Grand Parkway, was near completion just south of the City's extraterritorial jurisdiction. When it is completed, it will be the longest beltway in the U.S., and the third (outer) loop within the Houston-The Woodlands-Sugar Land metropolitan area. Additional development within the City is expected when these two major corridors are finished.

The City's largest taxpayer, Baker-Hughes (formerly B J Services), continues the operation of its Western Hemisphere training facility on the northeast corner of the City. The training facility building was completed during the 2014 fiscal year and an estimated 70,000 individuals are expected to attend the center on an annual basis according to announcements at that time.

The ad valorem property tax rate remained at $ 0.341455, one of the lowest in Harris County.

Pursuant to the City's financial management policy, fund balances in all funds exceeded the charter requirement of 25 per cent of annual expenditures.

For 2015-2016, the City expects to maintain current levels of sales tax revenues. Property tax revenues are expected to increase based upon values received from the appraisal district. There are no changes to the existing tax rates or utility fees. Construction will continue on several capital projects, including the extension of Medical Complex Drive, the M-121 drainage channel, and the TEDC Business Park.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to, Finance Department, 501 James Street, Tomball, Texas, 77375, telephone 281-290-1490, or for general City information, please visit the City's web-site at http://www.tomballtx.gov.

BASIC FINANCIAL STATEMENTS

CITY OF TOMBALL, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Cash and cash equivalents	$ 29,950,252	$ 11,262,913	$ 41,213,165	$ 5,426,593
Investments	400,029	-	400,029	5,885,833
Receivables, net	2,357,236	1,430,461	3,787,697	571,840
Internal balances	(275,996)	275,996	-	-
Inventory	-	66,888	66,888	-
Prepaid expenses	14,435	-	14,435	-
Cash and cash equivalents restricted for				
Debt service	2,123,625	-	2,123,625	-
Construction	7,185,221	-	7,185,221	-
Capital assets:				
Nondepreciable	17,761,942	3,063,175	20,825,117	2,805,587
Depreciable capital assets, net	24,518,367	34,483,554	59,001,921	-
Total assets	84,035,111	50,582,987	134,618,098	14,689,853
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pensions	1,047,375	180,257	1,227,632	-
Deferred loss on issuance of refunding bonds	334,610	-	334,610	-
Total deferred outflows of resources	1,381,985	180,257	1,562,242	-
Total assets and deferred outflows of resources	85,417,096	50,763,244	136,180,340	14,689,853
LIABILITIES				
Accounts payable and other current liabilities	2,324,498	421,395	2,745,893	138,327
Accrued interest payable	125,322	16,493	141,815	-
Customer deposits	2,950	835,003	837,953	-
Noncurrent liabilities:				
Due within one year	2,759,987	673,939	3,433,926	-
Due in more than one year	33,882,012	4,412,941	38,294,953	-
Total liabilities	39,094,769	6,359,771	45,454,540	138,327
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pensions	52,014	8,952	60,966	-
Total deferred inflows of resources	52,014	8,952	60,966	-
Total liabilities and deferred inflows of resources	39,146,783	6,368,723	45,515,506	138,327
NET POSITION				
Net investment in capital assets	31,267,016	33,433,571	64,700,587	2,805,587
Restricted for:				
Debt service	2,956,381	-	2,956,381	-
Enabling legislation	1,352,214	-	1,352,214	-
Unrestricted	10,694,702	10,960,950	21,655,652	11,745,939
Total net position	$ 46,270,313	$ 44,394,521	$ 90,664,834	$ 14,551,526

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2015

Program Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position – Primary Government: Governmental Activities	Primary Government: Business - Type Activities	Primary Government: Total	Component Unit
Primary government							
Governmental activities							
General government	$ 4,968,344	$ -	$ 606,753	$ (4,361,591)	$ -	$ (4,361,591)	$ -
Public safety	8,493,353	999,667	384,308	(7,109,378)	-	(7,109,378)	-
Public works	6,181,783	2,694,670	-	(3,487,113)	-	(3,487,113)	-
Community services	313,713	-	48,176	(265,537)	-	(265,537)	-
Interest and fiscal agent fees	891,258	-	-	(891,258)	-	(891,258)	-
Total governmental activities	20,848,451	3,694,337	1,039,237	(16,114,877)	-	(16,114,877)	-
Business-type activities							
General government	979,161	842,468	670,000	-	533,307	533,307	-
Water	3,087,563	4,449,383	-	-	1,361,820	1,361,820	-
Sewer	2,418,443	2,320,748	-	-	(97,695)	(97,695)	-
Gas	1,963,162	3,295,521	-	-	1,332,359	1,332,359	-
Total business-type activities	8,448,329	10,908,120	670,000	-	3,129,791	3,129,791	-
Total primary government	$ 29,296,780	$ 14,602,457	$ 1,709,237	(16,114,877)	3,129,791	(12,985,086)	-
Component unit							
Tomball Economic Development Corporation	2,492,283	-	-	-	-	-	(2,492,283)
	$ 2,492,283	$ -	$ -	-	-	-	(2,492,283)
GENERAL REVENUES							
Taxes:							
Property taxes				5,241,928	-	5,241,928	-
Sales taxes				10,839,818	-	10,839,818	3,613,196
Franchise taxes				1,282,598	-	1,282,598	-
Other taxes				538,843	-	538,843	-
Gain on sale of capital assets				17,634	-	17,634	1,671,437
Miscellaneous				475,712	47,847	523,559	-
Unrestricted investment earnings				40,115	33,771	73,886	29,286
TRANSFERS				1,607,068	(1,607,068)	-	-
Total general revenues and transfers				20,043,716	(1,525,450)	18,518,266	5,313,919
Change in net position				3,928,839	1,604,341	5,533,180	2,821,636
NET POSITION, beginning of year - as originally reported				45,314,083	43,301,777	88,615,860	11,729,890
Implementation of change in acccounting principle (Note 1)				(2,972,609)	(511,597)	(3,484,206)	-
NET POSITION, beginning of year - as restated				42,341,474	42,790,180	85,131,654	11,729,890
NET POSITION, end of year				$ 46,270,313	$ 44,394,521	$ 90,664,834	$ 14,551,526

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	General Fund	Debt Service
ASSETS		
Current assets		
Cash and cash equivalents	$ 11,999,666	$ 950,115
Investments	400,029	-
Receivables, net	2,292,584	7,963
Cash and cash equivalents restricted for:		
Debt service	-	2,123,625
Construction	-	-
Prepaid items	14,435	-
TOTAL ASSETS	$ 14,706,714	$ 3,081,703
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ 1,221,186	$ -
Customer deposits	2,950	-
Total liabilities	1,224,136	-
FUND BALANCES		
Nonspendable		
Prepaid items	14,435	-
Restricted for		
Debt service	-	3,081,703
Construction	-	-
Enabling legislation	-	-
Committed		
City functions	-	-
Assigned		
Other purposes	127,671	-
Unassigned	13,340,472	-
Total fund balances	13,482,578	3,081,703
TOTAL LIABILITIES AND FUND BALANCES	$ 14,706,714	$ 3,081,703

The Notes to the Basic Financial Statements are an integral part of this statement.

Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
$ 12,579,428	$ 1,743,416	$ 27,272,625
-	-	400,029
-	47,204	2,347,751
-	-	2,123,625
7,185,221	-	7,185,221
-	-	14,435
$ 19,764,649	$ 1,790,620	$ 39,343,686
$ 828,302	$ 271,346	$ 2,320,834
-	-	2,950
828,302	271,346	2,323,784
-	-	14,435
-	-	3,081,703
18,936,347	-	18,936,347
-	1,352,214	1,352,214
-	167,060	167,060
-	-	127,671
-	-	13,340,472
18,936,347	1,519,274	37,019,902
$ 19,764,649	$ 1,790,620	$ 39,343,686

CITY OF TOMBALL, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

Total fund balances - governmental funds		$ 37,019,902
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources, and therefore are not reported in the governmental funds balance sheet.		41,346,233
Deferred loss on issuance of refunding bonds is not recorded in the fund financial statements but is recorded as a deferred outflow of resources on the statement of net position.		334,610
The accrual for other post employment benefits does not require the use of current financial resources and is therefore not recorded in the governmental fund financial statements.		(657,809)
The net pension liability and related deferred outflows and inflows of resources are recorded in the statement of net position.		
Net pension liability	(3,883,148)	
Deferred outflows - pensions	1,047,375	
Deferred inflows - pensions	(52,014)	(2,887,787)
Interest payable on long term debt does not require current financial resources; therefore, interest payable is not reported as a liability in the governmental funds balance sheet.		(125,322)
Internal service funds are used by management to charge the cost of certain activities, such as fleet management, to individual funds. A portion of the assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.		3,341,528
Long-term liabilities, including bonds payable, capital leases payable, bond premiums and compensated absences are not due and payable in the current period, and therefore are not reported in the fund financial statements. The components of long-term liabilities at September 30, 2015 are:		
Bonded debt payable	(29,077,500)	
Capital lease payable	(800,000)	
Landfill post closure costs	(475,500)	
Compensated absences payable	(1,341,292)	
Premiums received on issuance of bonds	(406,750)	(32,101,042)
Net position - governmental activities		$ 46,270,313

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2015

	General Fund	Debt Service	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	$ 1,715,949	$ 3,525,979	$ -	$ -	$ 5,241,928
Sales, franchise, and other taxes	12,189,566	-	-	471,693	12,661,259
Permits and licenses	492,646	-	-	-	492,646
Fines and forfeitures	666,083	-	-	333,584	999,667
Service revenue	2,202,024	-	-	-	2,202,024
Intergovernmental	384,308	-	-	-	384,308
Contributions from component unit	10,000	524,912	71,841	-	606,753
Interest on investments	15,564	2,402	19,375	1,031	38,372
Other revenue	368,038	-	73,752	96,454	538,244
Total revenues	18,044,178	4,053,293	164,968	902,762	23,165,201
Expenditures					
Current					
Administrative	4,793,047	-	-	335,824	5,128,871
Police	5,237,174	-	-	86,682	5,323,856
Fire	3,478,204	-	-	-	3,478,204
Court	312,161	-	-	-	312,161
Public works	1,495,491	-	-	-	1,495,491
Sanitation	1,968,765	-	-	-	1,968,765
Streets	1,123,848	-	4,809,522	-	5,933,370
Permits	400,801	-	-	-	400,801
Garage	146,330	-	-	-	146,330
Parks	492,919	-	1,564	-	494,483
Community services	128,428	-	-	186,175	314,603
Debt service					
Principal	-	2,742,812	-	-	2,742,812
Interest	-	854,618	-	-	854,618
Bond issuance costs and fees	-	11,015	-	-	11,015
Total expenditures	19,577,168	3,608,445	4,811,086	608,681	28,605,380
Excess (deficiency) of revenues over expenditures	(1,532,990)	444,848	(4,646,118)	294,081	(5,440,179)
Other financing sources (uses)					
Proceeds from capital lease	800,000	-	-	-	800,000
Transfers out	(1,229,747)	-	(424,208)	-	(1,653,955)
Transfers in	2,031,276	-	1,209,747	20,000	3,261,023
Total other financing sources (uses)	1,601,529	-	785,539	20,000	2,407,068
Net change in fund balances	68,539	444,848	(3,860,579)	314,081	(3,033,111)
Fund balances, beginning of year	13,414,039	2,636,855	22,796,926	1,205,193	40,053,013
Fund balances, end of year	$ 13,482,578	$ 3,081,703	$ 18,936,347	$ 1,519,274	$ 37,019,902

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2015

Net change in fund balances - total governmental funds		$ (3,033,111)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.		5,923,542
Depreciation expense on capital assets is reported in the statement of activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.		(1,112,212)
The issuance of long term debt (e.g. bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of bond premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. The effect of these differences in the treatment of long-term debt and related items was:		
Proceeds from capital lease	(800,000)	
Amortization of premium on bonds payable	43,056	
Amortization of deferred loss on refunding	(59,672)	
Repayment of long term debt	2,733,464	1,916,848
Current year changes in the long term liability for compensated absences do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		77,051
Current year changes in the long term liability for landfill post-closure costs do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		(2,500)
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as an expenditure in the governmental funds.		(9,009)
The accrual for other post employment benefits does not require the use of current financial resources and is, therefore, not recorded in the governmental fund financial statements.		(129,577)
The net change in the pension-related deferred outflows and inflows of resources and net pension liability was:		84,822
An internal service fund is used by management to charge the cost of certain activites, such as fleet management, to individual funds. A portion of the change in net position of the internal service funds is included in governmental activities in the statement of activities.		212,985
Change in net position - governmental activities		$ 3,928,839

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
SEPTEMBER 30, 2015

	Business Type Activities	Governmental Activities
	Enterprise Fund	Internal Service
ASSETS		
Current assets		
Cash and cash equivalents	$ 11,262,913	$ 2,677,627
Accounts receivable, net	1,430,461	9,485
Inventory	66,888	-
Total current assets	12,760,262	2,687,112
Noncurrent assets		
Nondepreciable capital assets	3,063,175	-
Depreciable capital assets	58,019,568	2,618,317
Less accumulated depreciation	(23,738,395)	(1,481,860)
Net capital assets	37,344,348	1,136,457
Total noncurrent assets	37,344,348	1,136,457
Total assets	50,104,610	3,823,569
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pensions	180,257	-
Total deferred outflows of resources	180,257	-
Total assets and deferred outflows of resources	$ 50,284,867	$ 3,823,569

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
SEPTEMBER 30, 2015
(CONTINUED)

	Business Type Activities	Governmental Activities
	Enterprise Fund	Internal Service
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	$ 421,395	$ 3,664
Customer deposits	835,003	-
Current portion of bonds and other debt	625,026	-
Compensated absences	48,913	-
Accrued interest payable	16,493	-
Total current liabilities	1,946,830	3,664
Noncurrent liabilities		
Compensated absences	146,740	-
Pensions	668,305	-
Long-term portion of bonds payable	3,597,896	-
Total noncurrent liabilities	4,412,941	-
Total liabilities	6,359,771	3,664
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pensions	8,952	-
Total deferred inflows of resources	8,952	-
Total liabilities and deferred inflows of resources	6,368,723	3,664
NET POSITION		
Net investment in capital assets	33,231,189	1,136,457
Unrestricted	10,684,955	2,683,448
Total net position	$ 43,916,144	$ 3,819,905
Reconciliation to government-wide statement of net position:		
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds	478,377	
Net position of business-type activities	$ 44,394,521	

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2015

	Business Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Fund
OPERATING REVENUES		
Charges for services	$ 10,065,652	$ 2,955,343
Taps and connections	198,902	-
Penalties	108,374	-
Capital recovery fees	535,192	-
Miscellaneous	47,847	-
Total operating revenues	10,955,967	2,955,343
OPERATING EXPENSES		
Costs of sales and services	6,989,458	2,267,848
Depreciation	1,408,665	342,207
Total operating expenses	8,398,123	2,610,055
Operating income	2,557,844	345,288
NONOPERATING REVENUES (EXPENSES)		
Investment income	24,450	1,743
Unrealized gain on investments	9,321	-
Interest expense	(196,878)	-
Gain on disposal of capital assets	-	12,626
Contribution from component unit	670,000	-
Total nonoperating revenues (expenses)	506,893	14,369
Income before transfers	3,064,737	359,657
Transfers out, net	(1,607,068)	-
Change in net positon	1,457,669	359,657
NET POSITION, beginning of year - as originally reported	42,970,072	3,460,248
Implementation of change in accounting principle (Note 1)	(511,597)	-
NET POSITION, beginning of year - as restated	42,458,475	3,460,248
NET POSITION, end of year	$ 43,916,144	$ 3,819,905
Reconciliation to government-wide statement of activities		
Change in net position	$ 1,457,669	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	146,672	
Change in net position of business-type activities	$ 1,604,341	

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2015

	Business Type Activities	Governmental Activities
	Enterprise Fund	**Internal Service Fund**
OPERATING ACTIVITIES		
Cash received from customers	$ 10,726,836	$ 2,955,201
Cash payments to suppliers for goods and services	(5,572,165)	(2,265,160)
Cash payments to employees for services	(1,655,634)	-
Net cash provided by operating activities	3,499,037	690,041
NONCAPITAL FINANCING ACTIVITIES		
Transfers	(1,607,068)	-
Contribution from component unit	670,000	-
Net cash used in noncapital financing activities	(937,068)	-
CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(833,375)	(605,025)
Proceeds from sale of capital assets	-	12,626
Principal paid on capital debt	(3,092,000)	-
Interest paid on capital debt	(222,652)	-
Net cash used in capital and related financing activities	(4,148,027)	(592,399)
INVESTING ACTIVITIES		
Maturities of investments	2,250,000	-
Investment income	24,450	1,743
Net cash provided by investing activities	2,274,450	1,743
Net change in cash and cash equivalents	688,392	99,385
CASH AND CASH EQUIVALENTS, beginning of year	10,574,521	2,578,242
CASH AND CASH EQUIVALENTS, end of year	$ 11,262,913	$ 2,677,627

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF TOMBALL, TEXAS
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2015
(CONTINUED)

	Business Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Fund
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 2,557,844	$ 345,288
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	1,408,665	342,207
Pension expense	(14,597)	-
Change in assets and liabilities		
Accounts receivable	(255,552)	(142)
Inventory	11,282	-
Other assets	-	633
Accounts payable and accrued liabilities	(235,026)	2,055
Customer deposits	26,421	-
Net cash provided by operating activities	$ 3,499,037	$ 690,041

The Notes to the Basic Financial Statements are an integral part of this statement.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Tomball, Texas (the City) was incorporated on July 18, 1933. The City has operated under a "Home Rule Charter," which provides for a Council-City Manager form of government, since 1987. The City Council is the principal legislative body of the City. The City Manager is appointed by a majority vote of the City Council and is responsible to the Council for the administration of all the affairs of the City. The City Manager is responsible for the appointment and removal of department directors and employees, supervision and control of all City departments, and preparation of the annual budget.

