NOTICE OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

MONDAY, APRIL 7, 2014

6:00 P.M.

Notice is hereby given of a meeting of the Tomball City Council, to be held on Monday, April 7, 2014 at 6:00 P.M., City Hall, 401 Market Street, Tomball, TX 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 Rev. Stan Warfield, Interim Senior Pastor, Tomball 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 Reports and Announcements

- April 12, 2014 – ***6th Annual 5K Bunny Run and 1 Mile Kids Walk***
- April 21-25, 2014 – **Annual Spring Clean-Up and Chipping Week**
- April 26, 2014 – **Tomball Consolidated Recycling Day** at **LoneStar College-Tomball -** 10:00 a.m.-2:00 p.m.
- April 28-May 6, 2014 – Early Voting for the **May 10, 2014 Charter Amendment Election**
- May 3-4, 2014 – **3rd Annual *Rails & Tails Mudbug Festival***
- May 10, 2014 – **Charter Amendment Election –** City Hall, 7:00 a.m.-7:00 p.m.
- May 24, 2014 – **3rd Annual Memorial Day Weekend Chili Challenge**
- ***Walk Tomball!*** – Every Saturday at 9:00 a.m. at the Depot
- Reports by City staff and members of council about items of community interest on which no action will be taken:
  - Randy Parr – Report on **"Shattered Lives"** events

6.0 Approve the Minutes of the March 17, 2014 Regular City Council Meeting and the March 25, 2014 Special Council Meeting.

7.0 Old Business:

7.1 Adopt, on Second Reading, Ordinance No. 2014-06, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section One Properties within the City of Tomball Public Improvement District Number Two (Raleigh Creek Subdivision); and Making Certain Findings Related Thereto

8.0 New Business:

8.1 Approve Appointment of Current Police Chief Rob Hauck as Assistant City Manager

8.2 Presentation of Comprehensive Annual Financial Report (CAFR Audit) and the Single Audit Report for the Fiscal Year Ended September 30, 2013 to City Council

8.3 Adopt Resolution No. 2014-07, a Resolution of the City Council of the City of Tomball, Texas, Supporting the Sixth Annual Homecoming Parade and Pep Rally, to be held at the Tomball Depot, Sponsored by the Tomball Independent School District and the Tomball High School Student Council, on Wednesday, September 10, 2014

8.4 Discussion and Possible Action to Approve Bidding Process for the Sale of Selected Surplus City-Owned Properties/Lots

8.5 Discussion regarding City of Tomball Obtaining Surplus MRAP Vehicle through the Defense Department's National Military Surplus Program for Use by Tomball Public Safety Departments

8.6 Approve the following plats as recommended by the Planning and Zoning Commission:

- **RALEIGH CREEK SECTION TWO**; Being a Replat of Reserve "J" and Reserve "I" of Raleigh Creek Section One, as recorded in Film Code No. 656125 H.C.M.R., and situated in the Joseph Miller Survey, Abstract Number 50, Harris County, Texas.

- **REPLAT OF THE POINT**; Being a Subdivision of 6.3636 Acres and being a Replat of the Point F.C. No. 644081 out of the Claude M. Pillot Survey, Abstract No. 632, City of Tomball, Harris County, Texas.

8.7 Approve Resolution No. 2014-08, a Resolution of the City Council of the City of Tomball, Texas, Setting a Public Hearing on May 19, 2014 at 6:00 P.M., to Discuss and Review Land Use Assumptions and Capital Improvements Plan Relating to Possible Adoption of Impact Fees.

8.8 Award Contract for Purchase of New Avaya Telephone System to DataVox, in the Amount of $88,891.92

8.9 Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose:

•Sec. 551.072 – Deliberations Regarding Real Property

9.0 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 3rd day of April 2014 by 6:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Doris Speer ____________________

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 7, 2014

Topic:

- Led by Rev. Stan Warfield, Interim Senior Pastor, Tomball United Methodist Church

Background:

Origination:

Recommendation:

Funding:

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 7, 2014

Topic:

- Led by Members of the Tomball High School Student Council

Background:

Origination:

Recommendation:

Funding:

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 7, 2014

Topic:

- April 12, 2014 – ***6th Annual 5K Bunny Run and 1 Mile Kids Walk***
- April 21-25, 2014 – **Annual Spring Clean-Up and Chipping Week**
- April 26, 2014 – **Tomball Consolidated Recycling Day** at **LoneStar College-Tomball -** 10:00 a.m.-2:00 p.m.
- April 28-May 6, 2014 – Early Voting for the **May 10, 2014 Charter Amendment Election**
- May 3-4, 2014 – **3rd Annual *Rails & Tails Mudbug Festival***
- May 10, 2014 – **Charter Amendment Election –** City Hall, 7:00 a.m.-7:00 p.m.
- May 24, 2014 – **3rd Annual Memorial Day Weekend Chili Challenge**
- ***Walk Tomball!*** – Every Saturday at 9:00 a.m. at the Depot
- Reports by City staff and members of council about items of community interest on which no action will be taken:
  - Randy Parr – Report on **"Shattered Lives"** events

Background:

Origination:
Various

Recommendation:
N/A

Funding:

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

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	

ATTACHMENTS:

6th Annual 5K Bunny Run and 1 Mile Kids Walk
Annual Spring Clean-Up and Chipping Week
Tomball Consolidated Recycling Day at LoneStar College-Tomball
Tomball Consolidated Recycling Day at LoneStar College-Tomball
May 10, 2014 Charter Amendment Election


6TH ANNUAL
BUNNY RUN 2014
APRIL 12TH
25 YEARS
WWW.TOMBALLTX.GOV
TOMBALL
TEXAN FOR FUN
Register online now at Racesonline.com

City of Tomball

Spring Clean up

Week of April 21-26, 2014

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

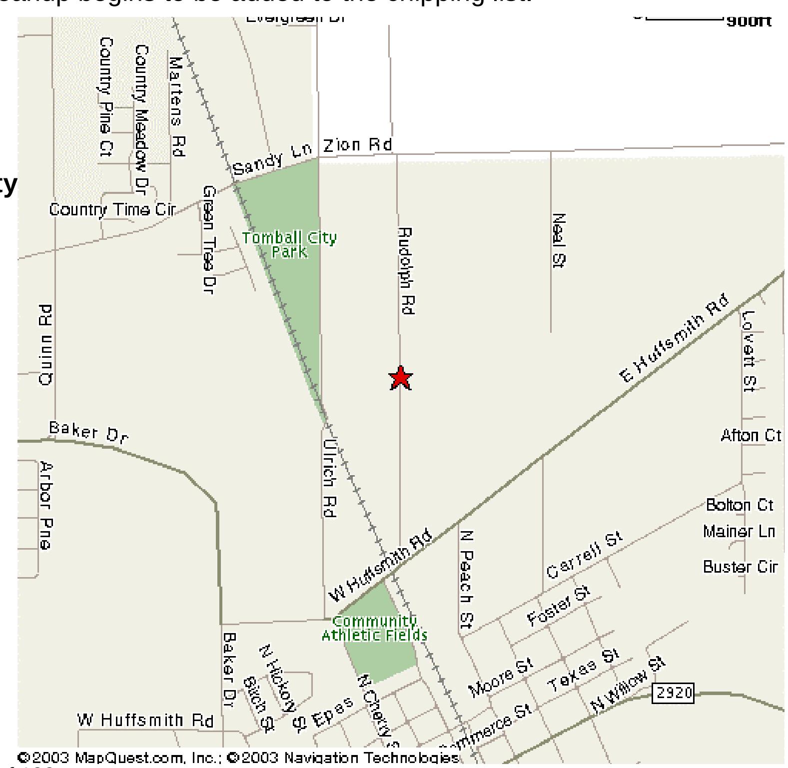
All appliances must be drained and tagged by a licensed technician.
Acceptable items are anything that is inert and would not harm the environment before or after disposal into a landfill.

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 ⟶



PRESS RELEASE

TOMBALL PUBLIC WORKS DEPARTMENT

501 James St., Tomball, Texas 77375
(281) 290-1400 Fax: (281) 351-4735

For Immediate Release

Date:	**March 7, 2014**
Contact:	**David Kauffman, Director of Public Works**
Phone:	**(281) 290-1425**

Tomball Annual Spring Cleanup Week and Consolidated Recycling Day

Bulk Waste Drop Off
Time to clean out the garage and the old shed, and clean up the yard! The City of Tomball Public Works Department will conduct its Annual Spring Cleanup Week beginning April 21 and ending April 26, 2014. The drop off site for bulk waste only is located at the City's closed landfill site on Rudolph Rd., 0.4 miles north of E. Hufsmith. A city utility bill is required as proof of residency, and no commercial operators are accepted. The drop off site is open for bulk waste items such as; old furniture, mattresses, appliances (properly drained and tagged), carpeting, and small amounts of lumber and building materials. Items not accepted at the drop off site include; brush and yard waste, batteries, unmarked containers, hazardous chemicals, household trash (food) televisions, and paint.

Curbside Brush and Limb Chipping Service
In addition to the bulk waste drop off, the public works department will also be providing curbside brush and limb chipping services. Please place all limbs (less that 6" in diameter) parallel with the street and place all stumps and logs separately. Leaves and small clippings should be bundled or bagged and placed with your normal weekly trash pickup. Please call 281-290-1400 the week before the cleanup begins to be added to the chipping list. No brush, limbs, or trees placed by contractors.

Consolidated Recycling Day
Join your community for a great day of recycling! Tomball Consolidated Recycling Day will be held April 26, 2014 from 10am – 2pm, and will be located at 30555 Tomball Parkway, at the Lone Star College – Tomball Campus. Drive thru and drop off your e-waste (electronics), old prescription drugs, car tires, car batteries, used motor oil and antifreeze, paper shredding, and recyclable paper/cardboard, plastics, and glass. Items not accepted include paint and hazardous chemicals and televisions over 27". This event is sponsored by; The City of Tomball, Tomball Police Department, Tomball Public Works, CompuCycle, Lone Star College Tomball, Southern Shred, Interstate Batteries, WCA of America, DEA National Take-Back Initiative, Phoenix Oil, Mann's Tire, Locatelli's Pizza, Buffalo Wild Wings, and Walgreens.

For more information go to www.ci.tomball.tx.us or contact the Public Works Department at 281-290-1425.

Tomball Consolidated Recycling Day

Lone Star College –Tomball Campus
30555 Tomball Parkway
South entrance

April 26th from 10am-2pm

Drive Thru and Drop Off the following APPROVED items:
E-Waste (computers and all accessories, Fax machines, laptop batteries, UPS/Lithium/Ni-Cad Batteries, Small kitchen applianc-es), Prescription Drugs (pill & liquid), Tires (car/truck/atv), Car Battery (Non-Leaking), Used Motor Oil, Household paper/plastics/glass, Paper Shredding

Plastic Bags, Paint, Styrofoam

Thanks to our Community Partners and Sponsors!!!

The City of Tomball, Texas — Founded 1907

Officer Police Tomball Texas

Tomball Fire Department

Northwest Rural EMS — Harris County ESD 8 — Tomball

Lone Star College Tomball

Southern Shred

Locatelli's Pizza

CompuCycle — Responsible E-cycling Solutions.

Interstate Batteries

Tire and Wheel Connection

Gulf Coast Recycling Council — S.T.A.R.

Phoenix Oil — www.phoenixoil-tx.com

Buffalo Wild Wings Grill & Bar

Walgreens — At the corner of Happy & Healthy™

Got Drugs? dispose unused Rx — DEA

WCA

NOTICE OF SPECIAL ELECTION – CHARTER AMENDMENTS
(AVISO DE ELECCIÓN ESPECIAL -- LAS ENMIENDAS A LA CARTA)

To the Registered Voters of the City of Tomball, Texas: *(A los votantes registrados de la Ciudad de Tomball, Texas:)*

Notice is hereby given that the polling places listed below will be open from 7:00 a.m. to 7:00 p.m. on May 10, 2014, for voting in a special election to select Proposed Charter Amendments to the City of Tomball Home Rule Charter. *Se que los centros de votación a continuación estará abierto desde las 7:00 a.m. a 7:00 p.m. del día 10 de mayo, 2014, para votar en una elección especial para seleccionar Enmiendas propuestas a la carta a la ciudad de Tomball Carta autonómica.*

The proposed amendments are as follows (a copy of the proposed amendments in Vietnamese or Mandarin is available by contacting the City Secretary at 281-290-1002 or at City Hall, 401 Market Street, Tomball, Texas) *(Las enmiendas propuestas son como seguir) (una copia de las enmiendas propuestas en vietnamita o Mandarín está disponible por ponerse en contacto con el Secretario de Ciudad en 281-290-1002 o en el Ayuntamiento, 401 Calle de Market, Tomball, Texas):*

AMENDMENT NO. 1

A CHARTER AMENDMENT ELIMINATING AN OBSOLETE REQUIREMENT (Explanatory Note: Provision is transitional in nature and no longer germane to the Charter.):

DELETE ENTIRE "SECTION 1.05 - CONTINUATION OF BUDGET

The budget adopted for the City for fiscal year October 1, 1986, to September 30, 1987 shall be and become the budget for the current year."

ENMIENDA NRO. 1

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR UN REQUISITO OBSOLETO:

BORRAR TODA LA "SECCIÓN 1.05 - CONTINUACIÓN DEL PRESUPUESTO

El presupuesto adoptado por la Ciudad para el año fiscal del 1 de octubre de 1986 al 30 de septiembre de 1987 será el presupuesto para el año en curso".

AMENDMENT NO. 2

A CHARTER AMENDMENT ELIMINATING AN OBSOLETE REQUIREMENT (Explanatory Note: Provision is transitional in nature and no longer germane to the Charter):

DELETE ENTIRE "SECTION 1.06 - INTERIM MUNICIPAL GOVERNMENT

Upon adoption of this Charter, the persons then filling elective offices will continue to fill these offices to which they were elected. Thereafter, the City Council and Mayor shall be elected as provided in Article VI, Section 6.02. Persons, who on the date this Charter is adopted, who are filling appointive positions with the City which are retained under this Charter, may continue to fill these positions for the term for which they were appointed, unless removed by the Council or by other means provided for in this Charter. Persons who, on the effective date of this Charter, are filling elective offices, that by this Charter are made appointive offices, shall continue to serve in those offices for the terms to which they were elected."

ENMIENDA NRO. 2

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR UN REQUISITO OBSOLETO:

BORRAR TODA LA "SECCIÓN 1.06 - GOBIERNO MUNICIPAL PROVISORIO

Tras la adopción de esta Carta Orgánica, las personas que en ese momento ocupan cargos electivos seguirán ocupando estos cargos para los que fueron electos. A partir de entonces, el Consejo Municipal y el Alcalde serán electos según lo dispuesto en el Artículo VI, Sección 6.02. Las personas, que en la fecha de adopción de esta Carta Orgánica, que ocupan las posiciones por designación en la Ciudad que se retienen según esta Carta Orgánica, pueden seguir ocupando dichas posiciones por el mandato por el cual fueron designados, a menos que el Consejo Municipal u otros medios dispuestos en esta Carta Orgánica los destituyan. Las personas que, en la fecha de entrada en vigencia de esta Carta Orgánica, ocupan cargos electivos, que se convierten por esta Carta Orgánica en cargos por designación, seguirán ocupando dichos cargos por los periodos para los cuales fueron electas".

AMENDMENT NO. 3

A CHARTER AMENDMENT ELIMINATING AN OBSOLETE REQUIREMENT (Explanatory Note: Provision is transitional in nature and no longer germane to the Charter)**:**

DELETE ENTIRE "**SECTION 1.07 - INTERIM ELECTION PROCEDURE**

For an orderly transition to three-year (3-year) terms from two-year (2-year) terms, the following schedule will be implemented:

Persons presently in an elective term will continue in office. Immediately following the Charter Election, at the next regularly scheduled Council Meeting, the three (3) City Councilmen whose terms are expiring April 1987 will draw for Positions 1 and 5 for three-year (3-year) terms and Position 3 for a two-year (2-year) term, in a manner not inconsistent with State law. A separate drawing will be held the same date for Positions 2 and 4 by the incumbents with one (1) year remaining on their existing term. These positions will be for three-year (3-year) terms starting May 1988. If the Councilman chooses to run for re-election, he must run for the Position number that he drew.

In the first (1st) election, on the first (1st) Saturday of April 1987, after the adoption of this Charter, Councilmen shall be elected for Positions 1, 3 and 5 as outlined above.

In the second (2nd) election year, on the third (3rd) Saturday of May 1988, after adoption of this Charter, Councilmen shall be elected for Positions 2 and 4 for three-year (3-year) terms. The Mayor will be elected for a two-year (2-year) term.

In the third (3rd) election year, on the third (3rd) Saturday of May 1989, after adoption of this Charter, Position 3 will be elected for a three-year (3-year) term.

In the fourth (4th) election year, on the third (3rd) Saturday of May 1990, after adoption of this Charter, the Mayor will be elected for a two-year (2-year) term. Positions 1 and 5 will be elected for three-year (3-year) terms.

In the fifth (5th) election year, on the third (3rd) Saturday of May 1991, after adoption of this Charter, the Positions 2 and 4 will be elected for three-year (3-year) terms.

In the sixth (6th) election year, on the third (3rd) Saturday of May 1992, after adoption of this Charter, Position 3 and the Mayor will be elected for three-year (3-year) terms.

This will complete the schedule whereby two (2) of the six (6) members comprising the Office of Mayor and City Council will be up for election each year."

ENMIENDA NRO.3

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR UN REQUISITO OBSOLETO:

BORRAR TODA LA "SECCIÓN 1.07 - PROCEDIMIENTO DE ELECCIÓN PROVISORIA

Para lograr una transición ordenada a los mandatos de tres años (3 años) de los mandatos de dos años (2 años), se implementará el siguiente cronograma:

Las personas actualmente en un mandato electivo seguirán en sus cargos. Inmediatamente después de la Elección de la Carta Orgánica, en la siguiente Asamblea del Consejo programada regularmente, los tres (3) Concejales de la Ciudad cuyos mandatos terminan en abril de 1987 serán sorteados para las Posiciones 1 y 5 para mandatos de tres años (3 años) y la Posición 3 para un mandato de dos años (2 años), de una manera que no sea incompatible con las leyes del Estado. Se realizará un sorteo aparte en la misma fecha para las Posiciones 2 y 4 para los titulares de los cargos con un (1) año restante en su mandato existente. Estas posiciones serán mandatos de tres (3) años a partir de mayo de 1988. Si el Concejal opta por postularse para reelección, debe ser candidato para el número de Posición que le fue sorteado.

En la primera (1.ra) elección, el primer (1.er) sábado de abril de 1987, después de la adopción de esta Carta Orgánica, se elegirán Concejales para las Posiciones 1, 3 y 5 según lo descrito arriba.

En el segundo (2.do) año electoral, el tercer (3.er) sábado de mayo de 1988, después de la adopción de esta Carta Orgánica, se elegirán Concejales para las Posiciones 2 y 4 para los mandatos de tres años (3 años). El Alcalde será electo para un mandato de dos años (2 años).

En el tercer (3.er) año electoral, el tercer (3.er) sábado de mayo de 1989, después de la adopción de esta Carta Orgánica, se elegirá la Posición 3 para un mandato de tres años (3 años).

En el cuarto (4.to) año electoral, el tercer (3.er) sábado de mayo de 1990, después de la adopción de esta Carta Orgánica, se elegirá al Alcalde para un mandato de dos años (2 años). Las Posiciones 1 y 5 serán electas para mandatos de tres años (3 años).

En el quinto (5.to) año electoral, el tercer (3.er) sábado de mayo de 1991, después de la adopción de esta Carta Orgánica, se elegirán las Posiciones 2 y 4 para mandatos de tres años (3 años).

En el sexto (6.to) año electoral, el tercer (3.er) sábado de mayo de 1992, después de la adopción de esta Carta Orgánica, se elegirán la Posición 3 y el Alcalde para mandatos de tres años (3 años).

Esto completará el cronograma mediante el cual dos (2) de los seis (6) miembros que conforman la Oficina del Alcalde y Consejo Municipal se someterán a elección cada año".

AMENDMENT NO. 4

A CHARTER AMENDMENT ELIMINATING AN OBSOLETE REQUIREMENT (Explanatory Note: Provision is transitional in nature and no longer germane to the Charter):

DELETE ENTIRE "SECTION 1.09 - SUBMISSION OF THE CHARTER TO THE VOTERS

The Charter Commission in preparing this Charter concludes it is impracticable to segregate each subject so as to permit a vote of "yes" or "no" on the same, for the reason that the Charter is so constructed that in order to enable it to work and function it is necessary that it should be adopted in its entirety. For these reasons, the Charter Commission directs that the Charter be voted upon as a whole and that it shall be submitted to the qualified voters of the City at an election to be held on January 17, 1987. Not less than (30) days prior to that election, the Council shall cause the City Secretary to mail a copy of this Charter to each qualified voter of the City as appears from the latest certified list of registered voters. If a majority of the qualified voters voting in the election shall vote in favor of the adoption of this Charter, it shall become the Charter of the City and after the returns have been canvassed, the same shall be declared adopted and the City Secretary shall file an official copy of the Charter with the records of the City. The City Secretary shall furnish the Mayor a copy of said Charter which copy of the Charter so adopted, authenticated and certified by his signature and the seal of the City, shall be forwarded by the Mayor to the Secretary of the State of Texas and shall show approval of such Charter by the majority vote at that election."

ENMIENDA NRO. 4

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR UN REQUISITO OBSOLETO:

BORRAR TODA LA "SECCIÓN 1.09 - PRESENTACIÓN DE LA CARTA ORGÁNICA A LOS VOTANTES

La Comisión de la Carta Orgánica en la preparación de esta Carta Orgánica llega a la conclusión de que es impracticable separar cada tema para permitir un voto por "sí" o "no" sobre el mismo, porque la Carta Orgánica fue construida de forma tal que para que pueda servir y funcionar se debe adoptar en su totalidad. Por estos motivos, la Comisión de la Carta Orgánica instruye que se vote por la Carta Orgánica en su totalidad y que será presentada a los votantes calificados de la Ciudad en una elección que se realizará el 17 de enero de 1987. No menos de treinta (30) días antes de esa elección, el Consejo hará que el Secretario de la Ciudad envíe por correo una copia de esta Carta Orgánica a cada uno de los votantes calificados de la Ciudad como aparece en la lista certificada de votantes registrados más reciente. Si una mayoría de los votantes calificados que vota en la elección votara a favor de la adopción de esta Carta Orgánica, se convertirá en la Carta Orgánica de la Ciudad y después del escrutinio de los resultados, se declarará la adopción de la misma y el Secretario de la Ciudad entregará una copia oficial de la Carta Orgánica para ser archivada con los registros de la Ciudad. El Secretario de la Ciudad entregará al Alcalde una copia de dicha Carta Orgánica, la cual adoptada, autenticada y certificada por su firma y el sello de la Ciudad, será enviará por el Alcalde al Secretario del Estado de Texas y mostrará la aprobación de dicha Carta Orgánica por el voto mayoritario en esa elección".

AMENDMENT NO. 5

A CHARTER AMENDMENT AUTHORIZING THE COMPLETE EDITING OF THE CHARTER TO REFLECT THE RESULTS OF THE MAY 10, 2014 SPECIAL ELECTION (Explanatory Note: New provision necessary to specifically authorize the complete editing of the Charter and to reflect the results of the special election.)**:**

"**SECTION 1.10 - RENUMBERING OF CHARTER**

Subsequent to the Charter amendment election of May 10, 2014, the Council shall by ordinance authorize the general editing of this Charter to renumber and rearrange as necessary all articles, sections, and subsections therein, or amendments thereto."

ENMIENDA NRO. 5

UNA ENMIENDA A LA CARTA ORGÁNICA QUE AUTORIZA LA EDICIÓN COMPLETA DE LA CARTA ORGÁNICA PARA REFLEJAR LOS RESULTADOS DE LA ELECCIÓN ESPECIAL DEL 10 DE MAYO DE 2014:

"SECCIÓN 1.10- NUEVA NUMERACIÓN DE LA CARTA ORGÁNICA

Subsiguiente a la elección de enmienda de la Carta Orgánica del 10 de mayo de 2014, el Consejo autorizará por ordenanza la edición general de esta Carta Orgánica para colocar una nueva numeración y organización según sea necesaria de todos los artículos, las secciones y subsecciones de estos, o enmiendas a los mismos".

AMENDMENT NO. 6

A CHARTER AMENDMENT AMENDING CURRENT REQUIREMENTS TO COMPLY WITH FEDERAL AND STATE LAWS (Explanatory Note: Addition in the first sentence is a standard legal disclaimer lacking in the current Charter. Garnishment of employee wages is now mandated in certain cases under state and federal laws. The proposed change in the final sentence is necessary to comply with those laws.):

"SECTION 3.07 – PROVISIONS RELATING TO ASSIGNMENT, EXECUTION, AND GARNISHMENT

The property, real and personal, belonging to the City shall not be sold or appropriated under any writ of execution or cost bill; and no lien of any kind shall ever exist against any such property owned by the City except that the lien be created or authorized by this Charter or state law. The funds belonging to the city in the hands of any person, firm or corporation shall not be subject to garnishment, attachment or sequestration nor shall the City be subject to garnishment on account of any debt it may owe or funds or property it may have on hand or owing to any person. Neither the City nor any of its officers or agents shall be required to answer any writ or garnishment on any account whatever. The City shall not be obligated to recognize any assignment of wages or funds by its employees, agents or contractors, except as required by state or federal law."

ENMIENDA NRO. 6

UNA ENMIENDA A LA CARTA ORGÁNICA QUE MODIFICA LOS REQUISITOS ACTUALES PARA CUMPLIR CON LAS LEYES FEDERALES Y ESTATALES:

"SECCIÓN 3.07- DISPOSICIONES RELATIVAS A CESIÓN, EJECUCIÓN Y EMBARGO

Los bienes, muebles e inmuebles, que pertenecen a la Ciudad no serán vendidos o incautados mediante ninguna orden de ejecución o pliego de costas; y ningún gravamen de ningún tipo existirá nunca sobre ninguno de dichos bienes pertenecientes a la Ciudad salvo que el gravamen sea creado o autorizado por esta Carta Orgánica o las leyes estatales. Los fondos que pertenecen a la ciudad en manos de cualquier persona, firma o corporación no serán sujetos a embargo, retención o confiscación ni la Ciudad será sujeta a embargo debido a alguna deuda que podría deber o fondos o bienes de los que podría disponer o deberle a cualquier persona. Ni la Ciudad ni ninguno de sus funcionarios o agentes tendrá obligación de responder a ninguna orden judicial o embargo bajo ningún concepto. La Ciudad no estará obligada a reconocer ninguna cesión de salarios o fondos por parte de sus empleados, agentes o contratistas, salvo los requisitos de las leyes estatales o federales".

AMENDMENT NO. 7

A CHARTER AMENDMENT AMENDING CURRENT REQUIREMENTS TO COMPLY WITH FEDERAL AND STATE LAWS (Explanatory Note: Proposed changes will make the section more fully understandable to the public and will comply with current state law.)**:**

"**SECTION 5.01 – ELECTIONS: REGULAR AND SPECIAL**

A. All City elections shall be conducted in accordance with the Texas Election Code.

B. The regular City election shall be held annually on the second Saturday in May or such other date as required by the Texas Election Code. The Council shall be responsible for specifying the places for holding such elections.

C. The Council may, by resolution or ordinance, order a special election for purposes consistent with this Charter and laws of the State of Texas. The Council will fix the time and places for such a special election and provide all means for holding same.

D. Municipal elections shall be conducted by election officials appointed by the Council, or as otherwise prescribed by law. Sample ballots identical in format to those used in the specific election shall be posted in the voting place(s) for the purpose of voter orientation.

E. All municipal elections shall be publicized in accordance with the Texas Election Code."

ENMIENDA NRO. 7

UNA ENMIENDA A LA CARTA ORGÁNICA QUE MODIFICA LOS REQUISITOS ACTUALES PARA CUMPLIR CON LAS LEYES FEDERALES Y ESTATALES:

"SECCIÓN 5.01- ELECCIONES: REGULARES Y ESPECIALES

A. Todas las elecciones de la Ciudad se llevarán a cabo en conformidad con el Código Electoral de Texas.

B. La elección regular de la Ciudad se realizará anualmente el segundo sábado de mayo o en cualquier otra fecha que requerida por el Código Electoral de Texas. El Consejo será el responsable de especificar los lugares para la celebración de dichas elecciones.

C. El Consejo podrá, por resolución u ordenanza, ordenar una elección especial por motivos compatibles con esta Carta Orgánica y las leyes del Estado de Texas. El Consejo fijará el horario y los lugares para dicha elección especial y proveerá todos los medios para la celebración de la misma.

D. Las elecciones municipales estarán a cargo de funcionarios electorales designados por el Consejo, o según lo disponga la ley de otro modo. Se colocarán boletas de votación de muestra con formato idéntico al usado en la elección específica en el o los lugares de votación para proveer orientación a los votantes.

E. Las elecciones municipales se anunciarán de acuerdo con el Código Electoral de Texas".

AMENDMENT NO. 8

A CHARTER AMENDMENT AMENDING CURRENT REQUIREMENTS TO COMPLY WITH FEDERAL AND STATE LAWS (Explanatory Note: Reference to a "loyalty" oath is no longer in common usage, and state law has superseded these deadlines.)**:**

"**SECTION 5.03 – FILING FOR OFFICE**

Any qualified citizen as defined by Article 6.03 of this Charter may file for election to the Office of Mayor or Council Member. A signed application and prescribed oath shall be filed with the City Secretary in accordance with the Texas Election Code."

ENMIENDA NRO. 8

UNA ENMIENDA A LA CARTA ORGÁNICA QUE MODIFICA LOS REQUISITOS ACTUALES PARA CUMPLIR CON LAS LEYES FEDERALES Y ESTATALES:

"SECCIÓN 5.03 -POSTULARSE A UN CARGO

Cualquier ciudadano calificado según la definición del Artículo 6.03 de esta Carta Orgánica puede postularse para ser electo para el cargo de Alcalde o Concejal. Se debe presentar al Secretario de la Ciudad una solicitud firmada y un juramento prescrito en conformidad con el Código Electoral de Texas".

AMENDMENT NO. 9

A CHARTER AMENDMENT ELIMINATING OBSOLETE REQUIREMENTS (Explanatory Note: Proposed changes are necessary to make the Charter coincide with current practice as to such appointments.)**:**

"**SECTION 5.06 - CONDUCTING ELECTIONS**

All residents who have complied with voter registration requirements as provided by the State Election Code shall be eligible to vote in the City elections. Election officials will be appointed by the Council, consistent with State laws, and compensation shall be set by the Council. Early voting shall be governed by the State Election Code of the State of Texas."

ENMIENDA NRO. 9

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 5.06 - CELEBRACIÓN DE ELECCIONES

Todos los residentes que hayan cumplido con los requisitos de registro de votante según lo dispuesto en el Código Electoral del Estado serán elegibles para votar en las elecciones de la Ciudad. El Consejo designará a los funcionarios electorales de acuerdo a las leyes del Estado, y el Consejo fijará una remuneración. La votación anticipada se regirá por el Código Electoral del Estado del Estado de Texas".

AMENDMENT NO. 10

A CHARTER AMENDMENT ELIMINATING OBSOLETE REQUIREMENTS (Explanatory Note: To remove transitional language that is no longer germane to the Charter.)**:**

"SECTION 6.02 - NUMBER, SELECTION, AND TERM

The Legislative and governing body of the City shall consist of a Mayor and five (5) Councilmen and shall be known as the "City Council of the City of Tomball, Harris County, Texas."

A. The Mayor shall be elected from the City at large. The Councilmen shall be elected from the City at large by positions known as Positions 1, 2, 3, 4, and 5.

B. The Mayor shall be the presiding officer of the Council and shall be recognized as the head of the City Government for all ceremonial purposes and by the Governor for purposes of military law. The Mayor shall be allowed to vote only in case of a tie vote and shall not have the authority to veto any action of the Council.

C. The Mayor and each Councilman shall hold office for a period of three (3) years or until his successor is elected and qualified. All elections shall be held in the manner provided for by this Charter and the election laws of the State of Texas.

D. There shall be no limitation of elected terms for the Office of Mayor and Councilman."

ENMIENDA NRO. 10

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 6.02 -NÚMERO, SELECCIÓN Y MANDATOS

El órgano legislativo y de gobierno de la Ciudad estará formado por un Alcalde y cinco (5) Concejales y será conocido como el "Consejo Municipal de la Ciudad de Tomball, Condado de Harris, Texas".

A. La Ciudad en general elegirá al Alcalde. La Ciudad en general elegirá los Concejales para las posiciones conocidas como Posiciones 1, 2, 3, 4 y 5.

B. El Alcalde será el funcionario que presidirá el Consejo y será reconocido como el jefe del Gobierno de la Ciudad a todos los fines ceremoniales y por el Gobernador para fines de ley militar. El Alcalde podrá votar únicamente en caso de empate en una votación y no tendrá la facultad para vetar ninguna acción del Consejo.

C. El Alcalde y cada Concejal ocupará su cargo por un periodo de tres (3) años o hasta que su sucesor sea electo y cumpla con los requisitos. Todas las elecciones se llevarán a cabo en la manera dispuesta por esta Carta Orgánica y las leyes electorales del Estado de Texas.

D. No habrá ninguna limitación a los mandatos electos para el cargo de Alcalde y Concejal".

AMENDMENT NO. 11

A CHARTER AMENDMENT AMENDING CURRENT REQUIREMENTS (Explanatory Note: Council Recommendation is to reduce the minimum age requirement to 18)**:**

"SECTION 6.03 - QUALIFICATIONS

Each member of the Council shall be a resident citizen of the City, shall be a minimum of **eighteen (18)** years of age and a qualified voter of the State of Texas, shall have been a resident citizen of Tomball for a period of not less than one (1) year immediately preceding his election. An incumbent seeking re-election must file for the same position number. Any person presently holding an elective office shall resign that office upon election to another elective office of profit or trust. No employee of the City shall continue in such position after election to an elective office. A citizen cannot file for an elective office if the candidate has a felony conviction except as provided by the State Election Code. The Mayor or Councilman shall, if convicted of a felony while in office, immediately upon conviction thereof, forfeit said office. If the Mayor or any Councilman fails to maintain the foregoing qualifications or shall be absent from two (2) regularly scheduled meetings within any six (6) month period without valid excuse, the Council must, at its next regular meeting, declare a vacancy as set forth in Section 6.09 of this Charter."

ENMIENDA NRO. 11

UNA ENMIENDA A LA CARTA ORGÁNICA QUE MODIFICA REQUISITOS ACTUALES:

"SECCIÓN 6.03- REQUISITOS

Cada miembro del Consejo será un ciudadano residente de la Ciudad, tendrá un mínimo de dieciocho (18) años de edad y será un votante calificado del Estado de Texas, habrá sido un ciudadano residente de Tomball por un periodo no menor a un (1) año inmediatamente anterior a su elección. El titular de un cargo que busque la reelección debe postularse para el mismo número de posición. Cualquier persona que en la actualidad ocupe un cargo electivo renunciará a ese cargo en el momento de ser electo para otro cargo electivo de confianza o con remuneración. Ningún empleado de la Ciudad continuará ocupando dicha posición después de ser electo para un cargo electivo. Un ciudadano no puede postularse para un cargo electivo si el candidato tiene una condena por un delito mayor salvo lo dispuesto por el Código Electoral del Estado. El Alcalde o Concejal, de ser condenado por un delito mayor durante el desempeño de su función, en el momento de la condena por el mismo, deberá renunciar a dicho cargo. Si el Alcalde o cualquier Concejal no mantiene los requisitos anteriores o llegara a ausentarse de dos (2) asambleas regulares programadas dentro de cualquier periodo de seis (6) meses sin un justificativo válido, el Consejo debe, en su siguiente asamblea regular, declarar una vacante según lo estipula la Sección 6.09 de esta Carta Orgánica".