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

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Tomball Economic Development Corporation, Employee Benefits Trust, and Tomball Legacy Fund, Inc., although legally separate organizations, are considered part of the reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Financial Reporting Entity – Continued

Discretely Presented Component Unit

Tomball Economic Development Corporation – This Corporation was formed in 1994 pursuant to the Development Corporation Act of 1979, governed under Section 4B of the Act. It receives and utilizes the proceeds of a one-half cent sales tax to promote and assist in the economic development of the City. The seven directors of the Corporation are appointed by the governing body of the City. Directors are removable by the governing body of the City at any time without cause.

Financial information for the Tomball Economic Development Corporation may be obtained from the following address:

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

Blended Component Units

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the City as a whole. These statements include all activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs and grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, such as taxes and investment earnings, are presented as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. In the fund financial statements, the accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Following is a description of the various funds:

Governmental Funds

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

General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include administrative, police, fire, municipal court, public works, sanitation, streets, permits, garage, parks, and community services.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-Wide and Fund Financial Statements – Continued

Governmental Funds – Continued

Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The special revenue funds include Court Security Fund, Court Technology Fund, Hotel Occupancy Tax Fund, Red Light Camera Fund, Bunny Run Fund, the Special General Fund, and Tomball Legacy Fund, Inc. The special revenue funds are considered nonmajor funds for reporting purposes.

Debt Service Fund

The debt service fund is used to account for and report the payment of interest and principal on all general obligation bonds and other long-term debt of the City. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

Capital Projects Fund

The capital projects fund is used to account for and report the expenditures of resources accumulated from sales tax revenues and the sale of bonds and related interest earnings for capital improvement projects. The capital projects fund is considered a major fund for reporting purposes.

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, net position, revenues, expenses, and transfers relating to the government's business-type activities are accounted for through proprietary funds. The proprietary funds used by the City include the following:

Enterprise Fund

The enterprise fund is used to account for the operations that provide water and wastewater collection, wastewater treatment operations, and solid waste collection and disposal. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The enterprise fund is considered a major fund for reporting purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-Wide and Fund Financial Statements – Continued

Proprietary Funds – Continued

Internal Service Funds

Internal service funds account for services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The fleet replacement and health benefits funds are used to account for vehicle and equipment replacement and employee benefits.

Measurement Focus and Basis of Accounting

The government-wide statement of net position and statement of activities and all proprietary funds are accounted for with a flow of economic resources measurement focus on the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operations of these activities are included on the statement of net position. Proprietary fund equity consists of net position. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in changes in net position.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net change in fund balances.

The City uses the modified accrual basis of accounting in the governmental funds. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they are susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if they are collected within 60 days of the end of the current period. Revenues susceptible to accrual include charges for services and interest on temporary investments.

Property taxes, sales taxes, franchise taxes, and interest associated with the current period are all considered to be susceptible to accrual, and have been recognized as revenues of the current period. Other receipts and other taxes become measurable and available when cash is received by the government, and are recognized as revenue at that time.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus and Basis of Accounting – Continued

Under modified accrual accounting, expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for interest on general long-term debt, which is recognized when due.

The accrual basis of accounting is used for the proprietary fund types. The statement of net position, statement of activities, and financial statements of proprietary fund types are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized in the accounting period in which they are earned, and expenses in the accounting period in which they are incurred.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Implementation of Change in Accounting Principle

During fiscal year 2015, the City adopted GASB Statement No. 68, *Accounting and Reporting for Pensions - an amendment of GASB Statement No. 27* (GASB 68) and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* (GASB 71). GASB 68 requires the City to recognize a liability equal to the net pension liability for its pension benefits provided through Texas Municipal Retirement System, an agent multiple-employer public employee retirement system. GASB 71 clarifies the accounting for amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. Adoption of these standards required a prior period adjustment to report the effect of implementation retroactively. Therefore, beginning net position on the government-wide Statement of Activities and on the proprietary funds Statement of Revenues, Expenses and Changes in Fund Net Position has been adjusted to reflect the effect of implementation of these standards as of the beginning of the year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Deposits and Investments

The City maintains a pooled cash and investments account. Each fund whose monies are deposited in the pooled cash and investment account has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. Amounts on deposit in interest-bearing accounts and other investments are displayed on the financial statements as cash and cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External investment Pools,* the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized cost. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Governmental Code. In summary, the City is authorized to invest in the following:

1. Obligations of the United States or its agencies and instrumentalities;
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities;
5. Certificates of deposit, repurchase agreements, and commercial paper that meet certain criteria;
6. An eligible investment pool authorized by the governing body.

Property Taxes

Property taxes are levied during October of each year and are due upon receipt of the City's tax bill. Taxes become delinquent, with an enforceable lien on property, on February 1 of the following year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Receivables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade receivables are shown net of an allowance for uncollectibles.

Inventory and Prepaid Items

The costs of governmental fund type inventory are recorded as expenditures when the related liability is included (i.e., the purchase method). Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures), and are recognized as expenditures when utilized.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the government as assets with an initial, individual cost of more than $20,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Capital Assets – Continued

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years:

Buildings and improvements	20 - 50 years
Machinery and equipment	3 - 10 years
Vehicles	5 years
Water, sewer and gas system	20 - 30 years
Infrastructure	40 - 50 years

Compensated Employee Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay benefits, and compensatory time. Amounts accumulated, up to certain limits, may be paid to employees upon termination of employment. The estimated amount of compensation for services provided that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are recorded on the government-wide statement of net position and represent a reconciling item between the fund and government-wide presentations.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. The long-term debt consists primarily of bonds payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount, and payments of principal and interest are reported as expenditures. Claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate fund's financial statements. For proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Long-Term Obligations – Continued

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with interest earned in the debt service fund. Though a portion of the general obligation debt was directly related to the purchase of water and sewer infrastructure, the debt service expenditures are included in the governmental fund financial statements as they are expected to be paid from debt service tax revenues instead of water system revenues.

Assets acquired under the terms of capital leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the applicable governmental fund financial statements. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

Landfill Post-Closure Care Costs

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

Pensions

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

Deferred Inflows and Deferred Outflows of Resources

The City presents deferred outflows of resources and deferred inflows of resources in accordance with GASB Statement No. 65, *Items previously Reported as Assets and Liabilities* (GASB 65), which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources and deferred inflows of resources, certain items that were previously reported as assets and liabilities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Deferred Inflows and Deferred Outflows of Resources – Continued

In accordance with GASB 65, deferred inflows of resources represent an acquisition of resources that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that time. Deferred outflows of resources represent a consumption of resources that applies to a future period and therefore will not be recognized as an outflow of resources (expense/expenditure) until that time.

Fund Equity

Government – Wide and Proprietary Fund Net Position

Net position on the statement of net position includes the following categories:

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

Governmental Funds Fund Balance

Fund balances of governmental funds are classified as follows:

Nonspendable fund balance – represents amounts that cannot be spent because they are either in nonspendable form (such as inventory or prepaid costs) or are legally required to remain intact (such as principal of a permanent fund).

Restricted fund balance – represents amounts that are constrained by external parties, constitutional provisions, or by enabling legislation.

Committed fund balance – represents amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint. The commitment must be made prior to year end.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fund Equity – Continued

Governmental Funds Fund Balance – Continued

Assigned fund balance – represents amounts the City intends to use for a specific purpose. Fund balance can be assigned by the City Manager, pursuant to the City's fund balance policy. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. Assignments can be made at any time. At September 30, 2015, $127,671 of fund balance in the general fund was assigned for encumbrances.

Unassigned fund balance – represents amounts that are available for any purpose. Positive amounts are reported only in the general fund. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, when an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed, then assigned funds, and finally unassigned funds.

The City Council is the government's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

The Council has also authorized the City Manager to assign fund balance. Assignments of fund balance by the City Manager do not require formal action by the City Council.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Estimates

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

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are legally adopted on a basis consistent with GAAP for the general fund, debt service fund, court security fund, court technology fund, hotel occupancy tax fund, and the special general fund. All other adopted budgets are used as a management tool. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the charter in the approved budget is the department level in the general fund, and all others are the fund level. The City Manager may transfer appropriations between divisions within a department without seeking the approval of City Council. Appropriations lapse at the end of the year.

Excess of Expenditures Over Appropriations

General fund		
Garage	$	818

NOTE 3. DEPOSITS AND INVESTMENTS

Deposits and investments as of September 30, 2015 are classified in the accompanying financial statements as follows:

Governmental activities	$ 39,659,127
Business-type activites	11,262,913
Component unit	11,312,426
Total	$ 62,234,466

NOTE 3. DEPOSITS AND INVESTMENTS – CONTINUED

Deposits and investments as of September 30, 2015 consist of the following:

City	
Deposits with financial institutions	$ 884,405
Investments	50,037,635
Total city	$ 50,922,040
Component unit	
Deposits with financial institutions	$ 753,693
Investments	10,558,733
Total component unit	$ 11,312,426

At September 30, 2015, the City and component unit had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Days)
City		
U.S. Agencies	$ 400,029	450
TexPool	42,374,005	38
Texas CLASS	7,263,601	62
Total fair value	$ 50,037,635	
Portfolio weighted average maturity		47
Component unit		
U.S. Agencies	$ 4,501,892	613
Municipal Bonds	1,383,941	1,090
TexPool	3,764,018	41
Texas CLASS	908,882	62
Total fair value	$ 10,558,733	
Portfolio weighted average maturity		304

Investment Pools

The City's investment pools are 2a7-like pools. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The value of the City's investments in these pools are the same as the value of the pool shares, which are valued based on quoted market rates.

NOTE 3. DEPOSITS AND INVESTMENTS – CONTINUED

Investment Pools – Continued

The City invests in Texas Local Government Investment Pool (TexPool), which was created under the Interlocal Cooperation Act, Texas Government Code Ann. Chapter 791 and the Texas Public Funds Investment Act. The Texas Treasury Safekeeping Trust Company (the Trust) is trustee of TexPool and is a limited purpose trust company authorized pursuant to Texas Government Code Ann. Section 404.103 for which the Texas State Comptroller is sole officer, director and shareholder. The advisory board of TexPool is composed of members appointed pursuant to the requirements of the Texas Public Funds Investment Act.

The City invests in Texas CLASS Investment Pool which was established in 1996 pursuant to the Texas Public Funds Investment Act. The pool is governed by a 7-member board of trustees, who are elected by pool participants. Public Trust Advisors, LLC serves as the pool's program administrator and Wells Fargo Bank Texas, NA, serves as custodian.

Custodial Credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2015, all of the City's and component unit's combined balance on deposit with financial institutions was fully collateralized with securities held by the pledging financial institution in the City's name.

Interest rate risk. In compliance with the City's Investment Policy, as of year-end, the City minimized the interest rate risk related to the decline in market value of securities due to rising interest rates in the portfolio by limiting the effective duration of security types not to exceed two years, with the exception of securities purchased related to reserve funds; structuring the investment portfolio so that securities matured to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the secondary market prior to maturity; monitoring credit ratings of portfolio positions to assure compliance with rating requirements imposed by the Public Funds Investment Act; and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar government investment pools.

NOTE 3. DEPOSITS AND INVESTMENTS – CONTINUED

Investment Pools – Continued

Credit risk. The City's investment policy limits investments in external investment pools to pools rated as to investment quality not less than AAA or AAAm or at an equivalent rating by at least one nationally recognized rating service. Obligations of states, agencies, counties, cities, and other political subdivisions of any state must be rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent. The City's investments as of September 30, 2015 were rated as follows:

Investment Type	Rating	Rating Agency
U.S. Agencies	AA+	Standard & Poor's
Municipal Bonds	AAA / AA+	Standard & Poor's
TexPool	AAAm	Standard & Poor's
Texas CLASS	AAAm	Standard & Poor's

NOTE 4. RECEIVABLES

The following comprise receivable balances at year end:

	General	Debt Service	Capital Projects	Nonmajor Governmental	Enterprise	Internal Service	Component Unit
Receivables:							
Property taxes	$ 100,432	$ 169,306	$ -	$ -	$ -	$ -	$ -
Sales taxes	1,715,522	-	-	-	-	-	571,840
Other taxes	119,613	-	-	-	-	-	-
Customer accounts	386,588	-	-	-	1,604,599	-	-
Interest	715	-	-	-	-	-	-
Other	117,219	7,963	-	47,204	88	9,485	-
Gross receivables	2,440,089	177,269	-	47,204	1,604,687	9,485	571,840
Less allowance for uncollectibles	(147,505)	(169,306)	-	-	(174,226)	-	-
Net total receivables	$2,292,584	$ 7,963	$ -	$ 47,204	$1,430,461	$ 9,485	$ 571,840

NOTE 5. CAPITAL ASSETS

Changes in capital assets for governmental activities for the year ended September 30, 2015 are summarized as follows:

	Beginning Balance	Increases	Reclassifications/ Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	$ 5,651,056	$ 728,796	$ -	$ 6,379,852
Construction in progress	6,996,294	4,426,796	(41,000)	11,382,090
Total capital assets not being depreciated	12,647,350	5,155,592	(41,000)	17,761,942
Other capital assets				
Buildings and improvements	10,996,351	41,000	-	11,037,351
Machinery and equipment	6,233,271	151,437	-	6,384,708
Vehicles	3,796,802	1,097,021	(88,042)	4,805,781
Infrastructure	22,692,839	-	-	22,692,839
Total other capital assets	43,719,263	1,289,458	(88,042)	44,920,679
Less accumulated depreciation				
Buildings and improvements	3,414,687	273,090	-	3,687,777
Machinery and equipment	4,825,487	274,403	-	5,099,890
Vehicles	3,402,381	254,969	(88,042)	3,569,308
Infrastructure	7,464,648	580,689	-	8,045,337
Total accumulated depreciation	19,107,203	1,383,151	(88,042)	20,402,312
Total capital assets being depreciated, net	24,612,060	(93,693)	-	24,518,367
Governmental activities capital assets, net	$ 37,259,410	$ 5,061,899	$ (41,000)	$ 42,280,309