AMENDMENT NO. 12

A CHARTER AMENDMENT AMENDING CURRENT REQUIREMENTS TO COMPLY WITH STATE LAW (Explanatory Note: Proposed changes will provide, in certain cases, for appointment of vacancies occurring on the City Council, in keeping with the recent approval of an amendment to the Texas Constitution and in the interest of economy.)**:**

"SECTION 6.09 - VACANCIES

When a vacancy occurs in the Council, the following provisions shall apply, to wit:

Any vacancy or vacancies occurring for which the unexpired term is twelve (12) months or less shall be filled by appointment of the Council. Any vacancy or vacancies for which the unexpired term is for more than twelve (12) months must be filled by a majority of voters voting in a special election called for such purpose in accordance with the Texas State Constitution.

It is further provided that in a special or regular election: The person(s) elected to fill a vacancy or vacancies shall serve only the unexpired term for that particular position."

ENMIENDA NRO. 12

UNA ENMIENDA A LA CARTA ORGÁNICA QUE MODIFICA LOS REQUISITOS ACTUALES PARA CUMPLIR CON LA LEY ESTATAL:

"SECCIÓN 6.09 - VACANTES

Cuando se produce una vacante en el Consejo, se aplicarán las siguientes disposiciones, a saber:

Cualquier vacante o vacantes que se produzca en un cargo con doce (12) meses o menos restantes de mandato será cubierta por designación del Consejo. Cualquier vacante o vacantes en un cargo con más de doce (12) meses restantes de mandato debe ser cubierta por una mayoría de los votantes que votan en una elección especial convocada para dicho fin de acuerdo a la Constitución del Estado de Texas.

Además se dispone que en una elección especial o regular: La o las personas electas para cubrir una vacante o vacantes fungirá únicamente durante el mandato sin finalizar de esa posición particular."

AMENDMENT NO. 13

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Proposed changes to reflect current administrative practices and use of electronic methods of notification.)**:**

"SECTION 6.12 – MEETINGS OF COUNCIL

The Council shall schedule at least two (2) regular meetings each month and as many additional meetings as it deems necessary to transact the business of the City and its citizens. The Council shall fix the days and time of the regular meetings. All regular meetings of the Council shall be held at the City of Tomball City Hall, unless the Council votes to approve a location other than the City Hall in the event it is determined to be in the public interest. All meetings shall be open and accessible to the public; however, the Council may recess to an Executive Session only for the purposes provided by the Texas Open Meetings Act. Final action thereon shall not be taken by the Council until the matter is placed on the agenda and a vote taken in an open meeting.

The City Secretary, upon written request of the Mayor or any three (3) Council members, shall call special meetings of the Council, notice of such special meetings shall be given to each member of the Council, which said notice shall state the date for such meeting and the subject to be considered at such meeting, and no other subject shall be thereby considered."

ENMIENDA NRO. 13

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 6.12- ASAMBLEAS DEL CONSEJO

El Consejo programará al menos dos (2) asambleas regulares cada mes y tantas asambleas adicionales como considere necesarias para manejar los asuntos de la Ciudad y sus ciudadanos. El Consejo fijará los días y el horario de las asambleas regulares. Todas las asambleas regulares del Consejo se realizarán en el City Hall de la Ciudad de Tomball, a menos que el Consejo vote para aprobar un lugar distinto al City Hall en caso que se determine que es de interés público. Todas las asambleas serán abiertas y accesibles al público; sin embargo, el Consejo podrá recurrir a una Sesión Ejecutiva únicamente por los fines dispuestos en la Ley de Asambleas Públicas de Texas. El Consejo no tomará una medida final sobre los mismos hasta que el asunto se coloque en la agenda y se someta a votación en una asamblea abierta.

El Secretario de la Ciudad, por pedido escrito del Alcalde o cualesquiera tres (3) miembros del Consejo, convocará asambleas especiales del Consejo, de las cuales se dará aviso a cada miembro del Consejo, en el cual se indicará la fecha de dicha asamblea y el tema a considerar en dicha asamblea, y no se considerará ningún otro tema en la misma."

AMENDMENT NO. 14

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Proposed changes to reflect current administrative practices.)**:**

"SECTION 6.14 – ORDINANCES

In addition to such acts of the Council as are required by statute or by this Charter to be by ordinance, every act of the Council establishing a fine or other penalty or providing for the expenditure of funds or for the contracting of indebtedness shall be by ordinance. The enacting clause of all ordinances shall be, "BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL:"

A. Procedure for Passage of Ordinances

Every ordinance shall be introduced in written or printed form and, upon passage, shall take effect at the time indicated therein; provided that any ordinance imposing a penalty, fine or forfeiture for a violation of its provisions shall become effective not less than fourteen (14) days from the date of its passage. The City Secretary shall give notice of every ordinance under consideration, by causing the caption or summary, including the penalty, fine, or forfeiture for a violation of any such ordinance to be published in the official newspaper for the City after the first reading and at least once within fourteen (14) days after the passage of said ordinance. He shall note on every ordinance, the caption of which is hereby required to be published, and on the record thereof, the fact that same has been published as required by the Charter, and the date of such publication, and promulgation of such ordinance; provided, that the provisions of this section shall not apply to the correction, revision and modification of the ordinances of the City for publication in book or pamphlet form. It shall be necessary to the validity of any ordinance that it shall be read two (2) times and considered at two (2) sessions of the Council unless addressed otherwise by this Charter. At the first (1st) reading, said ordinance shall be read in its entirety unless a motion is made and passed suspending the requirement of the reading of the ordinance, in which case such ordinance shall be read by caption only, followed by an explanation of the ordinance. The one (1) remaining presentation of said ordinance may be by caption only. Copies of said ordinances shall be made available at the City Hall upon request. Every ordinance shall be authenticated by the signature of the Mayor and City Secretary and shall be systematically recorded in an ordinance book in a manner approved by the Council. It shall only be necessary to record the caption or title of ordinances in the minutes or journal of Council meetings. The Council shall have power to cause the ordinances of the City to be corrected, revised, codified and printed in code form as often as the Council deems advisable, and such printed code, when adopted by the Council, shall be in full force and effect without the necessity of publishing the same or any part thereof in a newspaper. However, if the ordinance is amended, it then must be published one time, by caption only, in the official City newspaper. Such printed code shall be admitted in evidence in all courts and places without further proof."

ENMIENDA NRO. 14

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 6.14- ORDENANZAS

Además de ciertos actos del Consejo que por ley o por esta Carta Orgánica deben ser por ordenanza, todo acto del Consejo que establece una multa u otra sanción o dispone el gasto de fondos o la contratación de endeudamiento será por ordenanza. La fórmula de promulgación de todas las ordenanzas será: "EL CONSEJO MUNICIPAL DE LA CIUDAD DE TOMBALL ORDENA":

A. Procedimiento de aprobación de ordenanzas

Se presentará cada ordenanza por escrito o en forma impresa y, después de su aprobación, entrará en vigencia en el momento indicado en la misma; siempre que cualquier ordenanza que impone una sanción, multa o decomiso por una violación de sus disposiciones entrará en vigencia no menos de catorce (14) días desde la fecha de su aprobación. El Secretario de la Ciudad informará todas las ordenanzas en consideración, mediante la publicación del encabezamiento o resumen, incluida la sanción, multa o decomiso por una violación de cualquier ordenanza de ese tipo en el periódico oficial de la Ciudad después de la primera lectura y al menos una vez dentro de los catorce (14) días posteriores a la aprobación de dicha ordenanza. Notará en cada ordenanza, cuyo encabezamiento por la presente se debe publicar, y en el registro de la misma, el hecho de que la misma ha sido publicada según el requisito de la Carta Orgánica, y la fecha de dicha publicación, y la promulgación de dicha ordenanza; siempre que las disposiciones de esta sección no se aplicarán a la corrección, revisión y modificación de las ordenanzas de la Ciudad para publicación en forma de libro o panfleto. Será necesario para la validez de cualquier ordenanza que se lea dos (2) veces y se considere en dos (2) sesiones del Consejo a menos que esta Carta Orgánica lo trate de otro modo. En la primera (1.ra) lectura, dicha ordenanza será leída en su totalidad a menos que se presente y se apruebe una moción que suspenda el requisito de la lectura de la ordenanza, en cuyo caso se leerá únicamente el encabezamiento de la ordenanza, seguido por una explicación de la ordenanza. La presentación restante (1) de dicha ordenanza podrá ser a través solo de su encabezamiento. Habrá disponibles por pedido copias de dichas ordenanzas en el City Hall. Cada ordenanza será autenticada por la firma del Alcalde y del Secretario de la Ciudad y será registrada sistemáticamente en un libro de ordenanzas en una manera aprobada por el Consejo. Será necesario registrar únicamente el encabezamiento o título de ordenanzas en las actas o el registro diario de las asambleas del Consejo. El Consejo tendrá la facultad de hacer que las ordenanzas de la Ciudad sean corregidas, revisadas, codificadas e impresas en forma de código con la frecuencia que el Consejo considere recomendable, y dicho código impreso, cuando el Consejo lo adopta, tendrá plena vigencia sin la necesidad de publicar el mismo o cualquier parte del mismo en un periódico. Sin embargo, si se enmienda la ordenanza, entonces se debe publicar una vez, solo mediante su encabezamiento, en el periódico oficial de la Ciudad. Dicho código impreso deberá ser admitido como prueba en todos los tribunales y lugares sin necesidad de otras pruebas".

AMENDMENT NO. 15

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS AND PROVIDE FOR PERIODIC REVIEW OF THE CHARTER (Explanatory Note: Subsection C.(6) is proposed to be deleted because it has never been routinely observed and is thought to be an unnecessary administrative practice. New Subsection C.(6) is proposed to be added to guarantee the periodic review of the overall condition and ongoing relevancy of the Charter.)**:**

"SECTION 7.01 - CITY MANAGER

A. Appointment and Qualifications:

The Council shall appoint an administrative and executive officer of the City who shall be responsible to the Council for the administration of all the affairs of the City. He shall be chosen by the Council solely on the basis of his executive and administrative training, experience and ability. No member of the Council shall, during the time for which he is elected and for one year thereafter, be appointed City Manager.

B. Term and Salary:

(1) The City Manager shall be appointed for a term not to exceed two years by a majority vote appointment shall be secured through an explicit Contractual agreement which shall protect the rights of both the Council and the City Manager.

(2) The City Manager shall receive compensation as may be fixed by the Council.

C. Duties of the City Manager. The City Manager shall:

(1) Be responsible to the Council for the efficient and economical administration of the City government. He shall have the authority, with the approval of the Council, to appoint and remove all department heads. He shall have the authority to appoint and remove all other employees in the administrative service of the City. He may authorize the head of a department to appoint and remove subordinates in his respective department. Except for the purpose of inquiry, the Council and its members shall deal with the administrative service solely through the City Manager.

(2) Prepare the budget annually and submit it to the Council and be responsible for its administration after adoption.

(3) Prepare and submit to the Council, as of the end of the fiscal year, a complete report on the finances and administrative activities of the City for the preceding year.

(4) Keep the Council advised of the financial condition and future needs of the City and make such recommendations as may seem desirable.

(5) Perform such duties as may be prescribed by this Charter or may be required of him by the Council, not inconsistent with this Charter.

(6) Prepare a written report to the Council, first in 2019, and thereafter at intervals not exceeding five years, as to the need for revision of the city Charter, with special attention given to conflicts, if any, between the Charter and state law and recommending such amendments to the Charter as may seem necessary for legal, administrative, or other reasons."

ENMIENDA NRO. 15

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS Y DISPONER LA REVISIÓN PERIÓDICA DE LA CARTA ORGÁNICA:

"SECCIÓN 7.01 - ADMINISTRADOR DE LA CIUDAD

A. Designación y requisitos:

El Consejo designará a un funcionario administrativo y ejecutivo de la Ciudad que será responsable ante el Consejo de la administración de todos los asuntos de la Ciudad. Será escogido exclusivamente por el Consejo en base a su formación ejecutiva y administrativa, experiencia y capacidad. Ningún miembro del Consejo será, durante el plazo de su mandato y por un año posterior al mismo, designado Administrador de la Ciudad.

B. Mandato y Salario:

(1) El Administrador de la Ciudad será designado por un mandato que no supere los dos años por un voto mayoritario garantizado por un acuerdo contractual explícito que protegerá los derechos tanto del Consejo como del Administrador de la Ciudad.

(2) El Administrador de la Ciudad recibirá una remuneración que fijará el Consejo.

C. Obligaciones del Administrador de la Ciudad. El Administrador de la Ciudad deberá:

(1) Ser responsable ante el Consejo de la administración eficiente y económica del gobierno de la Ciudad. Tendrá la facultad, con la aprobación del Consejo, de designar y destituir a todos los jefes de departamentos. Tendrá la facultad de designar y destituir a todos los demás empleados del servicio administrativo de la Ciudad. Puede autorizar al jefe de un departamento a designar y destituir subordinados en su respectivo departamento. Salvo a efectos de indagación, el Consejo y sus miembros tratará con el servicio administrativo exclusivamente a través del Administrador de la Ciudad.

(2) Preparar el presupuesto anualmente y presentarlo al Consejo y ser responsable de su administración después de la adopción.

(3) Preparar y presentarle al Consejo, a partir del final del año fiscal, un informe completo de las actividades financieras y administrativas de la Ciudad para el año precedente.

(4) Mantener al Consejo al tanto de la situación financiera y las necesidades futuras de la Ciudad y hacer ciertas recomendaciones que considere adecuadas.

(5) Desempeñar ciertas funciones como podrían disponerse en esta Carta Orgánica o podría requerirle el Consejo, que no sean incompatibles con esta Carta Orgánica.

(6) Preparar un informe escrito al Consejo, primero en 2019, y a partir de entonces en intervalos que no superen los cinco años, relativo a la necesidad de revisión de esta Carta Orgánica, con especial atención puesta en los conflictos, de existir, entre la Carta Orgánica y la ley estatal y recomendar ciertas enmiendas a la Carta Orgánica que podrían ser necesarias a efectos legales, administrativos u otros motivos".

AMENDMENT NO. 16

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note 1: In view of its overall essential duties, the specific reference to the department's responsibility for animal control is thought to be an unnecessary detail in the Charter. Specific reference to the chief's removal from office is a redundancy, previously included among the powers of the City Manager enumerated in Article VII of the Charter.) (Explanatory Note 2: Proposed changes to reflect current administrative practices.)**:**

"SECTION 7.03 – POLICE DEPARTMENT

A Police Department is established to preserve order, to strive to secure the safety of residents, to prevent violence and to protect life and property from injury and loss within the limits and allowable jurisdiction of the City.

A. Chief of Police

The Chief of Police is the senior officer of the Police Department. He is appointed by the City Manager, with the approval of the Council, for an indefinite term. With the approval of the City Manager, he appoints and removes the employees of the Police Department. He is responsible to the City Manager for the administration of the Police Department and the performance of Council-established duties and directives.

B. Reserve Police

The Chief of Police may appoint or remove "Reserve Police Officers" in accordance with guidelines established by the Council. No other persons, except as otherwise provided by the laws of the State of Texas, shall act as "special police" within the City."

ENMIENDA NRO. 16

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 7.03- DEPARTAMENTO DE POLICÍA

Se establece un Departamento de Policía para preservar el orden, procurar la seguridad de los residentes, prevenir la violencia y proteger la vida y los bienes contra daños y pérdida dentro de los límites y la jurisdicción admisible de la Ciudad.

A. Jefe de Policía

El Jefe de Policía es el funcionario de mayor categoría del Departamento de Policía. Es designado por el Administrador de la Ciudad, con la aprobación del Consejo, por un periodo indefinido. Con la aprobación del Administrador de la Ciudad, designa y destituye a los empleados del Departamento de Policía. Es responsable ante el Administrador de la Ciudad de la administración del Departamento de Policía y del desempeño de obligaciones y directivas establecidas por el Consejo.

B. Policía de Reserva

El Jefe de Policía puede designar o destituir "Oficiales de Policía de Reserva" según las directivas dispuestas por el Consejo. Ninguna otra persona, salvo lo dispuesto de otro modo por las leyes del Estado de Texas, actuará como "policía especial" dentro de la Ciudad".

AMENDMENT NO. 17

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE LANGUAGE AND REQUIREMENTS (Explanatory Note 1: Provision to be deleted is generally outdated and no longer practical.)**:** (Explanatory Note 2: Proposed changes to reflect current administrative practices.)**:**

"SECTION 7.04 – CITY SECRETARY

There shall be a City Secretary for the City. The City Manager, with the approval of the Council, shall appoint a City Secretary and such assistants as the Council shall deem advisable. The City Secretary, or an Assistant City Secretary, shall give notice of Council meetings, shall keep the minutes of proceedings of such meetings, and shall authenticate by his signature and record in full in a book kept and indexed for the purpose, all ordinances and resolutions, and shall perform such other duties assigned by the City Manager and those elsewhere provided in this Charter and the laws of the State of Texas."

ENMIENDA NRO. 17

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR LENGUAJE Y REQUISITOS OBSOLETOS:

"SECCIÓN 7.04 - SECRETARIO DE LA CIUDAD

Habrá un Secretario de la Ciudad para la Ciudad. El Administrador de la Ciudad, con la aprobación del Consejo, designará a un Secretario de la Ciudad y ciertos asistentes como el Consejo considere adecuado. El Secretario de la Ciudad, o un Secretario de la Ciudad Asistente, anunciará las asambleas del Consejo, conservará las actas de dichas asambleas, y autenticará con su firma y registrará por completo en un libro conservado e indexado para tal fin, todas las ordenanzas y resoluciones, y desempeñará todas las demás funciones asignadas por el Administrador de la Ciudad y otras dispuestas en otros lugares de esta Carta Orgánica y las leyes del Estado de Texas".

AMENDMENT NO. 18

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE LANGUAGE AND REQUIREMENTS (Explanatory Note: Proposed to reflect titles in current use and current administrative practices.)**:**

"SECTION 7.05 – FINANCE DIRECTOR

There shall be a Finance Director for the City. The City Manager, with the approval of the Council, shall appoint a Finance Director and such assistants as the Council shall deem advisable. The Finance Director shall perform the duties delegated to him by the City Manager and those which may be imposed upon him by the laws of the State of Texas."

ENMIENDA NRO. 18

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR LENGUAJE Y REQUISITOS OBSOLETOS:

"SECCIÓN 7.05 -DIRECTOR DE FINANZAS

Habrá un Director de Finanzas para la Ciudad. El Administrador de la Ciudad, con la aprobación del Consejo, designará a un Director de Finanzas y ciertos asistentes como el Consejo considere adecuado. El Director de Finanzas desempeñará las funciones que le delegue el Administrador de la Ciudad y aquellas impuestas por las leyes del Estado de Texas."

AMENDMENT NO. 19

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENT (Explanatory Note: Proposed to reflect current administrative practices as to the assessment and collection of taxes.)**:**

DELETE ENTIRE "SECTION 7.06 – DEPARTMENT OF TAXATION

There shall be established and maintained a Department of Taxation to collect taxes for the City. The City Manager shall appoint an Assessor/Collector to administer said department.

The Assessor/Collector shall perform all duties assigned by the City Manager. He shall, at the end of every business day, pay to the City Treasurer all monies collected. At the end of every month, he shall submit a written report to the City Manager of all monies so collected and paid. The duties of City Secretary, City Treasurer and City Tax Assessor/Collector may be performed by the same individual."

ENMIENDA NRO. 19

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITO OBSOLETO: BORRAR TODA LA "SECCIÓN 7.06- DEPARTAMENTO DE IMPUESTOS

Se establecerá y mantendrá un Departamento de Impuestos para recaudar los impuestos para la Ciudad. El Administrador de la Ciudad designará a un Asesor/Recaudador para administrar dicho departamento.

El Asesor/Recaudador realizará todas las tareas asignadas por el Administrador de la Ciudad. Al final de cada día laboral, dicho asesor deberá pagarle al Tesorero de la Ciudad todas las sumas de dinero recaudadas. Al final de cada mes, deberá presentar un informe escrito al Administrador de la Ciudad de todas las sumas de dinero recaudadas y pagadas de este modo. Las funciones de Secretario de la Ciudad, Tesorero de la Ciudad y Asesor/Recaudador de Impuestos de la Ciudad pueden ser desempeñadas por el mismo individuo".

AMENDMENT NO. 20

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Entire existing section concerning the fire department was found to be generally outdated and requiring total revision, in order to accurately reflect current departmental policies and practices.)**:**

"SECTION 7.07 – CITY FIRE DEPARTMENT

The Fire Department is established for general protection from fire for the residents of the City, for fire prevention education and enforcement, for salvage and rescue operations, and for other related activities as may be assigned by the Council. The department shall consist of full-time, part-time, volunteer members or any combination thereof. All such members shall function under the Standard Operating Guidelines of the Fire Department.

A. Fire Chief

The Fire Chief is the senior officer of the Fire Department. He is appointed by the City Manager, with the approval of the Council, for an indefinite term. With the approval of the City Manager, he appoints and removes employees of the Fire Department. His is responsible to the City Manager for the administration of the Fire Department and the performance of Council-established duties and directives.

B. Fire Marshal

A Fire Marshal shall be selected by the Fire Chief, with the approval of the City Manager and shall be responsible for enforcement of the City Fire Codes and other functions as may be assigned by the Fire Chief. He shall be a member of the command staff of the Fire Department, and he may be removed from office by the Fire Chief with the approval of the City Manager.

C. Mutual Aid Agreements with Other Fire Departments

Subject to approval by the Council, the Fire Department may enter into inter-local and mutual aid agreements with other fire departments in the area by which to provide and receive assistance in emergency situation."

ENMIENDA NRO. 20

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 7.07- DEPARTAMENTO DE BOMBEROS DE LA CIUDAD

El Departamento de Bomberos se establece para la protección general contra incendios de los residentes de la Ciudad, para la educación de prevención de incendios y la aplicación de códigos, para las operaciones de salvamento y rescate, y para otras actividades relacionadas que podría asignar el Consejo. El departamento estará formado por miembros voluntarios, de tiempo completo, medio tiempo o cualquier combinación de los mismos. Todos esos miembros responderán a las Directivas estándares de operación del Departamento de Bomberos.

A. Jefe de Bomberos

El Jefe de Bomberos es el funcionario de mayor categoría del Departamento de Bomberos. Es designado por el Administrador de la Ciudad, con la aprobación del Consejo, por un periodo indefinido. Con la aprobación del Administrador de la Ciudad, designa y destituye a los empleados del Departamento de Bomberos.
Es responsable ante el Administrador de la Ciudad de la administración del Departamento de Bomberos y del desempeño de las obligaciones y directivas establecidas por el Consejo.

B. Inspector de Bomberos

El Jefe de Bomberos escogerá un Inspector de Bomberos, con la aprobación del Administrador de la Ciudad y será responsable de la aplicación de los Códigos contra incendios de la Ciudad y otras funciones que podría asignar el Jefe de Bomberos. Será miembro del personal a cargo del Departamento de Bomberos, y podría ser destituido de su cargo por el Jefe de Bomberos con la aprobación del Administrador de la Ciudad.

C. Acuerdos de ayuda mutua con otros departamentos de bomberos

Sujetos a la aprobación del Consejo, el Departamento de Bomberos podrá celebrar acuerdos de ayuda mutua y entre localidades con otros departamentos de bomberos de la zona mediante los cuales podrá proveer y recibir asistencia en situaciones de emergencia".

AMENDMENT NO. 21

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note 1: Subsection B is no longer an administrative practice.)**:** (Explanatory Note 2: Proposed changes to reflect current administrative practices.)**:**

"SECTION 7.09 – MUNICIPAL COURT

There shall be established and maintained a Court designated as a "Municipal Court" for the trial of misdemeanor offenses, with all such powers and duties as are now or hereafter may be prescribed by the laws of the State of Texas relative to Municipal or Recorder's Court.

A. The Judge of said Court shall be appointed by the Council, and shall be a licensed attorney, and shall receive such salary as may be fixed by the Council. The Judge of said Court shall hold office at the pleasure of the Council.

B. The Clerk of said Court and his deputies shall have the power to administer oaths and affidavits, make certificates, affix the seal of said Court thereto and generally do and perform any and all acts usual and necessary by the Clerk of Courts in issuing process of said courts and conducting the business thereof.

C. The Council shall appoint other licensed attorneys to act as Temporary Judges of said Court in case of disability or absence of the Judge of the Municipal Court. The salary of Temporary Judges shall be fixed by the Council.

D. A City Judge shall hold no other City office or City employment during the term for which he is appointed by the Council. Should a person serving as City Judge become a candidate in a City election, he shall resign his position as City Judge upon election to a City Office.

E. The Mayor shall serve as Judge of the Municipal Court in the absence of the City Judge or his alternates."

ENMIENDA NRO. 21

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 7.09- TRIBUNAL MUNICIPAL

Se establecerá y mantendrá un Tribunal designado como un "Tribunal Municipal" para el juicio de faltas, con todas las facultades y obligaciones que ordenan ahora o en lo sucesivo las leyes del Estado de Texas relativas al Tribunal Municipal o del Registrador.

A. El Juez de dicho Tribunal será designado por el Consejo, y será un abogado licenciado, y recibirá cierto salario que fije el Consejo. El Juez de dicho Tribunal permanecerá en el cargo según el criterio del Consejo.

B. El Secretario de dicho Tribunal y sus subsecretarios tendrán la facultad de tomar juramentos y declaraciones juradas, elaborar certificados, colocar el sello de dicho Tribunal a los mismos y generalmente hacer y desempeñar toda y cualquier función habitual y necesaria para el Secretario de los Tribunales en el proceso de expedición de dichos tribunales y el tratamiento de los asuntos de los mismos.

C. El Consejo designará otros abogados licenciados para fungir como Jueces Temporales de dicho Tribunal en caso de discapacidad o ausencia del Juez del Tribunal Municipal. El Consejo fijará el salario de los Jueces Temporales.

D. Un Juez de la Ciudad no puede tener ningún otro cargo en la Ciudad ni empleo en la Ciudad durante el mandato que le designó el Consejo. Si una persona que se desempeña como Juez de la Ciudad se convierte en un candidato en una elección de la Ciudad, deberá renunciar a su posición como Juez de la Ciudad en el momento de ser electo para un Cargo de la Ciudad.

E. El Alcalde se desempeñará como Juez del Tribunal Municipal en ausencia del Juez de la Ciudad o sus representantes alternativos".

AMENDMENT NO. 22

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Proposed changes to reflect current administrative practices.)**:**

"SECTION 7.10 – HEALTH DEPARTMENT

To assure a high quality of health and sanitation standards for the City, the City shall utilize and adhere to all rules and regulations regarding health and sanitation standards outlined, required, and governed by the Harris County Department of Health and the State Health Department."

ENMIENDA NRO. 22

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 7.10- DEPARTAMENTO DE SALUD

Para garantizar una alta calidad de normas de salud y sanidad pública para la Ciudad, la Ciudad utilizará y se adherirá a todas las reglas y reglamentos relativos a las normas de salud y sanidad pública descritas, requeridas y regidas por el Departamento de Salud del Condado de Harris y el Departamento de Salud del Estado".

AMENDMENT NO. 23

A CHARTER AMENDMENT TO CREATE A DEPARTMENT OF COMMUNITY DEVELOPMENT (Explanatory Note 1: Building Department has been merged into an expanded Department of Community Development. Proposed changes reflect current administrative structure.) (Explanatory Note 2: Proposed changes to reflect current administrative practices.)**:**

"SECTION 7.12 – DEPARTMENT OF COMMUNITY DEVELOPMENT

There shall be a Director of Community Development for the City. The City Manager, with the approval of the Council, shall appoint a Director of Community Development and such assistants as the Council shall deem advisable. The Director of Community Development shall oversee the city's development processes, including planning and zoning, engineering, code enforcement, and inspections, and shall perform such other duties assigned by the City Manager and those elsewhere provided in this Charter and the laws of the State of Texas."

ENMIENDA NRO. 23

UNA ENMIENDA A LA CARTA ORGÁNICA PARA CREAR UN DEPARTAMENTO DE DESARROLLO DE LA COMUNIDAD:

"SECCIÓN 7.12-DEPARTAMENTO DE DESARROLLO DE LA COMUNIDAD

Habrá un Director de Desarrollo de la Comunidad para la Ciudad. El Administrador de la Ciudad, con la aprobación del Consejo, designará a un Director de Desarrollo de la Comunidad y ciertos asistentes como el Consejo considere adecuado. El Director de Desarrollo de la Comunidad supervisará los procesos de desarrollo de la ciudad, incluidos planificación y zonificación, ingeniería, aplicación de códigos e inspecciones, y desempeñará todas las demás funciones asignadas por el Administrador de la Ciudad y otras dispuestas en otros lugares de esta Carta Orgánica y las leyes del Estado de Texas".

AMENDMENT NO. 24

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Provision is not in current practice and is not contemplated for future purposes.)**:**

DELETE ENTIRE "SECTION 7.13 – DEPARTMENT OF PARKS, RECREATION AND BEAUTIFICATION

The Council shall appoint an Advisory Board for Park, Recreation and Beautification. The Advisory Board shall study the recreation, park facilities, and beautification programs of the City and shall confer with the City Manager and advise him with respect to the development and use of the City's parks, the recreation programs and City's beautification program. The Advisory Board shall recommend to the Council rules for the use of parks, public grounds, and recreation facilities consistent with the ordinances of the City and the statutes of the State of Texas and appropriate programs for the beautification of the City."

ENMIENDA NRO. 24

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

BORRAR TODA LA "SECCIÓN 7.13- DEPARTAMENTO DE PARQUES, RECREACIÓN Y EMBELLECIMIENTO

El Consejo designará una Junta Asesora para Parques, Recreación y Embellecimiento. La Junta Asesora estudiará los programas de recreación, las instalaciones de parques y el embellecimiento de la Ciudad y consultará con el Administrador de la Ciudad y le hará recomendaciones respecto del desarrollo y del uso de los parques de la Ciudad, los programas de recreación y un programa de embellecimiento de la Ciudad. La Junta Asesora recomendará al Consejo reglas para el uso de parques, espacios públicos e instalaciones de recreación en conformidad con las ordenanzas de la Ciudad y los reglamentos del Estado de Texas y programas adecuados para el embellecimiento de la Ciudad".

AMENDMENT NO. 25

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Proposed changes to reflect current administrative practices.)**:**

"SECTION 8.02 – BUDGET AS PUBLIC RECORD

The budget and all supporting schedules shall be filed with the person performing the duties of City Secretary and shall be submitted to the Council. Copies of the budget and the capital program, as adopted, shall be public records and shall be made available to the public at suitable places in the City to include the City Hall, and at two other public locations within the corporate limits of the City.

ENMIENDA NRO. 25

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 8.02 EL PRESUPUESTO COMO UN REGISTRO PÚBLICO

El presupuesto y todos los anexos de respaldo se deben entregar a la persona que desempeñe las funciones de Secretario de la Ciudad y será presentado al Consejo. Las copias del presupuesto y del programa de capital, según su adopción, serán registros públicos y estarán a disposición del público en lugares adecuados en la Ciudad que incluyan el City Hall, y en dos otros lugares públicos dentro de los límites corporativos de la Ciudad."

AMENDMENT NO. 26

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Proposed changes to reflect current administrative practices.)**:**

**"SECTION 8.11 – EFFECTIVE DATE OF BUDGET; CERTIFICATION;
COPIES MADE AVAILABLE**

Upon final adoption, the budget shall be in effect for the fiscal year. A copy of the budget as finally adopted, shall be filed with the person performing the duties of City Secretary and the County Clerk of Harris County. Copies of the final budget shall be posted for the public at the office of the City Secretary and at two other public locations within the corporate limits of the City. Copies of the budget may be obtained by the public at the City Hall."

ENMIENDA NRO. 26

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 8.11- FECHA DE ENTRADA EN VIGENCIA DEL PRESUPUESTO; CERTIFICACIÓN; COPIAS PUESTAS A DISPOSICIÓN

En el momento de adopción final, el presupuesto entrará en vigencia para el año fiscal. Una copia del presupuesto según su versión final adoptada se debe entregar a la persona que desempeñe la función de Secretario de la Ciudad y al Secretario del Condado de Harris. Se colocarán copias del presupuesto final para el público en la oficina del Secretario de la Ciudad y en otros dos lugares dentro de los límites corporativos de la Ciudad. El público podrá obtener copias del presupuesto en el City Hall".

AMENDMENT NO. 27

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS AND LANGUAGE (Explanatory Note: Proposed changes to reflect current administrative practices.)**:**

"SECTION 8.17 – DISBURSEMENT OF FUNDS

All checks, vouchers or warrants for the withdrawal of money from the City Depository shall be signed by the City Manager and countersigned by the City Secretary or the Finance Director. In the absence of the City Manager, the Mayor, or the Mayor Pro-Tem in the absence of the Mayor, may sign."

ENMIENDA NRO. 27

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR LENGUAJE Y REQUISITOS OBSOLETOS:

"SECCIÓN 8.17- DESEMBOLSO DE FONDOS

Todos los cheques, vouchers o warrants para el retiro de dinero de la Depositaría de la Ciudad serán firmados por el Administrador de la Ciudad y refrendados por el Secretario de la Ciudad o el Director de Finanzas. En ausencia del Administrador de la Ciudad, el Alcalde, o el Alcalde Pro témpore en ausencia del Alcalde, pueden firmar".

AMENDMENT NO. 28

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Proposed changes to reflect current administrative practices.)**:**

"SECTION 8.20 – TAXES, WHEN DUE AND PAYABLE

All taxes due the City shall be payable on receipt of the tax bill and shall be considered delinquent if not paid before February 1 of the year following the year in which imposed. The postponement of any delinquency date and the amount of penalty, interest and costs to be imposed on delinquent taxes shall be in accordance with applicable ordinances of the City and the Property Tax Code of the State of Texas."

ENMIENDA NRO. 28

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 8.20- IMPUESTOS, FECHA DE VENCIMIENTO Y PAGO

Todos los impuestos adeudados a la Ciudad serán pagaderos en el momento de recepción de la factura del impuesto y se considerarán en mora si no se pagan antes del 1 de febrero del año siguiente al año en el que fueron impuestos. La postergación de cualquier fecha de morosidad y el monto de la sanción, interés y costos a imponerse en impuestos en mora estarán de acuerdo con ordenanzas aplicables de la Ciudad y el Código de Impuestos Prediales del Estado de Texas".

AMENDMENT NO. 29

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: Proposed changes to simplify the Charter language as to tax liens and to reflect current administrative practices.)**:**

"SECTION 8.21 – TAX LIENS

A. A special lien in favor of the City is hereby created on all real, personal and mixed property in the City for all unpaid taxes. The priority of said lien shall be determined in accordance with state law.

B. All seizure and foreclosure proceedings shall be administered in accordance with State property tax codes."

ENMIENDA NRO. 29

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 8.21- GRAVÁMENES FISCALES

A. Por la presente se crea en favor de la Ciudad un gravamen especial sobre todos los bienes inmuebles, muebles y mixtos en la Ciudad para todos los impuestos impagos. La prioridad de dicho gravamen será determinada de acuerdo a la ley estatal.

B. Todos los procedimientos de decomiso y ejecución de una hipoteca serán administrados de acuerdo a los códigos de impuestos prediales del Estado".

AMENDMENT NO. 30

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE LANGUAGE AND REFLECT CURRENT PRACTICE (Explanatory Note: Current audit completion deadline has been found to be unrealistic and is proposed to be extended. Change to reflect current administrative title.)**:**

"SECTION 8.24 – INDEPENDENT AUDIT

Prior to the end of each fiscal year, the Council shall designate a certified public accountant, who is licensed by the State of Texas, to make an independent audit of accounts and other evidences of financial transactions of the City government and submit a report to the Council within one hundred eighty (180) days from the closing date of the City's fiscal year. Notice shall be given by publication in the official newspaper of the City that the annual audit is on file at the City Hall for inspection.