Depreciation was charged to governmental functions as follows:

Police	$ 314,671
Streets	273,090
Public works	524,451
Internal service	270,939
Total governmental activities depreciation expense	$ 1,383,151

NOTE 5. CAPITAL ASSETS – CONTINUED

Construction in progress and remaining commitments under related construction contracts for governmental activities projects at year end were as follows:

Project Description	Authorized Contract	Contract Expenditures	Remaining Commitment
Agg R. Extension (Med. Complex Drive)	$ 7,321,545	$ 5,471,720	$ 1,849,825
Tomball Business Park	7,669,009	1,874,670	5,794,339
M121 Final Phase	1,480,400	1,453,474	26,926
M124 Willow Creek Tributaries	1,348,145	1,060,522	287,623
M121 Drainage Channel	1,332,506	1,054,487	278,019
Rudolph Road and Utilities	139,896	139,896	-
Depot Lighting	106,389	97,812	8,577
M118 Drainage Channels	70,336	70,336	-
Zion Road Sidewalks	50,800	38,500	12,300
Michel Rd./Holderrieth Blvd.	35,130	35,130	-
Broussard Park	83,012	30,053	52,959
Pine St. Drainage / Sidewalk	29,300	29,300	-
Downtown Sidewalks	20,625	20,625	-
Market/ Walnut Curb And Gutter	13,690	5,565	8,125
Total	$19,700,783	$ 11,382,090	$ 8,318,693

Changes in capital assets for business-type activities for the year ended September 30, 2015 are summarized as follows:

	Beginning Balance	Increases	Reclassifications/ Decreases	Ending Balance
Business-Type Activities				
Capital assets not being depreciated				
Land	$ 1,403,735	$ -	$ -	$ 1,403,735
Construction in progress	1,152,232	524,208	(17,000)	1,659,440
Total capital assets not being depreciated	2,555,967	524,208	(17,000)	3,063,175
Other capital assets				
Gas system	5,921,345	-	-	5,921,345
Water and sewer system	47,522,430	40,550	-	47,562,980
Machinery and equipment	4,604,609	410,133	-	5,014,742
Total other capital assets	58,048,384	450,683	-	58,499,067
Less accumulated depreciation:				
Gas system	2,715,084	140,085	-	2,855,169
Water and sewer system	17,746,322	1,154,675	-	18,900,997
Machinery and equipment	2,074,175	185,172	-	2,259,347
Total accumulated depreciation	22,535,581	1,479,932	-	24,015,513
Total capital assets being depreciated, net	35,512,803	(1,029,249)	-	34,483,554
Business-type activities capital assets, net	$ 38,068,770	$ (505,041)	$ (17,000)	$ 37,546,729

NOTE 5. CAPITAL ASSETS – CONTINUED

Depreciation was charged to business-type functions as follows:

Water and sewer	$ 1,339,847
Gas	140,085
Total business-type activities depreciation expense	$ 1,479,932

Construction in progress and remaining commitments under related construction contracts for business-type activities projects at year end were as follows:

Project Description	Authorized Contract	Contract Expenditures	Remaining Commitment
Medical Complex Drive	$ 1,366,013	$ 1,050,791	$ 315,222
Hufsmith Water and Gas Improvement	390,106	359,438	30,668
Rudolph Road	138,889	138,889	-
24" Sanitary Sewer - E. Hufsmith	136,537	105,522	31,015
Neal Road Utilities	4,800	4,800	-
Total	$ 2,036,345	$ 1,659,440	$ 376,905

Changes in capital assets for the component unit for the year ended September 30, 2015 are summarized as follows:

	Beginning Balance	Increases	Reclassifications/ Decreases	Ending Balance
Component Unit				
Capital assets not being depreciated				
Land	$ 1,653,664	$ -	$ (297,615)	$ 1,356,049
Construction in progress	1,144,312	305,226	-	1,449,538
Total capital assets not being depreciated	$ 2,797,976	$ 305,226	$ (297,615)	$ 2,805,587

Construction in progress and remaining commitments under related construction contracts for the component unit at year end were as follows:

Project Description	Authorized Contract	Contract Expenditures	Remaining Commitment
Tomball Business and Technology Park	$ 1,930,893	$ 1,449,538	$ 481,355
Total	$ 1,930,893	$ 1,449,538	$ 481,355

NOTE 6. LONG-TERM DEBT

The following is a summary of changes in the City's total governmental long-term liabilities for the year ended September 30, 2015. In general, the City uses the general and debt service funds to liquidate governmental long-term liabilities.

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. The governmental activities compensated absences, net other postemployment benefit obligation (OPEB), and net pension liability are generally liquidated by the general fund. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds, notes and other payables					
Bonded debt payable	$ 31,275,500	$ -	$ 2,198,000	$ 29,077,500	$ 2,216,750
Premiums	449,806	-	43,056	406,750	43,056
	31,725,306	-	2,241,056	29,484,250	2,259,806
Other liabilities					
Capital lease obligation	535,464	800,000	535,464	800,000	68,858
Net OPEB obligation	528,232	203,214	73,637	657,809	-
Net pension liability	3,667,632	986,114	770,598	3,883,148	-
Compensated absences	1,418,343	830,689	907,740	1,341,292	335,323
Landfill post closure costs	473,000	2,500	-	475,500	96,000
Total governmental activities	$ 38,347,977	$ 2,822,517	$ 4,528,495	$ 36,641,999	$ 2,759,987
Long-term debt due in more than one year				$ 33,882,012	
Business-Type Activities					
Revenue bonds	$ 7,134,500	$ -	$ 3,092,000	$ 4,042,500	$ 613,250
Premiums	82,435	-	11,776	70,659	11,776
	7,216,935	-	3,103,776	4,113,159	625,026
Other liabilities					
Net OPEB obligation	88,862	33,188	12,287	109,763	-
Net pension liability	631,214	169,714	132,623	668,305	-
Compensated absences	194,952	63,086	62,385	195,653	48,913
Total business-type activities	$ 8,131,963	$ 265,988	$ 3,311,071	$ 5,086,880	$ 673,939
Long-term debt due in more than one year				$ 4,412,941	

NOTE 6. LONG-TERM DEBT – CONTINUED

Long-term debt at year end was comprised of the following debt issues:

Series and Original Issue Amount		Final Maturity	Interest Rate	Governmental Activities	Business-Type Activities
Certificates of Obligation					
Series 2012	$ 14,500,000	2032	3.00 - 4.25%	$ 12,775,000	$ -
Series 2013	8,500,000	2033	2.00 - 3.00%	7,865,000	-
				20,640,000	-
General Obligation Bonds					
Series 2010	2,120,000	2018	1.50 - 2.20%	835,000	-
Series 2011	8,650,000	2022	2.00 - 4.00%	3,307,500	4,042,500
Series 2013	6,370,000	2023	1.00 - 1.65%	4,295,000	-
				8,437,500	4,042,500
Total bonds and certificates of obligation				$ 29,077,500	$ 4,042,500

The annual requirements to amortize bond and certificate debt issues outstanding at year end were as follows:

Year Ending September 30,	Governmental Activities Principal	Governmental Activities Interest	Business-Type Activities Principal	Business-Type Activities Interest
2016	$ 2,216,750	$ 785,667	$ 613,250	$ 124,279
2017	2,248,250	737,312	596,750	109,154
2018	2,274,250	686,280	585,750	92,909
2019	2,015,250	636,545	574,750	75,501
2020	2,041,250	587,152	563,750	55,605
2021-2025	8,236,750	2,203,534	1,108,250	44,165
2026-2030	6,560,000	1,207,846	-	-
2031-2033	3,485,000	151,387	-	-
	$ 29,077,500	$ 6,995,723	$ 4,042,500	$ 501,613

NOTE 6. LONG-TERM DEBT – CONTINUED

Defeasance of Bonds

In prior years, the City defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On September 30, 2015, $12,890,000 of bonds considered defeased are still outstanding.

Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed or are not performed correctly, a substantial liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the IRS's rules and regulations.

Obligations under Capital Leases

The City has entered into capital lease agreements in order to purchase machinery and equipment. The assets acquired through these lease agreements are classified as follows:

Asset:	Governmental Activities
Machinery and equipment	$ 713,570
Less: accumulated depreciation	(47,571)
Total	$ 665,999

NOTE 6. LONG-TERM DEBT – CONTINUED

Obligations under Capital Leases – Continued

The following is a summary of future lease payments due on this machinery and equipment:

Year Ending September 30,		Lease Obligation
2016	$	95,178
2017		95,178
2018		95,178
2019		95,178
2020		95,177
2021 - 2025		475,889
Total		951,778
Less interest portion		(151,778)
Obligations under capital leases	$	800,000

Landfill Post-Closure Liability

The City's municipal solid waste landfill is in the post-closure process as the landfill has been closed. State and federal regulations required the City to place a final cover on the landfill site when it stopped accepting waste and to perform certain post-closure care and monitoring functions at the site until approved for final regulatory closure by the Texas Commission on Environmental Quality.

During the year ended September 30, 2015, the City's estimated liability for landfill post-closure costs increased by $2,500 due to changes in post-closure care requirements and the extent of environmental remediation required. The effect of this change in estimate is included in current period governmental activities expenses on the statement of activities for the year ended September 30, 2015. The balance of $475,500 reported as the liability for landfill post-closure costs at year end represents the remaining estimated post-closure costs required to achieve regulatory approval for closure. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

NOTE 7. INTERFUND TRANSACTIONS

Transfers between the primary government funds during the year were as follows:

Transfers In	Transfers Out	Amount	Purpose
General	Enterprise	$ 2,031,276	To fund indirect costs for administrative expenses
Enterprise	Capital projects	424,208	To fund miscellaneous projects
Capital projects	General	1,209,747	To fund miscellaneous projects
Nonmajor governmental	General	20,000	To fund miscellaneous projects
		$ 3,685,231	

NOTE 8. COMMITMENTS AND CONTINGENCIES

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates in the Texas Municipal League's Intergovernmental Risk Pools (the Pool). The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

Contingent Liabilities

The City is a defendant in several lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's management that resolution of these matters will not have a material adverse effect on the financial condition of the City.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at September 30, 2015.

NOTE 8. COMMITMENTS AND CONTINGENCIES – CONTINUED

Encumbrances

Fund balance encumbrances as of September 30, 2015 were as follows:

General fund	$ 127,671
Capital projects fund	2,083,145
Other governmental funds	73,479

NOTE 9. PENSION PLAN

Plan Description

The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at *www.tmrs.com*.

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

Benefits Provided

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

NOTE 9. PENSION PLAN – CONTINUED

Benefits Provided – Continued

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	Plan Year 2014	Plan Year 2015
Employee deposit rate	7.00%	7.00%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5,0/20	60/5,0/20
Updated Service Credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity Increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating

Employees covered by benefit terms:

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	64
Inactive employees entitled to but not yet receiving benefits	46
Active employees	153
Total	263

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

NOTE 9. PENSION PLAN – CONTINUED

Contributions – Continued

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 12.38% and 13.54% in calendar years 2014 and 2015, respectively. The City's contributions to TMRS for the year ended September 30, 2015, were $1,246,735, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	3.0% per year
Investment rate of return	7.0%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2014, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006 through December 31, 2009, first used in the December 31, 2010 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

NOTE 9. PENSION PLAN – CONTINUED

Net Pension Liability – Continued

Actuarial Assumptions – Continued:

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic equity	17.50%	4.80%
International equity	17.50%	6.05%
Core fixed income	30.00%	1.50%
Non-core fixed income	10.00%	3.50%
Real return	5.00%	1.75%
Real estate	10.00%	5.25%
Absolute return	5.00%	4.25%
Private equity	5.00%	8.50%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

NOTE 9. PENSION PLAN – CONTINUED

Net Pension Liability – Continued

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2013	$ 30,172,851	$ 25,874,005	$ 4,298,846
Changes for the year:			
Service cost	1,405,192	-	1,405,192
Interest	2,122,080	-	2,122,080
Change of benefit terms	-	-	-
Difference between expected and actual experience	(75,098)	-	(75,098)
Changes of assumptions	-	-	-
Contributions - employer	-	1,106,867	(1,106,867)
Contributions - employee	-	629,009	(629,009)
Net investment income	-	1,480,415	(1,480,415)
Benefit payments, including refunds of employee contributions	(1,120,036)	(1,120,036)	-
Administrative expense	-	(15,453)	15,453
Other changes	-	(1,271)	1,271
Net changes	2,332,138	2,079,531	252,607
Balance at 12/31/2014	$ 32,504,989	$ 27,953,536	$ 4,551,453

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Net pension liability	$ 9,576,990	$ 4,551,453	$ 482,483

Pension Plan Fiduciary Net Position

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

NOTE 9. PENSION PLAN – CONTINUED

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

For the year ended September 30, 2015, the City recognized pension expense of $1,155,828.

At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Intflows of Resources
Differences between expected and actual economic experience	$ -	$ 60,966
Changes in actuarial assumptions	-	-
Difference between projected and actual investment earnings	264,612	-
Contributions subsequent to the measurement date	963,020	-
Total	$ 1,227,632	$ 60,966

$963,020 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31	
2015	$ 52,021
2016	52,021
2017	52,021
2018	52,021
2019	(4,438)
Thereafter	-
Total	$ 203,646

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

In order to recognize and reward long-term employees, as well as to provide an incentive for remaining in the City's employment, the City administers a single-employer defined benefit Other Post-Employment Benefits (OPEB) plan that will pay a portion of the premium for continuation of the medical and dental insurance coverage of certain retirees. The plan is known as the City of Tomball Retirement Health Care Plan. Enrollment for retiree coverage must be completed no later than 30 days after the date of retirement. Later enrollment is not permitted. Any retiree eligible for medical coverage with another group plan shall not qualify for medical coverage with the City.

In order to be eligible for this benefit, the retiree must be vested, age 55 or older and a current recipient of retirement benefits from the Texas Municipal Retirement System; have been a full-time employee of the City for ten consecutive years immediately prior to retirement; and satisfy the applicable plan requirements for the extension of retiree coverage under the medical and dental insurance benefit plan offered by the City at the time of retirement.

Beginning with retirement and ending when the person is eligible for Medicare coverage, the City shall pay a portion of the retiree medical and dental coverage premiums in accordance with the following: 40 percent of the premium costs for retirees having at least ten years, but less than 15 years, of full-time service with the City; 55 percent of the premium costs for retirees having at least 15 years, but less than 20 years, of full-time service with the City; 70 percent of the premium costs for retirees having at least 20 years, but less than 25 years, of full-time service with the City; or 85 percent of the premium costs for retirees having at least 25 years of full-time service with the City. To cover their spouses, eligible retirees must pay 100 percent of the cost for their eligible spouse. Eligible retirees shall pay 100 percent of the premiums for basic life insurance.

Benefit continuation of medical, dental, and life insurance coverage provided at the City's expense to retirees ends when the retiree is eligible for Medicare coverage. Retirees who are eligible for Medicare coverage may, at their sole expense, continue to purchase coverage for themselves and their eligible dependents as provided under the applicable terms of the City's policies. A separate postemployment benefit plan report is not available for the City of Tomball Retirement Health Care Plan.

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS – CONTINUED

Funding Policy and Annual OPEB Cost

The City has elected to finance the OPEB plan on a pay-as-you-go basis. The City paid $37,677 in premiums related to the plan for retirees during the year.

The City's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of accrual that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize the unfunded actuarial liabilities (or funding excesses) over a period not to exceed thirty years.

The City's annual OPEB cost for the current year is as follows:

Annual required contribution	$	245,690
Interest on OPEB obligation		27,769
Adjustment to ARC		(37,057)
Annual OPEB cost (expense) end of year		236,402
Net estimated employer contributions		(85,924)
Increase in net OPEB obligation		150,478
Net OPEB obligation – as of beginning of the year		617,094
Net OPEB obligation – as of end of year	$	767,572

The City's annual OPEB cost, the amount contributed by the employer, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending September 30, 2015 and the preceding two fiscal years were as follows:

Fiscal Year	Annual OPEB Cost	Actual Contribution Made	Percentage of OPEB Cost Contributed	Net OPEB Obligation at September 30
2013	$ 160,445	$ 20,269	13%	$ 491,312
2014	165,688	39,906	24%	617,094
2015	236,402	85,924	36%	767,572

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS – CONTINUED

Funding Policy and Annual OPEB Cost – Continued

The funded status of the City's retiree health care plan, under GASB Statement No. 45 as of December 31, 2014, the most recent valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
	(1)	(2)	(3) (1) / (2)	(4) (2) - (1)	(5)	(6) (4) / (5)
12/31/2014	$ -	$1,903,327	-	$1,903,327	$8,985,838	21%

Under the reporting parameters, the City's retiree health plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by $1,903,327 at December 31, 2014. As of the most recent valuation, the ratio of the unfunded actuarial accrued liability to annual covered payroll is 21%.

Actuarial Methods and Assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the City's retiree health plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the City's employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Significant methods and assumptions were as follows:

Actuarial cost method	Projected unit credit cost method
Amortization method	Level dollar amortization
Remaining amortization period	30 years - open amortization
Asset valuation method	Market value smoothed
Investment rate of return	4.5% per annum, net of expenses
Inflation rate	3.0% per annum
Healthcare cost trend rate (initial/ultimate)	Initial rate of 7.25%, declining to an ultimate rate of 5.50% after 9 years

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS – CONTINUED

Actuarial Methods and Assumptions – Continued

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the City's retiree health plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

TMRS – Supplemental Death Benefit Fund

Plan Description

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7,500; this coverage is an "other postemployment benefit," or OPEB.

Contributions

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

The City's contributions to the TMRS SDBF for the years ended September 30, 2015, 2014, and 2013 were $2,821, $2,613, and $2,574, respectively, which equaled the required contributions each year.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TOMBALL, TEXAS
SCHEDULE OF CHANGES IN
NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED SEPTEMBER 30, 2015

Total pension liability		
Service Cost	$	1,405,192
Interest (on the Total Pension Liability)		2,122,080
Changes of benefit terms		-
Difference between expected and actual experience		(75,098)
Change of assumptions		-
Benefit payments, including refunds of employee contributions		(1,120,036)
Net Change in Total Pension Liability		2,332,138
Total Pension Liability - Beginning		30,172,851
Total Pension Liability - Ending (a)	$	32,504,989
Plan Fiduciary Net Position		
Contributions - Employer	$	1,106,867
Contributions - Employee		629,009
Net Investment Income		1,480,415
Benefit payments, including refunds of employee contributions		(1,120,036)
Administrative Expense		(15,453)
Other		(1,271)
Net Change in Plan Fiduciary Net Position		2,079,531
Plan Fiduciary Net Position - Beginning		25,874,005
Plan Fiduciary Net Position - Ending (b)	$	27,953,536
Net Pension Liability - Ending (a) - (b)	$	4,551,453
Plan Fiduciary Net Position as a Percentage of Total Pension Liability		86.00%
Covered Employee Payroll	$	8,985,838
Net Pension Liability as a Percentage of Covered Employee Payroll		50.65%

NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Only one year of data is presented in accordance with GASB Standard No. 68 as the data for the years other than 2014 is not available. Additionally, GASB Standard No. 68 requires that the information on this schedule be presented for the year ended as of the current measurement date (December 31).

CITY OF TOMBALL, TEXAS
SCHEDULE OF CONTRIBUTIONS
YEAR ENDED SEPTEMBER 30, 2015

Actuarially Determined Contribution	$	1,246,735
Contributions in relation to the actuarially determined contribution		1,246,735
Contribution deficiency (excess)	$	-
Covered employee payroll	$	9,404,137
Contributions as a percentage of covered employee payroll		13.26%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Only one year of data is presented in accordance with GASB Standard No. 68 as the data for the years other than 2015 is not available.
Additionally, GASB Standard No. 68 requires that the information presented on this schedule correspond with the City's fiscal year (September 30).

Valuation Date:
Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	29 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	3.00%
Salary Increases	3.50% to 12.00% including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005 - 2009.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

Other Information:
There were no benefit changes during the year.

CITY OF TOMBALL, TEXAS
SCHEDULE OF FUNDING PROGRESS
POST EMPLOYMENT BENEFITS PLAN OTHER THAN PENSIONS
SEPTEMBER 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
	(1)	(2)	(3)	(4)	(5)	(6)
			(1) / (2)	(2) - (1)		(4) / (5)
12/31/2012 *	$ -	$ 1,157,549	0.0%	$ 1,157,549	$ 7,382,599	15.7%
12/31/2013 *	-	1,157,549	0.0%	1,157,549	7,382,599	15.7%
12/31/2014	-	1,903,327	0.0%	1,903,327	8,985,838	21.2%

* In accordance with GASB Statement No. 45 for plans with a total membership of fewer than 200, the City has an actuarial valuation performed at least triennially, which was performed as of December 31, 2011. Therefore data for 2013 is the same as 2012.

CITY OF TOMBALL, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Property taxes	$ 1,678,000	$ 1,706,000	$ 1,715,949	$ 9,949
Sales, franchise, and other taxes	11,751,050	12,023,660	12,189,566	165,906
Permits and licenses	426,800	536,670	492,646	(44,024)
Fines and forfeitures	900,000	743,500	666,083	(77,417)
Services revenue	2,050,000	2,100,000	2,202,024	102,024
Intergovernmental	348,480	354,876	384,308	29,432
Contributions from component unit	10,000	10,000	10,000	-
Interest on investments	15,000	15,000	15,564	564
Other revenues	249,280	338,480	368,038	29,558
Total revenues	17,428,610	17,828,186	18,044,178	215,992
Expenditures				
Administrative	5,191,008	4,961,792	4,793,047	168,745
Police	5,532,146	5,457,312	5,237,174	220,138
Fire	2,799,937	3,671,086	3,478,204	192,882
Court	361,517	350,608	312,161	38,447
Public works	1,578,578	1,651,432	1,495,491	155,941
Sanitation	2,008,800	2,006,372	1,968,765	37,607
Streets	1,525,237	1,157,008	1,123,848	33,160
Permits	356,554	440,500	400,801	39,699
Garage	147,148	145,512	146,330	(818) *
Parks	909,850	543,697	492,919	50,778
Community services	137,989	135,283	128,428	6,855
Total expenditures	20,548,764	20,520,602	19,577,168	943,434
Excess of revenues over (under) expenditures	(3,120,154)	(2,692,416)	(1,532,990)	1,159,426
Other financing sources				
Proceeds from capital lease	-	800,000	800,000	-
Transfers in	2,031,276	2,031,276	2,031,276	-
Transfers out	(955,464)	(1,229,747)	(1,229,747)	-
Total other financing sources	1,075,812	1,601,529	1,601,529	-
Net change in fund balance	$ (2,044,342)	$ (1,090,887)	$ 68,539	$ 1,159,426
Fund balance, beginning of year			13,414,039	
Fund balance, end of year			$ 13,482,578	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted acocunting principles (GAAP).
2. *Expenditures exceeded appropriations at the legal level of control.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

CITY OF TOMBALL, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	Special General	Court Security	Court Technology
ASSETS			
Current assets			
Cash and cash equivalents	$ 155,951	$ 241,707	$ 282,141
Accounts receivable	-	-	-
Total assets	$ 155,951	$ 241,707	$ 282,141
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued liabilities	$ 4,437	$ -	$ -
Total liabilities	4,437	-	-
FUND BALANCES			
Restricted for enabling legislation	-	241,707	282,141
Committed for city functions	151,514	-	-
Total fund balances	151,514	241,707	282,141
TOTAL LIABILITIES AND FUND BALANCES	$ 155,951	$ 241,707	$ 282,141

Hotel Occupancy Tax	Red Light Camera	Bunny Run	Tomball Legacy Fund	Total Nonmajor Governmental Funds
$ 456,354	$ 571,014	$ 16,249	$ 20,000	$ 1,743,416
3,400	43,804	-	-	47,204
$ 459,754	$ 614,818	$ 16,249	$ 20,000	$ 1,790,620
$ 15,781	$ 250,425	$ 703	$ -	$ 271,346
15,781	250,425	703	-	271,346
443,973	364,393	-	20,000	1,352,214
-	-	15,546	-	167,060
443,973	364,393	15,546	20,000	1,519,274
$ 459,754	$ 614,818	$ 16,249	$ 20,000	$ 1,790,620

CITY OF TOMBALL, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2015

	Special General	Court Security	Court Technology	Hotel Occupancy Tax
Revenues				
Other taxes	$ -	$ -	$ -	$ 471,693
Fines and forfeitures	-	14,530	19,369	-
Interest on investments	132	200	191	315
Other revenues	29,291	-	-	25,941
Total revenues	29,423	14,730	19,560	497,949
Expenditures				
Current				
Administrative	27,456	-	7,716	297,637
Police	-	-	-	-
Community services	-	-	-	164,814
Total expenditures	27,456	-	7,716	462,451
Excess (deficiency) of revenues over (under) expenditures	1,967	14,730	11,844	35,498
Other financing sources (uses)				
Transfers in	-	-	-	20,000
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	20,000
Net change in fund balances	1,967	14,730	11,844	55,498
Fund balances, beginning of year	149,547	226,977	270,297	388,475
Fund balances, end of year	$ 151,514	$ 241,707	$ 282,141	$ 443,973

	Red Light Camera	Bunny Run	Tomball Legacy Fund	Total Nonmajor Governmental Funds
Revenues				
Other taxes	$ -	$ -	$ -	$ 471,693
Fines and forfeitures	299,685	-	-	333,584
Interest on investments	191	2	-	1,031
Other revenues	-	18,457	22,765	96,454
Total revenues	299,876	18,459	22765	902,762
Expenditures				
Current				
Administrative	-	250	2,765	335,824
Police	86,682	-	-	86,682
Community services	-	21,361	-	186,175
Total expenditures	86,682	21,611	2,765	608,681
Excess (deficiency) of revenues over (under) expenditures	213,194	(3,152)	20,000	294,081
Other financing sources (uses)				
Transfers in	-	-	-	20,000
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	20,000
Net change in fund balances	213,194	(3,152)	20,000	314,081
Fund balances, beginning of year	151,199	18,698	-	1,205,193
Fund balances, end of year	$ 364,393	$ 15,546	$ 20,000	$ 1,519,274

CITY OF TOMBALL, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2015

Special General

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues				
Interest on investments	$ 50	$ 180	$ 132	$ (48)
Other revenues	18,000	22,500	29,291	6,791
Total revenues	18,050	22,680	29,423	6,743
Expenditures				
Administrative	36,000	28,130	27,456	674
Total expenditures	36,000	28,130	27,456	674
Net change in fund balance	$ (17,950)	$ (5,450)	1,967	$ 7,417
Fund balance, beginning of year			149,547	
Fund balance, end of year			$ 151,514	

Court Security

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	$ 20,000	$ 20,000	$ 14,530	$ (5,470)
Interest on investments	100	150	200	50
Total revenues	20,100	20,150	14,730	(5,420)
Expenditures				
Administrative	1,000	1,000	-	1,000
Total expenditures	1,000	1,000	-	1,000
Net change in fund balance	$ 19,100	$ 19,150	14,730	$ (4,420)
Fund balance, beginning of year			226,977	
Fund balance, end of year			$ 241,707	

CITY OF TOMBALL, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2015
(CONTINUED)

	Court Technology			
	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Fines and forfeitures	$ 25,000	$ 25,000	$ 19,369	$ (5,631)
Interest on investments	150	150	191	41
Total revenues	25,150	25,150	19,560	(5,590)
Expenditures				
Administrative	9,400	9,400	7,716	1,684
Total expenditures	9,400	9,400	7,716	1,684
Net change in fund balance	$ 15,750	$ 15,750	11,844	$ (3,906)
Fund balance, beginning of year			270,297	
Fund balance, end of year			$ 282,141	

	Hotel Occupancy Tax			
	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Other taxes	$ 465,000	$ 510,000	$ 471,693	$ (38,307)
Interest on investments	250	200	315	115
Other revenues	35,000	20,000	25,941	5,941
Total revenues	500,250	530,200	497,949	(32,251)
Expenditures				
Administrative	364,877	362,184	297,637	64,547
Community Services	175,000	188,000	164,814	23,186
Total expenditures	539,877	550,184	462,451	87,733
Excess (deficiency) of revenues over (under) expenditures	(39,627)	(19,984)	35,498	55,482
Other financing sources (uses)				
Transfers in	20,000	20,000	20,000	-
Total other financing sources	20,000	20,000	20,000	-
Net change in fund balance	$ (19,627)	$ 16	55,498	$ 55,482
Fund balance, beginning of year			388,475	
Fund balance, end of year			$ 443,973	

CITY OF TOMBALL, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Property taxes	$ 3,410,000	$ 3,535,000	$ 3,525,979	$ (9,021)
Contributions from Component Unit	524,913	524,913	524,912	(1)
Interest on investments	1,500	1,500	2,402	902
Total revenues	3,936,413	4,061,413	4,053,293	(8,120)
Expenditures				
Debt service				
Principal	2,801,528	2,742,812	2,742,812	-
Interest and fiscal agent fees	900,639	866,274	865,633	641
Total expenditures	3,702,167	3,609,086	3,608,445	641
Excess (deficiency) of revenues over expenditures	234,246	452,327	444,848	(7,479)
Other financing sources (uses)				
Transfers in	535,424	-	-	-
Total other financing uses	535,424	-	-	-
Net change in fund balances	$ 769,670	$ 452,327	444,848	$ (7,479)
Fund balance, beginning of year			2,636,855	
Fund balance, end of year			$ 3,081,703	

INTERNAL SERVICE FUNDS

FLEET REPLACEMENT FUND

This internal service fund is used to account for fleet replacement to departments or agencies of the City on a cost reimbursement basis.

HEALTH BENEFITS FUND

This internal service fund is used to account for the costs associated with health benefits to departments or agencies of the City on a cost reimbursement basis as well as costs associated with retiring or separating employees.