Such accountant shall have no personal interest, direct or indirect, in the fiscal affairs of the City government. The accountant shall not maintain any accounts or records of the City business, but, within specifications approved by the Council, shall post audit the books and documents kept by the Finance Director and any separate or subordinate accounts kept by any other office, department or agency of the City."

ENMIENDA NRO. 30

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR LENGUAJE OBSOLETO Y REFLEJAR LA PRÁCTICA ACTUAL:

"SECCIÓN 8.24- AUDITORÍA INDEPENDIENTE

Antes del final de cada año fiscal, el Consejo designará un contador público certificado, con licencia en el Estado de Texas, para que lleve a cabo una auditoría independiente de las cuentas y demás constancias de transacciones financieras del gobierno de la Ciudad y presente un informe al Consejo dentro de los ciento ochenta (180) días desde la fecha de cierre del año fiscal de la Ciudad. Se informará que la auditoría anual se encuentra en los archivos de City Hall para inspección a través de la publicación en el periódico oficial de la Ciudad.

Dicho contador no tendrá ningún interés personal, directo o indirecto, en los asuntos fiscales del gobierno de la Ciudad. El contador no mantendrá ninguna cuenta ni registro de los asuntos de la Ciudad, pero, dentro de especificaciones aprobadas por el Consejo, llevará a cabo una auditoría posterior de los libros contables y documentos que conserva el Director de Finanzas y cualquier cuenta separada o subordinada que mantiene cualquier otra oficina, departamento o agencia de la Ciudad"

AMENDMENT NO. 31

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE LANGUAGE, COMPLY WITH STATE AND FEDERAL LAW, AND REFLECT CURRENT PRACTICE (Explanatory Note: Regulation of cable television or community antenna television systems has become a federal process. The current trend in Home Rule Charters is to leave the term of franchises unspecified or to reduce them from 50 years, once a common concession.)**:**

"SECTION 9.01 – POWER TO GRANT FRANCHISE

Council shall have power by ordinance to grant, amend, renew and extend all franchises of all public utilities of every type operating with the City. All such ordinances granting, amending, renewing, or extending franchises for public utilities shall be governed by the procedures established in Section 6.14. No public utility franchise shall be granted for a term of more than twenty (20) years, nor be transferable except with the approval of the Council expressed by ordinance."

ENMIENDA NRO. 31

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR LENGUAJE OBSOLETO, CUMPLIR CON LAS LEYES ESTATALES Y FEDERALES, Y REFLEJAR LA PRÁCTICA ACTUAL:

"SECCIÓN 9.01- FACULTAD PARA OTORGAR FRANQUICIAS

El Consejo tendrá la facultad por ordenanza de otorgar, modificar, renovar y extender todas las franquicias de todos los servicios públicos de todos los tipos que operan con la Ciudad. Todas las ordenanzas que otorgan, modifican, renuevan o extienden franquicias de servicios públicos se regirán por los procedimientos estipulados en la Sección 6.14. No se otorgará ninguna franquicia de servicio público por un plazo mayor a veinte (20) años, ni será transferible salvo con la aprobación del Consejo expresada por ordenanza".

AMENDMENT NO. 32

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE LANGUAGE, COMPLY WITH STATE AND FEDERAL LAW, AND REFLECT CURRENT PRACTICE (Explanatory Note: Regulation of cable television or community antenna television systems has become a federal process.)**:**

"SECTION 9.08 – REGULATION OF RATES AND UTILITIES

The Council shall have full power, after notice and hearing, to regulate by ordinance, subject to Federal and State laws, the rates of every public utility operating in the City provided that no such ordinance shall be passed as an emergency measure. The City shall have power to employ, at the expense of the Grantee, expert assistance and advice in determining a reasonable rate and equitable profit to the Grantee. This Charter does not revoke any existing City Ordinance that has waived the right of rate regulation by the City to the Public Utility Commission of the State of Texas."

ENMIENDA NRO. 32

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR LENGUAJE OBSOLETO, CUMPLIR CON LAS LEYES ESTATALES Y FEDERALES, Y REFLEJAR LA PRÁCTICA ACTUAL:

"SECCIÓN 9.08- REGULACIÓN DE TARIFAS Y SERVICIOS PÚBLICOS

El Consejo tendrá la facultad absoluta, después de aviso y audiencia, de regular por ordenanza, sujeta a las leyes federales y estatales, las tarifas de todos los servicios públicos que operan en la Ciudad siempre que ninguna ordenanza de este tipo se aprobará como una medida de emergencia. La Ciudad tendrá la facultad de emplear, a expensas del Concesionario, asistencia y recomendaciones de expertos para determinar una tarifa razonable y una ganancia justa para el Concesionario. Esta Carta Orgánica no revoca ninguna Ordenanza de la Ciudad existente que haya renunciado al derecho de regulación tarifaria de la Ciudad en favor de una Comisión de Servicios Públicos del Estado de Texas".

AMENDMENT NO. 33

A CHARTER AMENDMENT TO ELIMINATE OBSOLETE REQUIREMENTS (Explanatory Note: By practice, this body has come to be known and for all purposes referred to as the Planning and Zoning Commission. Courts have held that membership on such a commission cannot be restricted to real property owners. Sub-section A is largely transitional in nature and is proposed to be simplified.)**:**

"SECTION 10.01 – PLANNING AND ZONING COMMISSION

The Council shall appoint a City Planning and Zoning Commission, consisting of five (5) members, who shall be residents of the City but who shall not be employees of the City.

A. Term of Office

The members of the Commission shall be appointed for three (3) year, staggered terms.

B. Rules of Procedure

The Commission shall annually elect one (1) of its number Chairman and shall establish its own rules of procedure which shall include the following: A quorum shall consist of a majority of the members of the Commission and an affirmative vote of a majority of those present shall be necessary to pass upon pending questions. All meetings shall be open to the public and a record of all proceedings shall be maintained by the person performing the duties of the City Secretary and shall be a public record.

C. Vacancies

Members of the Commission shall actively participate in the activities of the Commission, and any member who is absent from three (3) consecutive meetings of the Commission without valid excuse as determined by the Commission, shall automatically be dismissed from membership. The Commission shall at once notify the Council that a vacancy in the Commission exists.

Vacancies occurring in the Commission, for whatever reason, shall be filled within thirty (30) days by appointment by the Council for the remainder of the unexpired term.

D. Powers and Duties

The Commission shall have the power and shall be required to:

(1) Recommend to the Council amendments, extensions and additions to the Master Plan for the physical development of the City.
(2) Recommend to the Council the approval or the disapproval of plats of proposed subdivisions submitted in accordance with City ordinance as adopted or hereafter amended.
(3) Recommend to the Council plans for the clearance and rebuilding of slum districts and blighted areas which may develop within the City.
(4) Recommend to the Council the amendment, extension and revision of the Building Code, which code shall include the minimum standards of construction for building, the minimum standards for plumbing and the minimum standards for electrical and mechanical equipment.
(5) Submit annually to the City Manager, not less than ninety (90) days prior to the beginning of the budget year, a list of recommendations for capital improvements which, in the opinion of the Commission, are necessary or desirable to be constructed during the forthcoming five (5) years. Such list shall be arranged in order of preference, with recommendations as to which projects shall be constructed in which year.
(6) Meet no less than once each quarter, meetings to be held at the City Hall unless prior notice of change of meeting place be given by publication in a newspaper in general circulation in the City.
(7) Operate under the guidelines of the powers granted by the Civil Statutes of the State of Texas.

E. Liaison with City Council

The City Manager or his representative shall attend the meetings of the Commission and shall serve as liaison between the Commission and the Council."

ENMIENDA NRO. 33

UNA ENMIENDA A LA CARTA ORGÁNICA PARA ELIMINAR REQUISITOS OBSOLETOS:

"SECCIÓN 10.01 – COMISIÓN DE PLANIFICACIÓN Y ZONIFICACIÓN

El Consejo designará una Comisión de Planificación y Zonificación de la Ciudad compuesta por cinco (5) miembros, que serán residentes de la Ciudad, pero no serán empleados de la Ciudad.

A. Duración del cargo

Los miembros de la Comisión serán designados por mandatos intercalados de tres (3) años.

B. Reglamento

La Comisión elegirá anualmente uno (1) de su número Presidente y establecerá su propio reglamento que incluirá lo siguiente: Un quórum constará de una mayoría de los miembros de la Comisión y un voto afirmativo de una mayoría de los presentes será necesario para aprobar cuestiones pendientes. Todas las asambleas estarán abiertas al público y la persona que desempeña las funciones de Secretario de la Ciudad mantendrá un registro de todos los procedimientos y será un registro público.

C. Vacantes

Los miembros de la Comisión participarán activamente en las actividades de la Comisión, y cualquier miembro que se ausente de tres (3) asambleas consecutivas de la Comisión sin justificativo válido según lo determina la Comisión, perderá automáticamente la membresía. La Comisión notificará de inmediato al Consejo que existe una vacante en la Comisión.

Las vacantes que se producen en la Comisión, cualquiera sea el motivo, se cubrirán dentro de treinta (30) días por designación del Consejo para el resto del mandato sin finalizar.

D. Facultades y obligaciones

La Comisión tendrá la facultad y deberá:

(1) Recomendar al Consejo enmiendas, extensiones y adiciones al Plan Maestro para el desarrollo físico de la Ciudad.
(2) Recomendar al Consejo la aprobación o desaprobación de planos catastrales de subdivisiones propuestas presentados según una ordenanza de la Ciudad en la versión adoptada o su enmienda posterior.
(3) Recomendar al Consejo planes para demoler y reconstruir distritos de barrios pobres y zonas deterioradas que se podrían haber desarrollado en la Ciudad.
(4) Recomendar al Consejo la enmienda, extensión y revisión del Código de Construcción, el cual incluirá los estándares mínimos de construcción para edificar, los estándares mínimos de fontanería y los estándares mínimos para equipos eléctricos y mecánicos.
(5) Presentar anualmente al Administrador de la Ciudad, no menos de noventa (90) días antes del inicio del año del presupuesto, una lista de recomendaciones para mejoras de capital que, según la opinión de la Comisión, son necesarias o deseables para ser construidas durante los próximos cinco (5) años. Dicha lista estará preparada en orden de preferencia, con recomendaciones respecto de cuáles proyectos se construirán en cuál año.
(6) Reunirse no menos de una vez por trimestre, y las reuniones se llevarán a cabo en City Hall a menos que se informe previamente un cambio del lugar de reunión a través de la publicación en un periódico de circulación general de la Ciudad.
(7) Operar bajo las directivas de las facultades otorgadas por los Reglamentos Civiles del Estado de Texas.

E. Enlace con el Consejo Municipal

El Administrador de la Ciudad o su representante asistirá a las reuniones de la Comisión y servirá de enlace entre la Comisión y el Consejo".

AMENDMENT NO. 34

A CHARTER AMENDMENT TO COMPLY WITH STATE AND FEDERAL LAW (Explanatory Note: Current specified deadlines are not consistent with state law, which severely limits the number of City elections that can be held in a given year.)**:**

"SECTION 11.08 – ELECTION TO BE CALLED

If the officer whose removal is sought does not resign, then it shall become the duty of the Council to order an election and fix a date for holding such recall election, in accordance with State law.

ENMIENDA NRO. 34

UNA ENMIENDA A LA CARTA ORGÁNICA PARA CUMPLIR CON LAS LEYES ESTATALES Y FEDERALES:

"SECCIÓN 11.08- CONVOCATORIA A ELECCIÓN

Si el funcionario cuya destitución se procura no renuncia, entonces será obligación del Consejo ordenar una elección y fijar una fecha para celebrar dicha elección de destitución, de acuerdo a la ley del Estado."

LOCATION OF POLLING PLACE: *(DIRECCIÓN DEL LUGAR DE VOTACIÓN:)*

401 Market Street, Tomball, Texas 77375.

Early voting by personal appearance will be conducted each weekday at: 401 Market Street, Tomball, Texas 77375, between the hours of 7:45 a.m. and 5:00 p.m., Monday, Wednesday, and Thursday, between the hours of 7:45 a.m. and 7:45 p.m. on Tuesday, and between the hours of 7:45 a.m. and 4:00 p.m. on Friday, beginning on April 28, 2014 and ending on May 6, 2014.
(La votación anticipada en persona se llevará a cabo de lunes a viernes en: 401 Market Street, Tomball, Texas 77375, entre las 7:45 a.m. y las 5:00 p.m. el lunes, miércoles y jueves, entre las 7:45 a.m. y las 7:45 p.m. el martes,

y entre las 7:45 a.m. y 4.00 p.m. el viernes, comenzando el 28 de abril de 2014 y culminando el 6 de mayo de 2014.)

Applications for ballot by mail shall be mailed to: *(Las solicitudes de boletas para votar por correo deben enviarse a:)*

Doris Speer
(Name of Early Voting Clerk) *(Nombre de la Secretaria de Votación Anticipada)*

401 Market Street
(Address) *(Dirección)*

Tomball, TX 77375
(City) *(Ciudad)* (Zip Code) *(Código Postal)*

Applications for ballot by mail presented in person must be received no later than the close of business on April 25, 2014.
(Las solicitudes de boletas para votar por correo hechas en persona deberán recibirse para el fin del horario de oficina el 25 de abril de 2014.)

Issued this the 17th day of February 2014. *(Emitido este día 17 de febrero de 2014.)*

Signature of Mayor *(Firma del Alcalde)*

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Approve the Minutes of the March 17, 2014 Regular City Council Meeting and the March 25, 2014 Special Council Meeting.

Background:

Origination:

City Secretary

Recommendation:

Funding:

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 17, 2014 Regular Council Meeting

Draft Minutes - March 25, 2014 Special Council Meeting

MINUTES OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

MONDAY, MARCH 17, 2014
6:00 P.M.

1.0 Call to Order

The Council meeting was called to order at 6:00 p.m. by Mayor Fagan**.** Other members present were:

Councilman Hudgens
Councilman Stoll
Councilman Degges
Councilman Townsend
Councilman Dodson

Others present:

City Manager – George Shackelford
City Secretary – Doris Speer
City Attorney – Loren B. Smith
Fire Chief – Randy Parr
Police Chief – Robert Hauck
Finance Director – Glenn Windsor
Marketing Director – Mike Baxter
Community Development Director – Craig Meyers
City Engineer – Lori Lakatos
City Planner – Rebeca Guerra
Community Events Coordinator – Rosalie Dillon
NWEMS Director – Brian Bayani

2.0 The invocation was led by Pastor Al Navarro, Puente Para Cristo

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

4.0 No public comments were received

5.0 Reports and Announcements:

- **March 23, 2014 – "2014 Ride 2 Recovery Texas Challenge"** Welcome and Rest Stop – 9:30 a.m.-11:00 a.m.
- March 25, 2014 (Tuesday) – **Special City Council Meeting – 6:00 p.m.**
- **March 28-30, 2014 – Tomball German Heritage Festival** – 3/28, 6:00 p.m.-10:00 p.m.; 3/29, 10:00 a.m.-10:00 p.m.; 3/30, 10:00 a.m.-6:00 p.m. – Old Town Tomball and Market Street
- April 12, 2014 – ***6th Annual 5K Bunny Run and 1 Mile Kids Walk***
- April 21-25, 2014 – **Annual Spring Clean-Up and Chipping Week**
- April 26, 2014 – **Tomball Consolidated Recycling Day** at **LoneStar College-Tomball -** 10:00 a.m.-2:00 p.m.
- April 28-May 6, 2014 – Early Voting for the **May 10, 2014 Charter Amendment Election**
- May 3-4, 2014 – **3rd Annual *Rails & Tails Mudbug Festival***
- May 10, 2014 – **Charter Amendment Election –** City Hall, 7:00 a.m.-7:00 p.m.
- May 24, 2014 – **3rd Annual Memorial Day Weekend Chili Challenge**
- ***Walk Tomball!*** – Every Saturday at 9:00 a.m. at the Depot
- Reports by City staff and members of council about items of community interest on which no action will be taken:

6.0 Motion was made by Councilman Townsend, second by Councilman Dodson, to approve the Minutes of the March 3, 2014 Regular City Council Meeting.

Motion carried unanimously.

7.0 Old Business:

7.1 Motion was made by Councilman Hudgens, second by Councilman Stoll, to adopt, on Second Reading, Ordinance No. 2014-05, an Ordinance of the City Council of Tomball, Texas, Approving the First Amended and Restated Service and Assessment for the City of Tomball Public Improvement District (PID) No. 2, for the Raleigh Creek Subdivision. Vote was as follows:

Councilman Hudgens	Aye
Councilman Stoll	Aye
Councilman Degges	Aye
Councilman Townsend	Aye
Councilman Dodson	Aye

Motion carried unanimously.

8.0 New Business:

8.1 Motion was made by Councilman Dodson, second by Councilman Townsend, to read Ordinance No. 2014-06 by caption only on First Reading.

Motion carried unanimously.

Motion was made by Councilman Townsend, second by Councilman Stoll, to adopt, on First Reading, Ordinance No. 2014-06, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section One Properties within the City of Tomball Public Improvement District Number Two (Raleigh Creek Subdivision); and Making Certain Findings Related Thereto. Vote was as follows:

Councilman Hudgens	Aye
Councilman Stoll	Aye
Councilman Degges	Aye
Councilman Townsend	Aye
Councilman Dodson	Aye

8.2 Motion was made by Councilman Dodson, second by Councilman Degges, to approve Resolution No. 2014-06, Canceling the Regular City Officer's Election Scheduled to be held on the 10th Day of May, 2014, in Accordance with Section 2.053(a) of the Texas Election Code; Directing the Giving of Notice of Such Cancellation of Election; and Providing Details Relating to the Cancellation of Such Election.

El Concejal Dodson hizo la moción de aprobar la Resolución Nro. 2014-06 Cancelando la Elección Regular de Funcionarios Municipales programada para celebrarse el día 10 de mayo de 2014 de acuerdo con la Sección 2.053(a) del Código Electoral de Texas; instruyendo que se de aviso de tal cancelación de elección; y proveyendo detalles relativos a la cancelación de tal elección, la cual fue secundada por el Concejal Degges.

Cuộc Vận Động đã được tiến hành bởi Ủy Viên Hội Đồng Dodson, tán thành bởi Ủy Viên Hội Đồng Degges, để chấp thuận Nghị Quyết số 2014-06, Hủy Bỏ Cuộc Bầu Cử Viên Chức Thành Phố Thường Kỳ Dự Kiến sẽ được tổ chức vào ngày 10 tháng Năm, 2014, Chiếu theo Mục 2.053(a) của Bộ Luật Tuyển Cử Texas; Chỉ thị việc đưa ra Thông Báo về Hủy Bỏ Cuộc Bầu Cử đó; và Cung Cấp Thông Tin Chi Tiết Liên quan đến việc Hủy Bỏ Cuộc Bầu Cử đó.

動議已由市議員 Dodson，第二由市議員 Degges, 通過決議案2014-06, 取消一般市府官員應於2014年5月10日的選舉計畫，其是根據德克薩斯州選舉法2.053(a)節；茲此通知該選舉取消；以及提供關於取消該選舉的詳情。

Motion carried unanimously.
La moción fue aprobada por unanimidad.
Cuộc Vận Động được nhất trí tiến hành.
動議無異議的通過。

8.3 Motion was made by Councilman Townsend, second by Councilman Stoll, to Approve Purchase of Auto Gyro, MTO Sport, Gyroplane for the Tomball Police Department, in the Amount of $85,000. Vote was as follows:

Councilman Hudgens	Aye
Councilman Stoll	Aye
Councilman Degges	Nay
Councilman Townsend	Aye
Councilman Dodson	Aye

Motion carried 4 votes Aye, 1 vote Nay.

8.4 Approval of a Professional Services Agreement with Impact DataSource, LLC, in the Amount of $15,000 for an Economic Impact Analysis of Constructing Single-Family Homes on Existing 25-Foot Wide Platted Lots in the Old Town Area died for lack of motion.

No action taken.

8.5 Consideration to Postpone and Set a New Date to Hold Special City Council Meeting to Workshop Non-Conforming Lots, Currently Scheduled to be Held on March 25, 2014, to Allow Completion of the Economic Impact Analysis died for lack of motion.

No action taken.

8.6 Motion was made by Councilman Dodson, second by Councilman Hudgens, to approve the Following Plat as Recommended by the Planning and Zoning Commission:

REPLAT DANIELS I: Being a subdivision of 0.161 acre of land situated in the W. Hurd Survey, Abstract Number 371, Harris County, Texas and being a Replat of Lots 20 and 21, in Block 63 of the Tomball Townsite, a subdivision in Harris County, Texas, according to the map or plat thereof recorded in Volume A, Page 25 of the Map Records of Harris County, Texas.

Motion carried unanimously.

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

Motion carried unanimously.

Meeting adjourned.

PASSED AND APPROVED this the ___7th___ day of __April_ 2014.

________________________	________________________
Doris Speer, TRMC, CMC	Gretchen Fagan
City Secretary	Mayor

MINUTES OF SPECIAL CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

TUESDAY, MARCH 25, 2014

5:00 P.M.

1.0 Call to Order

The Council meeting was called to order at 6:00 p.m. by Mayor Gretchen Fagan**.** Other members present were:

Councilman Hudgens
Councilman Stoll
Councilman Degges
Councilman Townsend
Councilman Dodson

Others present:

City Manager – George Shackelford
Assistant City Secretary – Betsy Gates
Finance Director – Glenn Windsor
Community Development Director – Craig Meyers
City Planner – Rebeca Guerra
City Engineer – Lori Lakatos
Assistant City Planner – Rodney Schmidt

2.0 The following public comments were received:

Dan Adkisson 500 Inwood, 77375	-	As a certified state appraiser he is in opposition of allowing construction on 25' lots. It would hurt the value of remaining residential properties.
Mike Ott Via email	-	Allowing construction of housing on a 25' will create an eyesore and low rent housing in the near future. Opposed to building on 25' lots.

3.0 New Business:

3.1 The Tomball City Council entered into a Workshop Session regarding proposed amendments to Section 34.4 ("Area Regulations for Residential Uses") of the City's Zoning Ordinance (Ordinance No. 2008-01) by creating non-conforming lot regulations for lots within that portion of the Old Town Area bounded by Fannin Street, Houston Street, the railroad tracks, and Pine Street, and including the lots that front on Fannin Street and Houston Street adjacent to such portion. Staff report was presented by Rebeca Guerra.

Further public comments:

Jennifer Casalino 209 Houston Street, 77375	-	She rents the house from Ms. Dermaux –she likes the house. It feels big inside and is modern and has a nice yard.
Monique Dermaux 2531 Cherry Street, 77375	-	Presented a slide presentation showing the house that she had constructed on one of the three 25' lots she owns on Houston Street
Jim Streiner 411 Fannin, 77375	-	He lives in a 900 sq. ft. home and it was good enough for 5 members of his family
Rhonda Schiel 300 Houston Street, 77375	-	Owns this property and her father built many of the 25' lot houses years ago. She wants the area to stay preserved in Old Town area and keep its integrity.
Dr. Rodney Hutson 9431 Rosie Lane, Suite 100 Magnolia, 77354	-	Dr. Hutson owns about 6- 25' lots plus city has 4 or so for a total of ten citywide. The 25' lots are not a good idea. It is not a good idea to give special permission to one and not the other.

No action taken. Consensus of Council was to not build on 25' lots, so there is no need to change the current ordinance.

4.0 Motion was made by Councilman Townsend, second by Councilman Dodson, to adjourn.

Motion carried unanimously.

Meeting adjourned.

PASSED AND APPROVED this the ______ day of _________ 2014.

______________________	______________________
Betsy Gates, TRMC, CMC Assistant City Secretary	Gretchen Fagan Mayor

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Adopt, on Second Reading, Ordinance No. 2014-06, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section One Properties within the City of Tomball Public Improvement District Number Two (Raleigh Creek Subdivision); and Making Certain Findings Related Thereto

Background:

Public Improvement District was created in 2007 and comprises the entirety of the Raleigh Creek Subdivision which will ultimately contain 347 single family lots. The next step in the process is to levy an assessment on each lot that will reimburse the developer for public infrastructure costs associated with the development. The assessments proposed are on a per lot basis. Based on the infrastructure costs for the development, the total, one-time assessment of $ 26,197.39 is proposed which represents the principal amount of the assessment. The annual assessment (financed assessment) proposed is $ 2,876.33 which is the principal amount of the assessment amortized over 15 years at 7% interest. With the annual administrative costs of $ 71.91 per lot, the total annual payment will equal $ 2,984.24 per lot.

Home values in Raleigh Creek are expected to average $ 350,000. A $ 2,984.24 annual assessment installment payment on a $ 350,000 home is the equivalent of a $ 0.85 property tax rate.

Please see attached Ordinance 2014-06 and Assessment Roll.

Origination:

Scott Bean, PID Coordinator, Hawes, Hill, Calderon, LLP Glenn Windsor, CPA, Finance Director

Recommendation:

Approval of Ordinance 2014-06, with attachments, on Second Reading

Funding:

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:

Ordinance No. 2014-06 - Assessment Section One Properties_PID 2_Raleigh Creek Subdivision

PID No.2, Raleigh Creek Subdivision, Section One Assessment Roll

Council Information Sheet

PID Primer

ORDINANCE NO. 2014-06

AN ORDINANCE OF THE CITY COUNCIL OF TOMBALL, TEXAS, LEVYING AN ASSESSMENT AGAINST SECTION ONE PROPERTIES WITHIN THE CITY OF TOMBALL PUBLIC IMPROVEMENT DISTRICT NUMBER TWO (RALEIGH CREEK SUBDIVISION); AND MAKING CERTAIN FINDINGS RELATED THERETO.

* * * * * * * * * *

WHEREAS, the City of Tomball (the "City") is authorized pursuant to TEX. LOCAL GOV'T CODE, ch. 372, as amended ("Chapter 372") to create public improvement districts for the purposes described therein, and to levy and collect an assessment in furtherance of the purposes thereof; and

WHEREAS, the City has created City of Tomball Public Improvement District Number Two (the "PID"), adopted a Service and Assessment Plan (the "Plan") for the PID, all in accordance with the applicable provisions of Chapter 372; and

WHEREAS, the City Council filed a proposed assessment roll with the City secretary which roll was available for public inspection, and following notice thereof by mail and publication as required by Chapter 372, the City Council held a public hearing at which written or oral objections to the proposed assessments were considered and passed on by the City Council; and

WHEREAS, the City Council has determined that the levy of a special assessment for and on behalf of the PID is necessary and advisable, and that the proposed assessment roll apportions the cost of the subject improvements in the PID on the basis of special benefits accruing to the property because of the improvement, **NOW THEREFORE,**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, that:

Section 1. The facts recited in the preamble hereto are found to be true and correct.

Section 2. The assessment roll attached hereto is hereby approved and the special assessments described therein are hereby levied on the subject property in accordance with the terms of the Plan, which Plan determines, *inter alia*, the method of payment of the assessments, and makes provision for the payment thereof in periodic installments, interest thereon and the collection thereof. The Mayor, City Secretary and any other appropriate officials of the City are hereby authorized to take all necessary actions on behalf of the City to implement the terms thereof in accordance therewith.

Section 3. There is hereby created a first and prior lien securing payment of the assessment levied, effective as of the date of this Ordinance as provided in the Plan and Chapter 372.

Section 4. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

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 17TH DAY OF MARCH 2014

COUNCILMAN HUDGENS	AYE
COUNCILMAN STOLL	AYE
COUNCILMAN DEGGES	AYE
COUNCILMAN TOWNSEND	AYE
COUNCILMAN DODSON	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 ____________DAY OF ___ ____________2014

COUNCILMAN HUDGENS	______
COUNCILMAN STOLL	______
COUNCILMAN DEGGES	______
COUNCILMAN TOWNSEND	______
COUNCILMAN DODSON	______

____
GRETCHEN FAGAN, MAYOR

ATTEST:

____
DORIS SPEER, CITY SECRETARY

Approved as to form:

____
SCOTT BOUNDS, City Attorney

Public Improvement District Number Two

Raleigh Creek Subdivision

Section One Assessment Roll

City of Tomball, Harris County, Texas

Owner	Block #	Lot #	Total Assessment	Annual Assessment Installment	Financed Assessment Term	Annual Administrative Cost	Total Annual Payment
LS Development, LLC	1	1	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	1	2	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	2	1	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	2	2	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	2	3	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	2	4	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	2	5	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	2	6	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	2	7	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	1	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	2	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	3	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	4	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	5	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	6	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	7	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	8	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	9	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	10	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	11	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	12	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	13	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	14	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	15	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	16	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	17	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	18	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	19	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	20	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	21	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	22	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	23	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	3	24	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	1	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	2	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	3	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	4	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	5	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	6	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	7	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	8	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	9	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24
LS Development, LLC	4	10	$ 26,197.39	$2,876.33	15 years	$ 71.91	$ 2,948.24

LS Development, LLC	4	11	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	4	12	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	4	13	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	4	14	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	1	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	2	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	3	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	4	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	5	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	6	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	7	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	8	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	9	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	10	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	11	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	12	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	5	13	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	6	1	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	6	2	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	6	3	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	6	4	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	6	5	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	6	6	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	1	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	2	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	3	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	4	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	5	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	6	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	7	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	8	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	9	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	10	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	7	11	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	8	1	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	8	2	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	8	3	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	9	1	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	9	2	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	1	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	2	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	3	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	4	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	5	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	6	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	7	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	8	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	9	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	10	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	11	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24
LS Development, LLC	10	12	$	26,197.39	$2,876.33	15 years	$	71.91	$	2,948.24

Council Item Information Sheet – Service and Assessment Plan/Section One Assessment Roll for Public Improvement District No. 2 (Raleigh Creek Subdivision).

Action Requested

Approval of the First Amended and Restated Service and Assessment Plan for Public Improvement District No. 2 and approval of the Section One Assessment Roll.

Information

Public Improvement District was created in 2007 and comprises the entirety of the Raleigh Creek Subdivision which will ultimately contain 347 single family lots. The next step in the process is to levy the assessment on each lot that will reimburse the developer for public infrastructure costs associated with the development. It is also necessary to approve an amended PID Service and Assessment Plan that shows how the assessment is formulated and how it is to be levied and collected.

The assessments proposed are on a per lot basis. Based on the public infrastructure costs for the development, the total, one-time assessment $26,197.39 is proposed which represents the principal amount of the assessment. The annual installment (financed assessment) proposed is $2,876.33 which is the principal amount of the assessment amortized over 15 years at 7% interest. With the annual administrative cost of $71.91 per lot, the total annual payment will equal $2,984.24 per lot.

Home values in Raleigh Creek are expected to average $350,000. A $2,984.24 annual assessment installment payment on a $350,000 home is the equivalent of a $0.85 property tax rate.

The annual payment, principal, and interest are demonstrated on the attached example amortization schedule which will be kept for each property covered by the assessment. The principal amount of the assessment is payable at any time by each homeowner which would terminate the assessment.

Proper disclosure notices detailing the assessment will be presented to potential homebuyers by the homebuilders and for acknowledgement at closing in the same manner as disclosure notices used in MUDs and other special districts with an ad valorem tax rate.

Future Actions

As with other City Public Improvement Districts, Harris County will collect the PID assessments in the same manner as property taxes and transferred to a City-established PID revenue fund. A report on the reimbursable developer costs will be performed by a qualified CPA firm and the revenues will be disbursed to the developer once a year after administrative costs have been deducted.

EXAMPLE AMORTIZATION SCHEDULE

Duration (in years)	15
Interest Rate	7.00%
Annual Payment Amount	$2,876.33
Total Lifetime Payments	$43,144.99
Total Principal	$26,197.39
Total Interest	$16,947.60

	Payment	Principal	Interest	Payment	Principal Balance
					$26,197.39
	1	$1,042.52	$1,833.82	$2,876.33	$25,154.87
	2	$1,115.49	$1,760.84	$2,876.33	$24,039.38
	3	$1,193.58	$1,682.76	$2,876.33	$22,845.81
	4	$1,277.13	$1,599.21	$2,876.33	$21,568.68
	5	$1,366.52	$1,509.81	$2,876.33	$20,202.16
	6	$1,462.18	$1,414.15	$2,876.33	$18,739.97
	7	$1,564.53	$1,311.80	$2,876.33	$17,175.44
	8	$1,674.05	$1,202.28	$2,876.33	$15,501.39
	9	$1,791.24	$1,085.10	$2,876.33	$13,710.15
	10	$1,916.62	$959.71	$2,876.33	$11,793.53
	11	$2,050.79	$825.55	$2,876.33	$9,742.75
	12	$2,194.34	$681.99	$2,876.33	$7,548.41
	13	$2,347.94	$528.39	$2,876.33	$5,200.46
	14	$2,512.30	$364.03	$2,876.33	$2,688.16
	15	$2,688.16	$188.17	$2,876.33	$0.00
TOTAL		**$26,197.39**	**$16,947.60**	**$43,144.99**	

Public Improvement District (PID) Primer

<u>What is a PID?</u>

A Public Improvement District (PID) is a public financing tool created under Chapter 372 of the Texas Local Government Code (TLGC). A PID allows a neighborhood or commercial area to apportion the cost of improvements and levy an assessment against property located in the PID, because that property is acquiring a special benefit because of the improvements. In other words, the property that will benefit the most from the improvement pays for the improvement--the burden is not shifted to the entire community. PIDs are intended to promote economic growth by providing the funding mechanism to construct necessary infrastructure or desired amenities that support new developments and encourage redevelopment.

PIDs are a component unit of the City and are governed by the City Council. The Council can create an advisory board for the PID if necessary, but final determinations on establishment, costs, assessments, and budgets must be made by the City Council.

<u>What can a PID finance?</u>

The PID can be designed to help finance the cost of a variety of development costs including:
- water, wastewater, health and sanitation, or drainage improvements;
- street and sidewalk improvements;
- mass transit improvements;
- parking improvements;
- library improvements;
- park, recreation and cultural;
- art installation;
- creation of pedestrian malls; or
- supplemental services. (advertising, extra public safety, etc.)

<u>How does the PID finance the projects?</u>

Project costs can be paid directly by the City or the developer can advance funds. The assessment fees levied on each property fund the project payments. Until the PID has accumulated adequate assessment fee revenue, the City can choose to issue bonds or use general tax revenues for initial payments or developer reimbursements.

Separate fund(s) are created by the City for the administration of the PID. The Council reviews and approves the assessments and district budget each year.

How is a PID created and dissolved?

PID Development Process (minimum steps required by Chapter 372, TLGC):

1. City, County, or affected property owner(s) initiates a petition for creation.
2. If needed, City Council appoints an advisory board to develop the PID improvement plan.
3. City Council holds a public hearing & passes a resolution on the need for the PID.
4. City Council authorizes the establishment of a PID by resolution.
5. Construction of improvements may begin 20-days after the PID's creation.
6. City Council adopts a Service and Assessment Plan (list of projects, costs, debt, & assessment fee) for at least five, ongoing years is developed.
7. City holds a public hearing on the assessment roll (lists each PID property's fee).
8. City Council adopts ordinance to levy the special assessment. (City will also create a special fund(s) for the PID).
9. If necessary, City Council holds public hearing and approves additional assessments to correct omissions or mistakes in the improvement costs.
10. If necessary, City Council holds public hearing & passes a resolution dissolving PID; however, the district remains in effect at least to meet its debt obligations.

Does the City have any additional requirements?