CITY OF TOMBALL, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2015

	Fleet Replacement	Health Benefits	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 1,685,461	$ 992,166	$ 2,677,627
Accounts receivable, net	-	9,485	9,485
Other assets	-	-	-
Total current assets	1,685,461	1,001,651	2,687,112
Noncurrent assets			
Depreciable capital assets	2,618,317	-	2,618,317
Less: accumulated depreciation	(1,481,860)	-	(1,481,860)
Total noncurrent assets	1,136,457	-	1,136,457
Total assets	2,821,918	1,001,651	3,823,569
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	2,319	1,345	3,664
Total liabilities	2,319	1,345	3,664
NET POSITION			
Net investment in capital assets	1,136,457	-	1,136,457
Unrestricted	1,683,142	1,000,306	2,683,448
TOTAL NET POSITION	$ 2,819,599	$ 1,000,306	$ 3,819,905

CITY OF TOMBALL, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2015

	Fleet Replacement	Health Benefits	Total
Operating revenues			
Charges for sales and services	$ 767,310	$ 2,188,033	$ 2,955,343
Total revenues	767,310	2,188,033	2,955,343
Operating expenditures			
Costs of sales and services	94,959	2,172,889	2,267,848
Depreciation	342,207	-	342,207
Total operating expenditures	437,166	2,172,889	2,610,055
Operating income	330,144	15,144	345,288
Non-operating revenues			
Investment income	1,202	541	1,743
Internal contribution	-	-	-
Gain on disposal of capital assets	12,626	-	12,626
Total non-operating revenues	13,828	541	14,369
Change in net positon	343,972	15,685	359,657
Net position, beginning of year	2,475,627	984,621	3,460,248
Net position, end of year	$ 2,819,599	$ 1,000,306	$ 3,819,905

CITY OF TOMBALL, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2015

	Fleet Replacement	Health Benefits	Total
OPERATING ACTIVITIES			
Cash received from customers	$ 767,310	$ 2,187,891	$ 2,955,201
Payments to suppliers	(94,249)	(2,170,911)	(2,265,160)
Net cash provided by operating activities	673,061	16,980	690,041
CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(605,025)	-	(605,025)
Proceeds from sale of capital assets	12,626	-	12,626
Net cash used in capital and related financing activities	(592,399)	-	(592,399)
INVESTING ACTIVITIES			
Investment income	1,202	541	1,743
Net cash provided by investing activities	1,202	541	1,743
Net change in cash and cash equivalents	81,864	17,521	99,385
CASH AND CASH EQUIVALENTS, beginning of year	1,603,597	974,645	2,578,242
CASH AND CASH EQUIVALENTS, end of year	$ 1,685,461	$ 992,166	$ 2,677,627
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	$ 330,144	$ 15,144	$ 345,288
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation and amortization	342,207	-	342,207
Changes in assets and liabilities			
Accounts receivable	-	(142)	(142)
Other assets	-	633	633
Accounts payable and accrued liabilities	710	1,345	2,055
Net cash provided by operating activities	$ 673,061	$ 16,980	$ 690,041

STATISTICAL SECTION
(Unaudited)

STATISTICAL SECTION

(Unaudited)

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

Table 1
City of Tomball
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	$ 2,886,256	$ 7,175,862	$ 10,206,785	$ 16,143,552	$ 16,790,199	$ 18,306,705	$ 23,370,524	$ 25,646,519	$ 28,189,848	$ 31,267,016
Restricted	2,323,077	3,686,000	1,835,397	2,278,695	1,423,521	1,895,850	2,675,627	2,804,100	3,557,490	4,308,595
Unrestricted	20,707,302	17,884,555	16,282,148	11,362,902	13,048,317	12,518,847	10,571,977	12,612,754	13,566,745	10,694,702
Total governmental activities net position	**$ 25,916,635**	**$ 28,746,417**	**$ 28,324,330**	**$ 29,785,149**	**$ 31,262,037**	**$ 32,721,402**	**$ 36,618,128**	**$ 41,063,373**	**$ 45,314,083**	**$ 46,270,313**
Business-type activities										
Net investment in capital assets	$ 23,478,199	$ 25,045,502	$ 24,774,972	$ 26,080,707	$ 29,073,794	$ 29,338,053	$ 30,368,908	$ 30,721,512	$ 30,851,835	$ 33,433,571
Restricted	2,305,729	876,468	-	-	-	-	-	-	1,095,173	-
Unrestricted	6,386,872	7,493,793	9,610,968	10,555,994	8,753,794	10,299,638	9,636,451	10,646,792	11,354,769	10,960,950
Total business-type activities net position	**$ 32,170,800**	**$ 33,415,763**	**$ 34,385,940**	**$ 36,636,701**	**$ 37,827,588**	**$ 39,637,691**	**$ 40,005,359**	**$ 41,368,304**	**$ 43,301,777**	**$ 44,394,521**
Primary government										
Net investment in capital assets	$ 26,364,455	$ 32,221,364	$ 34,981,757	$ 42,224,259	$ 45,863,993	$ 47,644,758	$ 53,739,432	$ 56,368,031	$ 59,041,683	$ 64,700,587
Restricted	4,628,806	4,562,468	1,835,397	2,278,695	1,423,521	1,895,850	2,675,627	2,804,100	4,652,663	4,308,595
Unrestricted	27,094,174	25,378,348	25,893,116	21,918,896	21,802,111	22,818,485	20,208,428	23,259,546	24,921,514	21,655,652
Total primary government net position	**$ 58,087,435**	**$ 62,162,180**	**$ 62,710,270**	**$ 66,421,850**	**$ 69,089,625**	**$ 72,359,093**	**$ 76,623,487**	**$ 82,431,677**	**$ 88,615,860**	**$ 90,664,834**

Table 2
City of Tomball
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities										
General government	$ 1,889,935	$ 1,438,117	$ 1,734,307	$ 3,091,652	$ 3,476,001	$ 4,472,541	$ 4,077,633	$ 5,131,879	$ 4,789,051	$ 4,968,344
Public safety	5,057,268	5,449,912	7,224,244	6,720,247	5,907,235	6,546,562	6,845,653	7,508,811	8,069,621	8,493,353
Public works	3,709,054	5,076,429	6,325,789	5,692,269	5,205,824	4,739,268	5,794,907	5,456,886	6,137,989	6,181,783
Community services	512,679	355,348	471,539	260,561	272,034	255,764	287,085	302,564	338,381	313,713
Interest and fiscal agent fees on long-term debt	873,035	824,168	790,736	708,109	658,304	353,188	821,705	830,054	926,584	891,258
Total governmental activities expenses	12,041,971	13,143,974	16,546,615	16,472,838	15,519,398	16,367,323	17,826,983	19,230,194	20,261,626	20,848,451
Business-type activities										
General government	1,309,655	2,744,139	2,775,923	2,235,193	1,843,501	2,207,488	979,390	955,026	909,211	979,161
Water	1,488,771	1,259,961	1,720,131	2,215,841	2,197,679	2,549,230	3,003,537	3,262,366	2,962,612	3,087,563
Sewer	2,575,820	1,081,343	1,164,702	1,402,558	1,134,907	1,226,582	1,757,176	1,736,531	1,978,197	2,418,443
Gas	2,048,247	2,496,747	2,727,066	2,486,336	2,374,227	1,801,364	1,600,490	1,743,258	2,229,583	1,963,162
Interest and fiscal agent fees	-	630,735	585,710	-	512,851	481,542	272,406	321,443	245,129	-
Total business-type activities expenses	7,422,493	8,212,925	8,973,532	8,339,928	8,063,165	8,266,206	7,612,999	8,018,624	8,324,732	8,448,329
Total primary government expenses	$ 19,464,464	$ 21,356,899	$ 25,520,147	$ 24,812,766	$ 23,582,563	$ 24,633,529	$ 25,439,982	$ 27,248,818	$ 28,586,358	$ 29,296,780
Program Revenues										
Governmental activities										
Charges for services										
Public safety	$ 1,443,068	$ 1,352,444	$ 922,073	$ 1,044,706	$ 1,204,099	$ 1,083,408	$ 1,143,981	$ 1,181,742	$ 1,066,313	$ 999,667
Public works	1,749,695	1,938,750	2,612,619	2,596,344	2,231,777	2,284,482	2,384,406	2,613,043	2,695,712	2,694,670
Operating grants and contributions	93,042	135,750	259,047	278,350	83,130	268,675	1,295,653	1,313,128	1,844,224	1,039,237
Total governmental activities program revenues	3,285,805	3,426,944	3,793,739	3,919,400	3,519,006	3,636,565	4,824,040	5,107,913	5,606,249	4,733,574
Business-type activities										
Charges for services										
General government	-	-	118,192	-	427,519	413,523	622,320	1,001,306	807,673	842,468
Water	3,041,240	3,208,398	3,317,403	4,547,803	3,985,231	5,199,565	4,470,657	4,668,205	4,578,777	4,449,383
Sewer	1,587,786	1,401,640	1,725,839	2,468,377	2,233,364	2,368,469	2,262,268	2,365,611	2,372,163	2,320,748
Gas	2,460,885	3,675,752	3,792,717	4,426,091	4,011,635	3,538,152	2,894,447	3,061,634	3,578,145	3,295,521
Operating grants and contributions	-	-	-	720,000	720,000	798,300	720,000	670,000	670,000	670,000
Capital grants and contributions	137,444	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	7,227,355	8,285,790	8,954,151	12,162,271	11,377,749	12,318,009	10,969,692	11,766,756	12,006,758	11,578,120
Total primary government program revenues	$ 10,513,160	$ 11,712,734	$ 12,747,890	$ 16,081,671	$ 14,896,755	$ 15,954,574	$ 15,793,732	$ 16,874,669	$ 17,613,007	$ 16,311,694
Net (Expense)/Revenue										
Governmental activities	$ (8,756,166)	$ (9,717,030)	$ (12,752,876)	$ (12,553,438)	$ (12,000,392)	$ (12,730,758)	$ (13,002,943)	$ (14,122,281)	$ (14,655,377)	$ (16,114,877)
Business-type activities	(195,138)	72,865	(19,381)	3,822,343	3,314,584	4,051,803	3,356,693	3,748,132	3,682,026	3,129,791
Total primary government net expense	$ (8,951,304)	$ (9,644,165)	$ (12,772,257)	$ (8,731,095)	$ (8,685,808)	$ (8,678,955)	$ (9,646,250)	$ (10,374,149)	$ (10,973,351)	$ (12,985,086)

(continued)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	$ 952,673	$ 1,168,491	$ 933,885	$ 1,587,560	$ 1,422,603	$ 1,270,645	$ 1,228,461	$ 1,543,913	$ 1,638,673	$ 1,715,949
Property taxes, levied for debt service	1,286,693	1,299,344	1,511,139	1,449,089	1,500,310	1,586,918	2,557,169	3,164,416	3,371,282	3,525,979
Sales taxes	7,491,415	7,304,280	7,100,293	7,038,176	6,651,064	7,023,409	8,189,360	9,442,376	10,532,691	10,839,818
Franchise and local taxes	1,069,381	1,140,734	1,201,401	1,150,591	1,153,954	1,186,272	1,227,784	1,267,302	1,253,077	1,282,598
Other taxes	112,527	181,503	267,133	308,100	229,636	325,360	444,032	428,208	590,910	538,843
Contributions	114,909	6,000	6,000	-	-	-	-	-	-	-
Investment earnings	988,431	1,222,816	756,431	325,789	80,426	43,035	46,763	44,877	30,636	40,115
Other revenues	62,362	223,644	515,216	405,391	166,287	361,026	151,142	227,592	253,375	475,712
Gain (loss) on sale of capital assets	22,599	-	-	-	-	-	-	-	-	17,634
Transfers	-	-	39,291	1,749,561	2,260,134	2,393,458	3,054,958	2,448,842	1,691,621	1,607,068
Total governmental activities	12,100,990	12,546,812	12,330,789	14,014,257	13,464,414	14,190,123	16,899,669	18,567,526	19,362,265	20,043,716
Business-type activities										
Investment earnings	477,600	452,098	308,849	175,119	93,361	30,414	21,721	13,088	(1,417)	33,771
Other revenues	2,570,236	720,000	720,000	2,860	43,076	121,344	44,212	50,567	45,800	47,847
Transfers	-	-	(39,291)	(1,749,561)	(2,260,134)	(2,393,458)	(3,054,958)	(2,448,842)	(1,691,621)	(1,607,068)
Total business-type activities	3,047,836	1,172,098	989,558	(1,571,582)	(2,123,697)	(2,241,700)	(2,989,025)	(2,385,187)	(1,647,238)	(1,525,450)
Total primary government	$ 15,148,826	$ 13,718,910	$ 13,320,347	$ 12,442,675	$ 11,340,717	$ 11,948,423	$ 13,910,644	$ 16,182,339	$ 17,715,027	$ 18,518,266
Change in Net Position										
Governmental activities	$ 3,344,824	$ 2,829,782	$ (422,087)	$ 1,460,819	$ 1,464,022	$ 1,459,365	$ 3,896,726	$ 4,445,245	$ 4,706,888	$ 3,928,839
Business-type activities	2,852,698	1,244,963	970,177	2,250,761	1,190,887	1,810,103	367,668	1,362,945	2,034,788	1,604,341
Total primary government	$ 6,197,522	$ 4,074,745	$ 548,090	$ 3,711,580	$ 2,654,909	$ 3,269,468	$ 4,264,394	$ 5,808,190	$ 6,741,676	$ 5,533,180

(concluded)

Table 3
City of Tomball
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ 39,913	$ 30,441	$ 15,894	$ 14,435
Restricted	1,646,027	-	-	23,724	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	325,879	161,921	322,702	127,671
Unassigned	21,048,552	21,199,234	16,676,502	12,194,969	12,161,681	11,797,535	9,489,655	11,559,755	13,075,443	13,340,472
Total general fund	**$ 22,694,579**	**$ 21,199,234**	**$ 16,676,502**	**$ 12,218,693**	**$ 12,161,681**	**$ 11,797,535**	**$ 9,815,534**	**$ 11,752,117**	**$ 13,414,039**	**$ 13,482,578**
All Other Governmental Funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	1,205,549	2,407,556	2,097,709	1,530,276	1,276,646	1,896,380	19,319,655	27,524,034	26,470,729	23,370,264
Committed, reported in:										
Capital project funds	9,757	79,883	121,425	133,498	133,790	135,609	-	-	-	-
Nonmajor governmental funds	23,333	138,137	353,527	742,340	901,406	141,129	133,570	143,436	168,245	167,060
Total all other governmental funds	**$ 1,238,639**	**$ 2,625,576**	**$ 2,572,661**	**$ 2,406,114**	**$ 2,311,842**	**$ 2,173,118**	**$ 19,453,225**	**$ 27,667,470**	**$ 26,638,974**	**$ 23,537,324**

Table 4
City of Tomball
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	$ 10,931,747	$ 10,936,779	$ 11,193,185	$ 11,442,297	$ 10,897,786	$ 11,400,964	$ 13,886,856	$ 15,846,215	$ 17,386,633	$ 17,903,187
Pemits, licenses, and fees	409,694	414,713	319,177	247,548	311,563	262,713	308,621	445,104	446,292	492,646
Fines and forfeitures	832,314	728,148	922,073	1,044,706	1,204,099	1,083,408	1,143,981	1,181,742	1,066,313	999,667
Service Revenue	1,850,925	2,059,958	2,293,442	2,348,796	1,920,214	2,021,769	2,075,785	2,167,939	2,249,420	2,202,024
Intergovernmental	279,950	213,750	265,047	278,350	73,130	168,782	273,950	784,918	939,861	384,308
Contributions from Component Unit	-	-	-	-	10,000	99,893	1,021,703	528,210	904,363	606,753
Investment earnings	878,636	1,222,817	713,433	312,290	99,837	40,760	44,347	42,913	29,604	38,372
Other revenues	98,866	168,216	332,551	361,992	254,615	386,935	151,143	178,501	242,361	538,244
Total revenues	15,282,132	15,744,381	16,038,908	16,035,979	14,771,244	15,465,224	18,906,386	21,175,542	23,264,847	23,165,201
Expenditures										
General government	1,800,747	1,837,112	3,822,202	2,606,885	4,333,119	4,507,290	4,520,919	5,099,473	4,929,295	5,128,871
Public safety	4,741,965	5,130,493	6,010,899	7,770,127	5,850,953	6,391,016	7,344,336	7,353,064	8,230,705	9,114,221
Public works	2,856,974	3,112,853	3,635,764	3,713,018	3,784,400	3,090,590	3,407,143	3,217,149	3,364,509	3,464,256
Public service	424,129	1,113,084	550,513	932,492	587,557	1,179,637	266,984	1,677,586	1,627,610	1,366,045
Capital outlay	2,814,130	2,762,545	3,521,127	5,387,966	821,359	1,445,273	4,311,250	1,939,517	2,996,663	5,923,542
Debt service										
Principal	1,194,405	1,138,174	1,158,174	1,328,619	1,135,500	1,195,500	1,192,057	1,800,649	2,210,330	2,742,812
Interest and paying agent	891,842	830,330	795,482	714,188	723,159	626,247	913,371	1,017,839	963,930	865,633
Total expenditures	14,724,192	15,924,591	19,494,161	22,453,295	17,236,047	18,435,553	21,956,060	22,105,277	24,323,042	28,605,380
Excess of revenues over (under) expenditu	557,940	(180,210)	(3,455,253)	(6,417,316)	(2,464,803)	(2,970,329)	(3,049,674)	(929,735)	(1,058,195)	(5,440,179)
Other Financing Sources (Uses)										
Transfers in	-	-	-	1,749,561	2,260,134	2,393,458	5,206,958	2,748,842	2,491,049	3,261,023
Transfers out	-	-	(1,248,846)	-	-	-	(2,152,000)	(300,000)	(799,428)	(1,653,955)
Issuance of debt	-	-	-	-	2,120,000	3,892,500	14,500,000	14,270,500	-	-
Premium on debt issued	-	-	-	-	4,945	278,253	107,735	205,934	-	-
Payment to refunded bond escrow agent	-	-	-	-	(2,071,560)	(4,096,752)	-	(5,884,626)	-	-
Capital leases	-	-	-	-	-	-	725,000	-	-	800,000
Sale of capital assets	28,399	-	182,665	43,399	-	-	-	-	-	-
Total other financing sources	28,399	-	(1,066,181)	1,792,960	2,313,519	2,467,459	18,387,693	11,040,650	1,691,621	2,407,068
Net change in fund balances	$ 586,339	$ (180,210)	$ (4,521,434)	$ (4,624,356)	$ (151,284)	$ (502,870)	$ 15,338,019	$ 10,110,915	$ 633,426	$ (3,033,111)
Debt service as a percentage of noncapital expenditures	17.52%	15.00%	12.07%	11.94%	10.97%	10.29%	11.31%	13.43%	14.85%	15.87%

Table 5
City of Tomball
Tax Revenues by Source, Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Change 2014-2015
Property	$ 2,258,424	$ 2,310,262	$ 2,570,145	$ 2,945,430	$ 2,938,594	$ 2,865,923	$ 4,025,680	$ 4,708,329	$ 5,009,955	$ 5,241,928	4.63%
Sales	7,491,415	7,304,280	7,206,713	7,038,176	6,651,064	6,976,875	8,189,360	9,442,376	10,532,691	10,839,818	2.92%
Franchise fee	1,069,381	1,140,734	1,149,261	1,150,591	1,153,954	1,262,187	964,790	1,267,302	1,253,077	1,282,598	2.36%
Other taxes	112,527	181,503	212,853	308,100	154,174	295,979	707,026	428,208	590,910	538,843	-8.81%
	$ 10,931,747	$ 10,936,779	$ 11,138,972	$ 11,442,297	$ 10,897,786	$ 11,400,964	$ 13,886,856	$ 15,846,215	$ 17,386,633	$ 17,903,187	2.97%

Table 6
City of Tomball
Assessed Value and Actual Value of Taxable Property
Last Ten Years
(unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Residential Property	$ 534,830,588	$ 548,645,926	$ 562,126,135	$ 494,490,612	$ 431,346,771	$ 435,637,242	$ 436,949,202	$ 433,331,223	$ 439,396,850	$ 497,193,417
Commercial Property	439,434,785	420,414,851	516,025,633	962,896,368	1,041,882,736	988,693,074	1,071,555,690	1,192,905,533	1,303,924,316	1,314,023,000
Less: Tax Exempt Property	(192,670,546)	(221,138,305)	(213,059,540)	(302,822,021)	(317,120,571)	(305,154,366)	(341,307,250)	(261,641,054)	(274,973,296)	(280,967,178)
Total Taxable Assessed Value (1)	$ 781,594,827	$ 747,922,472	$ 865,092,228	$ 1,154,564,959	$ 1,156,108,936	$ 1,119,175,950	$ 1,167,197,642	$ 1,364,595,702	$ 1,468,347,870	$ 1,530,249,239
Total Direct Tax Rate	0.251455	0.251455	0.251455	0.251455	0.251455	0.251455	0.341455	0.341455	0.341455	0.341455

Source: Harris County Certified / Uncertified Tax Roll.

(1) Property is assessed at actual value; therefore, the assessed values are equal to actual value.
Tax rates are per $100 of assessed value.

Table 7
City of Tomball
Property Tax Rates – Direct and Overlapping Governments
Last Ten Years
(unaudited)

	2002	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
City of Tomball by fund											
General	0.114000	$ 0.116640	$ 0.106468	$ 0.101455	$ 0.131455	$ 0.121455	$ 0.111455	$ 0.111455	$ 0.111455	$ 0.111455	$ 0.111455
Debt service	0.166000	0.163360	0.144987	0.150000	0.120000	0.130000	0.140000	0.230000	0.230000	0.230000	0.230000
Total Direct Rates	0.280000	0.280000	0.251455	0.251455	0.251455	0.251455	0.251455	0.341455	0.341455	0.341455	0.341455
Tomball Independent School District	1.680000	1.710000	1.580000	1.275000	1.360000	1.360000	1.360000	1.360000	1.360000	1.360000	1.360000
Harris County	0.359000	0.399860	0.402390	0.392390	0.389230	0.392240	0.388050	0.391170	0.400210	0.414550	0.417310
Harris County Flood Control District	0.061700	0.033220	0.032410	0.031060	0.030860	0.029220	0.029230	0.028090	0.028090	0.028270	0.027360
Port of Houston Authority	0.018300	0.014740	0.013020	0.014370	0.017730	0.016360	0.020540	0.185600	0.019520	0.017160	0.015310
Harris County Hospital District	0.202700	0.192160	0.192160	0.192160	0.192160	0.192160	0.192160	0.192160	0.182160	0.170000	0.170000
Harris County Dept. of Education	0.006290	0.006290	0.006290	0.005853	0.005840	0.006050	0.006581	0.006581	0.006617	0.006358	0.005999
Lone Star College System District	0.001100	0.120700	0.114400	0.114400	0.110100	0.110100	0.117600	0.121000	0.119800	0.116000	0.108100
Emergency Service District #8	0.000000	0.030000	0.030000	0.030000	0.050000	0.050000	0.050000	0.050000	0.050000	0.050000	0.100000
Total Direct and Overlapping Rates (1)	2.609090	$ 2.786970	$ 2.622125	$ 2.306688	$ 2.407375	$ 2.407585	$ 2.415616	$ 2.676056	$ 2.507852	$ 2.503793	$ 2.545534

Tax rates per $100 of assessed valuation
Source: Harris County Appraisal District

(1) Overlapping rates are those of local and county governments that apply within the City of Tomball.

Table 8
City of Tomball
Principal Property Taxpayers
Current Year and Nine Years Ago
(unaudited)

	2015			2006		
Property Tax Payer	**Taxable Assessed Value**	**Rank**	**% of Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**% of Taxable Assessed Value**
Baker Hughes	$ 151,739,013	1	9.92%	$ -	n/a	
Tomball Texas Hospital	149,192,183	2	9.75%	-	n/a	
B J Services	29,832,671	3	1.95%	128,950,029	1	16.50%
Wal-Mart	19,636,393	4	1.28%	19,224,623	3	2.46%
Texas Tomball Hospital Company LLC	18,981,987	5	1.24%	-	n/a	
Weingarten Investments Inc.	18,694,131	6	1.22%	-	n/a	
MPT Tomball LP	17,380,000	7	1.14%	-	n/a	
Health Care REIT Inc.	15,549,484	8	1.02%	-	n/a	
MB Tomball Town Center	14,982,399	9	0.98%	-	n/a	
CenterPoint Energy	14,979,335	10	0.98%	15,825,028	4	2.02%
MSP TX Tomball LP	-	n/a		21,956,936	2	2.81%
Lowe's	-	n/a		13,798,885	5	1.77%
Target Corporation	-	n/a		11,752,609	6	1.50%
HEB Grocery Co. LP	-	n/a		9,197,229	7	1.18%
MBS Fountains of Tomball	-	n/a		8,935,850	8	1.14%
A S 62 HWY 249 & FM 2920	-	n/a		8,594,660	9	1.10%
Southern Bell Telephone	-	n/a		7,756,661	10	0.99%
Subtotal	$ 450,967,596		29.47%	$ 245,992,510		31.47%
Other Taxpayers	1,079,281,643		70.53%	535,602,317		68.53%
Total	$ 1,530,249,239		100.00%	$ 781,594,827		100.00%

Source: Harris County Tax Assessor-Collector's records.

Table 9
City of Tomball
Property Tax Levies and Collections
Last Ten Years
(unaudited)

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the fiscal year of the Levy: Amount	Collected within the fiscal year of the Levy: Percent of Levy	Collections in Subsequent Periods	Total Collections to date: Amount	Total Collections to date: Percent of Levy
2006	$ 1,993,383	$ 1,798,120	90%	$ 186,503	$ 1,984,623	100%
2007	2,129,880	1,904,220	89%	216,489	2,120,709	100%
2008	2,517,001	2,469,639	98%	37,291	2,506,930	100%
2009	2,904,114	2,843,461	98%	39,569	2,883,030	99%
2010	2,910,961	2,861,107	98%	34,550	2,895,657	99%
2011	2,815,932	2,776,954	99%	30,050	2,807,004	100%
2012	3,986,427	3,943,188	99%	21,992	3,965,179	99%
2013	4,652,452	4,633,156	100%	5,647	4,638,803	100%
2014	4,987,833	4,967,598	100%	2,749	4,970,347	100%
2015	5,226,420	5,168,570	99%	-	5,168,570	99%

Table 10
City of Tomball
Sales Tax Revenue by Industry
Current Year and Nine Years Ago
(unaudited)
(Dollars are in thousands)

	Calendar Year 2015				Calendar Year 2006			
Sales Tax Remitter	**Number of Outlets**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**	**Number of Outlets**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Retail Trade	1,417	23.48%	$ 7,183	49.61%	1,291	28.14%	$ 3,706	36.44%
Services	1,234	20.45%	2,339	16.15%	1,012	22.06%	1,303	12.81%
Wholesale Trade	1,037	17.19%	1,744	12.04%	604	13.17%	694	6.82%
Utilities, Transportation, Communications	251	4.16%	856	5.91%	150	3.27%	722	7.10%
Manufacturing	740	12.26%	588	4.06%	326	7.11%	1,367	13.44%
Construction	372	6.17%	263	1.82%	220	4.80%	197	1.94%
Finance, Insurance, Real Estate	260	4.31%	510	3.52%	184	4.01%	101	0.99%
Mining, Quarrying, and Oil and Gas Extraction	18	0.30%	29	0.20%	22	0.48%	5	0.05%
All other outlets	705	11.68%	968	6.69%	778	16.96%	2,074	20.40%
Total	6,034	100.00%	$ 14,480	100.00%	4,587	100.00%	$ 10,169	100.00%

Source: Texas State Comptroller of Public Accounts

Notes: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Tax liability information is not available on a fiscal-year basis.

Table 11
City of Tomball
Ratios of Outstanding Debt by Type
Last Ten Years
(unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PRIMARY GOVERNMENT										
Governmental Activities:										
General Obligation Bonds	$ -	$ -	$ -	$ -	$ 2,120,000	$ 5,767,500	$ 5,501,750	$ 10,985,250	$ 9,710,500	$ 8,437,500
Certificates of Obligation	18,839,500	17,774,000	16,688,500	15,578,000	12,377,500	7,516,500	21,151,000	22,435,000	21,565,000	20,640,000
Premiums	-	-	-	-	-	255,065	332,990	492,862	449,806	406,750
Other debt items	-	-	-	-	-	(376,266)	(338,639)	(453,956)	-	-
Capital leases	363,467	290,793	218,540	-	-	-	664,193	601,044	535,464	800,000
Subtotal	$ 19,202,967	$ 18,064,793	$ 16,907,040	$ 15,578,000	$ 14,497,500	$ 13,162,799	$ 27,311,294	$ 34,060,200	$ 32,260,770	$ 30,284,250
Business-Type Activities:										
General Obligation Bonds	$ -	$ -	$ -	$ -	$ -	$ 4,757,500	$ 4,738,250	$ 5,304,750	$ 4,669,500	$ 4,042,500
Certificates of Obligation	9,575,500	8,976,000	8,376,500	7,777,000	7,177,500	1,798,500	1,199,000	-	-	-
Premiums	-	-	-	-	-	-	105,987	94,211	82,435	70,659
Revenue bonds	5,510,000	5,175,000	4,830,000	4,470,000	4,100,000	3,715,000	3,315,000	2,900,000	2,465,000	-
Subtotal	$ 15,085,500	$ 14,151,000	$ 13,206,500	$ 12,247,000	$ 11,277,500	$ 5,513,500	$ 9,358,237	$ 8,298,961	$ 7,216,935	$ 4,113,159
TOTAL PRIMARY GOVERNMENT	$ 34,288,467	$ 32,215,793	$ 30,113,540	$ 27,825,000	$ 25,775,000	$ 18,676,299	$ 36,669,531	$ 42,359,161	$ 39,477,705	$ 34,397,409
PERSONAL INCOME	$ 280,510,625	$ 282,486,000	$ 276,767,062	$ 285,081,600	$ 290,186,220	$ 273,663,850	$ 315,207,090	$ 315,207,090	$ 463,247,856	$ 475,348,930
DEBT AS A PERCENTAGE OF PERSONAL INCOME	12.224%	11.404%	10.880%	9.760%	8.882%	6.825%	11.633%	13.439%	8.522%	7.236%
POPULATION	10,625	11,500	11,531	11,600	11,670	10,753	10,979	10,979	11,124	11,299
DEBT PER CAPITA	$ 3,227	$ 2,801	$ 2,612	$ 2,399	$ 2,209	$ 1,737	$ 3,340	$ 3,858	$ 3,549	$ 3,044

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Table 12
City of Tomball
Ratios of Net General Bonded Debt to Assessed Value, Net General Bonded Debt Per Capita, and Assessed and Estimated Actual Value of Taxable Property
Last Ten Years
(unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
NET TAXABLE ASSESSED VALUE										
All property	$ 783,134,388	$ 981,484,973	$ 1,078,151,768	$ 1,154,564,959	$ 1,156,108,936	$ 1,008,153,110	$ 1,167,197,642	$ 1,364,595,702	$ 1,468,347,870	$ 1,530,249,239
NET BONDED DEBT										
Gross bonded debt	$ 28,415,000	$ 26,750,000	$ 25,065,000	$ 23,355,000	$ 21,675,000	$ 14,961,299	$ 32,690,338	$ 38,858,117	$ 36,477,241	$ 33,597,409
Less debt service funds	-	-	-	-	-	-	-	-	-	-
Net Bonded Debt	$ 28,415,000	$ 26,750,000	$ 25,065,000	$ 23,355,000	$ 21,675,000	$ 14,961,299	$ 32,690,338	$ 38,858,117	$ 36,477,241	$ 33,597,409
RATIO OF NET BONDED DEBT TO ASSESSED VALUE	3.63%	2.73%	2.32%	2.02%	1.87%	1.48%	2.80%	2.85%	2.48%	2.20%
POPULATION	10,625	11,500	11,531	11,600	11,670	10,753	10,979	10,979	11,124	11,299
NET BONDED DEBT PER CAPITA	$ 2,674	$ 2,326	$ 2,174	$ 2,013	$ 1,857	$ 1,391	$ 2,978	$ 3,539	$ 3,279	$ 2,973

Table 13
City of Tomball
Direct and Overlapping Governmental Activities Debt
September 30, 2015
(unaudited)

Governmental Unit		Net Bonded Debt Outstanding	Estimated Percentage Applicable (1)		Estimated Share of Overlapping Debt
Debt repaid with property taxes					
Tomball ISD	$	386,125,000	20.26%	$	78,239,964
Harris County		1,727,771,350	0.43%		7,480,541
Harris Co. Flood Control District		83,075,000	0.45%		371,002
Port of Houston Authority		690,219,397	0.44%		3,066,360
Harris County Dept of Education		7,210,000	0.43%		31,205
Lone Star College System		569,325,000	1.04%		5,899,410
Subtotal, overlapping debt					95,088,482
City direct debt			100.000%		30,284,250
Total direct and overlapping debt				$	125,372,732

Source: First Southwest Company / Texas Municipal Reports

Notes:

(1) Estimated Percentage Applicable developed from information obtained from the Municipal Advisory Council of Texas.