Yes. City of Tomball Administrative Policy No. 18 "Development Policy for Special Financing Districts" requires:

1. Residential Development Size--greater than 125 acres unless the average home value is greater than $225, 000.
2. Annual Individual Assessment Limit—no more than the equivalent of a $.50 tax rate on the assessed value of the property.
3. Assessment Term Limit—Not to exceed 10 years. First assessment due 3 years after levy or upon transfer of property from developer to home buyer whichever occurs first.
4. Developer Interest Limit—If bonds are sold, developer earned interest reimbursements will not exceed the net effective interest rate on bonds sold or 8% whichever is less. If bonds are not sold, reimbursement will be calculated according to an indexed-based formula (see Admin Policy 18) or 8% whichever is less.
5. Bidding Requirements—Developers must follow municipal bidding procedures (as outline in Chap 252 TLGC). All bids and awards of contracts must be approved by City Council.
6. District Administration—The City of Tomball will contract with an outside consultant to bill, collect, and track district assessments. This cost will be included in the Service & Assessment Plan and reimbursed from the district.

Other city policies, procedures, and good practices may also effect individual district creation or administration including approval of related contracts and agreements. For example, the City will usually need to enter into a Developer Agreement to detail the responsibilities & obligations of each party related to the Service and Assessment Plan.

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Approve Appointment of Current Police Chief Rob Hauck as Assistant City Manager

Background:

Following internal and external advertisement and conducting several rounds of interview, recommendation is being made by George Shackelford, City Manager, to appoint Rob Hauck as the new Assistant City Manager.

A memo from the City Manager is attached for Council's review and consideration.

Origination:

George Shackelford, City Manager

Recommendation:

Funding:

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

City Secretary

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	

ATTACHMENTS:

George Shackelford - Memo re Appointment of Rob Hauck as Assistant City Manager

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: George Shackelford, City Manager

SUBJECT: Appointment of Rob Hauck as Assistant City Manager

DATE: April 2, 2014

Some months ago, former Assistant City Manager Christal Weber left to become the Assistant City Manager of Lee's Summit, MO. After conducting several rounds of interviews, it was determined that Chief Hauck was the right person for the position. Rob has over 20 years of personnel management, Bachelors and Master Degrees in Management, active in community organizations, and is well respected throughout the community. He has done a tremendous job in leading the Tomball Police Department.

Rob and I have talked about a transition plan from the Police Department to Administration. He will continue to work in the Police Department as Interim Chief as well as in Administration for a short time period. He is currently in the middle of several projects that he would like to see to completion.

This position is listed in the City Charter as follows:

SECTION 7.02 - ASSISTANT CITY MANAGER

The City Manager, with the approval of the Council, may appoint an Assistant City Manager. Such Assistant City Manager shall have all of the powers and duties as delineated by his job description, and in the event of the absence or disability of the City Manager, he shall fill all the duties of the City Manager.

I believe he will do an excellent job in the Assistant City Manager position and would request approval from the City Council for appointment of Rob Hauck as Assistant City Manager.

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Presentation of Comprehensive Annual Financial Report (CAFR Audit) and the Single Audit Report for the Fiscal Year Ended September 30, 2013 to City Council

Background:

Section 8.24 of the City Charter requires an independent audit to be performed of "accounts and other evidences of financial transactions of the City government".

The audit has been completed by the firm of Weaver Tidwell, LLP and a member of their firm will be here to present the report to City Council.

This is the second year of the three-year contract that was awarded by Council on May 21, 2012.

Origination:

Finance

Recommendation:

Staff recommends acceptance of the 9/30/2013 Comprehensive Annual Financial Report

Funding:

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 (CAFR) 9/30/2013

Single Audit Report 9/30/2013

CITY OF TOMBALL, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2013

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, 2013

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INTRODUCTORY SECTION

City of Tomball

Gretchen Fagan
Mayor

George Shackelford
City Manager

March 18, 2014

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, 2013. 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 auditor's 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 auditor's 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 11.71 square miles and serves an estimated population of 10,979. 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 by 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 58 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 64.

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 few incorporated areas in this portion of Harris County. As a result, the City has evolved into the area's principal commercial center. Assessed values for Fiscal 2013 reflect an increase of 16.91% to $1.36 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. Two new single-family residential developments were under construction at the end of the fiscal year, including Raleigh Creek with 347 individual lots and homes with an average value of $350,000.

Sales tax revenues continued to increase with the City experiencing a 15.37% increase during 2012-2013. Additionally, new retail businesses continued 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 which is expected to grow for the next several years. The largest groups of employers are in the service and retail trade.

Long-Term Financial Planning

The City continued the design and construction 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. Also, at the end of the fiscal year, plans were in place to improve sidewalks in the downtown area and the construction of restroom facilities at the Depot Plaza were nearing completion.

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.

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 recent recession, the City continued a conservative approach in budgeting sales tax revenues for fiscal 2013. Sales tax revenues were projected at $8,190,000 for fiscal 2012, but for the 2013 fiscal year the projection was $7,765,000.

In January 2008, the City Council completed a visioning and strategic planning session to chart a course for the City. In that session, the council decided that it wanted Tomball to be a destination city offering various activities and festivals throughout the year to draw people to town. In addition to being a destination, council indicated that economic development efforts should focus on making Tomball a regional hub for retail, medical, financial, and high-tech business. Infrastructure improvements and improving customer service were also slated as goals.

The City initiated a number of actions during 2008 aimed at responsibly planning for the City's future. In November 2008, the City completed an FM 2920 Access Management Study, in conjunction with the Texas Department of Transportation and the Houston Galveston Area Council, to address safety and mobility along the FM 2920 corridor from US 290 to Interstate 45. The City also completed a Livable Centers Downtown Plan in cooperation with a grant received through the Houston Galveston Area Council. The Plan addressed public improvements to preserve, promote, and enhance Tomball's Downtown as the identifiable physical, social, and cultural heart of Tomball. In 2009 the City completed its first citywide Comprehensive Plan to guide and shape the community's future physical growth and development. The Comprehensive Plan was the result of a year-long community involvement process that involved over 1,700 stakeholders. The City approved a Professional Services agreement for the development of a Downtown Specific Plan during 2011, which will address land use and zoning regulations for the downtown area.

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 (Hotel Occupancy Tax Fund, Equipment Replacement Fund, Municipal Court Fund, Public Safety Fund, and Emergency Management Fund), Utility Fund, and Utility Interest and Sinking Fund are included in the annual operating budget. The Tomball Economic Development Corporation, a component unit of the City, is also included in the annual operating budget. 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 unqualified ("clean") opinion on the City of Tomball's financial statements for the year ended September 30, 2013. 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 ended September 30, 2012. 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, 2012. This is the fifth time 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 second consecutive year, the City was awarded the Gold Leadership Award as part of the "Texas Transparency" program from the Texas Comptroller of Public Accounts. 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, 2013

City Officials	Elected Position	Term Expires
Gretchen Fagan	Mayor	2016
F. S. "Field" Hudgens	Councilman Position 1	2014
Mark Stoll	Councilman Position 2	2015
Rick Brown	Councilman Position 3	2016
Derek Townsend, Sr.	Councilman Position 4	2015
Preston Dodson	Councilman Position 5	2014

Department Heads	Appointive Position
George Shackelford	City Manager
Doris Speer	City Secretary
Robert Hauck	Chief of Police
David Kauffman	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, 2012

Executive Director/CEO

Staff Organizational Chart

Tomball Citizens

Mayor and City Council

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

FINANCIAL SECTION

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, 2013, 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

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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, 2013, 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.

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 Funding Progress for Participation in Texas Municipal Retirement System, 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.

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.

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

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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
March 18, 2014

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, 2013. 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 $82,431,677 (net position). Of this amount, $12,612,754 is unrestricted net position for governmental activities and $10,646,792 for business-type activities.

- The City's net position increased by $5,808,190. This included an increase of $3,051,118 in unrestricted net position, an increase of $2,628,599 in net assets invested in capital assets net of related debt, and an increase of $128,473 in restricted assets.

- As of the close of the current fiscal year, the City of Tomball's governmental funds reported combined ending fund balances of $39,419,587. Of the ending fund balance, $27,524,034 is restricted for specific purposes (e.g., capital projects, debt service); $143,436 is committed for specific purposes; $161,921 is assigned by the City for specific purposes; $30,441 is non-spendable and $11,559,755 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 assets 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 eleven 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 eight 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 $82.4 million as of September 30, 2013. The largest portion of the City's net position (68%) 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	
	2013	2012	2013	2012	2013	2012
Current and other assets	$ 43,549,351	$ 32,973,854	$ 12,264,206	$ 11,035,907	$ 55,813,557	$ 44,009,761
Capital assets	35,157,062	34,166,175	39,020,473	39,768,489	74,177,535	73,934,664
Total assets	78,706,413	67,140,029	51,284,679	50,804,396	129,991,092	117,944,425
Long-term liabilities	33,255,791	26,646,474	7,456,550	8,524,026	40,712,341	35,170,500
Other liabilities	4,387,249	3,875,427	2,459,825	2,275,011	6,847,074	6,150,438
Total liabilities	37,643,040	30,521,901	9,916,375	10,799,037	47,559,415	41,320,938
Net position:						
Net investment in capital assets	25,646,519	23,370,524	30,721,512	30,368,908	56,368,031	53,739,432
Restricted	2,804,100	2,675,627	-	-	2,804,100	2,675,627
Unrestricted	12,612,754	10,571,977	10,646,792	9,636,451	23,259,546	20,208,428
Total net position	$ 41,063,373	$ 36,618,128	$ 41,368,304	$ 40,005,359	$ 82,431,677	$ 76,623,487

Combined governmental and business-type activities increased the City's net position by $5,808,190 in 2013. The following table provides a summary of the City's operations for the year ended September 30, 2013. Governmental activities increased the City of Tomball's net position by $4,445,245. This increase is primarily related to the increase in sales tax revenues over the fiscal year. Business-type activities increased the City's net position by $1,362,945. This increase is related primarily to a relatively small excess of revenues over inter-fund transfers.

CITY OF TOMBALL'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	$ 3,794,785	$ 3,528,387	$ 11,096,756	$ 10,249,692	$ 14,891,541	$ 13,778,079
Operating grants and contributions	1,313,128	1,295,653	670,000	720,000	1,983,128	2,015,653
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	4,708,329	3,785,630	-	-	4,708,329	3,785,630
Sales taxes	9,442,376	8,189,360	-	-	9,442,376	8,189,360
Franchise taxes	1,267,302	1,227,784	-	-	1,267,302	1,227,784
Other taxes	428,208	444,032	-	-	428,208	444,032
Investment earnings	44,877	46,763	13,088	21,721	57,965	68,484
Miscellaneous	227,592	151,142	50,567	44,212	278,159	195,354
Total revenues	21,226,597	18,668,751	11,830,411	11,035,625	33,057,008	29,704,376
Expenses:						
General government	5,131,879	4,077,633	955,026	979,390	6,086,905	5,057,023
Public safety	7,508,811	6,845,653	-	-	7,508,811	6,845,653
Public Works	5,456,886	5,794,907	-	-	5,456,886	5,794,907
Community services	302,564	287,085	-	-	302,564	287,085
Water	-	-	3,262,366	3,003,537	3,262,366	3,003,537
Sewer			1,736,531	1,757,176	1,736,531	1,757,176
Gas			1,743,258	1,600,490	1,743,258	1,600,490
Interest on long-term debt, fiscal agent fees	830,054	821,705	321,443	272,406	1,151,497	1,094,111
Total expenses	19,230,194	17,826,983	8,018,624	7,612,999	27,248,818	25,439,982
Increases/(Decrease) in net assets before transfers	1,996,403	841,768	3,811,787	3,422,626	5,808,190	4,264,394
Transfers	2,448,842	3,054,958	(2,448,842)	(3,054,958)	-	-
Change in net assets	4,445,245	3,896,726	1,362,945	367,668	5,808,190	4,264,394
Net position, beginning	36,618,128	32,721,402	40,005,359	39,637,691	76,623,487	72,359,093
Net position, ending	$ 41,063,373	$ 36,618,128	$ 41,368,304	$ 40,005,359	$ 82,431,677	$ 76,623,487

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 $39,419,587. Approximately 29% of this amount ($11,559,755) is unassigned fund balance; however, $161,921 is assigned for encumbrances at year-end for the General Fund and $143,436 is committed in the Special Revenue Funds. $27,554,475 is non-spendable or restricted as follows:

Non-spendable (.08%)	
• Prepaid items	$ 30,441
Restricted (70%)	
• Debt service	$1,903,684
• Construction	24,549,657
• Enabling legislation	1,070,693

In the General Fund, fund balance increased by $1,896,670. This increase was primarily due to an increase in Sales Tax revenues. The Debt Service Fund Balance increased by $425,702 primarily from an increase in property tax revenues.

Proprietary Fund

Unrestricted net position of the respective proprietary funds are Enterprise (water, sewer, gas) of $10,604,868 and Internal Service Fund (fleet replacement fund and employee benefits trust fund) of $2,017,644. The net position of the water, sewer, and gas fund increased $1,301,177 primarily because of increases in operating revenues. Inter-fund transfers were less than the previous year. Actual revenues from water, sewer, and gas sales increased because of growth within the city. Net position of the internal service fund increased $275,600. 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 2012-2013 General Fund increased from the previous year, 2011-2012. Additional supplemental expenditures in the amount of $ 695,004 were approved together with vehicle replacements of $234,500 and cash funded capital expenditures of $ 104,360.

A reduction in fund balance had been expected but with the substantial increase in sales tax revenues, fund balance increased $ 1,896,670 from a beginning amount of $ 9,855,447 to $11,752,117.

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, 2013 is $74,177,535. The investment in capital assets includes land, buildings and improvements, equipment, infrastructure, and construction in progress.

Major capital projects during the year included the completion of sidewalks in the medical center area and the purchase of a portion of the right-of-way for Medical Complex Drive. Additionally, a significant portion of the design was completed for the component unit's (Tomball Economic Development Corporation) Business Park.

CITY OF TOMBALL'S CAPITAL ASSETS AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Land	$ 5,637,581	$ 5,637,581	$ 1,403,735	$ 1,403,735	$ 7,041,316	$ 7,041,316
Buildings and improvements	7,577,842	7,592,622	-	-	7,577,842	7,592,622
Gas system			3,232,725	3,372,159	3,232,725	3,372,159
Water and Sewer system			30,235,987	31,384,334	30,235,987	31,384,334
Equipment	1,409,781	1,544,598	2,643,135	2,235,028	4,052,916	3,779,626
Vehicles	216,521	196,203			216,521	196,203
Infrastructure	14,512,576	14,378,268	-	-	14,512,576	14,378,268
Construction in progress	5,802,761	4,816,903	1,504,891	1,373,233	7,307,652	6,190,136
Total capital assets	$ 35,157,062	$ 34,166,175	$ 39,020,473	$ 39,768,489	$ 74,177,535	$ 73,934,664

Additional information on the City's capital assets can be found in the notes on pages 40 through 42 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 $42,226,044.

CITY OF TOMBALL'S OUTSTANDING DEBT AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
General obligations	$ 10,985,250	$ 5,501,750	$ 5,304,750	$ 4,738,250	$ 16,290,000	$ 10,240,000
Certificates of Obligation	22,435,000	21,151,000	-	1,199,000	22,435,000	22,350,000
Revenue bonds payable	-	-	2,900,000	3,315,000	2,900,000	3,315,000
Capital leases	601,044	664,193	-	-	601,044	664,193
	$ 34,021,294	$ 27,316,943	$ 8,204,750	$ 9,252,250	$ 42,226,044	$ 36,569,193

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

	Standard & Poor's	Moody's
General Obligation Bonds	AA-	
Revenue Bonds	AA-	
Certificates of Obligation		Aa3

Additional information on the City’s outstanding debt can be found on pages 43 through 46 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 10,979. However, within a 3 mile radius it is estimated to be 19,160. Within a 5 mile radius, the estimate rises to 64,945. At this writing, accurate 2013 numbers are not yet available.

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 over 15%. With the continuing expansion of the local and surrounding economy, this trend is expected to continue.

At the end of fiscal year, construction of the state highway 249 expansion through the city had started with completion expected in 2014. Additionally, State Highway 99, also known as the Grand Parkway, was under construction 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, continues the development of its Western Hemisphere training facility on the northeast corner of the city. When completed, an estimated 70,000 individuals are expected to attend the center on an annual basis. This major addition to our city will serve to encourage new development along the northeast quadrant of Tomball.

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 the 2013-2014 annual budget the City expects continued growth in sales tax revenues along with no changes to the existing tax rates or utility fees. Construction will continue on several capital projects, including the extension of Medical Complex Drive and the M-121 drainage channel.

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 281-351-5484, 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, 2013

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Cash and cash equivalents	$ 28,657,601	$ 9,967,613	$ 38,625,214	$ 3,115,084
Investments	2,403,102	1,000,299	3,403,401	4,738,374
Receivables, net	2,136,066	1,064,888	3,200,954	505,082
Internal balances	(41,924)	41,924	-	-
Inventory	-	88,167	88,167	-
Prepaid expenses	32,900	-	32,900	-
Investments restricted for:				
Debt service	1,388,924	-	1,388,924	-
Construction	8,516,504	-	8,516,504	-
Deferred charges	456,178	101,315	557,493	-
Capital assets:				
Nondepreciable	11,440,342	2,908,626	14,348,968	2,497,187
Depreciable capital assets, net	23,716,720	36,111,847	59,828,567	-
Total assets	78,706,413	51,284,679	129,991,092	10,855,727
LIABILITIES				
Accounts payable and other current liabilities	1,696,666	526,051	2,222,717	84,983
Accrued interest payable	170,277	33,396	203,673	-
Customer deposits	1,200	763,210	764,410	-
Noncurrent liabilities:				
Due within one year	2,519,106	1,137,168	3,656,274	-
Due in more than one year	33,255,791	7,456,550	40,712,341	-
Total liabilities	37,643,040	9,916,375	47,559,415	84,983
NET POSITION				
Net investment in capital assets	25,646,519	30,721,512	56,368,031	2,497,187
Restricted for:				
Debt service	1,733,407	-	1,733,407	-
Enabling legislation	1,070,693	-	1,070,693	-
Unrestricted	12,612,754	10,646,792	23,259,546	8,273,557
Total net position	$ 41,063,373	$ 41,368,304	$ 82,431,677	$ 10,770,744

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, 2013

		Program Revenues		Net (Expense) Revenue and Changes in Net Position			
				Primary Government			
Program Activities	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business - Type Activities	Total	Component Unit
Primary government							
Governmental activities							
General government	$ 5,131,879	$ -	$ 528,210	$ (4,603,669)	$ -	$ (4,603,669)	$ -
Public safety	7,508,811	1,181,742	784,918	(5,542,151)	-	(5,542,151)	-
Public works	5,456,886	2,613,043	-	(2,843,843)	-	(2,843,843)	-
Community services	302,564	-	-	(302,564)	-	(302,564)	-
Interest and fiscal agent fees	830,054	-	-	(830,054)	-	(830,054)	-
Total governmental activities	19,230,194	3,794,785	1,313,128	(14,122,281)	-	(14,122,281)	-
Business-type activities							
General government	955,026	1,001,306	670,000	-	716,280	716,280	-
Water	3,262,366	4,668,205	-	-	1,405,839	1,405,839	-
Sewer	1,736,531	2,365,611	-	-	629,080	629,080	-
Gas	1,743,258	3,061,634	-	-	1,318,376	1,318,376	-
Interest and fiscal agent fees	321,443	-	-	-	(321,443)	(321,443)	-
Total business-type activities	8,018,624	11,096,756	670,000	-	3,748,132	3,748,132	-
Total primary government	$ 27,248,818	$ 14,891,541	$ 1,983,128	(14,122,281)	3,748,132	(10,374,149)	-
Component unit							
Tomball Economic Development Corporation	2,074,415	-	-	-	-	-	(2,074,415)
	$ 2,074,415	$ -	$ -	-	-	-	(2,074,415)
GENERAL REVENUES							
Taxes:							
Property taxes				4,708,329	-	4,708,329	-
Sales taxes				9,442,376	-	9,442,376	3,145,893
Franchise taxes				1,267,302	-	1,267,302	-
Other taxes				428,208	-	428,208	-
Miscellaneous				227,592	50,567	278,159	-
Unrestricted investment earnings				44,877	13,088	57,965	12,417
TRANSFERS				2,448,842	(2,448,842)	-	-
Total general revenues and transfers				18,567,526	(2,385,187)	16,182,339	3,158,310
Change in net position				4,445,245	1,362,945	5,808,190	1,083,895
NET POSITION, beginning of year				36,618,128	40,005,359	76,623,487	9,686,849
NET POSITION, end of year				$ 41,063,373	$ 41,368,304	$ 82,431,677	$ 10,770,744

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

CITY OF TOMBALL, TEXAS
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

ASSETS	General Fund	Debt Service
CURRENT ASSETS		
Cash and cash equivalents	$ 9,569,596	$ 514,760
Investments	1,403,570	-
Receivables, net	2,095,674	-
Investments restricted for:		
Debt service	-	1,388,924
Construction	-	-
Prepaid items	30,441	-
Total assets	$ 13,099,281	$ 1,903,684
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ 1,345,964	$ -
Customer deposits	1,200	-
Total liabilities	1,347,164	-
FUND BALANCES		
Nonspendable		
Prepaid items	30,441	-
Restricted for		
Debt service	-	1,903,684
Construction	-	-
Enabling legislation	-	-
Committed		
Special revenue funds	-	-
Assigned		
General fund	161,921	-
Unassigned	11,559,755	-
Total fund balances	11,752,117	1,903,684
TOTAL LIABILITIES AND FUND BALANCES	$ 13,099,281	$ 1,903,684

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

Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
$ 15,135,040	$ 1,385,336	$ 26,604,732
999,532	-	2,403,102
185	31,518	2,127,377
-	-	1,388,924
8,516,504	-	8,516,504
-	-	30,441
$ 24,651,261	$ 1,416,854	$ 41,071,080
$ 101,604	$ 202,725	$ 1,650,293
-	-	1,200
101,604	202,725	1,651,493
-	-	30,441
-	-	1,903,684
24,549,657	-	24,549,657
-	1,070,693	1,070,693
-	143,436	143,436
-	-	161,921
-	-	11,559,755
24,549,657	1,214,129	39,419,587
$ 24,651,261	$ 1,416,854	$ 41,071,080

CITY OF TOMBALL, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

Total fund balances - governmental funds		$ 39,419,587
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.		34,630,836
Costs associated with the issuance of governmental long term debt are expensed when incurred in the fund statements and capitalized and amortized over the life of the debt in the government-wide financial statements.		456,178
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.		(417,124)
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.		(170,277)
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.		2,501,946
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, 2013 are:		
Bonded debt payable	(33,420,250)	
Capital lease payable	(601,044)	
Compensated absences payable	(1,297,573)	
Deferred loss on issuance of refunding bonds	453,956	
Premiums received on issuance of bonds	(492,862)	(35,357,773)
Net position of governmental activities		$ 41,063,373

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, 2013

	General Fund	Debt Service	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	$ 1,543,913	$ 3,164,416	$ -	$ -	$ 4,708,329
Sales, franchise, and other taxes	10,754,332	-	-	383,554	11,137,886
Permits and licenses	445,104	-	-	-	445,104
Fines and forfeitures	941,637	-	-	240,105	1,181,742
Service revenue	2,167,939	-	-	-	2,167,939
Intergovernmental	784,918	-	-	-	784,918
Contributions from component unit	10,000	-	518,210	-	528,210
Interest on investments	16,713	2,131	22,303	1,766	42,913
Other revenue	125,900	-	-	52,601	178,501
Total revenues	16,790,456	3,166,547	540,513	678,026	21,175,542
Expenditures					
Current					
Administrative	4,648,331	-	-	451,142	5,099,473
Police	4,801,656	-	101,558	-	4,903,214
Fire	2,153,238	-	-	-	2,153,238
Court	296,571	-	-	41	296,612
Public works	1,257,797	-	-	-	1,257,797
Sanitation	1,959,352	-	-	-	1,959,352
Streets	889,341	-	1,421,727	-	2,311,068
Permits	364,083	-	-	-	364,083
Garage	133,831	-	-	-	133,831
Parks	505,557	-	-	-	505,557
Community services	130,250	-	-	172,314	302,564
Debt service					
Principal	-	1,800,649	-	-	1,800,649
Interest and fiscal charges	-	733,166	-	-	733,166
Bond issuance costs and fees	-	128,531	156,142	-	284,673
Total expenditures	17,140,007	2,662,346	1,679,427	623,497	22,105,277
Excess (deficiency) of revenues over expenditures	(349,551)	504,201	(1,138,914)	54,529	(929,735)
Other financing sources (uses)					
Issuance of bonds	-	-	8,500,000	-	8,500,000
Issuance of refunding bonds	-	5,770,500	-	-	5,770,500
Premium on issuance of bonds	-	35,627	170,307	-	205,934
Payment to bond refunding escrow agent	-	(5,884,626)	-	-	(5,884,626)
Transfers out	-	-	-	(300,000)	(300,000)
Transfers in	2,246,221	-	502,621	-	2,748,842
Total other financing sources (uses)	2,246,221	(78,499)	9,172,928	(300,000)	11,040,650
Net change in fund balances	1,896,670	425,702	8,034,014	(245,471)	10,110,915
Fund balances, beginning of year	9,855,447	1,477,982	16,515,643	1,459,600	29,308,672
Fund balances, end of year	$ 11,752,117	$ 1,903,684	$ 24,549,657	$ 1,214,129	$ 39,419,587

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, 2013

Net change in fund balances - total governmental funds		$ 10,110,915
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.		1,939,517
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.		(1,020,489)
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 issuance costs, 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 issuance of long term debt	(14,476,434)	
Long term debt issuance costs, net of amortization	187,423	
Amortization of premium on bonds payable	46,062	
Loss on refunding, net of amortization	115,317	
Repayment of long term debt	7,566,149	(6,561,483)
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.		(182,530)
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.		111,300
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, it is not reported as an expenditure in the governmental funds.		(41,892)
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.		(123,925)
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.		213,832
Change in net position of governmental activities		$ 4,445,245

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, 2013

ASSETS	Business Type Activities Enterprise Fund	Governmental Activities Internal Service
Current assets		
Cash and cash equivalents	$ 9,967,613	$ 2,052,869
Investments	1,000,299	-
Accounts receivable, net	1,064,888	8,689
Inventory	88,167	-
Other assets	-	2,459
Total current assets	12,120,967	2,064,017
Noncurrent assets		
Deferred charges	101,315	-
Nondepreciable capital assets	2,908,626	-
Depreciable capital assets	56,840,450	1,645,336
Less: accumulated depreciation	(20,924,100)	(923,613)
Net capital assets	38,824,976	721,723
Total noncurrent assets	38,926,291	721,723
Total assets	51,047,258	2,785,740

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, 2013
(CONTINUED)

LIABILITIES	Business Type Activities Enterprise Fund	Governmental Activities Internal Service
Current liabilities		
Accounts payable and accrued liabilities	$ 526,051	$ 46,373
Customer deposits	763,210	-
Current portion of bonds and other debt	1,082,026	-
Compensated absences	55,142	-
Accrued interest payable	33,396	-
Total current liabilities	2,459,825	46,373
Noncurrent liabilities		
Compensated absences	165,427	-
Long-term portion of bonds payable	7,291,123	-
Total noncurrent liabilities	7,456,550	-
Total liabilities	9,916,375	46,373
NET POSITION		
Net investment in capital assets	30,526,015	721,723
Unrestricted	10,604,868	2,017,644
Total net position	$ 41,130,883	$ 2,739,367
Reconciliation to government-wide statement of net position:		
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds	237,421	
Net position of business-type activities	$ 41,368,304	

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, 2013

	Business Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Fund
OPERATING REVENUES		
Charges for services	$ 10,095,450	$ 2,408,022
Taps and connections	221,699	-
Penalties	124,454	-
Capital recovery fees	655,153	-
Miscellaneous	50,567	-
Total operating revenues	11,147,323	2,408,022
OPERATING EXPENSES		
Costs of sales and services	6,366,426	1,968,672
Depreciation	1,392,523	214,805
Total operating expenses	7,758,949	2,183,477
Operating income	3,388,374	224,545
NONOPERATING REVENUES (EXPENSES)		
Investment income	13,718	1,964
Unrealized loss on investments	(630)	-
Interest expense	(321,443)	-
Gain on disposal of capital assets	-	49,091
Contribution from component unit	670,000	-
Total nonoperating revenues (expenses)	361,645	51,055
Income before transfers	3,750,019	275,600
Transfers out	(2,448,842)	-
Change in net positon	1,301,177	275,600
NET POSITION, beginning of year	39,829,706	2,463,767
NET POSITION, end of year	$ 41,130,883	$ 2,739,367

Reconciliation to government-wide statement of activities:	
Change in net position	$ 1,301,177
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	61,768
Change in net position of business-type activities	$ 1,362,945

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, 2013

	Business Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Fund
OPERATING ACTIVITIES		
Cash received from customers	$ 11,128,563	$ 2,406,486
Cash payments to suppliers for goods and services	(4,623,709)	(1,834,948)
Cash payments to employees for services	(1,588,755)	-
Net cash provided by operating activities	4,916,099	571,538
NONCAPITAL FINANCING ACTIVITIES		
Transfers	(2,448,842)	-
Contribution from component unit	670,000	-
Net cash used in noncapital financing activities	(1,778,842)	-
CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(633,513)	(202,194)
Premium on issuance of refunding bonds	3,675	-
Principal paid on capital debt	(1,047,500)	-
Interest paid on capital debt	(312,348)	-
Net cash used in capital and related financing activities	(1,989,686)	(202,194)
INVESTING ACTIVITIES		
Purchases of investments, net	(397)	-
Investment income	13,718	1,964
Net cash provided by investing activities	13,321	1,964
Net change in cash and cash equivalents	1,160,892	371,308
CASH AND CASH EQUIVALENTS, beginning of year	8,806,721	1,681,561
CASH AND CASH EQUIVALENTS, end of year	$ 9,967,613	$ 2,052,869

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, 2013
(CONTINUED)

	Business Type Activities	Governmental Activities
	Enterprise Fund	**Internal Service Fund**
Reconciliation of operating income to net cash cash provided by operating activities		
Operating income	$ 3,388,374	$ 224,545
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	1,392,523	214,805
Change in assets and liabilities		
Accounts receivable	(38,681)	(1,536)
Inventory	(10,679)	-
Other assets	-	145,250
Accounts payable and accrued liabilities	164,641	(11,526)
Customer deposits	19,921	-
Net cash provided by operating activities	$ 4,916,099	$ 571,538

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

CITY OF TOMBALL, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS

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, although legally separate, is 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 Unit

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.

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. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-Wide and Fund Financial Statements – Continued

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.

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 expenditure 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, District Attorney Fund, Department of Justice Grant Fund, and the Special General Fund. The special revenue funds are considered nonmajor funds for reporting purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-Wide and Fund Financial Statements – Continued

Governmental Funds – Continued

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 funds are 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, equities, 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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 balance sheet. Proprietary fund equity consists of net position. Proprietary fund-type 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 so 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus and Basis of Accounting – Continued

The accrual basis of accounting is used for the proprietary fund types. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable, and expenses in the accounting period in which they are incurred and become measurable. 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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 combined balance sheet 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Deposits and Investments – Continued

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

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."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

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

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

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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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 are 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 maintained separately 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. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, 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, discounts and issuance costs 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. Issuance costs are reported as deferred charges.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Long-Term Obligations – Continued

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 City's municipal solid waste landfill is in the post-closure monitoring phase. As of September 30, 2013, no liability is accrued related to ongoing monitoring activities, as the City's estimated future costs are not expected to be material. Ongoing monitoring costs are recorded in the period incurred.

Fund Equity

Government – Wide and Proprietary Fund Net Position

During the year ended September 30, 2013, the City adopted the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63). GASB 63 amends the net asset reporting requirements in earlier pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as a net position, rather than net assets. The effect of the implementation of GASB 63 during the fiscal year 2013 was to replace the term "net assets" with "net position".

<u>Net investment in capital assets</u> – 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.

<u>Restricted</u> – 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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fund Equity – Continued

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 notes receivable or 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.

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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fund Equity – Continued

Governmental Funds Fund Balance – Continued

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 percent of the budgeted operational expenditures. The purpose of this unassigned balance is to alleviate significant unanticipated budget shortfalls and to ensure the orderly provisions of 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.

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 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:		
Sanitation	$	39,052
Permits		228
Garage		1,073

NOTE 3. DEPOSITS AND INVESTMENTS

Deposits and investments as of September 30, 2013 are classified in the accompanying financial statements as follows:

Governmental activities	$ 40,966,131
Business-type activites	10,967,912
Component unit	7,853,458
Total	$ 59,787,501

Deposits and investments as of September 30, 2013 consist of the following:

City	
Deposits with financial institutions	$ 726,327
Investments	51,207,716
Total city	$ 51,934,043
Component unit	
Investments	$ 7,853,458
Total component unit	$ 7,853,458

At September 30, 2013, the City and component unit had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Days)
City		
U.S. Agencies	$ 2,998,889	692
Municipal Bonds	404,512	243
TexPool	41,667,310	
Texas CLASS	6,137,005	
Total fair value	$ 51,207,716	
Portfolio weighted average maturity		638
Component unit		
U.S. Agencies	$ 3,994,773	960
Municipal Bonds	743,601	277
TexPool	1,097,992	
Texas CLASS	2,017,092	
Total fair value	$ 7,853,458	
Portfolio weighted average maturity		853

NOTE 3. DEPOSITS AND INVESTMENTS – CONTINUED

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.

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. The Cutwater Investor Services Corp. serves as the pool's program administrator and Wells Fargo Bank Texas, NA, serves as custodian.