Table 14
City of Tomball
Legal Debt Margin Information
Last Ten Years
(unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	$ 78,313,439	$ 98,148,497	$ 107,815,177	$ 115,456,496	$ 115,610,894	$ 100,815,311	$ 116,719,764	$ 136,459,570	$ 146,834,787	$ 153,024,924
Total net debt applicable to limit	18,839,500	17,774,000	16,688,500	15,578,000	14,497,500	13,284,000	26,652,750	33,420,250	31,275,500	29,077,500
Legal debt margin	$ 59,473,939	$ 80,374,497	$ 91,126,677	$ 99,878,496	$ 101,113,394	$ 87,531,311	$ 90,067,014	$ 103,039,320	$ 115,559,287	$ 123,947,424
Total net debt applicable to the limit as a percentage of debt limit	24.06%	18.11%	15.48%	13.49%	12.54%	13.18%	22.83%	24.49%	21.30%	19.00%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value	$ 1,530,249,239	
Debt limit (10% of assessed value)	153,024,924	(1)
Debt applicable to limit		
General obligation bonds	29,077,500	
Less amount set aside for repayment of general obligation debt		
Total net debt applicable to limit	29,077,500	
Legal debt margin	$ 123,947,424	

Note: The City's Home Rule Charter (1987; 1995; 2014), does not limit bonded debt.

(1) According to the City Charter, the City has no legal debt limit

Table 15
City of Tomball
Pledged-Revenue Coverage
Last Ten Years
(unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Gross revenues	$ 7,014,177	$ 9,450,511	$ 9,987,545	$ 12,327,602	$ 11,493,769	$ 12,488,750	$ 11,012,281	$ 11,831,041	$ 12,060,478	$ 11,650,417
Operating expenses (1)	$ 5,603,456	$ 6,238,127	$ 7,039,498	$ 6,593,348	$ 6,338,235	$ 6,165,226	$ 5,968,026	$ 6,366,426	$ 6,766,405	$ 6,989,458
Net revenues available for Debt Service	$ 1,410,721	$ 3,212,384	$ 2,948,047	$ 5,734,254	$ 5,155,534	$ 6,323,524	$ 5,044,255	$ 5,464,615	$ 5,294,073	$ 4,660,959
DEBT SERVICE REQUIREMENTS (2)										
Principal & Interest	$ 540,674	$ 541,047	$ 541,575	$ 538,595	$ 542,505	$ 560,591	$ 563,815	$ 568,174	$ 573,536	$ -
Total	$ 540,674	$ 541,047	$ 541,575	$ 538,595	$ 542,505	$ 560,591	$ 563,815	$ 568,174	$ 573,536	$
Coverage	2.61	5.94	5.44	10.65	9.50	11.28	8.95	9.62	9.23	n/a

(1) Total operating expenses less depreciation
(2) Includes revenue bonds only

Table 16
City of Tomball
Demographic and Economic Statistics
Last Ten Years
(unaudited)

Fiscal Year Ended Sept 30	Population(1)	Personal Income	Per Capita Personal Income(5)	Median Age (2)	School Enrollment(3)	Unemployment Rate(4)
2006	10,625	$ 280,510,625	$ 26,401	34.1	9,075	4.70%
2007	11,500	282,486,000	24,564	35.6	9,358	4.30%
2008	11,531	276,767,062	24,002	36.8	9,311	5.10%
2009	11,600	285,081,600	24,576	36.8	9,691	8.40%
2010	11,670	290,186,220	24,866	36.8	10,229	8.70%
2011	10,753	273,663,850	24,866	36.0	10,633	8.50%
2012	10,979	315,207,090	25,450	36.9	11,132	7.50%
2013	10,979	315,207,090	28,710	39.8	12,362	6.20%
2014	11,124	463,247,856	41,644	35.6	12,461	4.90%
2015	11,299	475,348,930	42,070	37.2	13,270	4.40%

Data sources:
(1) Estimated (2000 census adjusted for growth for fiscal years 2005-2010). Actual 2011 census population for fiscal year 2011. Fiscal year 2014-2015 adjusted for growth based on 2010 census American FactFinder.
(2) Tomball Economic Development Corporation or American FactFinder
(3) Tomball Independent School District
(4) Texas Employment Commission, SMSA Houston-Sugar Land-Baytown Metropolitan Statistical Area
(5) Tomball Economic Development Corporation or American FactFinder

Table 17
City of Tomball
Principal Employers
Current Year and Nine Years Ago
(unaudited)

	2015			2006		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment (1)**	**Employees**	**Rank**	**Percentage of Total City Employment (2)**
Tomball ISD	1,737	1	20.17%	1,100	2	23.20%
Tomball Regional Medical Center	1,108	2	12.87%	1,500	1	31.63%
Lone Star College - Tomball	767	3	8.91%	650	3	13.71%
Baker Hughes (B J Services)	670	4	7.78%	400	4	8.44%
Wal-Mart	280	5	3.25%	n/a	n/a	n/a
HEB	267	6	3.10%	n/a	n/a	n/a
Triumph Hospital	252	7	2.93%	n/a	n/a	n/a
City of Tomball	175	8	2.03%	136	5	2.87%
Lowes	165	9	1.92%	n/a	n/a	n/a
Kroger	145	10	1.68%	n/a	n/a	n/a
Target	106	11	1.23%	n/a	n/a	n/a

Note: The residents of the City of Tomball are primarily employed outside of the City limits.

(1) Percentages are based on the labor force statistic from the 2010 census data (8,612).

(2) Percentages are based on the labor force statistic from the 2000 census data (4,742).

Sources:
Tomball Area Chamber of Commerce
Tomball Economic Development Corporation
Tomball Independent School District
Human Resource Department of Listed Companies

Table 18
City of Tomball
Full-time Equivalent City Government
Employees by Function/Program
Last Ten Years
(unaudited)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Administration	8.50	9.50	10.00	15.00	14.50	14.50	16.00	17.50	17.50	17.50
Permits & Inspection	5.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00
Police Department	50.50	52.50	55.00	55.00	55.00	57.00	59.00	58.00	58.50	59.50
Municipal Court	4.00	4.00	5.00	5.00	5.00	5.50	4.50	4.50	4.50	4.50
Community Center	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Fire Department	9.00	12.00	14.00	14.00	14.00	16.00	18.00	18.00	18.50	27.50
Public Works Admin.	5.50	6.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	10.00
Garage	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Parks	4.20	4.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20
Streets	9.20	7.20	7.20	8.20	8.20	8.20	8.20	7.20	7.20	7.20
General Fund Total	99.90	105.40	115.40	120.40	119.90	125.40	129.90	129.40	130.40	140.40
Enterprise Fund:										
Utility Administration	11.50	11.50	12.00	10.00	9.00	9.00	9.00	8.00	7.00	7.00
Water	8.20	7.20	8.20	6.20	7.20	7.20	7.20	7.20	8.20	8.20
Wastewater	10.20	10.20	10.20	10.20	10.20	10.20	10.20	10.20	10.20	10.20
Gas	6.20	7.20	7.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20
Enterprise Fund Total	36.10	36.10	37.60	32.60	32.60	32.60	32.60	31.60	31.60	31.60
Special Revenue Fund:	-	-	-	-	0.50	3.00	2.50	3.00	12.00	3.00
Special Revenue Fund Total	-	-	-	-	0.50	3.00	2.50	3.00	12.00	3.00
TOTAL CITY POSITIONS	136.00	141.50	153.00	153.00	153.00	161.00	165.00	164.00	174.00	175.00

NOTES:

Temporary and seasonal employees are hired during the summer months.
This count is not reflected above.
Police reserves are not included.
Fire Department volunteers are not included.

Table 19
City of Tomball
Operating Indicators by Function/Program
Last Ten Years
(unaudited)

	Fiscal Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Function/Program										
Police										
Arrests	1,611	1,812	1,840	1,625	2,049	2,012	1,475	2,394	1,650	1,252
Accident reports	523	609	499	440	330	334	392	378	453	514
Citations	12,473	7,602	12,445	10,820	14,694	12,798	13,329	11,330	10,181	7,251
Offense reports	2,321	2,174	2,398	2,050	1,705	1,915	2,153	2,008	2,224	1,462
Calls for service	8,861	8,558	8,299	7,688	7,348	6,774	7,399	7,069	7,524	7,938
Fire										
Emergency responses	860	1,028	1,241	1,056	1,341	1,364	1,523	1,768	2,749	2,002
Fire incidents	278	170	206	218	220	207	178	129	128	104
Average response time	6:07	5:40	5:34	4:38	5:15	5:54	6:40	4:50	5:13	5:18
Water										
New accounts	875	719	663	532	89	79	56	122	126	88
Source										
Water	875	719	663	532	89	79	56	122	126	88
Sewer	875	719	663	532	89	79	56	122	126	88
Average daily consumption (millions of gallons)	2,002	1,897	1,980	2,166	1,941	2.525	2.249	2,043	1,967	2,052
Number of million gallons of surface water pumped	-	-	-	-	-	-	-	-	-	-
Number of million gallons of well water pumped	730,198	692,163	722,788	790,409	708,565	923,261	822,215	759,817	718,069	750,434
Total consumption (millions of gallons)	730,198	692,363	722,788	790,409	708,565	923,261	822,215	759,817	718,069	750,434
Peak daily consumption (millions of gallons)	3,395	3,241	4,425	3,791	3,480	4,392	4,312	4,689	3,385	2,840
Sewer										
Average daily sewage treatment (millions of gallons)	1.500	1.636	1.422	1.428	1.362	1.174	1.555	1.347	1.478	1.576
Total consumption (millions of gallons)	547.500	597.140	519.030	520.176	497.166	429.608	567.754	491.660	539.470	575.240
Peak daily consumption (millions of gallons)	4.50	5.10	5.90	5.10	3.72	2.18	7.44	2.85	5.19	3.78

Source: Various City departments

Table 20
City of Tomball
Capital Assets Statistics by Function/Program
Last Ten Years
(unaudited)

	Fiscal Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Function/Program										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	31	32	26	28	30	32	33	33	33	35
Fire stations	2	2	2	2	2	2	2	2	2	2
Other public works										
Streets (miles - centerlines)	72.00	72.00	72.60	73.00	56.20	56.20	58.20	50.60	50.60	50.60
Streetlights	642	648	648	648	650	654	664	689	720	720
Parks and recreation										
Parks	4	4	4	4	4	4	4	6	6	7
Parks acreage	24 acres	24 acres	24 acres	24 acres	24 acres	24 acres	24 acres	39 acres	39 acres	52 acres
Swimming pools	1	1	1	1	1	1	1	1	1	1
Baseball / softball diamonds	8	8	8	8	8	8	8	8	8	8
Tennis courts	4	4	4	4	4	4	4	4	4	4
Basketball courts	1	1	1	1	1	1	1	2	2	2
Water										
Water mains (miles)	86.00	88.00	89.00	91.29	91.59	91.79	91.49	92.29	92.69	92.69
Fire hydrants	802	831	831	869	874	878	883	950	955	955
Storage capacity (millions of gallons)	N/A	1.85	1.85	1.85	1.85	2.35	2.35	2.85	2.85	2.85
Sewer										
Sanitary sewers (miles)	54.50	56.00	56.17	58.60	58.86	59.44	60.13	60.25	60.25	60.25
Storm sewers (miles)	16.90	16.90	16.90	17.20	17.40	17.40	17.40	22.90	22.90	22.90
Open ditch / creek / canal drainage (miles)	N/A	52.00	53.00	53.40	53.70	54.00	54.00	54.00	54.00	54.00
Treatment capacity (millions of gallons)	3	3	3	3	3	3	3	3	3	3

Source: Various City departments
Streets (miles - centerlines) for 2009 and previous years included County.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

Approve Request by Concordia Lutheran High School for City Support of the The Crusader Cook-Off, to be held on Saturday, April 23, 2016, through In-Kind Services, Including a Soft Road Closure of Timkin Road, Provided by the City of Tomball

Background:

On Saturday, April 23rd, Concordia Lutheran High School would like to host a community event to help fund the new education wing recently opened in February. The Crusader Cook Off will be on Concordia's South Campus (722 Timkin Rd) from 11 a.m. until 9 p.m. This event will feature live music, community vendors, children's activities, and amazing bbq!

The event will be modeled off of the Cook Off as part of the Houston Livestock Show and Rodeo. Teams will be able to enter into any of four categories (brisket, ribs (spare), chicken and open/chef's choice). Each team will be its own private party and not be selling food to the general public.

CLHS will charge a gate fee for all attendees and then provide them with a free meal voucher which includes chopped brisket sandwiches donated from Rudy's in Tomball. Community vendors will be present in booth spaces to create a farmer's market atmosphere. Live music will be playing throughout the day as well. Shay Domann will be the headline entertainer to close out the night as he is a parent of a freshman at CLHS.

Several people in Tomball are not familiar with the ministry of Concordia Lutheran High School and many of them have never been on our campus before. This event will help showcase Concordia to the community but also provide an opportunity for community members to come together for a city wide gathering.

A few weeks ago, CLHS representatives met with several leaders of the community (Chief Tidwell, Chief Parr, Mike Baxter, David Esquivel, Rob Hauck, etc.) to discuss what they were thinking with this event. After that helpful and great conversation, there were a few items that they shared that CLHS needed to do with the City.

Concordia Lutheran High School is requesting that the City of Tomball provide in-kind support of this event. CLHS would like to have a soft road closure of Timkin that day by only having one lane open. Also, CLHS would like to close off the road for the day from 9 a.m. to 10 p.m. on the section of Timkin that passes through CLHS' property. CLHS will work with Steve Purvis and Tomball PD on this potential road closure. CLHS also knows that they will need to work with their neighbors to make sure they are aware of the event and will be offering them free admission for the inconvenience.

Also, CLHS plans to hire some off-duty officers from Tomball PD at the normal hourly rate that CLHS is charged for other events. CLHS is expecting anywhere from 500-1,000 people attending along with roughly 20-30 amount of teams. CLHS will be working with NW EMS separately on making sure they have their personnel and a bus available.

Origination:

Mike Baxter

Recommendation:

Approve

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

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Concordia Approval Letter

On Saturday, April 23rd, Concordia Lutheran High School would like to host a community event to help fund the new education wing recently opened in February. The Crusader Cook Off will be on Concordia's South Campus (722 Timkin Rd) from 11 a.m. until 9 p.m. This event will feature live music, community vendors, children's activities, and amazing bbq!

The event will be modeled off of the Cook Off as part of the Houston Livestock Show and Rodeo. Teams will be able to enter into any of four categories (brisket, ribs (spare), chicken and open/chef's choice). Each team will be its own private party and not be selling food to the general public.

We will charge a gate fee for all attendees and then provide them with a free meal voucher which includes chopped brisket sandwiches donated from Rudy's in Tomball.

Community vendors will be present in booth spaces to create a farmer's market atmosphere. Live music will be playing throughout the day as well. Shay Domann will be the headline entertainer to close out the night as he is a parent of a freshman at CLHS.

Several people in Tomball are not familiar with the ministry of Concordia Lutheran High School and many of them have never been on our campus before. This event will help showcase Concordia to the community but also provide an opportunity for community members to come together for a city wide gathering.

A few weeks ago, we met with several leaders of the community (Chief Tidwell, Chief Parr, Mike Baxter, David Esquivel, Rob Hauck, etc.) to discuss what we were thinking with this event. After that helpful and great conversation, there were a few items that they shared we needed to do with the City.

Concordia Lutheran High School is requesting that the City of Tomball provide in-kind support of this event. We would like to have a soft road closure of Timkin that day by only having one lane open. Also, we would like to close off the road for the day from 9 a.m. to 10 p.m. on the section of Timkin that passes through CLHS' property. We will work with Steve Purvis and Tomball PD on this potential road closure. We also know that we will need to work with our neighbors to make sure they are aware of the event and will be offering them free admission for the inconvenience.