Custodial redit 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, 2013, 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

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 AAA-m 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, 2013 were rated as follows:

Investment Type	Rating	Rating Agency
U.S. Agencies	AA+	Standard & Poor's
Municipal Bonds	Aa3	Moody'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	$ 99,368	$ 164,432	$ -	$ -	$ -	$ -	$ -
Sales taxes	1,515,246	-	-	-	-	-	-
Other taxes	114,788	-	-	-	-	-	-
Customer accounts	264,151	-	-	-	1,199,450	-	-
Interest	5,119	-	185	-	1,215	-	-
Other	230,701	-	-	31,518	-	8,689	505,082
Gross receivables	2,229,373	164,432	185	31,518	1,200,665	8,689	505,082
Less: allowance for uncollectibles	(133,699)	(164,432)	-	-	(135,777)	-	-
Net total receivables	$ 2,095,674	$ -	$ 185	$ 31,518	$ 1,064,888	$ 8,689	$ 505,082

NOTE 5. CAPITAL ASSETS

Changes in capital assets for governmental activities for the year ended September 30, 2013 are summarized as follows:

	Beginning Balance	Increases	Reclassifications/ Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	$ 5,637,581	$ -	$ -	$ 5,637,581
Construction in progress	4,816,903	1,080,590	(94,732)	5,802,761
Total capital assets not being depreciated	10,454,484	1,080,590	(94,732)	11,440,342
Other capital assets				
Buildings and improvements	10,478,179	242,285	-	10,720,464
Machinery and equipment	6,026,693	137,722	(76,627)	6,087,788
Vehicles	3,363,883	141,303	(45,046)	3,460,140
Infrastructure	20,714,878	681,657	-	21,396,535
Total other capital assets	40,583,633	1,202,967	(121,673)	41,664,927
Less accumulated depreciation				
Buildings and improvements	2,885,557	257,065	-	3,142,622
Machinery and equipment	4,482,095	272,539	(76,627)	4,678,007
Vehicles	3,167,680	111,976	(36,037)	3,243,619
Infrastructure	6,336,610	547,349	-	6,883,959
Total accumulated depreciation	16,871,942	1,188,929	(112,664)	17,948,207
Other capital assets, net	23,711,691	14,038	(9,009)	23,716,720
Governmental activities capital assets, net	$ 34,166,175	$ 1,094,628	$ (103,741)	$ 35,157,062

Depreciation was charged to governmental functions as follows:

Public safety	$ 286,284
Public works	734,205
Internal service	168,440
Total governmental activities depreciation expense	$ 1,188,929

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)	$ 1,660,387	$ 1,215,049	$ 445,338
M121 Drainage Channel	1,480,400	1,054,486	425,914
M124 Willow Creek Tributaries	1,348,145	1,053,633	294,512
M121 Final Phase	1,480,400	880,845	599,555
Brown-Hufsmith Phase 2	840,142	840,142	-
Depot Plaza Restrooms	203,371	151,201	52,170
Rudolph Road and Utilities	212,045	139,896	72,149
Michel Road Extension	117,006	117,006	-
Medical District Sidewalks	300,973	101,558	199,415
M118 Drainage Channels	70,336	70,336	-
Master Drainage Plan	125,000	69,179	55,821
Public Works Generator installation	129,369	45,000	84,369
Michel Rd./Holderrieth Blvd.	35,130	35,130	-
Pine St. Drainage / Sidewalk	29,300	29,300	-
Total	$ 8,032,004	$ 5,802,761	$ 2,229,243

Changes in capital assets for business-type activities for the year ended September 30, 2013 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	1,373,233	162,008	(30,350)	1,504,891
Total capital assets not being depreciated	2,776,968	162,008	(30,350)	2,908,626
Other capital assets				
Gas system	5,806,157	-	-	5,806,157
Water and sewer system	46,825,092	-	-	46,825,092
Machinery and equipment	4,004,969	559,214	-	4,564,183
Total other capital assets	56,636,218	559,214	-	57,195,432
Less accumulated depreciation:				
Gas system	2,433,998	139,434	-	2,573,432
Water and sewer system	15,440,758	1,148,347	-	16,589,105
Machinery and equipment	1,769,941	151,107	-	1,921,048
Total accumulated depreciation	19,644,697	1,438,888	-	21,083,585
Total capital assets being depreciated, net	36,991,521	(879,674)	-	36,111,847
Business-type activities capital assets, net	$ 39,768,489	$ (717,666)	$ (30,350)	$ 39,020,473

NOTE 5. CAPITAL ASSETS – CONTINUED

Depreciation was charged to business-type functions as follows:

Water and sewer	$ 1,299,454
Gas	139,434
Total business-type activities depreciation expense	$ 1,438,888

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
Hufsmith Water and Gas Improvement	$ 390,106	$ 359,238	$ 30,868
Tomball Hills Lift Station	238,583	238,583	-
Brown Hufsmith Road Utilities	206,213	206,213	-
Brown Road West Utility Ext.	175,135	175,135	-
Rudolph Road	169,538	138,889	30,649
24" Sanitary Sewer - E. Hufsmith	136,537	105,523	31,014
Medical Complex Drive	157,903	102,245	55,658
Hirschfield Utility Extension	101,400	100,320	1,080
2920 Utilities	73,945	73,945	-
Neal Road Utilities	4,800	4,800	-
Total	$ 1,654,160	$ 1,504,891	$ 149,269

Changes in capital assets for the component unit for the year ended September 30, 2013 are summarized as follows:

	Beginning Balance	Increases	Reclassifications/ Decreases	Ending Balance
Component Unit				
Capital assets not being depreciated				
Land	$ 1,653,664	$ -	-	$ 1,653,664
Construction in progress	-	843,523	-	843,523
Total capital assets not being depreciated	$ 1,653,664	$ 843,523	$ -	$ 2,497,187

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	$ 1,756,452	$ 843,523	$ 912,929
Total	$ 1,756,452	$ 843,523	$ 912,929

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, 2013. 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 pension obligation, and net other postemployment benefit obligation 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	$ 26,652,750	$ 14,270,500	$ 7,503,000	$ 33,420,250	$ 2,144,750
Premiums	332,990	205,934	46,062	492,862	43,056
Other debt items	(338,639)	(186,986)	(71,669)	(453,956)	(59,673)
	26,647,101	14,289,448	7,477,393	33,459,156	2,128,133
Other liabilities					
Capital lease obligation	664,193	-	63,149	601,044	65,580
Net OPEB obligation	293,199	141,133	17,208	417,124	-
Compensated absences	1,115,043	896,158	(713,628)	1,297,573	325,393
Landfill post closure costs	111,300	-	111,300	-	-
Total governmental activities	$ 28,830,836	$ 15,326,739	$ 6,955,422	$ 35,774,897	$ 2,519,106
Long-term debt due in more than one year				$ 33,255,791	
Business-Type Activities					
Revenue bonds	$ 9,252,250	$ 599,500	$ 1,647,000	$ 8,204,750	$ 1,070,250
Premiums	105,987	3,675	15,451	94,211	11,776
Other debt items	-	39,630	39,630	-	-
	9,358,237	642,805	1,702,081	8,298,961	1,082,026
Other liabilities					
Net OPEB obligation	57,937	19,312	3,061	74,188	-
Compensated absences	222,837	69,040	71,308	220,569	55,142
Total business-type activities	$ 9,639,011	$ 731,157	$ 1,776,450	$ 8,593,718	$ 1,137,168
Long-term debt due in more than one year				$ 7,456,550	

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 - 4.25%	$ 13,935,000	$ -
Series 2013	8,500,000	2033	2 - 3%	8,500,000	-
				22,435,000	-
General Obligation Bonds					
Series 2010	2,120,000	2018	1.5 - 2.2%	1,365,000	-
Series 2011	8,650,000	2022	2 - 4%	3,849,750	4,705,250
Series 2013	6,370,000	2023	1 - 1.65%	5,770,500	599,500
				10,985,250	5,304,750
Revenue Bonds					
Series 1999	7,550,000	2019	2.2 - 4.1%	-	2,900,000
Total bonds and certificates of obligation				$ 33,420,250	$ 8,204,750

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

Year Ending	Governmental Activity		Business-Type Activity	
September 30,	Principal	Interest	Principal	Interest
2014	$ 2,144,750	$ 932,667	$ 1,070,250	$ 255,545
2015	2,198,000	835,674	1,082,000	228,783
2016	2,216,750	785,666	1,083,250	196,574
2017	2,248,250	737,311	1,086,750	162,127
2018	2,274,250	686,280	1,100,750	125,401
2019-2023	9,938,250	2,668,728	2,781,750	186,238
2024-2028	6,165,000	1,616,390	-	-
2029-2033	6,235,000	501,344	-	-
	$ 33,420,250	$ 8,764,060	$ 8,204,750	$ 1,154,668

NOTE 6. LONG-TERM DEBT – CONTINUED

Defeasance of Bonds

On January 1, 2013, the City issued $6.370 million in General Obligation Refunding Bonds with an average interest rate of 1.329 percent to advance refund $6.365 million of outstanding 2002 and 2003 series bonds (the Refunded Bonds) with an average interest rate of 4.289 percent. The net proceeds of $6.278 million (after payment of $133,981 in underwriting fees, insurance, and other issuance costs) plus an additional $224,143 of Refunded Bonds sinking fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Refunded Bonds. As a result, the Refunded Bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide Statement of Net Position.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $226,616. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2023 using the effective-interest method. The City completed the advance refunding to reduce its total debt service payments over the next 10 years by $871,488 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $792,360.

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, 2013, $16,440,000 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.

NOTE 6. LONG-TERM DEBT – CONTINUED

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	$ 725,000

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

Year Ending September 30,	Lease Obligation
2014	$ 88,719
2015	88,719
2016	88,719
2017	88,719
2018	88,719
2019 - 2021	266,158
Total	709,753
Less: interest portion	(108,709)
Obligations under capital leases	$ 601,044

NOTE 7. INTERFUND TRANSACTIONS

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

Transfers In	Transfers Out	Amount	Purpose
General	Enterprise	$ 2,246,221	Reimbursement of administrative costs incurred
Capital projects	Special Revenue	300,000	To fund miscellaneous projects
Capital projects	Enterprise	202,621	To fund miscellaneous projects
		$ 2,748,842	

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, 2013.

NOTE 9. PENSION PLAN

Plan Description

The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained from TMRS' website at www.TMRS.com.

NOTE 9. PENSION PLAN – 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 2012	Plan Year 2013
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

Contributions

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to the TMRS Plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect.

NOTE 9. PENSION PLAN – CONTINUED

Contributions – Continued

The annual pension cost and net pension obligation are as follows:

Annual Required Contribution (ARC)	$ 1,127,486
Interest on Net Pension Obligation	-
Adjustment to the ARC	-
Annual Pension Cost (APC)	1,127,486
Contributions made	(1,127,486)
Increase in net pension obligation	-
Net Pension Obligation, beginning of year	-
Net Pension Obligation, end of year	$ -

Three-year trend information for the annual pension cost (APC) is as follows:

Fiscal Year	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation at September 30
2011	$ 1,089,556	$ 1,089,556	100%	$ -
2012	1,062,771	1,062,771	100%	-
2013	1,127,486	1,127,486	100%	-

NOTE 9. PENSION PLAN – CONTINUED

Contributions – Continued

The required contribution rates for fiscal year 2013 were determined as part of the December 31, 2010 and 2011 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2012, also follows:

Valuation date	12/31/2010	12/31/2011	12/31/2012
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
GASB 25 Equivalent Single Amortization Period	27.2 years: closed period	26.2 years: closed period	25.2 years: closed period
Amortization Period for new Gains/Losses	30 years	30 years	30 years
Asset valuation method	10-year Smoothed Market	10-year Smoothed Market	10-year Smoothed Market
Actuarial assumptions:			
Investment rate of return *	7.00%	7.00%	7.00%
Projected salary increases *	Varies by age and service	Varies by age and service	Varies by age and service
* Includes inflation at	3.00%	3.00%	3.00%
Cost-of-living adjustments	2.10%	2.10%	2.10%

Funded Status and Funding Progress

The funded status as of December 31, 2012, 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)
12/31/2012	$21,929,255	$26,443,767	82.9%	$4,514,512	$7,888,487	57.2%

NOTE 9. PENSION PLAN – CONTINUED

Funded Status and Funding Progress – Continued

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

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.

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.

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS – CONTINUED

Plan Description – Continued

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.

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 $9,911 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 expense that, if recognized on an ongoing basis, is projected to cover normal cost each year and to amortize the unfunded actuarial liabilities over a period not to exceed thirty years. The City's annual OPEB cost for the current year is as follows:

Annual required contribution	$ 159,284
Interest on OPEB obligation	15,801
Adjustment to ARC	(14,640)
Annual OPEB cost (expense) end of year	160,445
Net estimated employer contributions	(20,269)
Increase in net OPEB obligation	140,176
Net OPEB obligation – as of beginning of the year	351,136
Net OPEB obligation – as of end of year	$ 491,312

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS – CONTINUED

Funding Policy and Annual OPEB Cost – Continued

City historical data is as follows:

Fiscal Year	Annual OPEB Cost	Actual Contribution Made	Percentage of OPEB Cost Contributed	Net OPEB Obligation at September 30
2011	$ 103,610	$ 117,940	114%	$ 226,535
2012	155,394	30,793	20%	351,136
2013	160,445	20,269	13%	491,312

The funded status of the City's retiree health care plan, under GASB Statement No. 45 as of December 31, 2011, 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)
12/31/2011	$ -	$1,157,549	0.00%	$1,157,549	$7,888,487	14.67%

Under the reporting parameters, the City's OPEB plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by $1,157,549 at December 31, 2011.

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.

Actuarial Methods and Assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the City's OPEB 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.

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS – CONTINUED

Actuarial Methods and Assumptions – Continued

Significant methods and assumptions were as follows:

Actuarial cost method	Projected unit credit
Amortization method	Level % of payroll
Remaining amortization period	30 years - open amortization
Asset valuation method	Market value smoothed
Investment rate of return	4.5%
Inflation rate	3.0%
Projected salary increases	3.0%
Healthcare cost trend rate (initial/ultimate)	8.5% / 4.5%

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 OPEB plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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.

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS – CONTINUED

TMRS – Supplemental Death Benefit Fund – Continued

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 tem life insurance during employees' entire careers.

The City's contributions to the TMRS SDBF for the years ended September 30, 2013, 2012, and 2011 were $2,574, $1,547, and $1,509, respectively, which equaled the required contributions each year.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TOMBALL, TEXAS
SCHEDULE OF FUNDING PROGRESS FOR PARTICIPATION IN TEXAS MUNICIPAL RETIREMENT SYSTEM
SEPTEMBER 30, 2013

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)
12/31/2010	$ 17,806,137	$ 23,168,802	76.9%	$ 5,362,665	$ 7,188,172	74.6%
12/31/2011	19,902,858	25,038,151	79.5%	5,135,293	7,382,599	69.6%
12/31/2012	21,929,255	26,443,767	82.9%	4,514,512	7,888,487	57.2%

CITY OF TOMBALL, TEXAS
SCHEDULE OF FUNDING PROGRESS
POST EMPLOYMENT BENEFITS PLAN OTHER THAN PENSIONS
SEPTEMBER 30, 2013

Actuarial Valuation Date		Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) (2)	Funded Ratio (3) (1) / (2)	Unfunded AAL (UAAL) (4) (2) - (1)	Covered Payroll (5)	UAAL as a Percentage of Covered Payroll (6) (4) / (5)
12/31/2010		$ -	$ 780,043	0.0%	$ 780,043	$ 7,171,519	10.9%
12/31/2011		-	1,157,549	0.0%	1,157,549	7,382,599	15.7%
12/31/2012	*	-	1,157,549	0.0%	1,157,549	7,382,599	15.7%

* In accordance with GASB Statement No. 45, the City has an actuarial valuation performed every 2 years, which was performed as of 12/31/09 and as of 12/31/11. Therefore data for 2012 is the same as 2011.

CITY OF TOMBALL, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Property taxes	$ 1,475,000	$ 1,559,000	$ 1,543,913	$ (15,087)
Sales, franchise, and other taxes	9,020,950	10,008,870	10,754,332	745,462
Permits and licenses	284,300	403,500	445,104	41,604
Fines and forfeitures	832,000	887,000	941,637	54,637
Services revenue	2,114,030	2,126,430	2,167,939	41,509
Intergovernmental	836,883	842,868	784,918	(57,950)
Contributions from component unit	10,000	10,000	10,000	-
Interest on investments	45,000	30,000	16,713	(13,287)
Other revenues	105,300	110,200	125,900	15,700
Total revenues	14,723,463	15,977,868	16,790,456	812,588
Expenditures				
Administrative	4,581,609	4,837,724	4,648,331	189,393
Police	5,149,070	5,019,025	4,801,656	217,369
Fire	2,441,424	2,339,310	2,153,238	186,072
Court	319,142	313,281	296,571	16,710
Public works	1,570,531	1,382,406	1,257,797	124,609
Sanitation	1,960,300	1,920,300	1,959,352	(39,052) *
Streets	899,729	919,172	889,341	29,831
Permits	368,468	363,855	364,083	(228) *
Garage	130,422	132,758	133,831	(1,073) *
Parks	470,941	583,553	505,557	77,996
Community services	145,688	139,312	130,250	9,062
Total expenditures	18,037,324	17,950,696	17,140,007	810,689
Excess of revenues over (under) expenditures	(3,313,861)	(1,972,828)	(349,551)	1,623,277
Other financing sources				
Transfers in	2,246,221	2,246,221	2,246,221	-
Total other financing sources	2,246,221	2,246,221	2,246,221	-
Net change in fund balance	$ (1,067,640)	$ 273,393	1,896,670	$ 1,623,277
Fund balance, beginning of year			9,855,447	
Fund balance, end of year			$ 11,752,117	

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

NON MAJOR 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, 2013

ASSETS	Special General	Court Security	Court Technology
CURRENT ASSETS			
Cash and cash equivalents	$ 133,513	$ 208,800	$ 247,617
Accounts receivable	5,224	-	-
TOTAL ASSETS	$ 138,737	$ 208,800	$ 247,617
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued liabilities	$ 2,703	$ -	$ -
Total liabilities	2,703	-	-
FUND BALANCES			
Restricted for enabling legislation	-	208,800	247,617
Committed	136,034	-	-
Total fund balances	136,034	208,800	247,617
TOTAL LIABILITIES AND FUND BALANCES	$ 138,737	$ 208,800	$ 247,617

Hotel Occupancy Tax	Red Light Camera	District Attorney	Bunny Run	Department of Justice Grant	Total Nonmajor Governmental Funds
$ 336,027	$ 451,599	$ -	$ 7,780	$ -	$ 1,385,336
3,400	22,894	-	-	-	31,518
$ 339,427	$ 474,493	$ -	$ 7,780	$ -	$ 1,416,854
$ 47,762	$ 151,882	$ -	$ 378	$ -	$ 202,725
47,762	151,882	-	378	-	202,725
291,665	322,611	-	-	-	1,070,693
-	-	-	7,402	-	143,436
291,665	322,611	-	7,402	-	1,214,129
$ 339,427	$ 474,493	$ -	$ 7,780	$ -	$ 1,416,854

CITY OF TOMBALL, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2013

	Special General	Court Security	Court Technology	Hotel Occupancy Tax
Revenues				
Other taxes	$ -	$ -	$ -	$ 383,554
Fines and forfeitures	-	23,249	30,991	-
Interest on investments	172	250	257	350
Other revenues	17,735	-	-	22,656
Total revenues	17,907	23,499	31,248	406,560
Expenditures				
Current:				
Administrative	12,163	-	12,896	243,127
Court	-	-	-	-
Community services	-	-	-	164,377
Total expenditures	12,163	-	12,896	407,504
Excess (deficiency) of revenues over (under) expenditures	5,744	23,499	18,352	(944)
Other financing sources (uses)				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	5,744	23,499	18,352	(944)
Fund balances, beginning of year	130,290	185,301	229,265	292,609
Fund balances, end of year	$ 136,034	$ 208,800	$ 247,617	$ 291,665

	Red Light Camera	District Attorney	Bunny Run	Department of Justice Grant	Total Nonmajor Governmental Funds
	$ -	$ -	$ -	$ -	$ 383,554
	185,865	-	-	-	240,105
	736	-	1	-	1,766
	-	-	12,210	-	52,601
	186,601	-	12,211	-	678,026
	182,364	440	152	-	451,142
	-	-	-	41	41
	-	-	7,937	-	172,314
	182,364	440	8,089	41	623,497
	4,237	(440)	4,122	(41)	54,529
	(300,000)	-	-	-	(300,000)
	(300,000)	-	-	-	(300,000)
	(295,763)	(440)	4,122	(41)	(245,471)
	618,374	440	3,280	41	1,459,600
	$ 322,611	$ -	$ 7,402	$ -	$ 1,214,129

CITY OF TOMBALL, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2013

Special General

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues				
Interest on investments	$ 250	$ 200	$ 172	$ (28)
Other revenues	13,000	12,760	17,735	4,975
Total revenues	13,250	12,960	17,907	4,947
Expenditures				
Administrative	35,000	20,000	12,163	7,837
Total expenditures	35,000	20,000	12,163	7,837
Net change in fund balance	$ (21,750)	$ (7,040)	5,744	$ 12,784
Fund balance, beginning of year			130,290	
Fund balance, end of year			$ 136,034	

Court Security

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	$ 25,000	$ 24,000	$ 23,249	$ (751)
Interest on investments	300	300	250	(50)
Total revenues	25,300	24,300	23,499	(801)
Expenditures				
Administrative	1,000	1,000	-	1,000
Total expenditures	1,000	1,000	-	1,000
Net change in fund balance	$ 24,300	$ 23,300	23,499	$ 199
Fund balance, beginning of year			185,301	
Fund balance, end of year			$ 208,800	

CITY OF TOMBALL, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2013
(CONTINUED)

Court Technology

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	$ 30,000	$ 34,500	$ 30,991	$ (3,509)
Interest on investments	300	350	257	(93)
Total revenues	30,300	34,850	31,248	(3,602)
Expenditures				
Administrative	1,500	15,650	12,896	2,754
Total expenditures	1,500	15,650	12,896	2,754
Net change in fund balance	$ 28,800	$ 19,200	18,352	$ (848)
Fund balance, beginning of year			229,265	
Fund balance, end of year			$ 247,617	

Hotel Occupancy Tax

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues				
Other taxes	$ 365,000	$ 335,000	$ 383,554	$ 48,554
Interest on investments	400	500	350	(150)
Other revenues	-	20,000	22,656	2,656
Total revenues	365,400	355,500	406,560	51,060
Expenditures				
Administrative	254,919	217,749	243,127	(25,378)
Community Services	156,000	179,152	164,377	14,775
Total expenditures	410,919	396,901	407,504	(10,603) *
Net change in fund balance	$ (45,519)	$ (41,401)	(944)	$ 40,457
Fund balance, beginning of year			292,609	
Fund balance, end of year			$ 291,665	

1. *Expenditures exceeded appropriations at the legal level of control.

CITY OF TOMBALL, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Property taxes	$ 3,024,900	$ 3,158,520	$ 3,164,416	$ 5,896
Interest on investments	2,500	2,500	2,131	(369)
Total revenues	3,027,400	3,161,020	3,166,547	5,527
Expenditures				
Debt service				
Principal	1,826,219	1,863,798	1,800,649	63,149
Interest and fiscal agent fees	921,545	1,073,115	861,697	211,418
Total expenditures	2,747,764	2,936,913	2,662,346	274,567
Excess (deficiency) of revenues over expenditures	279,636	224,107	504,201	280,094
Other financing sources (uses)				
Issuance of refunding bonds	-	-	5,770,500	5,770,500
Premium on issuance of bonds	-	-	35,627	35,627
Payment to bond refunding escrow agent	-	-	(5,884,626)	(5,884,626)
Total other financing uses	-	-	(78,499)	(78,499)
Net change in fund balances	$ 279,636	$ 224,107	425,702	$ 201,595
Fund balance, beginning of year			1,477,982	
Fund balance, end of year			$ 1,903,684	

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 FUND NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2013

ASSETS	Fleet Replacement	Health Benefits	Total
CURRENT ASSETS			
Cash and cash equivalents	$ 1,293,260	$ 759,609	$ 2,052,869
Accounts receivable, net	-	8,689	8,689
Other assets	-	2,459	2,459
Total current assets	1,293,260	770,757	2,064,017
NONCURRENT ASSETS			
Depreciable capital assets	1,645,336	-	1,645,336
Less: accumulated depreciation	(923,613)	-	(923,613)
Total noncurrent assets	721,723	-	721,723
Total assets	2,014,983	770,757	2,785,740
LIABILITIES			
LIABILITIES			
Accounts payable and accrued liabilities	46,373	-	46,373
Total liabilities	46,373	-	46,373
NET POSITION			
Net investment in capital assets	721,723	-	721,723
Unrestricted	1,246,887	770,757	2,017,644
TOTAL NET POSITION	$ 1,968,610	$ 770,757	$ 2,739,367

CITY OF TOMBALL, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2013

	Fleet Replacement	Health Benefits	Total
Operating revenues			
Charges for sales and services	$ 316,700	$ 2,091,322	$ 2,408,022
Total revenues	316,700	2,091,322	2,408,022
Operating expenditures			
Costs of sales and services	8,803	1,959,869	1,968,672
Depreciation	214,805	-	214,805
Total operating expenditures	223,608	1,959,869	2,183,477
Operating income	93,092	131,453	224,545
Non-operating revenues			
Investment income	1,441	523	1,964
Gain on disposal	49,091	-	49,091
Total non-operating revenues	50,532	523	51,055
Change in net positon	143,624	131,976	275,600
Net position, beginning of year	1,824,986	638,781	2,463,767
Net position, end of year	$ 1,968,610	$ 770,757	$ 2,739,367

CITY OF TOMBALL, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2013

	Fleet Replacement	Health Benefits	Total
OPERATING ACTIVITIES			
Cash received from customers	$ 316,700	$ 2,089,786	$ 2,406,486
Payments to suppliers	(8,803)	(1,826,145)	(1,834,948)
Net cash provided by operating activities	307,897	263,641	571,538
FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(202,194)	-	(202,194)
Net cash used in financing activities	(202,194)	-	(202,194)
INVESTING ACTIVITIES			
Investment income	1,441	523	1,964
Net cash provided by investing activities	1,441	523	1,964
Net change in cash and cash equivalents	107,144	264,164	371,308
CASH AND CASH EQUIVALENTS, beginning of year	1,186,116	495,445	1,681,561
CASH AND CASH EQUIVALENTS, end of year	$ 1,293,260	$ 759,609	$ 2,052,869
Reconciliation of operating income to net cash provided by operating activities			
Operating income	$ 93,092	$ 131,453	$ 224,545
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation and amortization	214,805	-	214,805
Changes in assets and liabilities			
Accounts receivable	-	(1,536)	(1,536)
Other assets	-	145,250	145,250
Accounts payable and accrued liabilities	-	(11,526)	(11,526)
Net cash provided by operating activities	$ 307,897	$ 263,641	$ 571,538

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**

Financial Trends 71

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 76

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity 82

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 87

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information 89

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Table 1
City of Tomball
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Net investment in capital assets	$ 4,441,423	$ 4,007,407	$ 2,886,256	$ 7,175,862	$ 10,206,785	$ 16,143,552	$ 16,790,199	$ 18,306,705	$ 23,370,524	$ 25,646,519
Restricted	7,957,216	4,802,952	2,323,077	3,686,000	1,835,397	2,278,695	1,423,521	1,895,850	2,675,627	2,804,100
Unrestricted	8,565,864	13,761,452	20,707,302	17,884,555	16,282,148	11,362,902	13,048,317	12,518,847	10,571,977	12,612,754
Total governmental activities net position	$ 20,964,503	$ 22,571,811	$ 25,916,635	$ 28,746,417	$ 28,324,330	$ 29,785,149	$ 31,262,037	$ 32,721,402	$ 36,618,128	$ 41,063,373
Business-type activities										
Net investment in capital assets	$ 10,928,309	$ 16,178,138	$ 23,478,199	$ 25,045,502	$ 24,774,972	$ 26,080,707	$ 29,073,794	$ 29,338,053	$ 30,368,908	$ 30,721,512
Restricted	10,409,786	7,760,255	2,305,729	876,468	-	-	-	-	-	-
Unrestricted	5,055,643	5,379,709	6,386,872	7,493,793	9,610,968	10,555,994	8,753,794	10,299,638	9,636,451	10,646,792
Total business-type activities net position	$ 26,393,738	$ 29,318,102	$ 32,170,800	$ 33,415,763	$ 34,385,940	$ 36,636,701	$ 37,827,588	$ 39,637,691	$ 40,005,359	$ 41,368,304
Primary government										
Net investment in capital assets	$ 15,369,732	$ 20,185,545	$ 26,364,455	$ 32,221,364	$ 34,981,757	$ 42,224,259	$ 45,863,993	$ 47,644,758	$ 53,739,432	$ 56,368,031
Restricted	18,367,002	12,563,207	4,628,806	4,562,468	1,835,397	2,278,695	1,423,521	1,895,850	2,675,627	2,804,100
Unrestricted	13,621,507	19,141,161	27,094,174	25,378,348	25,893,116	21,918,896	21,802,111	22,818,485	20,208,428	23,259,546
Total primary government net position	$ 47,358,241	$ 51,889,913	$ 58,087,435	$ 62,162,180	$ 62,710,270	$ 66,421,850	$ 69,089,625	$ 72,359,093	$ 76,623,487	$ 82,431,677

Table 2
City of Tomball
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities										
General government	$ 1,808,900	$ 1,878,285	$ 1,889,935	$ 1,438,117	$ 1,734,307	$ 3,091,652	$ 3,476,001	$ 4,472,541	$ 4,077,633	$ 5,131,879
Public safety	4,248,752	5,053,045	5,057,268	5,449,912	7,224,244	6,720,247	5,907,235	6,546,562	6,845,653	7,508,811
Public works	3,326,545	3,435,589	3,709,054	5,076,429	6,325,789	5,692,269	5,205,824	4,739,268	5,794,907	5,456,886
Community services	394,829	510,454	512,679	355,348	471,539	260,561	272,034	255,764	287,085	302,564
Interest and fiscal agent fees on long-term debt	984,989	938,772	873,035	824,168	790,736	708,109	658,304	353,188	821,705	830,054
Total governmental activities expenses	10,764,015	11,816,145	12,041,971	13,143,974	16,546,615	16,472,838	15,519,398	16,367,323	17,826,983	19,230,194
Business-type activities										
General government	1,038,905	1,670,035	1,309,655	2,744,139	2,775,923	2,235,193	1,843,501	2,207,488	979,390	955,026
Water	1,520,015	1,742,380	1,488,771	1,259,961	1,720,131	2,215,841	2,197,679	2,549,230	3,003,537	3,262,366
Sewer	1,620,045	2,089,770	2,575,820	1,081,343	1,164,702	1,402,558	1,134,907	1,226,582	1,757,176	1,736,531
Gas	1,955,713	1,223,218	2,048,247	2,496,747	2,727,066	2,486,336	2,374,227	1,801,364	1,600,490	1,743,258
Interest and fiscal agent fees	-	-	-	630,735	585,710	-	512,851	481,542	272,406	321,443
Total business-type activities expenses	6,134,678	6,725,403	7,422,493	8,212,925	8,973,532	8,339,928	8,063,165	8,266,206	7,612,999	8,018,624
Total primary government expenses	$ 16,898,693	$ 18,541,548	$ 19,464,464	$ 21,356,899	$ 25,520,147	$ 24,812,766	$ 23,582,563	$ 24,633,529	$ 25,439,982	$ 27,248,818
Program Revenues										
Governmental activities										
Charges for services										
Public safety	$ 1,027,034	$ 1,203,548	$ 1,443,068	$ 1,352,444	$ 922,073	$ 1,044,706	$ 1,204,099	$ 1,083,408	$ 1,143,981	$ 1,181,742
Public works	1,689,041	1,787,578	1,749,695	1,938,750	2,612,619	2,596,344	2,231,777	2,284,482	2,384,406	2,613,043
Operating grants and contributions	96,279	93,897	93,042	135,750	259,047	278,350	83,130	268,675	1,295,653	1,313,128
Total governmental activities program revenues	2,812,354	3,085,023	3,285,805	3,426,944	3,793,739	3,919,400	3,519,006	3,636,565	4,824,040	5,107,913
Business-type activities										
Charges for services										
General government	-	-	-	-	118,192	-	427,519	413,523	622,320	1,001,306
Water	2,363,284	2,637,614	3,041,240	3,208,398	3,317,403	4,547,803	3,985,231	5,199,565	4,470,657	4,668,205
Sewer	1,259,970	1,309,939	1,587,786	1,401,640	1,725,839	2,468,377	2,233,364	2,368,469	2,262,268	2,365,611
Gas	2,110,902	2,173,694	2,460,885	3,675,752	3,792,717	4,426,091	4,011,635	3,538,152	2,894,447	3,061,634
Operating grants and contributions	-	-	-	-		720,000	720,000	798,300	720,000	670,000
Capital grants and contributions	280,785	2,439,084	137,444	-	-	-	-	-	-	
Total business-type activities program revenues	6,014,941	8,560,331	7,227,355	8,285,790	8,954,151	12,162,271	11,377,749	12,318,009	10,969,692	11,766,756
Total primary government program revenues	$ 8,827,295	$ 11,645,354	$ 10,513,160	$ 11,712,734	$ 12,747,890	$ 16,081,671	$ 14,896,755	$ 15,954,574	$ 15,793,732	$ 16,874,669
Net (Expense)/Revenue										
Governmental activities	$ (7,951,661)	$ (8,731,122)	$ (8,756,166)	$ (9,717,030)	(12,752,876)	(12,553,438)	(12,000,392)	(12,730,758)	(13,002,943)	(14,122,281)
Business-type activities	(119,737)	1,834,928	(195,138)	72,865	(19,381)	3,822,343	3,314,584	4,051,803	3,356,693	3,748,132
Total primary government net expense	$ (8,071,398)	$ (6,896,194)	$ (8,951,304)	$ (9,644,165)	$ (12,772,257)	$ (8,731,095)	$ (8,685,808)	$ (8,678,955)	$ (9,646,250)	$ (10,374,149)

(continued)

	Fiscal Year 2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	$ 721,527	$ 805,285	$ 952,673	$ 1,168,491	$ 933,885	$ 1,587,560	$ 1,422,603	$ 1,270,645	$ 1,228,461	$ 1,543,913
Property taxes, levied for debt service	1,243,803	1,238,004	1,286,693	1,299,344	1,511,139	1,449,089	1,500,310	1,586,918	2,557,169	3,164,416
Sales taxes	5,556,890	6,479,974	7,491,415	7,304,280	7,100,293	7,038,176	6,651,064	7,023,409	8,189,360	9,442,376
Franchise and local taxes	1,020,001	1,067,621	1,069,381	1,140,734	1,201,401	1,150,591	1,153,954	1,186,272	1,227,784	1,267,302
Other taxes	95,995	100,056	112,527	181,503	267,133	308,100	229,636	325,360	444,032	428,208
Contributions	34,052	36,320	114,909	6,000	6,000	-	-	-	-	
Investment earnings	291,197	558,759	988,431	1,222,816	756,431	325,789	80,426	43,035	46,763	44,877
Other revenues	119,949	43,774	62,362	223,644	515,216	405,391	166,287	361,026	151,142	227,592
Gain (loss) on sale of capital assets	8,920	8,637	22,599	-	-	-	-	-	-	
Transfers	(4,500,000)	-	-	-	39,291	1,749,561	2,260,134	2,393,458	3,054,958	2,448,842
Total governmental activities	4,592,334	10,338,430	12,100,990	12,546,812	12,330,789	14,014,257	13,464,414	14,190,123	16,899,669	18,567,526
Business-type activities										
Investment earnings	175,176	366,816	477,600	452,098	308,849	175,119	93,361	30,414	21,721	13,088
Other revenues	760,976	722,620	2,570,236	720,000	720,000	2,860	43,076	121,344	44,212	50,567
Transfers	4,500,000	-	-	-	(39,291)	(1,749,561)	(2,260,134)	(2,393,458)	(3,054,958)	(2,448,842)
Total business-type activities	5,436,152	1,089,436	3,047,836	1,172,098	989,558	(1,571,582)	(2,123,697)	(2,241,700)	(2,989,025)	(2,385,187)
Total primary government	$ 10,028,486	$ 11,427,866	$ 15,148,826	$ 13,718,910	$ 13,320,347	$ 12,442,675	$ 11,340,717	$ 11,948,423	$ 13,910,644	$ 16,182,339
Change in Net Position										
Governmental activities	$ (3,359,327)	$ 1,607,308	$ 3,344,824	$ 2,829,782	$ (422,087)	$ 1,460,819	$ 1,464,022	$ 1,459,365	$ 3,896,726	$ 4,445,245
Business-type activities	5,316,415	2,924,364	2,852,698	1,244,963	970,177	2,250,761	1,190,887	1,810,103	367,668	1,362,945
Total primary government	$ 1,957,088	$ 4,531,672	$ 6,197,522	$ 4,074,745	$ 548,090	$ 3,711,580	$ 2,654,909	$ 3,269,468	$ 4,264,394	$ 5,808,190

(concluded)

Table 3
City of Tomball
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 39,913	$ 30,441
Restricted	7,274,055	4,268,304	1,646,027	-	-	23,724	-	-	-	
Assigned	-	-	-	-	-	-	-	-	325,879	161,921
Unassigned	15,224,108	18,009,256	21,048,552	21,199,234	16,676,502	12,194,969	12,161,681	11,797,535	9,489,655	11,559,755
Total general fund	$ 22,498,163	$ 22,277,560	$ 22,694,579	$ 21,199,234	$ 16,676,502	$ 12,218,693	$ 12,161,681	$ 11,797,535	$ 9,855,447	$ 11,752,117
All Other Governmental Funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	1,253,170	915,699	1,205,549	2,407,556	2,097,709	1,530,276	1,276,646	1,896,380	19,319,655	27,524,034
Committed, reported in:										
Capital project funds	9,218	9,637	9,757	79,883	121,425	133,498	133,790	135,609	-	-
Nonmajor governmental funds	38,108	34,187	23,333	138,137	353,527	742,340	901,406	141,129	133,570	143,436
Total all other governmental funds	$ 1,300,496	$ 959,523	$ 1,238,639	$ 2,625,576	$ 2,572,661	$ 2,406,114	$ 2,311,842	$ 2,173,118	$ 19,453,225	$ 27,667,470

Table 4
City of Tomball
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Revenues										
Taxes	$ 8,012,912	$ 9,716,624	$ 10,931,747	$ 10,936,779	$ 11,193,185	$ 11,442,297	$ 10,897,786	$ 11,400,964	$ 13,886,856	$ 15,846,215
Pemits, licenses, and fees	317,369	331,660	409,694	414,713	319,177	247,548	311,563	262,713	308,621	445,104
Fines and forfeitures	531,439	700,112	832,314	728,148	922,073	1,044,706	1,204,099	1,083,408	1,143,981	1,181,742
Service Revenue	1,749,537	1,850,595	1,850,925	2,059,958	2,293,442	2,348,796	1,920,214	2,021,769	2,075,785	2,167,939
Intergovernmental	202,331	202,217	279,950	213,750	265,047	278,350	73,130	168,782	273,950	784,918
Contributions from Component Unit	-	-	-	-	-	-	10,000	99,893	1,021,703	528,210
Investment earnings	291,197	558,759	878,636	1,222,817	713,433	312,290	99,837	40,760	44,347	42,913
Other revenues	187,369	81,671	98,866	168,216	332,551	361,992	254,615	386,935	151,143	178,501
Total revenues	11,292,154	13,441,638	15,282,132	15,744,381	16,038,908	16,035,979	14,771,244	15,465,224	18,906,386	21,175,542
Expenditures										
General government	1,628,722	1,727,172	1,800,747	1,837,112	3,822,202	2,606,885	4,333,119	4,507,290	4,520,919	5,099,473
Public safety	3,777,556	4,548,579	4,741,965	5,130,493	6,010,899	7,770,127	5,850,953	6,391,016	7,344,336	7,353,064
Public works	2,764,994	2,734,706	2,856,974	3,112,853	3,635,764	3,713,018	3,784,400	3,090,590	3,407,143	3,217,149
Public service	385,465	449,795	424,129	1,113,084	550,513	932,492	587,557	1,179,637	266,984	1,677,586
Capital outlay	4,850,051	2,236,496	2,814,130	2,762,545	3,521,127	5,387,966	821,359	1,445,273	4,311,250	1,939,517
Debt service										
Principal	1,373,838	1,391,273	1,194,405	1,138,174	1,158,174	1,328,619	1,135,500	1,195,500	1,192,057	1,800,649
Interest and paying agent	949,814	948,260	891,842	830,330	795,482	714,188	723,159	626,247	913,371	1,017,839
Total expenditures	15,730,440	14,036,281	14,724,192	15,924,591	19,494,161	22,453,295	17,236,047	18,435,553	21,956,060	22,105,277
Excess of revenues over (under) expenditures	(4,438,286)	(594,643)	557,940	(180,210)	(3,455,253)	(6,417,316)	(2,464,803)	(2,970,329)	(3,049,674)	(929,735)
Other Financing Sources (Uses)										
Transfers in	-	-	-	-	-	1,749,561	2,260,134	2,393,458	5,206,958	2,748,842
Transfers out	(4,500,000)	-	-	-	(1,248,846)	-	-	-	(2,152,000)	(300,000)
Issuance of debt	8,500,000	-	-	-	-	-	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	-
Sale of capital assets	23,413	33,064	28,399	-	182,665	43,399	-	-	-	-
Total other financing sources	4,023,413	33,064	28,399	-	(1,066,181)	1,792,960	2,313,519	2,467,459	18,387,693	11,040,650
Net change in fund balances	$ (414,873)	$ (561,579)	$ 586,339	$ (180,210)	$ (4,521,434)	$ (4,624,356)	$ (151,284)	$ (502,870)	$ 15,338,019	$ 10,110,915
Debt service as a percentage of noncapital expenditures	21.36%	19.83%	17.52%	15.00%	12.07%	11.94%	10.97%	10.29%	11.31%	13.43%

Table 5
City of Tomball
Tax Revenues by Source, Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change 2012-2013
Property	$ 1,978,526	$ 2,068,974	$ 2,258,424	$ 2,310,262	$ 2,570,145	$ 2,945,430	$ 2,938,594	$ 2,865,923	$ 4,025,680	$ 4,708,329	16.96%
Sales	4,918,390	6,479,974	7,491,415	7,304,280	7,206,713	7,038,176	6,651,064	6,976,875	8,189,360	9,442,376	15.30%
Franchise fee	1,020,001	1,067,620	1,069,381	1,140,734	1,149,261	1,150,591	1,153,954	1,262,187	964,790	1,267,302	31.36%
Other taxes	95,995	100,056	112,527	181,503	212,853	308,100	154,174	295,979	707,026	428,208	-39.44%
	$ 8,012,912	$ 9,716,624	$ 10,931,747	$ 10,936,779	$ 11,138,972	$ 11,442,297	$ 10,897,786	$ 11,400,964	$ 13,886,856	$ 15,846,215	14.11%

Table 6
City of Tomball
Assessed Value and Actual Value of Taxable Property
Last Ten Years
(unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Residential Property	$ 312,970,420	$ 346,417,520	$ 534,830,588	$ 548,645,926	$ 562,126,135	$ 494,490,612	$ 431,346,771	$ 435,637,242	$ 436,949,202	$ 433,331,223
Commercial Property	349,489,260	362,762,930	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
Less: Tax Exempt Property	(35,756,520)	(36,272,730)	(192,670,546)	(221,138,305)	(213,059,540)	(302,822,021)	(317,120,571)	(305,154,366)	(341,307,250)	(261,641,054)
Total Taxable Assessed Value (1)	626,703,160	672,907,720	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
Total Direct Tax Rate	0.280000	0.280000	0.251455	0.251455	0.251455	0.251455	0.251455	0.251455	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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
City of Tomball by fund:										
General	$ 0.100000	$ 0.108000	$ 0.116640	$ 0.106468	$ 0.101455	$ 0.131455	$ 0.121455	$ 0.111455	$ 0.111455	$ 0.111455
Debt service	0.180000	0.172000	0.163360	0.144987	0.150000	0.120000	0.130000	0.140000	0.230000	0.230000
Total Direct Rates	0.280000	0.280000	0.280000	0.251455	0.251455	0.251455	0.251455	0.251455	0.341455	0.341455
Tomball Independent School District	1.730000	1.730000	1.710000	1.580000	1.275000	1.360000	1.360000	1.360000	1.360000	1.360000
Harris County	0.388100	0.388000	0.399860	0.402390	0.392390	0.389230	0.392240	0.388050	0.391170	0.400210
Harris County Flood Control District	0.041700	0.041700	0.033220	0.032410	0.031060	0.030860	0.029220	0.029230	0.028090	0.028090
Port of Houston Authority	0.019900	0.020000	0.014740	0.013020	0.014370	0.017730	0.016360	0.020540	0.185600	0.019520
Harris County Hospital District	0.190200	0.190200	0.192160	0.192160	0.192160	0.192160	0.192160	0.192160	0.192160	0.182160
Harris County Dept. of Education	0.006290	0.006290	0.006290	0.006290	0.005853	0.005840	0.006050	0.006581	0.006581	0.006617
Lone Star College System District	0.001055	0.114500	0.120700	0.114400	0.114400	0.110100	0.110100	0.117600	0.121000	0.119800
Emergency Service District #8	-	0.030000	0.030000	0.030000	0.030000	0.050000	0.050000	0.050000	0.050000	0.050000
Total Direct and Overlapping Rates (1)	$ 2.657245	$ 2.800690	$ 2.786970	$ 2.622125	$ 2.306688	$ 2.407375	$ 2.407585	$ 2.415616	$ 2.676056	$ 2.507852

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)

Property Tax Payer	2013			2004		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
B J Services	$ 192,218,089	1	14.09%	$ 66,695,261	1	9.29%
Tomball Texas Hospital	157,421,590	2	11.54%		n/a	
Wal-Mart	18,501,413	3	1.36%	20,185,296	2	2.81%
MPT Tomball LP	16,372,963	4	1.20%		n/a	
American National Carbide	15,702,821	5	1.15%		n/a	
Weingarten Investments Inc.	15,180,655	6	1.11%		n/a	
CenterPoint Energy	14,700,615	7	1.08%	13,956,834	3	1.94%
Health Care REIT Inc.	14,230,035	8	1.04%		n/a	
Lowe's	13,606,285	9	1.00%	13,427,203	4	1.87%
Target Corporation	11,587,781	10	0.85%	8,999,799	6	1.25%
HEB Grocery	-	n/a		9,084,550	5	1.27%
Burnside Wichata	-	n/a		7,382,330	7	1.03%
Krogers	-	n/a		7,351,479	8	1.02%
MBS Fountains of Tomball	-	n/a		7,088,090	9	0.99%
Southwestern Bell Telephone	-	n/a		6,728,670	10	0.94%
Subtotal	$ 469,522,247		34.41%	$ 160,899,512		22.42%
Other Taxpayers	895,073,455		65.59%	556,868,908		77.58%
Total	$ 1,364,595,702		100.00%	$ 717,768,420		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
2004	$ 1,915,562	$ 1,771,895	93%	$ 136,926	$ 1,908,821	100%
2005	2,013,497	1,834,296	91%	171,890	2,006,186	100%
2006	1,993,481	1,798,120	90%	185,403	1,983,523	100%
2007	2,130,000	1,904,220	89%	215,411	2,119,631	100%
2008	2,517,121	2,469,639	98%	35,513	2,505,152	100%
2009	2,903,211	2,843,461	98%	46,788	2,890,249	100%
2010	2,907,289	2,850,087	98%	60,416	2,910,503	100%
2011	2,816,658	2,776,954	99%	58,776	2,835,730	101%
2012	3,995,619	3,943,188	99%	144,371	4,087,558	102%
2013	4,701,134	4,633,156	99%		4,633,156	99%

Table 10
City of Tomball
Sales Tax Revenue by Industry
Current Year and Ten Years Ago
(unaudited)
(Dollars are in thousands)

	Calendar Year 2013				Calendar Year 2004			
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	1,368	25.51%	$ 6,479	50.63%	1,108	28.69%	$ 3,324	43.97%
Services	1,072	19.99%	1,654	12.93%	826	21.39%	958	12.67%
Wholesale Trade	827	15.42%	1,562	12.21%	495	12.82%	203	2.69%
Utilities, Transportation, Communications	222	4.14%	654	5.11%	140	3.63%	217	2.87%
Manufacturing	534	9.96%	446	3.49%	235	6.08%	246	3.25%
Construction	301	5.61%	169	1.32%	188	4.87%	82	1.08%
Finance, Insurance, Real Estate	242	4.51%	569	4.45%	146	3.78%	86	1.14%
Mining, Quarrying, and Oil and Gas Extraction	23	0.43%	4	0.03%	4	0.10%	2	0.03%
All other outlets	773	14.42%	1,259	9.84%	720	18.64%	2,441	32.29%
Total	5,362	100.00%	$ 12,796	100.00%	3,862	100.00%	$ 7,559	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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PRIMARY GOVERNMENT										
Governmental Activities:										
General Obligation Bonds	$ 485,000	$ -	$ -	$ -	$ -	$ -	$ 2,120,000	$ 5,767,500	$ 5,501,750	$ 10,985,250
Certificates of Obligation	20,685,000	19,905,000	18,839,500	17,774,000	16,688,500	15,578,000	12,377,500	7,516,500	21,151,000	22,435,000
Premiums	-	-	-	-	-	-	-	255,065	332,990	492,862
Other debt items	-	-	-	-	-	-	-	(376,266)	(338,639)	(453,956)
Capital leases	618,645	492,372	363,467	290,793	218,540	-	-	-	664,193	601,044
Subtotal	$ 21,788,645	$ 20,397,372	$ 19,202,967	$ 18,064,793	$ 16,907,040	$ 15,578,000	$ 14,497,500	$ 13,162,799	$ 27,311,294	$ 34,060,200
Business-Type Activities:										
General Obligation Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,757,500	$ 4,738,250	$ 5,304,750
Certificates of Obligation	10,450,000	10,175,000	9,575,500	8,976,000	8,376,500	7,777,000	7,177,500	1,798,500	1,199,000	-
Revenue bonds	6,140,000	5,830,000	5,510,000	5,175,000	4,830,000	4,470,000	4,100,000	3,715,000	3,315,000	2,900,000
Subtotal	$ 16,590,000	$ 16,005,000	$ 15,085,500	$ 14,151,000	$ 13,206,500	$ 12,247,000	$ 11,277,500	$ 10,271,000	$ 9,252,250	$ 8,204,750
TOTAL PRIMARY GOVERNMENT	$ 38,378,645	$ 36,402,372	$ 34,288,467	$ 32,215,793	$ 30,113,540	$ 27,825,000	$ 25,775,000	$ 23,433,799	$ 36,563,544	$ 42,264,950
PERSONAL INCOME	$ 220,726,922	$ 300,104,460	$ 280,510,625	$ 282,486,000	$ 276,767,062	$ 285,081,600	$ 290,186,220	$ 273,663,850	$ 315,207,090	$ 315,207,090
DEBT AS A PERCENTAGE OF PERSONAL INCOME	17.387%	12.130%	12.224%	11.404%	10.880%	9.760%	8.882%	8.563%	11.600%	13.409%
POPULATION	9,883	9,930	10,625	11,500	11,531	11,600	11,670	10,753	10,979	10,979
DEBT PER CAPITA	$ 3,883	$ 3,666	$ 3,227	$ 2,801	$ 2,612	$ 2,399	$ 2,209	$ 2,179	$ 3,330	$ 3,850

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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
NET TAXABLE ASSESSED VALUE										
All property	$ 683,847,570	$ 672,907,720	$ 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
NET BONDED DEBT										
Gross bonded debt	$ 31,620,000	$ 30,080,000	$ 28,415,000	$ 26,750,000	$ 25,065,000	$ 23,355,000	$ 21,675,000	$ 19,718,799	$ 32,584,351	$ 38,763,906
Less debt service funds	-	-	-	-	-	-	-	-	-	-
Net Bonded Debt	$ 31,620,000	$ 30,080,000	$ 28,415,000	$ 26,750,000	$ 25,065,000	$ 23,355,000	$ 21,675,000	$ 19,718,799	$ 32,584,351	$ 38,763,906
RATIO OF NET BONDED DEBT TO ASSESSED VALUE	4.62%	4.47%	3.63%	2.73%	2.32%	2.02%	1.87%	1.96%	2.79%	2.84%
POPULATION	9,883	9,930	10,625	11,500	11,531	11,600	11,670	10,753	10,979	10,979
NET BONDED DEBT PER CAPITA	$ 3,199	$ 3,029	$ 2,674	$ 2,326	$ 2,174	$ 2,013	$ 1,857	$ 1,834	$ 2,968	$ 3,531

Table 13
City of Tomball
Direct and Overlapping Governmental Activities Debt
September 30, 2013
(unaudited)

Governmental Unit	**Net Bonded Debt Outstanding**	**Estimated Percentage Applicable (1)**	**Estimated Share of Overlapping Debt**
Debt repaid with property taxes			
Tomball ISD	$ 292,645,000	22.28%	$ 65,201,306
Harris County	1,763,502,190	0.47%	8,288,460
Harris Co. Flood Control District	96,470,000	0.47%	453,409
Port of Houston Authority	731,479,397	0.47%	3,437,953
Harris County Dept of Education	7,605,000	0.47%	35,744
Lone Star College System	488,630,000	1.12%	5,472,656
Subtotal, overlapping debt			82,889,528
City direct debt		100.000%	42,264,950
Total direct and overlapping debt			$ 125,154,478

Source: First Southwest Company

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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	$ 68,384,757	$ 67,290,772	$ 78,313,439	$ 98,148,497	$ 107,815,177	$ 115,456,496	$ 115,610,894	$ 100,815,311	$ 116,719,764	$ 136,459,570
Total net debt applicable to limit	21,170,000	19,905,000	18,839,500	17,774,000	16,688,500	15,578,000	14,497,500	13,284,000	26,652,750	33,420,250
Legal debt margin	$ 47,214,757	$ 47,385,772	$ 59,473,939	$ 80,374,497	$ 91,126,677	$ 99,878,496	$ 101,113,394	$ 87,531,311	$ 90,067,014	$ 103,039,320
Total net debt applicable to the limit as a percentage of debt limit	30.96%	29.58%	24.06%	18.11%	15.48%	13.49%	12.54%	13.18%	22.83%	24.49%

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value	$ 1,364,595,702	
Debt limit (10% of assessed value)	136,459,570	(1)
Debt applicable to limit:		
General obligation bonds	33,420,250	
Less: amount set aside for repayment of general obligation debt		
Total net debt applicable to limit	33,420,250	
Legal debt margin	$ 103,039,320	

Note: The City's Home Rule Charter (1987), 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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Gross revenues	$ 7,005,922	$ 9,637,212	$ 7,014,177	$ 9,450,511	$ 9,987,545	$ 12,327,602	$ 11,493,769	$ 12,488,750	$ 11,012,281	$ 11,831,041
Operating expenses (1)	$ 4,539,346	$ 4,941,774	$ 5,603,456	$ 6,238,127	$ 7,039,498	$ 6,593,348	$ 6,338,235	$ 6,165,226	$ 5,968,026	$ 6,366,426
Net revenues available for Debt Service	$ 2,466,576	$ 4,695,438	$ 1,410,721	$ 3,212,384	$ 2,948,047	$ 5,734,254	$ 5,155,534	$ 6,323,524	$ 5,044,255	$ 5,464,615
DEBT SERVICE REQUIREMENTS (2)										
Principal & Interest	$ 538,846	$ 540,020	$ 540,674	$ 541,047	$ 541,575	$ 538,595	$ 542,505	$ 560,591	$ 563,815	$ 568,174
Total	$ 538,846	$ 540,020	$ 540,674	$ 541,047	$ 541,575	$ 538,595	$ 542,505	$ 560,591	$ 563,815	$ 568,174
Coverage	4.58	8.69	2.61	5.94	5.44	10.65	9.50	11.28	8.95	9.62

(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)
2004	9,883	220,726,922	22,334	34.6	8,730	5.50%
2005	9,930	300,104,460	30,222	36.3	8,968	5.30%
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%

Data sources:
(1) Estimated (2000 census adjusted for growth for fiscal years 2002-2010). Actual 2011 census population shown for fiscal year 2011. Fiscal year 2013 adjusted for growth based on 2010 census.
(2) Tomball Economic Development Corporation
(3) Tomball Independent School District
(4) Texas Employment Commission, SMSA Houston-Sugar Land-Baytown Metropolitan Statistical Area
(5) Tomball Economic Development Corporation

Table 17
City of Tomball
Principal Employers
Current Year and Seven Years Ago (1)
(unaudited)

	2013			2006		
Employer	Employees	Rank	Percentage of Total City Employment (2)	Employees	Rank	Percentage of Total City Employment (3)
Tomball ISD	1,478	1	17.16%	1,100	1	23.20%
Tomball Regional Medical Center	1,300	2	15.10%	1,500	2	31.63%
Lone Star College - Tomball	1,056	3	12.26%	650	3	13.71%
Baker Hughes (B J Services)	680	4	7.90%	400	4	8.44%
Wal-Mart	325	5	3.77%	n/a	n/a	n/a
HEB	275	6	3.19%	n/a	n/a	n/a
Triumph Hospital	250	7	2.90%	n/a	n/a	n/a
Lowes	185	8	2.15%	n/a	n/a	n/a
City of Tomball	164	9	1.90%	136	5	2.87%
Kroger	139	10	1.61%	n/a	n/a	n/a

Note: The residents of the City of Tomball are primarily employed outside of the City limits.

(1) The requirement is for the current year and nine years ago. Fiscal year 2006 was the first year this type of data was presented therefore only the current year and seven years ago are available at this time.

(2) Percentages are based on the labor force statistic from the 2010 census data (8,612).

(3) 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									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
General Fund:										
Administration	8	8.25	8.5	9.5	10	15	14.5	14.5	16	17.5
Permits & Inspection	4.5	4.5	5	6	6	5	5	5	5	5
Police Department	47.5	50.5	50.5	52.5	55	55	55	57	59	58
Municipal Court	5.5	4.5	4	4	5	5	5	5.5	4.5	4.5
Community Center	3	3	3	3	3	3	3	3	3	3
Fire Department	8.5	9	9	12	14	14	14	16	18	18
Public Works Admin.	4.5	6	5.5	6	9	9	9	9	9	9
Garage	1	1	1	1	1	1	1	2	2	2
Parks	3.2	4.2	4.2	4.2	5.2	5.2	5.2	5.2	5.2	5.2
Streets	10.2	9.2	9.2	7.2	7.2	8.2	8.2	8.2	8.2	7.2
General Fund Total	95.9	100.15	99.9	105.4	115.4	120.4	119.9	125.4	129.9	129.4
Enterprise Fund:										
Utility Administration	9	11.25	11.5	11.5	12	10	9	9	9	8
Water	6.82	6.83	8.2	7.2	8.2	6.2	7.2	7.2	7.2	7.2
Wastewater	9.64	9.64	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2
Gas	7.14	7.14	6.2	7.2	7.2	6.2	6.2	6.2	6.2	6.2
Enterprise Fund Total	32.6	34.86	36.1	36.1	37.6	32.6	32.6	32.6	32.6	31.6
Special Revenue Fund:	0	0	0	0	0	0	0	0.5	3	2.5
Special Revenue Fund Total	0	0	0	0	0	0	0	0.5	3	2.5
TOTAL CITY POSITIONS	128.5	135.01	136	141.5	153	153	152.5	158.5	165.5	163.5

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									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Function/Program										
Police										
Arrests	1,804	1,766	1,611	1,812	1,840	1,625	2,049	2,012	1,475	2,394
Accident reports	650	563	523	609	499	440	330	334	392	378
Citations	8,153	13,194	12,473	7,602	12,445	10,820	14,694	12,798	13,329	11,330
Offense reports	2,959	2,130	2,321	2,174	2,398	2,050	1,705	1,915	2,153	2,008
Calls for service	8,553	8,804	8,861	8,558	8,299	7,688	7,348	6,774	7,399	7,069
Fire										
Emergency responses	647	623	860	1,028	1,241	1,056	1,341	1,364	1,523	1,768
Fire incidents	113	170	278	170	206	218	220	207	178	129
Average response time	6:19	6:17	6:07	5:40	5:34	4:38	5:15	5:54	6:40	4:50
Water										
New accounts	639	674	875	719	663	532	89	79	56	122
Source:										
Water	639	674	875	719	663	532	89	79	56	122
Sewer	639	674	875	719	663	532	89	79	56	122
Average daily consumption (millions of gallons)	1,798	1,851	2,002	1,897	1,980	2,166	1,941	2.525	2.249	2,043
Number of million gallons of surface water pumped	-	-	-	-	-	-	-	-	-	-
Number of million gallons of well water pumped	675,448	751,880	730,198	692,163	722,788	790,409	708,565	923,261	822,215	759,817
Total consumption (millions of gallons)	675,448	751,880	730,198	692,363	722,788	790,409	708,565	923,261	822,215	759,817
Peak daily consumption (millions of gallons)	3,492	3,322	3,395	3,241	4,425	3,791	3,480	4,392	4,312	4,689
Sewer										
Average daily sewage treatment (millions of gallons)	1.595	1.468	1.500	1.636	1.422	1.428	1.362	1.174	1.555	1.347
Total consumption (millions of gallons)	582.175	535.820	547.500	597.140	519.030	520.176	497.166	429.608	567.754	491.660
Peak daily consumption (millions of gallons)	4.50	4.30	4.50	5.10	5.90	5.10	3.72	2.18	7.44	2.85

Source: Various City departments

Table 20
City of Tomball
Capital Assets Statistics by Function/Program
Last Ten Years
(unaudited)

	Fiscal Year									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Function/Program										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	26	27	31	32	26	28	30	32	33	33
Fire stations	2	2	2	2	2	2	2	2	2	2
Other public works										
Streets (miles - centerlines)	71.0	71.0	72.0	72.0	72.6	73.0	56.2	56.2	58.2	50.6
Streetlights	462	639	642	648	648	648	650	654	664	689
Parks and recreation										
Parks	4	4	4	4	4	4	4	4	4	6
Parks acreage	24 acres	24 acres	24 acres	24 acres	24 acres	24 acres	24 acres	24 acres	24 acres	39 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	1	1	2
Water										
Water mains (miles)	59	74	86	88	89	91	92	92	91	92
Fire hydrants	630	668	802	831	831	869	874	878	883	950
Storage capacity (millions of gallons)	N/A	N/A	N/A	1.85	1.85	1.85	1.85	2.35	2.35	2.85
Sewer										
Sanitary sewers (miles)	48.0	51.5	54.5	56.0	56.2	58.6	58.9	59.4	60.1	60.3
Storm sewers (miles)	16.2	16.9	16.9	16.9	16.9	17.2	17.4	17.4	17.4	22.9
Open ditch / creek / canal drainage (miles)	N/A	N/A	N/A	52.00	53.00	53.40	53.70	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.

CITY OF TOMBALL, TEXAS

SINGLE AUDIT REPORT

SEPTEMBER 30, 2013

C O N T E N T S

Page

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Independent Auditor's Report on Compliance for Each Major Program, on Internal Control Over Compliance, and on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 3

Schedule of Findings and Questioned Costs 6

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, 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, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 18, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
March 18, 2014

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

We have audited the City of Tomball, Texas's (the City's) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2013. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

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

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2013 and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 18, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of

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

additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
March 18, 2014

CITY OF TOMBALL, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? ____ Yes __X__ No
- Significant deficiencies identified that are not considered to be material weakness(es)? ____ Yes __X__ None reported
- Noncompliance material to financial statements noted? ____ Yes __X__ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ____ Yes __X__ No
- Significant deficiencies identified that are not considered to be material weakness(es)? ____ Yes __X__ None reported

An unmodified opinion was issued on compliance for major programs.

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) or Circular A-133? ____ Yes __X__ No

Identification of major programs:

97.083	Staffing for Adequate Fire and Emergency Response (SAFER)

CITY OF TOMBALL, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

- Dollar threshold used to distinguish between type A and type B programs? $300,000

Auditee qualified as low-risk auditee? ____Yes __X__ No

SECTION II – FINANCIAL STATEMENT FINDINGS

NONE

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

SECTION IV – SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

NONE

CITY OF TOMBALL, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Expenditures and Indirect Costs
U.S. DEPARTMENT OF HOMELAND SECURITY			
Direct Program:			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	N/A	$ 560,035
Total U.S. Department of Homeland Security			560,035
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 560,035

See Notes to the Schedule of Expenditures of Federal Awards.

CITY OF TOMBALL, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1. GENERAL

The accompanying schedule of expenditures of federal awards presents the activity of all applicable federal awards of the City of Tomball, Texas (the City). The City's reporting entity is defined in Note 1 to the City's financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the respective schedule.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements.

NOTE 3. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Grant expenditures reports as of September 30, 2013, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a later date and often reflect refined estimates of year-end accruals. The reports will agree at termination of the grant, as the discrepancies noted are timing differences.

NOTE 4. SCHEDULE OF FINDINGS AND QUESTIONED COSTS

The schedule of findings and questioned costs, including the summary of auditor's results for federal awards, is included beginning on page 6.

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Adopt Resolution No. 2014-07, a Resolution of the City Council of the City of Tomball, Texas, Supporting the Sixth Annual Homecoming Parade and Pep Rally, to be held at the Tomball Depot, Sponsored by the Tomball Independent School District and the Tomball High School Student Council, on Wednesday, September 10, 2014

Background:

The Tomball High School Student Council requests Council's support for its Sixth Annual Homecoming Parade and Pep Rally, to be held on Wednesday, September 10, 2014 from 6:30 p.m. until 8:00 p.m.

Current plans, pending TxDOT approval, are that the parade will form at Tomball Intermediate School and proceed down Main Street (FM 2920) to the Depot at 201 South Elm, where the community-wide pep rally will begin at 7:00 p.m. and the entire event should conclude by 8:00 p.m.. Should TxDOT deny approval of the original route, an alternate route would be used to bring the parade down Malone and Market Streets to the Depot; however, approval from TxDOT has been granted the last four years and approval is expected.

Council is asked to approve the use of the Depot and authorize the support of the City, as a co-sponsor of the event, in supplying City support services (Police, Fire, Public Works) as needed.

Origination:

Tomball High School Student Council Officers and Mrs. Dio

Recommendation:

Approval of Resolution No. 2014-07

Funding:

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

City Secretary

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	

ATTACHMENTS:

THS Request Letter

Resolution No. 2014-07

Tomball High School

30330 Quinn Road
Tomball, Texas 77375-4300
281-357-3220 FAX 281-357-3248

March 17, 2014

Dear City Council,

The Tomball High School Student Council has requested to hold our 6th Annual Homecoming Parade and Community Pep-Rally on Wednesday, September 10, 2014. The parade would start at 6:30 PM in front of Tomball Intermediate School, proceeding down 2920 (Main Street) to the Historical Train Depot (approx. 7 PM). The parade will have floats and groups walking, including the Homecoming court along with various clubs and sports at Tomball High School. The community pep-rally would begin at 7 PM at the Train Depot, where we will use the stage to introduce the Homecoming Court. We feel the event will be ending no later than 8:00 PM. Thank you for helping us make this another outstanding homecoming to remember.

Tomball High School
Student Council Officers & Mrs. Dio

Pride of Texas

RESOLUTION NO. 2014-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, SUPPORTING THE SIXTH ANNUAL HOMECOMING PARADE AND PEP RALLY, TO BE HELD AT THE TOMBALL DEPOT, SPONSORED BY THE TOMBALL INDEPENDENT SCHOOL DISTRICT AND THE TOMBALL HIGH SCHOOL STUDENT COUNCIL, ON WEDNESDAY, SEPTEMBER 10, 2014.

* * * * * * * * *

WHEREAS the Tomball Independent School District and the Tomball High School Student Council will undertake the Sixth Annual Homecoming Parade and Pep Rally, to be held in the City of Tomball on Wednesday, September 10, 2014 from 6:30 p.m. until 8:00 p.m.; and

WHEREAS the parade will form at Tomball Intermediate School and proceed down Main Street (FM 2920) to the Depot; and

WHEREAS a community-wide pep rally that will include the Cougar Pride Band, Cougar Charms Drill Team, and Cheerleaders will be held at the Depot immediately following the parade, during which the Homecoming Court will be announced; and

WHEREAS the Tomball Independent School District and the TISD Student Council desire and request the support and endorsement of the City of Tomball, including use of the Depot, in this community-wide effort;

NOW, THEREFORE, BE IT RESOLVED that the City of Tomball and its governing body endorses and supports the efforts of the Tomball Independent School District and the TISD Student Council in promoting and undertaking the Homecoming Parade and Pep Rally and pledge to encourage this effort.

PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL HELD ON THE _7TH___ DAY OF _APRIL_ 2014.

____
GRETCHEN FAGAN, Mayor

ATTEST:

____
DORIS SPEER, City Secretary

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Discussion and Possible Action to Approve Bidding Process for the Sale of Selected Surplus City-Owned Properties/Lots

Background:

The Community Development Department prepared maps of all City-owned property, according to the Harris County Appraisal District, and identified properties that staff feels do not serve a purpose for the City to retain ownership.

Properties identified in red on the attached maps are identified as properties that staff feels do not need to be retained by the City. Also, a listing and description of each property is shown on the attached table.

Origination:

Community Development Department

Recommendation:

Funding:

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

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	

ATTACHMENTS:

City-Owned Property Map

City-Owned Property Aerial

City-Owned Property List

City of Tomball, Texas

City-Owned Properties

March 27, 2014

City of Tomball, Texas

City-Owned Properties

March 27, 2014

City-Owned Properties To Be Sold									
HCAD No.	Address	City	State	Zip	Land Area (SF)	Legal Description	Current Use	Zoning District	Comp Plan Designation
0352730700033	0 CHESTNUT ST	TOMBALL	TX	77375	3500	LT 33, BLK 70, TOMBALL	Undeveloped	OTMU	Mixed Use
0352810040019	0 MOORE ST	TOMBALL	TX	77375	3500	LT 19, BLK 103, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352580120014	0 HOUSTON ST	TOMBALL	TX	77375	2500	LT 14, BL 12, TOMBALL	Parking Lot	OTMU	Old Town
0352810040050	0 FOSTER ST	TOMBALL	TX	77375	3500	LT 50, BLK 103, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352640360044	0 CLARENCE ST	TOMBALL	TX	77375	3500	LT 44, BLK 36, TOMBALL	Undeveloped	SF-6	Old Town
0352740760035	0 CARRELL RD	TOMBALL	TX	77375	3500	LT 35, BLK 76, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352760810043	0 CHESTNUT ST	TOMBALL	TX	77375	3500	LT 43, BLK 81, TOMBALL	Undeveloped	OTMU	Mixed Use
0352740730023	0 TEXAS ST	TOMBALL	TX	77375	3500	LT 23, BLK 73, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352760810035	0 CHESTNUT ST	TOMBALL	TX	77375	3500	LT 35, BLK 81, TOMBALL	Undeveloped	OTMU	Mixed Use
0352730690052	0 HOLIDAY ST	TOMBALL	TX	77375	5040	.50 U/D INT IN LTS 29 & 30, BLK 69, TOMBALL	Undeveloped	SF-6 & LI	High Density Residential
0352780900029	0 FOSTER ST	TOMBALL	TX	77375	3500	LT 29, BL 90, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352810040023	0 MOORE ST	TOMBALL	TX	77375	3500	LT 23, BLK 103, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352570080033	0 COMMERCE ST	TOMBALL	TX	77375	5000	LTS 13 & 14, BLK 8, TOMBALL	Old Water Well & Old City Hall	OTMU	Old Town
0352780900023	0 FOSTER ST	TOMBALL	TX	77375	3500	LT 23, BL 90, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352810040033	0 MOORE ST	TOMBALL	TX	77375	3500	LT 33, BLK 103, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352810050033	0 TEXAS ST	TOMBALL	TX	77375	7000	LTS 33 & 34, BLK 104, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352810050050	0 MOORE ST	TOMBALL	TX	77375	3500	LT 50, BLK 104, TOMBALL	Undeveloped	SF-6	Medium Density Residential
0352570070020	0 HOUSTON ST	TOMBALL	TX	77375	2500	LT 20, BLK 7, TOMBALL	Undeveloped	OTMU	Old Town

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Discussion regarding City of Tomball Obtaining Surplus MRAP Vehicle through the Defense Department's National Military Surplus Program for Use by Tomball Public Safety Departments

Background:

As a member of the Law Enforcement Support Office, also known as the 1033 Program, which is connected to the U.S. Defense Logistics Agency, the City of Tomball has been given the opportunity to obtain an armored tactical vehicle, known as a Mine Resistant Ambush Protected (MRAP) vehicle, through the Defense Department's national military surplus program.

This vehicle, which can provide lifesaving support to local, county, state and federal law enforcement agencies across the state during armed confrontations or other critical incidents, is being made available to Tomball through coordination with the Military's Law Enforcement Support Office, which offers law enforcement agencies across the country military equipment that is no longer in use but that can have a positive impact on civilian law enforcement operations.

The vehicle will assist Tomball's and surrounding area public safety entities personnel by giving them the ability to provide close, rapid response to help defuse dangerous and/or hazardous situations (high floodwaters, natural disasters, shootings, barricaded suspects) without exposing them to life-threatening danger.

The vehicle will be provided to the City of Tomball at no charge; the cost of necessary customization such as lights, painting; and vehicle maintenance will be funded through the City's asset forfeiture (drug money) fund.

The acquisition of the MRAP aligns with the City's 2011-2016 Strategic Plan in the following Focus Areas:

Community Basics -

- **Strategic Initiative:** Enhance public safety as the community grows to maintain quality service levels.

Organizational Effectiveness -

- **Strategic Initiative:** Improve service and communication throughout the organization.