Also, we plan to hire some off-duty officers from Tomball PD at the normal hourly rate that CLHS is charged for other events. We are expecting anywhere from 500-1000 people attending along with roughly 20-30 amount of teams. We will be working with NW EMS separately on making sure we have their personnel and a bus available.

The main contacts for this event are myself and Jonathan Schleicher. Finally, we would like to attend the next City Council meeting and get on the agenda for approval of what we are asking for this event as well as to field any questions regarding the event.

Please let me know if you have any questions or need any additional information.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:

Consideration and Possible Approval to Change the Speed Limit on Brown Road from 30 mph to 35 mph from State Hwy 249 Business to Baker Drive

Background:

Staff has reviewed the speed limits of the surrounding area of Brown Road. The current speed limit of Brown Road is 30 mph. The request is to increase the speed limits of the section of Brown extending from State Hwy 249 Business to Baker Road to 35 mph. The increase of 5 mph is justified in that there are other thoroughfares of similar width as Brown Road that are currently 35 mph.

Origination:

Public Works

Recommendation:

Approve

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

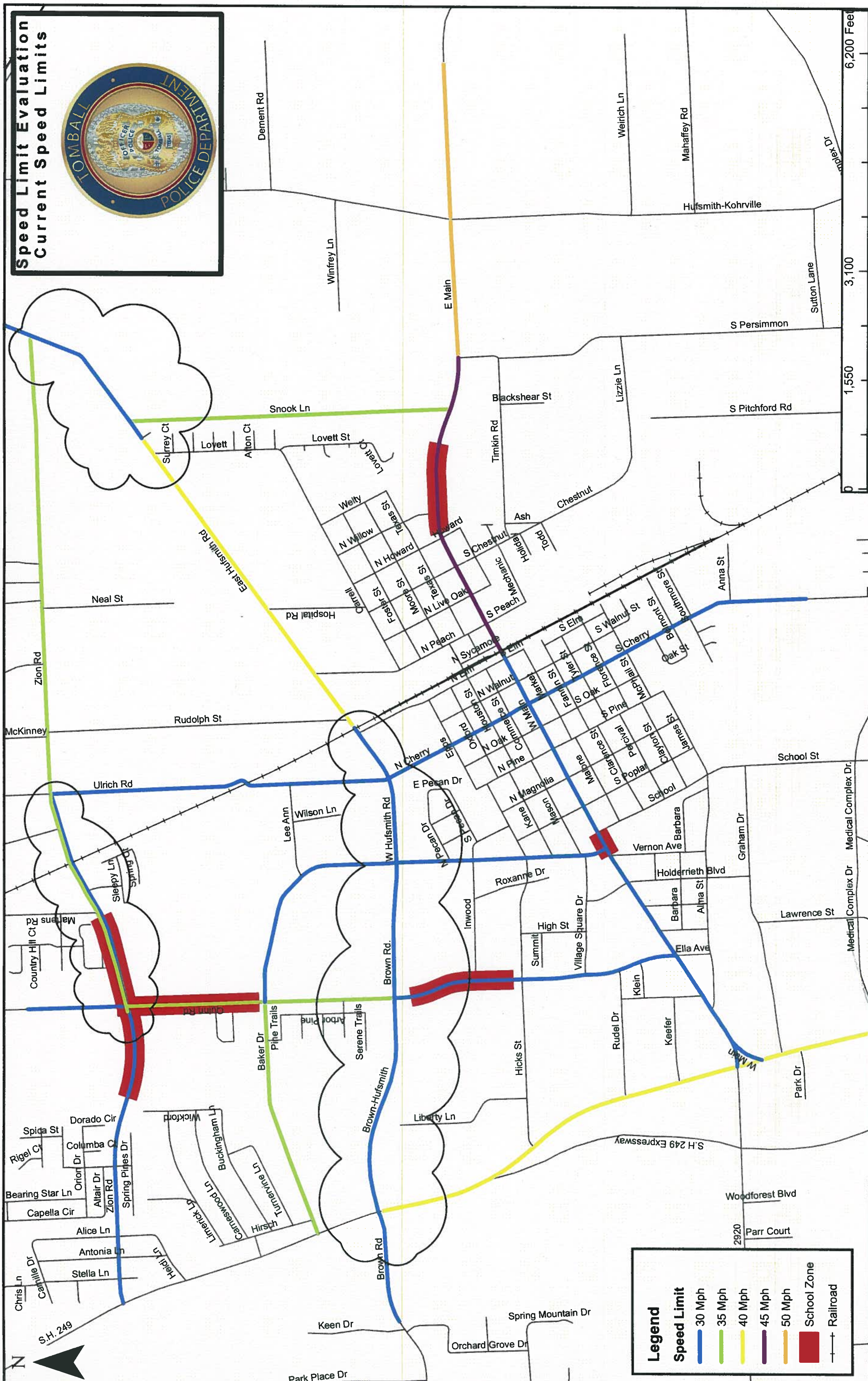
David Esquivel

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

current city limits


Speed Limit Evaluation
Current Speed Limits
TOMBALL POLICE DEPARTMENT
Legend
Speed Limit
30 Mph
35 Mph
40 Mph
45 Mph
50 Mph
School Zone
Railroad
0
1,550
3,100
6,200 Feet
N
E Main
Hufsmith-Kohrville
S Persimmon
S Pitchford Rd
Snook Ln
Lovett St
East Hufsmith Rd
Hospital Rd
Neal St
Rudolph St
McKinney
Zion Rd
Ulrich Rd
W Hufsmith Rd
Brown Rd.
Brown-Hufsmith
Quinn Rd
Vernon Ave
Holderrieth Blvd
Ella Ave
School St
Lawrence St
Medical Complex Dr
S.H 249 Expressway
S.H. 249
Woodforest Blvd
2920
Parr Court
Spring Mountain Dr
Keen Dr
Orchard Grove Dr
Park Place Dr
Liberty Ln
W Main
Prepared By: blato

Regular City Council Agenda Item Data Sheet

Meeting Date: April 4, 2016

Topic:

Approve Lease of City Property located at 107 N. Cherry to Dennis Henderson for Use as Office Space and Additional Restaurant Seating and Authorize City Attorney to Draw Up Agreement and City Manager to Execute on Behalf of the City of Tomball

Background:

Staff received a request from Mr. Dennis Henderson, owner of Cisco's Salsa requesting to lease the city owned property located at 107 N. Cherry (former City Hall building).

He would like utilize the building as an office and the adjacent land for additional restaurant seating.

If the Council is agreeable to lease the property, city attorney will draw up a lease agreement for both parties and the city manager will execute the agreement.

Origination:

Dennis Henderson, owner, Cisco's Salsa

Recommendation:

N/A

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

City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 4, 2016

Topic:
Presentation of Strategic Plan Update – City Council Report

Background:

Origination:
Ron Cox, Ron Cox Consulting, and George Shackelford, City Manager

Recommendation:
N/A

Party(ies) responsible for placing this item on agenda:
Doris Speer, City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Strategic Plan Update - City Council Report

City of Tomball, Texas

City Council Report

April 4, 2016

Ron Cox Consulting
Helping Cities Manage Better

Ron Cox Consulting rcox@roncoxconsulting.com
281.543.0042

Mayor and City Council

- Gretchen Fagan, Mayor
- Field Hudgens, Position 1
- Mark Stoll, Position 2
- Chad Degges, Position 3
- Derek Townsend Sr., Position 4,
- Lori Klein Quinn, Position 5, Mayor Pro Tem

City Staff

- George Shackelford, CM
- Rob Hauck, ACM
- Doris Speer, CS
- Glenn Windsor, Finance
- Billy Tidwell, P. Chief
- Randy Parr, F. Chief
- Jon Fontenot, Asst. FC
- Lisa Coe, HR
- Craig Meyers, Com. Dev.
- David Esquivel, PW
- Lance Wilson, FM
- Doug Tippey, IT
- Mike Baxter, Mktg/Tour
- Kelly Violette, TEDC

Retreat Agenda
March 3, 2016

- Governance
- Planning Session
  - Review of 2011-16 Strategic Plan
  - Issues and Challenges
  - Strategies for the Future

Report Agenda
April 4, 2016

- Governance
- Planning Session
  - Strategies for the Future
- Adopt Strategic Plan

Ron Cox Consulting rcox@roncoxconsulting.com
281.543.0042

Governance

Governance

- Why did you run?
- What attributes do you bring?
- How will you lead?
- How will you communicate?
- What are your expectations…
  - Of each other?
  - Of the staff?
  - The staff of you (as defined by you)?

Ron Cox Consulting rcox@roncoxconsulting.com
281.543.0042

Why did you run?

- To ask questions.
- For service to the community.
- It is a duty and privilege to serve.
- It is an honor to serve.
- Look at the business of the city from a business owner's perspective.
- Be a voice for the community – everyone has a voice.
- To provide different perspectives.
- Provide balance – all council members bring that different perspective.
- Represent families in the community.
- For transparency.
- To overcome the discord of the past.
- To work as a team.

What attributes do you bring?

- Each member brings different perspectives, focuses and life cycles.
- There are business owners, volunteers and entrepreneurs that all bring different perspective and influence.
- Historical perspective.
- Bringing a new perspective to the group.
- Ability to ask questions.
- Willingness to listen to the citizens.
- Willingness to serve.
- Must have a thick skin to receive and accept criticism.
- Love of community.
- As a representative of the community – it is not about us, it is about what is best.
- Willing to work together and compromise for the sake of the overall good.
- Good stewards of their own money – good stewards of the taxpayers' money.

Ron Cox Consulting rcox@roncoxconsulting.com
281.543.0042

How will you lead?

- By having a shared vision.
- By creating and following a strategic plan.
- By being predictable.
- By being clear in conveying positions.
- By setting the path so that everything fits together.
- Keeping staff involved – let them make decisions and support the staff.
- Listen, understand and apply.
- Trust – the staff and each other as a council.
- Ask of others – including staff and council.
- Establish policy and direct staff.
- Be professional.

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How will you communicate?

- Listen first.
- Have an open mind – be willing to adjust.
- Honestly.
- Be respectful (even in disagreement).
- Be free to bring up varied topics for discussion.
- Frequently.
- Fearlessly – not in fear of open discussion.

What are your expectations..

Of each other?

- Being "upfront" with everyone – not working behind others backs.
- Based on their individual experiences to be provided the information they need to make good decisions.
- Ask each other "why"?
- Listen to each other.
- Be prepared.
- Do not "rubber stamp" decisions.
- Be aware of the original intent of an original policy. Don't lose substance of the decisions made in the past.
- Use common sense.

What are your expectations..

Of staff?

- Tell us what we do not know.
- Not put Council "on the spot"
- Get packets to them sooner, if possible.
- To be rewarded for doing a wonderful job
- Do not be afraid to provide information.
- Bring full disclosure to their attention.
- Make recommendations for improvements (even if a change is required).
- Be inclusive throughout the ranks.
- Use common sense. (And Council realize that staff using common sense also brings risk to staff if the risk.)
- Treat everyone equally.

What are your expectations..

Staff of Council (as defined by Council)?

- For Council to have trust in their common sense decisions.
- Council apply common sense to their own responses.
- Predictability and stability.
- Support of the staff.
- Consistency.
- Trust in their workmanship.
- Trust Council.
- Follow the chain of command.

Strategic Plan-Focus Areas

- **Community Life (renamed)**
  - **Guiding Principle**: Expand and improve the City's quality infrastructure, facilities and public services to meet current and future needs.
- **Connecting Tomball**
  - **Guiding Principle**: Improvement of multimodal accessibility to the City and within Tomball.
- **Organizational Effectiveness**
  - **Guiding Principle:** Create a highly efficient, service-oriented culture within the City of Tomball

Strategic Plan-Focus Areas

- **Financial Sustainability**
  - **Guiding Principle**: Ensure the City's revenue stream is sufficient to sustain the operation and future needs.
- **Building Our Economy**
  - **Guiding Principle**: Implement economic development strategies to increase revenues to the City, diversify the tax base, create quality employment and housing opportunities, grow local businesses, and maximize the community's economic assets.

Community Life

- Way finding – Continue discussions on use of TxDOT ROW for directional way finding signage.
- Continue beautification improvements in targeted areas including
  - Four corners
  - Traffic Signal improvements throughout the city
- Develop a long term plan for the development of the park and recreation programs.
  - Stovall Ball Park
  - Expansion of Community Center facilities
  - TISD programming partnerships for youth
  - Study, make recommendations on the creation of a Parks and Recreation Department.
  - Continue to explore grant opportunities for parks

Community Life

- Review and implement policy for code compliance for sidewalk improvements and repairs.
- Meet with all Boards and Commissions annually to convey the Strategic Plan and their role in its implementation.
- Update the Comprehensive Plan
- Review, revise as necessary and continue to implement the Livable Centers Plan.
- Development of utilities (west FM 2978 from FM 2920)—retained from current report

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Community Life

- Continue to enhance public safety as the community grows (retained from current report)
- Study short/long term initiatives
  - Review and prepare for surface water conversion requirements.
  - Improve the City's drainage ways including the prevention of storm water flow from the City's drainage system into private detention facilities.
  - Study need for an expanded Visitors' Center.

Connecting Tomball

- Focus on improving the standards and connectedness of "Uptown" corridors including FM 2920 (outside the downtown corridor), Highway 249, and Business Highway 249.
- Prepare a Downtown Parking Plan that accommodates the increasing traffic in downtown and accommodates the loss of on-street parking on Main Street (FM 2920).
- Continue the development of East/West Corridors including sidewalks and trails.
- Continue to pursue H-GAC grant award for road improvements on 2920.
- Continue development of sidewalk networks (retained from current plan)

Connecting Tomball

- Implement drainage infrastructure improvement (retained from current plan)
- Update the Major Thoroughfare Plan.
- Continue to work with outside agencies regarding roadway improvements in/around Tomball
- Study short/long term initiatives
  - Develop priorities from City perspective for County roads including potential city costs for any associated work on those roads.
  - Meet with Harris County on conditions of County maintained roads in the immediate area.

Organizational Effectiveness

- Establish Tomball Citizens Academy to provide an understanding of the city's operations
  - To encourage volunteer participation
  - To establish a venue for learning more about Tomball City government.
- Establish a "All Hands on Deck" night for Police Department and other departments to visit and connect with Tomball neighborhoods on selected evenings.
- Continue improvements on customer service issues and continuous process improvements (retained from current plan)

Financial Sustainability

- Prepare a Five-Year Financial Management Plan to include
  - Projections on growth of revenues.
  - Projections on growth of services.
  - Include development of an annexation plan
    - Identify potential areas for annexation.
    - Projections on costs-benefit of annexation
- Prepare a comprehensive Utility Rate Study that takes into account needed capital improvements and any adjustments to rates to finance operations, projects and improvements.
- Develop an education program on the successes and stability of the financial management system of the City.

Financial Sustainability

- Focus on technology and other improvements that will stabilize and/or reduce overall costs of operations.
- Review and make recommendation on acquiring a professional grant writer.
- Continue to enhance financial transparency (retained from current plan)
- Continue to update administrative and financial policies (retained from current plan)
- Provide educational information and training to Council on TIRZ and Municipal Management Districts options for downtown development and improvements.

Building Our Economy

- Prepare an Annexation Plan. Continue to invest in infrastructure improvements to   underserved areas of the City.
- Continue to invest in infrastructure improvements for the Business Park.
- Continue to partnership with hotel and tourism industry on joint marketing to promote growth (retained from current plan)
- Study short/long term initiatives
  - Review and determine remedies for removing or adjusting to oil & gas surface control rights.
  - Bring the Downtown Specific Plan to the Council for review and determination of whether to implement.

Report Agenda
April 4, 2016

- ✓ Governance
- ✓ Planning Session
  - ✓ Strategies for the Future
- ■ Adopt Strategic Plan

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Thank you for your participation

Ron Cox Consulting
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