Financial Sustainability -

- **Strategic Initiative:** Expand and diversify financial resources including bonds, taxes, certificates of obligation, grants, etc.
- **Action Strategy:** Identify and pursue available and potential funding sources.

A list of additional equipment obtained by the City of Tomball through 1033 Program grants is attached for Council review.

Origination:
Mayor

Recommendation:
N/A

Funding:

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

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	

ATTACHMENTS:

Equipment Obtained by City of Tomball through 1033 Program

1033 LAW ENFORCEMENT SUPPORT OFFICE (LESO) PROGRAM ITEMS:

ITEM/PROPERTY	DECRIPTION OF USE	AGENCY ASSIGNED	VALUE
Nomex Coverals	Fire retardent coveralls used for tactical and aviation operations	TPD	$8,804
Flight Helmet Parts	Aviation helmet replacement parts	TPD	$12,816
Radio Test Set	Test unit used for tuning/testing of public safety radio system	NWEMS	$7,300
Mobile Air Conditioner	Mobile unit used for cooling command post or for shelter operations	TFD/NWEMS	$13,063
Patient Monitoring Systems	Vital signs monitor used by paramedics	NWEMS	$36,844
IV Pumps	IV pumps used by paramedics	NWEMS	$22,136
Defibillator / Monitor	Defibillator and monitor unit used by EMTs	TFD	$25,200
2.5 Ton Cargo Truck	Large all-wheel drive truck used for high-water rescue and cargo	TPD/TFD/NWEMS/PW	$56,833
Moblie Light Tower/Generators	Portable units used at special events, and investigative scenes	TPD/TFD/NWEMS/PW	$36,800
Port-A-Cool	Large swamp cooler fan used at PD Range	TPD	$1,500
HMMWV (Off-Road Vehicle)	All-terrain vehicle for access with small payload and personnel	TPD/TFD/NWEMS/PW	$34,735
Portable Shelter	HMMWV Mounted Shelter	TPD/TFD/NWEMS/PW	$13,262
Diesel Generator	Mobile trailer-monted generator used to provide emergency power	TPD/TFD/NWEMS/PW	$83,610
Patrol Rifle Optic Sights	Optical sight systems for tactical team members(SWAT)	TPD	$5,423
Optic Sights Rail Mounts	Rails to mount optical signts for tactical team (SWAT)	TPD	$1,374
Safety/Shooting Glasses	Shooting glasses issued to all police officers for range use	TPD	$4,043
Headset Microphones	Headset/microphone units used by tactical team (SWAT)	TPD	$4,014
Commercial Refrigerator	Used in property/evidence room for large item refriderator storage	TPD	$8,645
BAE Caiman (MRAP)	Armored vehicle for rescue and tactical operations	TPD/TFD/NWEMS	$733,000
Replacement Parts for MRAP	New tires and wheels	TPD/TFD/NWEMS	$75,000
		Total Value	**$1,184,402**

OTHER NOTEWORTHY PUBLIC SAFETY GRANT FUNDED ITEMS:

ITEM/PROPERTY	DECRIPTION OF USE	AGENCY ASSIGNED	VALUE
2013 Type VI Engine	All-terrain fire engine obtained from Texas A&M Forest service	TFD	$115,000
Gyroplane	Partial funding by US DOJ to obtain gyroplane aircraft	TPD	$50,000
GRACE System	Electronic accountability system for firefighter safety	TFD	$45,000
NICE Inform Recording System	Recording system for radios and telephones provided by 100 Club	TPD	$30,000
In-car Video Equipment	In-car video system (software/hardware) funded by HCDA Office	TPD	$175,000
Traffic Signal Control System	Funed by the Tomball Regional Health Foundation	TPD/TFD/NWEMS	$328,000
Nine Full-time Firefighters	Federal Government SAFER Grant	TFD	$1,303,000
		Total Value	**$2,046,000**

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Approve the following plats as recommended by the Planning and Zoning Commission:

- **RALEIGH CREEK SECTION TWO**; Being a Replat of Reserve "J" and Reserve "I" of Raleigh Creek Section One, as recorded in Film Code No. 656125 H.C.M.R., and situated in the Joseph Miller Survey, Abstract Number 50, Harris County, Texas.

- **REPLAT OF THE POINT**; Being a Subdivision of 6.3636 Acres and being a Replat of the Point F.C. No. 644081 out of the Claude M. Pillot Survey, Abstract No. 632, City of Tomball, Harris County, Texas.

Background:

The Planning and Zoning Commission approved the "Raleigh Creek Section Two" plat on November 11, 2013 and "Replat of The Point" on March 10, 2014, with contingencies. Comments have been addressed and the plats are being presented to City Council for approval consideration.

Origination:

Recommendation:

Funding:

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

Brandy Pate Harbolt - Engineering and Planning

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	

ATTACHMENTS:

Raleigh Creek Section Two

Replat of The Point

THE STATE OF TEXAS
COUNTY OF HARRIS

WE, L S DEVELOPMENT, LLC., acting by and through, JIM SPURLIN, President and ALISON SPURLIN, Secretary, being officers of L S DEVELOPMENT, LLC., hereinafter referred to as owners of the 26.1150 Acre Tract described in the above and foregoing plat of RALEIGH CREEK, SECTION TWO, do hereby make and establish said subdivision of said property according to all liens, dedications, restrictions and notations on said plat and hereby dedicate to the use of the public forever, all streets, alleys, parks, watercourses, drains, easements, and public places shown thereon for the purposes and considerations therein expressed; and do hereby bind ourselves, our heirs, sucessors and assigns to warrant and forever defend the title to the land so dedicated.

FURTHER, owners have dedicated and by these presents do dedicate to the use of the public for public utility purposes forever an unobstructed aerial easement five feet in width from a plane twenty feet (20') above the ground level upward, located adjacent to all public utility easements shown hereon.

FURTHER, owners do hereby covenant and agree that all of the property within the boundaries of this plat shall be restricted to provide that drainage structures under private driveways shall have a net opening area of sufficient size to permit the free flow of water without backwater and in no instance have drainage opening of less than one and three quarters square feet (18-inch diameter) with culverts or bridges to be provided for all private driveways or walkways crossing such drainage facilities.

FURTHER, owners do hereby dedicate to the public a strip of land fifteen feet (15') wide on each side of the center line of any and all bayous, creeks, ravines, draws, sloughs, or other natural drainage courses located and depicted upon said plat, as easements for drainage purposes, giving the City of Tomball, Harris County, or any other governmental agency, the right to enter upon said easement at any and all times for the purpose of construction and maintenance of drainage facilities and structures.

FURTHER, owners do hereby covenant and agree that all of the property within the boundaries of this plat and adjacent to any drainage easement, ditch, gully, creek, or natural drainage way shall hereby be restricted to keep such drainage ways and easements clear of fences, buildings, planting, and other obstructions to the operation and maintenance of the drainage facility and that such abutting property shall not be permitted to drain directly into this easement, except by means of an approved drainage structure.

L S DEVELOPMENT, LLC.

IN TESTIMONY WHEREOF, L S DEVELOPMENT, LLC., has caused these presents to be signed by JIM SPURLIN, its President, thereunto authorized, attested by its Secretary, ALISON SPURLIN, and its common seal hereunto affixed this 10 day of March, 2014.

By: JIM SPURLIN, President   By: ALISON SPURLIN, Secretary

THE STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared JIM SPURLIN and ALISON SPURLIN, President and Secretary respectively of L S Development, LLC., known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and considerations therein expressed and in the capacity therein and herein stated, and as the act and deed of said Corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 10 day of March, 2014.

DAVID A BURNS
Notary Public, State of Texas
My Commission Expires
April 25, 2017

Notary Public In and For the State of Texas
My Commission Expires: April 25 2017

I, Neil M. Atkinson, am registered under the laws of the State of Texas to practice the profession of Surveying and hereby certify that the above subdivision is true and correct; was prepared from an actual survey of the property made under my supervision on the ground; that all boundary corners, angle points, points of curvature, and other points of reference have been marked with iron rods having an outside diameter of not less than three-quarter inch (3/4") and a length of not less than three feet (3'); and that the plat boundary corners have been tied to the nearest survey corner.

STATE OF TEXAS
REGISTERED
NEIL M. ATKINSON
5897
PROFESSIONAL
LAND SURVEYOR

Neil M. Atkinson
Registered Professional Land Surveyor
Texas Registration No. 5897

3-20-14

This is to certify that the Planning & Zoning Commission of the City of Tomball, Texas, has approved this plat and subdivision of RALEIGH CREEK, SECTION TWO in conformance with the laws of the State of Texas and the ordinances of the City of Tomball as shown hereon and authorized the recording of this plat this______ day of __, 20__.

By:__________________ Barbara Tague, Chairman
By:__________________ Darrell Roquemore, Vice Chairman

WE, the City Manager and City Engineer for the City of Tomball, do hereby certify that this plat complies with the City of Tomball ordinance.

By:__________________ George Shackelford, City Manager
By: Lori Lakatos, P.E., City Engineer

This is to certify that the City accepts the Planning & Zoning Commission's authorized approval and acceptance of all dedicated public easements in conformance with the laws of the State of Texas and the ordinance of the City of Tomball as shown hereon and authorized the recording of this plat this ___________ day of ______________________, 20___.

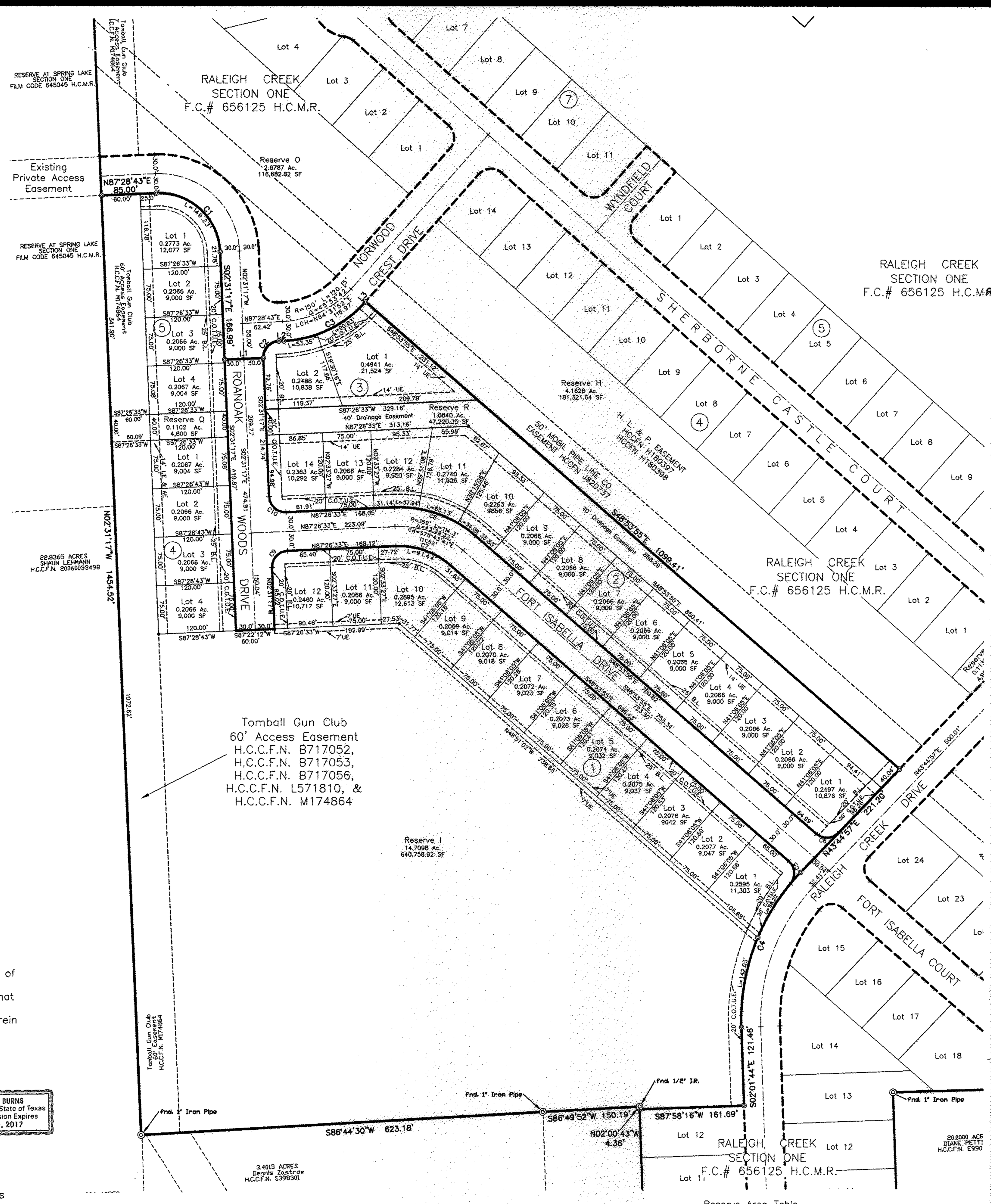
By:__________________ Gretchen Fagan, Mayor
By:__________________ Doris Speer, City Secretary

I, Stan Stanart, County Clerk of Harris County, Texas, do hereby certify that the within instrument with it's certificate of authentication was filed for registration in my office on _________________, 20___ at ________ o'clock________, and duly recorded on ____________________, 20____, at ____________o'clock____, and under film code number _______________of the map records of Harris County for said County.

Witness my hand and seal of office, at Houston, the day and date last above written.

Stan Stanart
County Clerk of
Harris County, Texas

By:__________________________
Deputy



Reserve Area Table

Reserve	Acres	Square Feet
Reserve Q	0.1102	4,800.00
Reserve R	1.0840	47,220.35
Reserve I	14.7098	640,758.92

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	95'	149.23'	134.35'	S47°31'17"E	90°00'00"
C2	25'	39.27'	35.36'	N42°28'43"E	90°00'00"
C3	180'	144.18'	140.36'	N64°31'52"E	45°53'42"
C4	330'	263.66'	256.7'	S20°51'37"W	45°46'40"
C5	25'	38.65'	34.91'	S04°36'30"E	88°34'49"
C6	25'	38.11'	34.53'	N87°25'31"E	87°21'09"
C7	120'	91.44'	89.24'	N70°43'41"W	43°39'33"
C8	180'	137.16'	133.86'	N70°43'41"W	43°39'33"
C9	25'	39.25'	35.34'	S42°27'38"W	89°57'50"
C10	25'	39.29'	35.37'	S47°32'22"E	90°02'10"

LINE	BEARING	DISTANCE
L1	N87°28'43"E	60'
L2	N87°28'43"E	7.42'
L3	N41°35'01"E	0.25'

Public Easements:
Public easements denoted on this plat are hereby dedicated to the public forever. Any public utility, including the City of Tomball, shall have the right at all times, of ingress and egress to and from and upon said easements for the purpose of construction, reconstruction, inspection, patrolling, maintaining and adding to or removing all or part of its respective systems without the necessity of any time of procuring the permission of the property owner. Any public utility, including the City of Tomball, shall have the right to move and keep moved all or part of any building, fences, trees, shrubs, other growths or improvements that in any way endanger or interfere with the construction, maintenance or efficiency of it's respective systems on any of the easements shown on this plat. Neither the City of Tomball nor any other public utility shall be responsible for any damages to property within an easement arising out of the removal or relocation of any obstruction in the public easement.

Flood Information:
According to FEMA Firm Panel Nos.48201C0065L & 48201C0230L (Effective Date 06/18/07), this property is in Zone "X" and is partially within the 0.2% Annual Chance Flood Plain and Zone "AE" within the 1% Annual Chance Flood Plain.

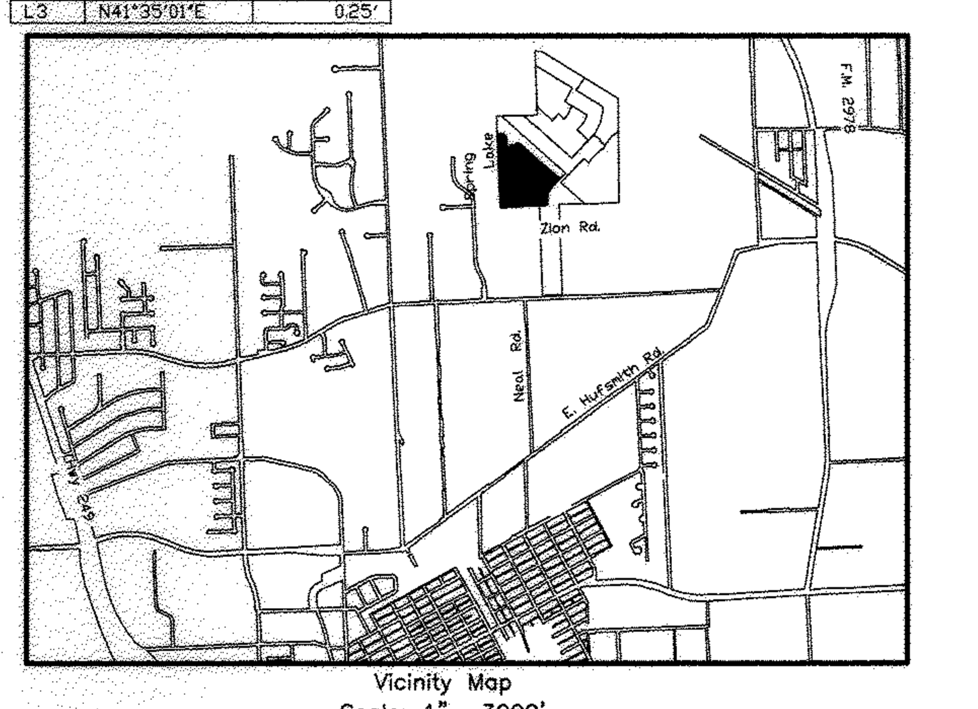
Note #1:
All oil/gas pipelines or pipeline easements with ownership through the subdivision have been shown.

Note #2:
All oil/gas wells with ownership (plugged, abandoned, and/or active) through the subdivision have been shown.

Note #3:
No building or structure shall be constructed across any pipelines, building lines, and/or easements. Building setback lines will be required adjacent to oil/gas pipelines. The setbacks at a minimum should be 15 feet off centerline of low pressure gas lines, and 30 feet off centerline of high pressure gas lines.

Note #4:
This plat does not attempt to amend or remove any valid covenants or restrictions.

Note #5:
The building Lines shown on this plat shall be in addition to, and shall not limit or replace, any building lines required by the City of Tomball Code of Ordinances at the time of the development of the property.



Vicinity Map
Scale: 1"= 3000'

GENERAL NOTES

1. U.E. Indicates Utility Easement.
2. B.L. Indicates Building Line
3. W.L.E. Indicates Water Line Easement.
4. H.C.C.F. No. Indicates Harris County Clerk's File Number.
5. V. & P. Indicates Volume and Page.
6. "One foot reserve dedicated to the public as a buffer separation between the side or end of streets in subdivision plats where such streets abut adjacent acreage tracts, the conditions of such dedication being that when adjacent property is subdivided in a recorded plat the one foot reserve shall thereupon become vested in the public for street right of way purposes (and the fee title thereto shall revert to and revest in the dedicator, his heirs assigns, or successors)
7. All 14 foot Utility Easements shown extend 7 feet on either side of a common lot line unless otherwise indicated.
8. H.C.M.R. Indicates Harris County Map Records.
9. Reserves ,"R" and "Q" are hereby restricted to Recreation, Drainage, and Detention.
10. Reserve "I" is hereby created as an Unrestricted Reserve.
11. No lots dedicated by this plat are within Zone "AE".
12. Building permits will not be issued for more than 30 single family homes, until an approved street or easement is constructed in accordance to city standards on this plat and the adjacent plat, "Reserve at Spring Lake, Section One."

RALEIGH CREEK SECTION TWO

A SUBDIVISION OF 26.1150 ACRES, BEING A REPLAT OF RESERVE "J" AND RESERVE "I" OF RALEIGH CREEK SECTION ONE, AS RECORDED IN FILM CODE NO. 656125 H.C.M.R., AND SITUATED IN THE JOSEPH MILLER SURVEY, ABSTRACT NUMBER 50, HARRIS COUNTY, TEXAS

All bearings shown hereon are based on grid north of the U.S. State Plane Coordinate System, Texas South Central Zone. NAD 1983 Datum

REASON FOR REPLAT: TO CREATE AND PLAT SINGLE FAMILY RESIDENTIAL LOTS

GRAPHIC SCALE
0 100' 200' 300' 400'

BENCH MARK:

FLOODPLAIN REFERENCE MARK NUMBER 100340 IS A BRASS DISK STAMPED 100340 ON BRIDGE AT ZION AND BOGGS GULLY, LOCATED ON UP-STREAM CONCRETE WALK ON SOUTHWEST CORNER OF BRIDGE, WEST OF STREAM CENTERLINE. ELEVATION 169.27 FEET NAVD. 1988, 2001 ADJUSTED.

MARCH, 2014

5 Blocks	36 Lots	3 Reserves
Owner:	Surveyor:	Engineer:
L.S. Development, LLC	Atkinson Engineers	DPK Engineering LLC
10423 Huffsmith Rd.	19575 Wied Road	32719 Windsor Terrace
Tomball Texas, 77375	Spring, Texas 77388	Fulshear, Texas 77441
713-201-7573	281-872-7600	281-346-2616

DWG. NO. 4146–Raleigh Creek Sec. 2 Plat.dwg

17 Mar 2014 3:35PM kevinr
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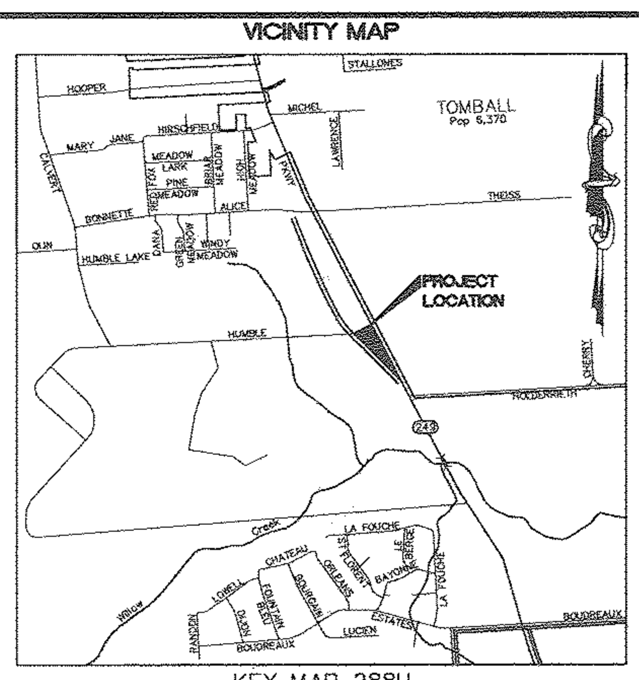
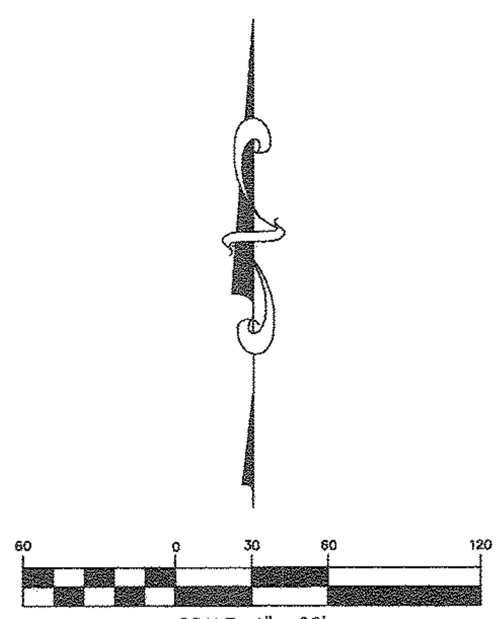


KEY MAP 288U
SCALE: 1" = 3000'



SCALE: 1"= 60'

I, Hugh W Clarkson, am registered under the laws of the State of Texas to practice the profession of surveying and hereby certify that the above subdivision is true and correct; was prepared from an actual survey of the property made under my supervision on the ground; that all boundary corners, angle points, points of curvature and other points of reference have been marked with iron (or other suitable permanent metal) pipes or rods having an outside diameter of not less than three quarter (3/4) inch and a length of not less than three (3) feet unless found and noted otherwise; and that the plat boundary corners have been tied to the nearest street intersecton.

Hugh W. Clarkson 3/18/14
Hugh W. Clarkson
Texas Registration No. 4113
Date

STATE OF TEXAS REGISTERED HUGH W. CLARKSON 4113 PROFESSIONAL LAND SURVEYOR

I, Stan Stanart, County Clerk of Harris County, do hereby certify that the within instrument with its certificate of authentication was filed for registration in my office on ________, 2014, at ______ o'clock __M., and duly recorded on ________, 2014, at ______ o'clock__M., and at Film Code Number ________ of the Map Records of Harris County for said county.

WITNESS my hand and seal of office, at Houston, the day and date last above written.

Stan Stanart
County Clerk
Of Harris County, Texas

By: ______________________
Deputy

STATE OF TEXAS §

COUNTY OF HARRIS §

We, R.K. McGaughey, Trustee, and Peter S. Terpstra, Trusetee, and Big Diamond, LLC, a Texas limited liability company, acting by and through, Douglas M. Miller, Vice President, and Paul C. Clark, Vice President, owners, hereinafter referred to as Owners of the 6.3636 acre tract described in the above and foregoing plat of REPLAT OF THE POINT, do hereby make and establish said subdivision and development plan of said property according to all liens, dedications, restrictions and notations on said map or plat and hereby dedicate to the use of the public forever all streets, alleys, parks, water courses, drains easements, and public places shown thereon for the purposes and considerations therein expressed, and do hereby bind ourselves, our heirs, successors and assigns to warrant and forever defend the title to the land so dedicated.

FURTHER, Owners have dedicated and by these presents do dedicate to the use of the public for public utility purposes forever an unobscured aerial easement five feet in width from a plane twenty feet (20') above the ground level upward, located adjacent to all public utility easements shown hereon.

FURTHER, Owners do hereby covenant and agree that all of the property within the boundaries of this plat and adjacent to any drainage easement, ditch, gully, creek, or natural drainage way shall hereby be restricted to keep such drainage ways and easements clear of fences, buildings, planting, and other obstructions to the operation and maintenance of the drainage facility and that such abutting property shall not be permitted to drain directly into this easement except by means of an approved drainage structure.

Witness our hand, in the City of Tomball, Texas this the 24 day of MARCH 2014

By: R.K. McGaughey, Tdee
R.K. McGaughey, Trustee

By: Peter S. Terpstra, Tr
Peter S. Terpstra, Trustee

IN TESTIMONY WHEREOF, Big Diamond, LLC, a Texas limited liability company, has caused these presents to be signed by Douglas M. Miller, Vice President, and Paul C. Clark, Vice President, this 24 day of MARCH, 2014.

By: Douglas M. Miller, Vice President

By: Paul C. Clark, Vice President

This is to certify that the City accepts the Planning and Zoning Commission's authorized approval and acceptance of all dedicated public easements in conformance with the laws of the State of Texas and the ordinances of the City of Tomball as shown hereon and authorized the recording of this plat this ______ day of ________________, 2014.

By: ______________________
Gretchen Fagan, Mayor

By: ______________________
Doris Speer, City Secretary

This is to certify that the Planning and Zoning Commission of the City of Tomball, Texas, has approved this plat and subdivision of REPLAT OF THE POINT in conformance with the laws of the State of Texas and the ordinances of the City of Tomball as shown hereon and authorized the recording of this plat this _____ day of ____________________, 2014.

By: ______________________
Barbara Tague, Chair

By: ______________________
Darrell Roquemore, Vice Chair

STATE OF TEXAS §

COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on this day personally appeared Douglas M. Miller, Vice President, and Paul C. Clark, Vice President, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 24 day of March, 2014.

R Kevin King
Notary Public in and for the State of Texas

R. KEVIN KING
Notary Public
STATE OF TEXAS
My Comm. Exp. 11-19-2016

R. Kevin King
(Print Name)

November 19, 2016
My Commission Expires:

We the City Manager and City Engineer for the City of Tomball, do hereby certify that this plat complies with the City of Tomball Ordinances.

By: ______________________
George Shackelford, City Manager

By: Lori E. Lakatos
Lori Lakatos, P.E. City Engineer

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared R.K. McGaughey, Trustee known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 31st day of March, 2014.

Anna Perez
Notary Public in and for the State of Texas

ANNA PEREZ
(Print Name)

3-28-2016
My Commission Expires:

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Peter S. Terpstra, Trustee known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 31st day of March, 2014.

Anna Perez
Notary Public in and for the State of Texas

ANNA PEREZ
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
MAR. 28, 2016

ANNA PEREZ
(Print Name)

3-28-2016
My Commission Expires:

SURVEYOR'S NOTES:

1. THE BEARINGS SHOWN HEREON ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH-CENTRAL ZONE, NAD 83. THE REFERENCE COORDINATES ARE BASED ON NAD 83, AND MAY BE BROUGHT TO SURFACE BY DIVIDING THE DEPICTED COORDINATE BY THE FOLLOWING COMBINED SCALE FACTOR OF 0.99993357782 (X÷S.F.=SURFACE VALUE).

2. ACCORDING TO F.I.R.M. MAP NO. 48201C0210L (COMMUNITY-PANEL NO. 48028170210L), MAP REVISED DATE: JUNE 18, 2007. THE SUBJECT PROPERTY LIES WITHIN THE AREAS DESIGNATED AS ZONE "X" UNSHADED - DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOOD; ZONE X SHADED - AREAS OF 0.2% ANNUAL CHANCE FLOOD; AREAS OF 1% ANNUAL CHANCE FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH DRAINAGE AREAS LESS THAN 1 SQUARE MILE; AREAS PROTECTED BY LEVEES FROM 1% ANNUAL CHANCE FLOOD; AND ZONE AE - BASE FLOOD ELEVATIONS DETERMINED.

THIS STATEMENT IS BASED ON SCALING THE LOCATION OF THE SUBJECT TRACT ON THE ABOVE REFERENCED MAP. THIS INFORMATION IS TO DETERMINE FLOOD INSURANCE RATES ONLY AND IS NOT INTENDED TO IDENTIFY SPECIFIC FLOODING CONDITIONS.

3. THE SUBJECT TRACT IS AFFECTED BY THE CITY ORDINANCES OF THE CITY OF TOMBALL.

4. THIS SURVEY HAS BEEN PREPARED UTILIZING A CITY PLANNING LETTER FROM STEWART TITLE WITH AN EFFECTIVE DATE OF FEBRUARY 19, 2014.

5. ALL OIL/GAS PIPELINES OR PIPELINE EASEMENTS WITH OWNERSHIP THROUGH THE SUBDIVISION HAVE BEEN SHOWN.

6. ALL OIL/GAS WELLS WITH OWNERSHIP (PLUGGED, ABANDONED, AND/OR ACTIVE) THROUGH THE SUBDIVISION HAVE BEEN SHOWN.

7. NO BUILDING OR STRUCTURE SHALL BE CONSTRUCTED ACROSS ANY PIPELINES, BUILDING LINES, AND/OR EASEMENTS. BUILDING SETBACK LINES WILL BE REQUIRED ADJACENT TO OIL/GAS PIPELINES. THE SETBACKS AT A MINIMUM SHOULD BE 15 FEET OFF CENTERLINE OF LOW PRESSURE GAS LINES, AND 30 FEET OFF CENTERLINE OF HIGH PRESSURE GAS LINES.

8. THIS PLAT DOES NOT ATTEMPT TO AMEND OR REMOVE ANY VALID COVENANTS OR RESTRICTIONS.

9. THE BUILDING LINES SHOWN ON THIS PLAT SHALL BE IN ADDITION TO, AND SHALL NOT LIMIT OR REPLACE, ANY BUILDING LINES REQUIRED BY THE CITY OF TOMBALL CODE OF ORDINANCES AT THE TIME OF THE DEVELOPMENT OF THE PROPERTY.

10. THE SUBJECT PROPERTY IS AFFECTED BY THREE (3) UNLOCATED PIPELINE EASEMENTS GRANTED TO HUMBLE PIPELINE COMPANY, RECORDED UNDER VOL. 934 PG. 199; VOL. 1055 PG. 560; AND VOL. 1073 PG. 650 HARRIS COUNTY DEED RECORDS.

11. THE SUBJECT PROPERTY IS AFFECTED BY AN UNLOCATED PIPELINE EASEMENT GRANTED TO SHELL OIL COMPANY RECORDED UNDER VOL. 3431 PG. 480 HARRIS COUNTY DEED RECORDS.

12. THE SUBJECT PROPERTY IS AFFECTED BY AN UNLOCATED PIPELINE EASEMENT GRANTED TO TEXAS, INC. RECORDED UNDER VOL. 8471 PG. 621 HARRIS COUNTY DEED RECORDS.

13. LOTS 1 AND 3 ARE SUBJECT TO A TEMPORARY CONSTRUCTION EASEMENT RECORDED UNDER HARRIS COUNTY CLERK'S FILE NUMBER 20130212947.

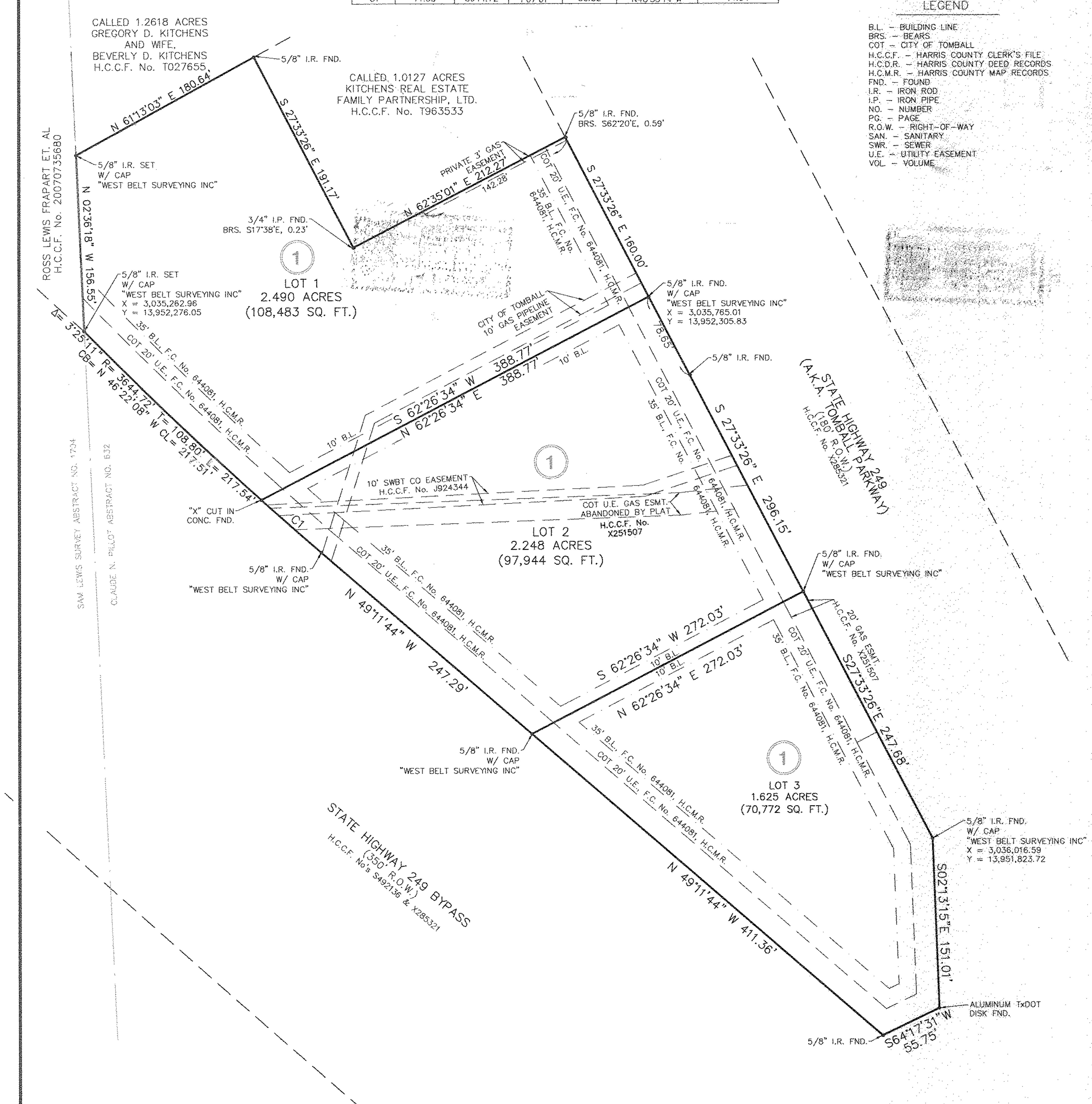
Public Easements:

Public easements denoted on this plat are hereby dedicated to the public forever. Any public utility, including the City of Tomball, shall have the right at all times, of ingress and egress to and from and upon said easements for the purpose of construction, reconstruction, inspection, patrolling, maintaining and adding to or removing all or part of its respective systems without the necessity of any time of procuring the permission of the property owner. Any public utility, including the City of Tomball, shall have the right to move and keep moved all or part of any building, fences, trees, shrubs, or other growths or improvements that in any way endanger or interfere with the construction, maintenance or efficiency of it's respective systems on any of the easements shown on this plat. Neither the City of Tomball nor any other public utility shall be responsible for any damages to property within an easement arising out of the removal or relocation of any obstruction in the public easement.

CURVE TABLE						
CURVE	LENGTH	RADIUS	DELTA	TANGENT	CHORD BEARING	CHORD DISTANCE
C1	71.05	3644.72	1°07'01"	35.52	N48°38'14"W	71.04

LEGEND

B.L. - BUILDING LINE
BRS. - BEARS
COT - CITY OF TOMBALL
H.C.C.F. - HARRIS COUNTY CLERK'S FILE
H.C.D.R. - HARRIS COUNTY DEED RECORDS
H.C.M.R. - HARRIS COUNTY MAP RECORDS
FND. - FOUND
I.R. - IRON ROD
I.P. - IRON PIPE
NO. - NUMBER
PG. - PAGE
R.O.W. - RIGHT-OF-WAY
SAN. - SANITARY
SWR. - SEWER
U.E. - UTILITY EASEMENT
VOL. - VOLUME



REASON FOR REPLAT:
TO CREATE 3 LOTS

REPLAT OF THE POINT

BEING A SUBDIVISION OF
6.3636 ACRES
AND BEING A REPLAT OF THE POINT
F.C. NO. 644081
OUT OF THE
CLAUDE M. PILLOT SURVEY,
ABSTRACT NO. 632
CITY OF TOMBALL
HARRIS COUNTY, TEXAS

1 BLOCK 3 LOTS

MARCH 2014

WEST BELT
SURVEYING, INC.
CERTIFIED FIRM NO. 10073800
21020 PARK ROW
KATY, TX. 77449
PHONE: (281) 599-8288
FAX: (281) 492-6026

BROOKS & SPARKS, INC.
CONSULTING ENGINEERING
TEXAS REGISTERED ENGINEERING FIRM F-880
21020 PARK ROW
KATY, TEXAS 77449
PHONE: (281) 578-9595
FAX: (281) 578-9686

OWNER / DEVELOPER:

R.K. MCGAUGHY
PETER S. TERPSTRA
14343-B TORREY CHASE
HOUSTON, TEXAS 77014
PHONE: (281) 580-4855

BIG DIAMOND LLC,
A TEXAS LIMITED LIABILITY COMPANY
ONE VALERO WAY
SAN ANTONIO, TEXAS 78249-1616
(210) 692-2212

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 7, 2014

Topic:

Approve Resolution No. 2014-08, a Resolution of the City Council of the City of Tomball, Texas, Setting a Public Hearing on May 19, 2014 at 6:00 P.M., to Discuss and Review Land Use Assumptions and Capital Improvements Plan Relating to Possible Adoption of Impact Fees.

Background:

The Texas Local Govenment Code (LGC) requires the City have a Notice of Public Hearing on Land Use Assumptions and Capital Improvements Plan Relating to Possible Adoption of Impact Fees published in the newspaper before the 30th day before the date of the set hearing. The LGC also requires that an order, ordinance, or resolution must be adopted, establishing a public hearing date to consider the land use assumptions and capital improvements plan for the designated service area.

Origination:

Engineering

Recommendation:

Engineering recommends approval of this resolution

Funding:

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

Engineering Division

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	

ATTACHMENTS:

Resolution No. 2014-18 - Set Public Hearing

RESOLUTION NO. 2014-08

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS SETTING A PUBLIC HEARING ON MAY 19, 2014 AT 6:00 P.M., TO DISCUSS AND REVIEW LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN RELATING TO POSSIBLE ADOPTION OF IMPACT FEES.

* * * * *

WHEREAS, Section 395.044 of the Texas Local Government Code, directs and states that a governing body of the political subdivision shall adopt an order setting a pubic hearing to discuss and review land use assumptions and capital improvements plan relating to possible adoption of impact fees; and,

WHEREAS, pursuant to Section 395.044 of the Texas Local Government Code it is in the best interest of the City to hold said public hearing to discuss and review the Land Use Assumptions and Capital Improvements Plan.

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

<u>SECTION 1</u>: That the City Council of the City of Tomball, Texas, hereby sets and approves the Public Hearing to be held on May 19, 2014, at 6:00 p.m. at the City of Tomball City Hall, 401 Market Street, Tomball, Texas to discuss and review the Land Use Assumptions and Capital Improvements Plan related to possible adoption of impact fees. Any member of the public has the right to appear at the hearing and present evidence for or against the land use assumptions and capital improvements plan.

<u>SECTION 2</u>: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 7th day of April, 2014.

____
Gretchen Fagan, Mayor
City of Tomball, Texas

ATTEST:

____
Doris Speer
City Secretary

Regular City Council Agenda Item Data Sheet

Meeting Date: April 7, 2014

Topic:

Award Contract for Purchase of New Avaya Telephone System to DataVox, in the Amount of $88,891.92

Background:

This agenda item is asking for approval of a contract to purchase a new Avaya phone system from Datavox. Our current NEC phone system is past the end of its service life. This means that the manufacturer (NEC) no longer makes spare hardware or takes phone support calls for this product. If we were to have a hardware failure at this time, we would have to look for phone vendors who may have parts in stock or look to Ebay to purchase used replacement parts. This could cause an outage of phone service of several days or longer while we track the parts down.

The new phone system will also allow us to integrate all City buildings into one phone system with services such as 4-digit dialing and call transfers. Currently, we have four separate phone systems that are not integrated with each other. We will also be able to disconnect many of the analog phone lines that service the 3 small systems in our remote buildings for a monthly cost savings.

Before choosing the Avaya system, we evaluated 4 different products from 4 different vendors. Avaya is a global leader with a large market share in the small to medium business sized phone systems. Datavox is a local Harris County company that has been a BBB accredited business since 1990 and is registered to sell under the States DIR contract, assuring us the best negotiated pricing in the state of Texas. Datavox has also performed work for us in the past, setting up the A/V equipment in the Council Chambers.

This new IP based phone system also has a user friendly administration module that will allow the City's IT staff to manage it. This will save in support costs and allow faster response times for change requests.

Here are some additional bullet items stating features and benefits:

- Uses existing computer cabling;
- Shares existing computer network;
- 1 week of user and administration training is provided;
- Users will be able to configure their own quick keys;
- City-wide contact list will be on the phones;
- Voice mail will be integrated with Email;
- Has built-in Fax service, which will allow us to upgrade our current 10-year old fax system; and
- Scalable system that will allow us to add phones to any new city building via our network.

The 2013-14 budget included $95,000 for the purchase of a new phone system; the contract amount is $6,108 under budget.

Origination:

Doug Tippey, IT Manager

Recommendation:
Award Contract to DataVox

Funding: Yes
Account Number: 100-117-6402

Party(ies) responsible for placing this item on agenda:
Doug Tippey - IT Manager

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	

ATTACHMENTS:
Purchase Agreement
Scope of Work
Datavox Purchase Proposal

Purchase Agreement Terms and Conditions

Avaya DIR Information:
Contract No.: DIR-SDD-1513
Vendor No.: 176-025-1479-000

This document defines the terms and conditions that shall govern the execution of the DataVox contract with the state of Texas Department of Information Resources (DIR). The following DataVox terms and conditions apply only where the DIR contract is silent. The terms of the DIR contract govern in the event of a conflict.

To view a copy of the DIR Standard Terms and Conditions for Product and Related Services Contracts, see http://www2.dir.state.tx.us/DIR_Contracts/DIR-SDD-1513-appendix-a.pdf

To view a copy of the DIR Standard Terms and Conditions for Product and Related Services Contracts, see http://www2.dir.state.tx.us/DIR_Contracts/DIR-SDD-1513-appendix-a.pdf

1. Changes

The Customer may, by written notice to DataVox, make changes within the general scope of this SOW, in any one or more of the following: (a) drawings, designs, or specifications; (b) project schedule, or (c) scope of services.

Should any such changes increase the cost of or the time required for the performance of this SOW, an equitable adjustment may be requested by DataVox in the price, project schedule or both. No claim by DataVox for such adjustment shall be valid unless submitted to the Customer in writing within thirty (30) days from the date of such change. Every claim must be accompanied by a detailed estimate of charges for materials, services, or both. Nothing contained in this section shall relieve DataVox from proceeding without delay in the performance of the services as changed. Any change to this SOW shall be made by written amendment signed by both parties.

2. Software Defect Resolution

DataVox shall use its best commercial efforts to troubleshoot software issues that may arise during the project. If a software issue is determined to be a software defect (previously documented or newly discovered), resolution of said issue is expressly outside of the scope of work. Issues of this kind do not constitute a valid reason for non-payment in full. It is the responsibility of the customer and software manufacturer to resolve the issue. Should the Customer want DataVox to be involved in the process to downgrade, update, upgrade and/or test software releases, the Customer may authorize the out of scope expenses using the standard project change request process.

3. Creation of a Security Interest

Until such a time as Buyer had paid the agreed purchase price, Seller hereby retains and Buyer hereby grants a purchase money security interest in the described equipment. In connection therewith, Buyer agrees to execute all instruments (including financing statements) deemed necessary by Seller under applicable law to establish, maintain and continue perfected Seller's purchase money security interest in the equipment or otherwise protect its rights in and to said equipment.

4. Limitation and Exclusion of Warranties

Except as otherwise provided herein, Seller hereby warrants the described equipment against defective parts for a period of year(s) - *as specified on front page* - from the date of installation and warrants that the installation of said equipment shall be performed in a workmanlike manner. Buyer acknowledges that Seller may provide products and services manufactured or provided by others. Seller makes no independent warranty with respect to such products and services provided by third parties. Buyer acknowledges and agrees that Seller shall have no responsibility or liability for products or services manufactured or provided by any third party. Subject to payment by Buyer of all amounts due under this Agreement, Seller hereby transfers any transferable warranties from the manufacturers of products and services provided under this Agreement. Buyer's exclusive remedy under these warranties shall be the repair and replacement by Seller at Seller's expense of non-conforming equipment or parts thereof with reasonably equivalent equipment or parts; unless, however, the equipment or any part thereof is damaged or rendered unserviceable as a result of Buyer's negligence, abuse, mishandling, attempting to connect the equipment to direct current, or damaged by lightning or acts of God in any of which case or cases, Seller shall have no obligations to Buyer.

Purchase Agreement Terms and Conditions

All DataVox, Inc. systems are proposed with the requisite battery back-up options. Should Buyer elect to remove the option with the intent to utilize a Buyer provided battery back-up or if Buyer elects to disregard the option for a battery back-up and in the event of failure which is directly attributed to not having a battery back-up, such service will be billed for time and materials.

THIS WARRANTY IS THE ONLY WARRANTY GIVEN BY SELLER, AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED ARE EXCLUDED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE FACE HEREOF.

Voice and data transmission are provided by third parties, such as a telephone company or over the internet. Accordingly, DataVox cannot warrant that such transmission will always be available or will be of acceptable quality. In particular, if Buyer elects to use the Voice over Internet Protocol (VoIP) to transmit voice over the internet, Buyer may experience (i) transmission that is not of uniform, reliable or acceptable quality; (ii) inability to connect directly to emergency and "911" services; and (iii) inability to connect to directory and operator assistance. Buyer should be aware that VoIP service is not regulated by the Federal Communications Commission (FCC) and the FCC does not provide certain consumer safeguards that are available in the traditional telephone environment. Only DataVox may perform service or maintenance on equipment covered by this warranty. IT IS EXPRESSLY AGREED AND UNDERSTOOD THAT THIS WARRANTY WILL BE NULL AND VOID IF ANY PERSON OTHER THAN A DATAVOX EMPLOYEE PERFORMS ANY SERVICE OR MAINTENANCE WORK ON THE EQUIPMENT COVERED BY THIS WARRANTY. In such event, DataVox shall have no further obligation or liability under this warranty.

5. Waiver, Amendment, Notice, Termination

Any waiver of rights hereunder or any amendment or requirement of notice of termination hereof shall not be effective unless made in writing and signed by the party against whom such waiver, amendment, notice or termination is sought to be enforced.

6. Risk of Loss; Non-Performance by Telephone Company and Others

Upon installation of the Equipment, Buyer shall bear the risk of loss regardless of any breach by Seller of any provisions hereof. Although DataVox, Inc. will or may assist Buyer by coordinating initiation or transfer of service through AT&T Company or other telephone companies or other third parties, Buyer assumes all risk of non-performance, including untimely or otherwise improper performance, of any such third parties; DataVox, Inc. and its employees assume no responsibility for any failings of these third parties or their service and equipment. With regard to VOICE MAIL systems, if any, Buyer further assumes all risk of malfunction and deficient or substandard performance caused by third party telecommunication transmission equipment, lines and systems, including pay phones, cellular phones and long distance services; DataVox, Inc. and its employees assume no responsibility for any failings of these third parties or their service and equipment.

7. Virus Protection

Buyer agrees and understands it is Buyer's responsibility to install and run an antivirus program on all workstations and servers at/or prior to installation. Buyer agrees to take whatever steps Buyer deems appropriate to ensure there is adequate and up to date virus protection on all workstations and servers. Buyer expressly agrees that DataVox, Inc. and INterra Software shall have no liability for the loss of any such data, downtime or other damage caused by a computer virus.

8. Data Back-up

Buyer agrees to take whatever steps Buyer deems appropriate to ensure there are adequate, up to date back-ups made of all data on any computer, server, hard drive, or other storage device of Buyer. In the event of failure, it is expressly understood that DataVox will restore the most recent back-up for systems covered under warranty or maintenance. Any additional programming due to out of date database will not be covered under warranty or maintenance and will be billed on an hourly basis. Buyer expressly agrees that DataVox shall have no liability for the loss of any such data, which may occur during or after the installation process, or for any consequential damage resulting from any such loss of data.

Purchase Agreement Terms and Conditions

9. Tax Obligation
Buyer will pay promptly when due all taxes, assessments and other charges levied or assessed by any governments or governmental agency upon the sale of the described equipment.

10. Non-Solicitation of Employees
Buyer agrees not to hire or otherwise solicit the employment of any DataVox employee for a period of two (2) years after the date of this Agreement. Buyer agrees that the damages to DataVox for any breach of this section will be substantial, but difficult to ascertain. Accordingly, if Buyer breaches this agreement, it shall pay to DataVox an amount equal to the annual compensation of the DataVox employee solicited or hired, which amount shall be paid as liquidated damages, as a good faith effort to estimate the fair, reasonable and actual damages to DataVox, and not as a penalty. Nothing in this Agreement shall be construed to prohibit DataVox from pursuing any other available rights or remedies it may have against the employee.

11. Assignment
Buyer may not delegate its performance or assign its rights under this Agreement except upon the express written consent of Seller.

12. Construction
This writing constitutes the final agreement between the parties and is a complete statement of the terms of the agreement. No course of prior dealings between the parties or trade usage shall be relevant to determine the meaning of this Agreement. This Agreement is entered into and shall be performable in the State of Texas.

13. Attorney’s Fees
Buyer shall pay to Seller all attorney's fees, court costs, and all other expense, which may be incurred by Seller in enforcing, or attempting to enforce, any of its rights under this Agreement, or against any guarantors hereof, or with respect to any matters connected with the subject matter hereof.

14. Severability
This Agreement and all provisions hereof are intended to be severable, and this Agreement shall remain enforceable in the event any provision hereof is declared invalid.

15. Work Hours
DataVox has priced the professional service proposal assuming that all work will be done during normal business hours which DataVox defines as Monday through Friday, 8:00am to 5:00pm, excluding holidays. The go live activity is the only activity in which DataVox will work after business hours. This project milestone activity can be scheduled outside of normal business hours Monday through Friday, excluding holidays. The start time for the go live activity can be scheduled to start no later than 7:00pm. Any request to perform the system go live or any other activity outside of normal business hours is considered outside the scope of work and will result in additional project costs. Scheduling and availability of resources outside of normal business hours is not guaranteed unless the Project Manager/Coordinator has approved it.

17. Travel
The Customer will be billed for Time Travelled and Travel Expenses outside of the Greater Houston area (Outside the greater Houston area is defined as greater than 50 miles one way from the DataVox Houston facility located at 6650 W. Sam Houston Parkway S., Houston, TX 77072.)
The Customer will be billed for the Time Travelled by each DataVox employee at half the cost of the DataVox billable rate per hour. This includes, for example, time spent on an airplane or driving in a car.
Travel Expenses will be billed back to the Customer as incurred. These expenses will include: airfare (coach) and mileage reimbursement (lodging, transportation, parking, and per diem.) DataVox adheres to the mileage reimbursement and per diem rates determined by the U.S. General Services Administration (GSA). These rates can be referenced on the GSA website.

18. Return Material Authorization
DataVox has a Return Material Authorization policy that explains product returns. Approval to return defective and non-defective products is at the sole discretion of DataVox. Products that are defective or dead on arrival (DOA) will be repaired, replaced, or credited according to the manufacturer’s warranty. Products that are non-defective that are unopened and unused and can be resold as new may be returned subject to a fifteen percent (15%) restocking fee. Any custom ordered product cannot be returned. Additional detail concerning the DataVox Return Material Authorization policy is available upon request.

19. Currency
Unless otherwise specified, all currency listed in DataVox documentation is in US dollars.

Name:______________________________

Signature:___________________________

Date:_______________________________

Quote #: [enter #]

City of Tomball- Scope of Work

1.0 Introduction

This Scope of Work describes the Avaya IP Office Unified Communication Solution that DataVox will provide City of Tomball. The solution includes the core telephony platform at the City Hall. The solution also included Gateways at the Public Works and Fire Station 1 to accommodate Trunking and Analog Station needs.

The configuration will support one T1 at the City Hall, One T1 at Public Works and Analog trunks at the Fire Station. Complete Bill of Materials will be provided for each location.

2.0 IP Office

DataVox will install the primary Avaya IP Office appliance which is the core telephony platform and the foundation for Avaya's Unified Communication Solution.

The Avaya IP Office appliance will provide the following capabilities:

Feature	(City Hall, Public Works, Fire 1)	Description
Analog Loop Start Lines	8 (0,0,8)	• Supports Caller ID name and number

Digital PRI or SIP Trunks	46 (23,23,0)	• Supports Caller ID name and number
		• Provides the end user with a Direct Inward Dial ten-digit phone number (DID)
		    • Incoming calls can be routed based on the DID dialed by the caller
		    • Incoming calls can be identified and answered based on the DID dialed by the caller
		• The system can be programmed on a per extension basis so that either the end user's DID or a Hunt group or the Main Number can be displayed on an outbound call
		• Outbound Call Caller ID can be displayed as the User's DID or the User's Main Number. This can be programmed on a per user level.

Digital Station	0	Digital ports allow supported Avaya digital phones to connect to the phone system

 [Publish Date]

City of Tomball- Scope of Work

Feature	(City Hall, Public Works, Fire 1)	Description
Analog Station	26 (16, 8, 2)	Analog ports allow analog devices to connect to the phone system. An example of analog devices that may be connected to the phone system are: • Overhead Paging • Fax machine sharing the dial tone and or phone system • Conference Room Full Duplex Speaker phone • FaxFinder Desktop Faxing
SIP Station		Allows the IP500 to support SIP Endpoints or Stations such as Conference Room Phones

3.0 Additional Hardware

DataVox will provide the Customer the selected hardware.

	QTY as Proposed	Appliance	Usage	Description
☒	4 (3,1,0)	B149	Conference Room Phone	
☐	0	B159	Conference Room Phone	

4.0 Additional Software

Veramark eCAS Essential for Small Business provides a Web browser-based solution for call accounting reporting up to 50 extensions. The Customer provides a dedicated PC for housing software and historical data. User training webinar, conducted by Veramark, is included.

- Identify toll fraud and abuse
- Easily manage organization structure changes for reporting/accounting chargeback
- Track client and project billing
- Examine productivity by department
- Capture landline call records
- Document emergency calls and suspicious calling activity
- Let employees view and track their own personal vs. business calls

5.0 IP Phones

This section describes the phones that DataVox will provide the Customer.

 [Publish Date]

City of Tomball- Scope of Work

Phone	QTY as proposed	Name	Description
	25 (16,5,4)	9608	• 24 Programmable Red Green LED Buttons • 4 Softkeys • Supports 3 - 12 Button Side Modules • Headset Supported • Backlit display • Full Duplex Speakerphone • 10/100 Ethernet port
	3 (3,0,0)	Side Module	9600 Series 12 button side module
	98 (60,31,7)	9611	• 24 Programmable Red Green LED Buttons • 4 Softkeys • Supports 3 - 12 Button Side Modules • Headset Supported • Backlit Color display • Full Duplex Speakerphone • 10/100/1000 Ethernet port

City of Tomball- Scope of Work

6.0 Standard Features

This section lists the standard features included with the IP Office Communication Solution.

Feature	Description
Call Forward Offsite	Available to all users
Mobility	• Mobility allows a primary extension and a secondary number (extension or external) to operate together as a single telephone, when a call is presented to the primary phone the secondary will ring. If the primary telephone does not ring, for example in Do Not Disturb, the secondary phone will not ring. **Example:** A salesperson who has a desk extension but is often out of the office can give out their office phone number to clients and when that number rings their mobile/cell phone will also ring. **IMPORTANT:** Requires PRI and SIP trunks. • **Mobile/Cell Phone Call Control:** This allows a user who has answered a Mobility call on their mobile phone to dial a DTMF sequence ** (star-star) to put the call on hold and receive IP Office system dial tone. The user will then be able to perform supervised and un-supervised transfers, shuttle (switch between held calls), and conference (Conference add and transfer to a meet-me conference).
Conference Calling	Supports 64 Party Ad Hoc Conference Calling
Hot Desking	Can be programmed on the phones used by multiple users. A button can be programmed for the user to easily log in so that their extension number is activated. All of their features will be enabled at that time.
Coaching/Silent Intrusion/Whisper Page	Enables users on a call to ‘intrude’ and listen depending on the configuration of the end users (for example: Whether Coaching Intrusion or Whisper Page is used. Intrusion can be done for internal calls or with external calls)
Call Screening	Allows a user to listen to incoming calls. When an incoming call arrives at your phone and is then directed to and answered by the voice mail system, you automatically hear the caller on your phone speaker, the caller cannot hear you. You can decide whether to answer the call or drop from the call and let the voice mail system continue to handle the call.

City of Tomball- Scope of Work

Feature	Description
Dialing out of Outlook	IP Office provides the TAPI CTI Application for Dialing out of Outlook. **IMPORTANT:** • The TAPI client must be installed on each client PC that wants to use this feature. • DataVox will install the TAPI client on two PC's and provide instructions to the Customer so they can install the client on other PC's
Remote Workers	Allows the connection of two remote 9600 Series IP Telephone with H.323 which resides behind a NAT Router to IP Office Release 8.0 and later.
IP Office Manager	Windows Administration tool. The administration tool on the AVAYA IP Office is by far the most user-friendly in the market. This allows for authorized employees to make the necessary moves and changes to the system rather than paying for an outside company to perform these tasks**.**
System Status Application (SSA)	SSA is a diagnostic tool for system managers and administrators to monitor and check the status of IP Office systems locally or remotely. SSA shows both the current state of an IP Office system and details of any problems that have occurred. SSA provides the following information: • **Alarms:** SSA displays all alarms which are recorded within IP Office for each device in error. The number, date and time of the occurrence is recorded. The last 50 alarms are stored within IP Office to avoid need for local PC. • **Call Details:** Information on incoming and outgoing calls, including call length, call ID and routing information • **Extensions:** SSA details all extensions (including device type and port location) on the IP Office system. Information on the current status of a device is also displayed • **Trunks:** IP Office trunks and connections (VoIP, analog and digital) and their current status are displayed. For VoIP trunks, QoS information is also displayed (e.g. round trip delay, jitter and packet loss) • **System Resources:** IP Office includes central resources that are utilized to perform various functions. Diagnosing these resources is often critical to the successful operation of the system. This includes details on resources for VCM, Voicemail and conferencing • **QoS Monitoring:** QoS Parameters from connected calls, such as jitter and roundtrip delay, are monitored.

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7.0 Preferred Edition Software

The Preferred Edition Software provides the following features:

Feature	Description
Avaya VoicemailPro	• Provides unlimited Auto Attendants, Voicemail Boxes, and Conference Bridges • Voicemail messages can be copied or forwarded to any email address. • An alert of a new message can be sent to any email address
Advanced Call Center Software	This provides up to 30 call center groups. This could be used for any hunt group to queue calls based on the number dialed and/or route to the longest idle agent. • ACD Software can announce to the caller their place in queue • ACD Software can announce to the caller their estimated wait time • "Listen" and "Barge-in" capabilities can be programmed • Personal Queues/ACD's can be created on a per extension basis.
Automatic and Manual Call Recording	Calls can be automatically recorded, capture a declared percentage of inbound or outbound calls, as well as allow manual recording. The recordings can be emailed to any address for review and notification. • Pressing a button to activate Manual call record may also be utilized on a per extension basis • Call Recording requires a voicemail port to be available while the call is being recorded. **IMPORTANT:** DataVox does not recommend or support using Automatic Call Recording feature for an all call, all extension recording solution.
Conference Calling	Supports 64 Party Ad Hoc and Meet-Me Conference Calling. • The system can be programmed to force callers to state their name before joining the Meet-me conference call • The system can be programmed to force callers to enter a password to join the Meet-me conference call

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Quote #: [enter #]

City of Tomball- Scope of Work

7.1 Licenses

The Preferred Edition Software provides three optional licenses. DataVox proposes the selected license. For a description of the features available under the proposed license, see Section 7.2.

	License		Features						
	QTY	License	UMS	One-X Portal	Telecommuter Mode	IP Soft Phone	Mobile Preferred	Flare Communicator	Receptionist Soft Console
☒	95 (60,25,10)	Office Worker	x	x					
☐	0	Tele-worker	x	x	x	x			
☐	0	Power User	x	x	x	x	x	x	
☐	0	Soft Console							x

7.2 License Features

This section describes the features available in a license.

Feature	Description
Unified Messaging Service (UMS)	• UMS provides full synchronization between the phone message waiting light and the email inbox. • If using a mail client, new voicemails arrive as email with wave attachment and the user can handle them like every other email. If a voicemail has been listened to, its status will change to “read” everywhere. If the user deletes it, it will be deleted everywhere. As the UMS solution is not reliant on integration with Exchange, significant savings are made in the cost of installation and maintenance. • The interface the UMS license offers the users a web interface allowing voicemail access through a Web browser, such as IE7 or Mozilla Firefox, with the ability to listen to targeted voicemails by using either the PC’s multimedia equipment or the desk phone. **Customer Responsibilities:** • The customer is responsible for creating a second Outlook account for each UMS user. DataVox will provide instructions for doing this. • The customer is responsible for deploying at each work station as DataVox is not responsible for the end users PC. • The customer is responsible for creating the account on their BlackBerry, iPhone, or other mobile device to view these voicemail messages. DataVox to provide instructions for doing this.

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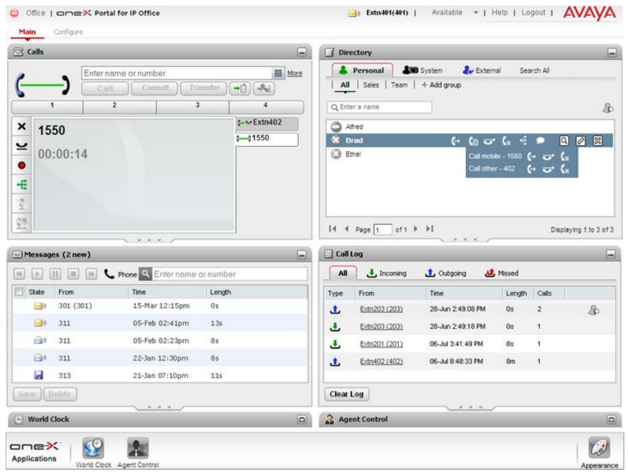
Feature	Description
One-X Portal	This is a server-based application that the user accesses through a Web browser. It provides user control of their telephone from a networked PC. It provides easy access to telephony features, call information, call and conference control, instant messaging, directory, and VoiceMail Pro mailbox. 

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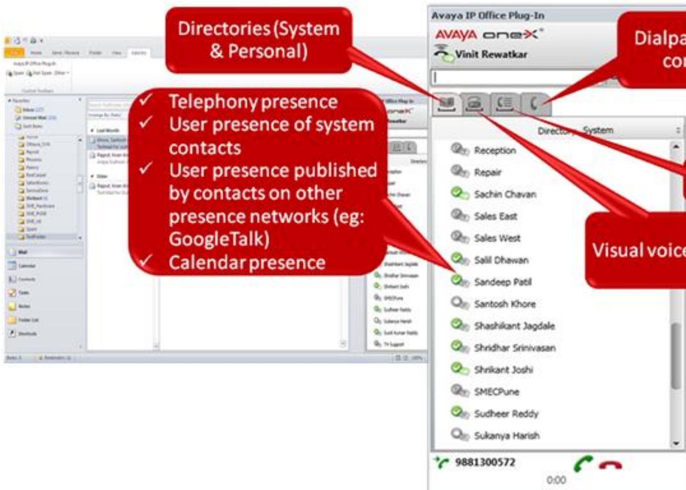
Quote #: [enter #]

City of Tomball- Scope of Work

Feature	Description
	• **Outlook Plug-In:** The IP Office Plug-in for Microsoft Outlook brings a subset of the Avaya one-X™ Portal for IP Office user experiences to Outlook. The plug-in allows the user to communicate with contacts without leaving the Outlook window and without needing to bring up separate client applications. This vastly improves user productivity. 

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City of Tomball- Scope of Work

8.0 Testing

DataVox will perform the following tests:

- Verify that all phones are working
- Verify the dial tone to make sure that inbound and outbound calls can be made
- Verify that voicemail and auto attendant work as intended

9.0 Training

DataVox will provide the following training:

- End user training on how to set up and use the features of the IP Office Phone and Voicemail.
- Administrator training for the IP Office and Voicemail.

10.0 Project Deliverables

As part of this SOW, DataVox will provide the Customer with project wrap-up documentation, such as

- Vendor user guides
- DataVox customer service contact information and escalation process

11.0 Baseline Responsibilities

This section provides a general list of DataVox and Customer responsibilities.

Responsibility	Customer	DataVox
All necessary parts and labor required for complete programming of all telephones	☐	☒
DataVox project coordinator will meet with key individuals to review the necessary programming requirements within the firm, prior to installation	☐	☒
Provide a Data Rack for mounting to the IP Office Communication Solution	☐	☒
Provide battery backup/UPS for the IP Office Communication Solutions	☒	☐
Provide hardware components to connect to Overhead Paging	☒	☐
Sign off on the Scope of Work prior to installation of equipment	☒	☐
Provide dedicated home run cable for each phone	☒	☐

City of Tomball- Scope of Work

12.0 Warranty

DataVox will provide remote program changes for the first 30 days from the date of installation.

Comprehensive parts and labor warranty for five years SMART Lease from date of installation. Two hour on-site emergency service and support is included and is available 24/7/365. Minor service problems are handled the next business day. Avaya Certified DataVox technicians will perform all services.

IN WITNESS WHEREOF, the duly authorized customer representative has read and accepted this Scope of Work.	
City of Tomball	
Point of Contact Name:	\n1\
Point of Contact Signature:	\s1\
Date:	\d1\

DataVox 6650 West Sam Houston Parkway South | Houston, TX 77072 | Main 713-881-5300 | www.datavox.net

PURCHASE PROPOSAL

This is a proposal for the purchase of the items described in the attached specifications, initialed by Buyer and DataVox; it shall become a binding contract when, but only when, signed by an authorized representative of DataVox. This proposal is in no way binding on DataVox until signed by it below.

PROPOSAL SUBMITTED TO

City of Tomball
Company Name

401 Market Street
Street

Tomball | Texas | 77375
City | State | Zip

Troy D. Moore
DataVox Sales Person's Name

WHERE WORK SHOULD BE PERFORMED:

Street

Tomball | Texas | 77373
City | State | Zip

Doug Tippey
Contact

281-992-2209
Telephone

PURCHASE PRICE: **$88,891.92**

Sales Tax: % 0 Amount: $0.00

PROJECT TOTAL: **$88,891.92**

Cash Purchase terms of Payment:

40% of Project Total on Deposit	$35,556.77
50% Due upon Commencement of Installation	$44,445.96
10% of Project Total on Completion	$8,889.19

Warranty Period: 12 Months
(Subject to Terms & Conditions on reverse side)

Extended Maintenance Agreement (Years 2-5)
Select a method of invoice (Excludes sales tax)

○ Annual Charge	$0.00
○ Monthly Charge	$0.00
◉	Decline

(Effective date is 1 yr.after installation date)

Approx. Installation Date: **May -June 2014**

ACCEPTANCE OF PROPOSAL

When (but only when) signed by buyer and an authorized representative of DataVox this shall be a binding, legal contract.

The prices, specifications, and conditions in this proposal are satisfactory, and are hereby accepted in their entirety. Buyer hereby agrees to purchase the Equipment and authorizes DataVox to do the work, and provide the materials specified, and payment will be made as outlined above. The price quoted in this Proposal is based upon the Equipment included in the Proposal. Any changes in the Equipment or installation may result in a change in the price. Any such change must be in writing, signed by all parties.

DataVox reserves the right to modify payment terms at any time based on a review of the Customer's credit.

THIS AGREEMENT, WHEN SIGNED BY BOTH PARTIES (BELOW), SHALL BE GOVERNED BY THE TERMS AND CONDITIONS ON BOTH THIS PAGE AND THE FOLLOWING PAGES. THERE ARE NO OTHER AGREEMENTS, OR WARRANTIES, ORAL OR WRITTEN, EXCEPT AS EXPRESSLY STATED IN THIS PAGE OR THE REVERSE. THIS AGREEMENT CANNOT BE MODIFIED EXCEPT IN WRITING SIGNED BY BOTH PARTIES.

Buyer acknowledges having read and understood all of the terms and conditions printed above and on the following pages and acknowledges receipt of a complete executed copy of this Agreement. Buyer understands and agrees that this Proposal and all of the terms and conditions hereof shall be a binding, enforceable contract when signed by Buyer and by an authorized representative of DataVox.

DATAVOX, INC.	City of Tomball Company Name
Signature	Signature
Name	Name
Title	Title
Date	Date

Regular City Council
Agenda Item
Data Sheet

Meeting Date: April 7, 2014

Topic:

Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose:

- Sec. 551.072 – Deliberations Regarding Real Property

Background:

Origination:

Recommendation:

Funding:

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

ACTION TAKEN

APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1ST ☐ 2ND	