

**RULE 15c2-12 FILING COVER SHEET**

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board (the Nationally Recognized Municipal Securities Information Repository) and any applicable State Information Depository pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

**Issuer Name:** Harris County Department of Education

General Obligation Debt Issue(s):

S 2,000,000 Mtc Tax Notes Ser 2009B  
S 6,320,000 Mtc Tax Notes Tax Ser 2009A (Qualified Zone Academy Bds)

**CUSIP Number(s):** 414011


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**Financial & Operating Data Disclosure Information**

Annual Financial Report or CAFR  
 Financial Information & Operating Data  
 Other (describe) \_\_\_\_\_  
 Fiscal year ending: 2017  
 Monthly  Quarterly  Annually

The information set forth herein has been furnished by the District and by sources which are believed to be accurate and reliable but no representation is made with respect to the accuracy or completeness of information obtained from sources other than the District. Statements which involve estimates, forecasts, or other matters of opinion are intended solely as such and are not to be construed as representations of facts. Furthermore, the information herein is subject to change without notice and will not, under any circumstances, create any implication that there has been no change in the affairs of the District or other parties described herein.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:  2/13/18

Name: Dr. Jesus J. Amezcua

Title: Assistant Supt. for Business - HCDE

Employer: Harris County Department of Education

**VALUATION AND TAX-SUPPORTED DEBT**

2017 Certified Taxable Valuation (100% of Estimated Market Value)	\$	399,079,153 <sup>(a)</sup>
Outstanding Debt (August 31, 2017)	\$	6,780,000 <sup>(b)</sup>
Total Direct Debt	\$	6,780,000
As a % of Assessed Valuation		0.0017%

<sup>(a)</sup> Shown in thousands. Values may differ from those shown elsewhere in the document due to subsequent additions, deletions, and adjustments to the tax rolls.

<sup>(b)</sup> Excludes sinking fund deposits for the Series 2009A Qualified Zone Academy Bonds. HC Department of Education has \$3,611,429 in escrow for the Series 2009A QZAB as of 8/31/17.

**TAXABLE ASSESSED VALUATIONS BY CATEGORY <sup>(a)(c)</sup>**

	<b>Tax Year 2017</b>	<b>Tax Year 2016</b>	<b>Tax Year 2015</b>	<b>Tax Year 2014</b>	<b>Tax Year 2013</b>
Real Property <sup>(b)</sup>	\$ 396,597,245	\$ 378,210,085	\$ 344,971,793	\$ 364,467,213	\$ 313,429,807
Personal Property	112,663,607	110,335,969	99,285,364	41,224,034	96,935,706
Gross Value	509,260,852	488,546,054	444,257,157	405,691,247	410,365,513
Less: Exemptions	110,181,699	108,166,600	97,036,223	93,399,905	94,886,401
Net Taxable Value	\$ 399,079,153	\$ 380,379,454	\$ 347,220,934	\$ 312,291,342	\$ 315,479,112

<sup>(a)</sup> Shown in thousands. Values may differ from those shown elsewhere in the documents due to subsequent additions, deletions, and adjustments to the tax rolls.

<sup>(b)</sup> Net of exemptions and abateements.

<sup>(c)</sup> Values taken from Certified Tax Rolls.

**TAX RATE DISTRIBUTION; LEVY AND COLLECTION HISTORY**

**Tax Rate Distribution**

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Maintenance	\$ 0.0052	\$ 0.0052	\$ 0.0054	\$ 0.0060	\$ 0.0064
Debt Service	-	-	-	-	-
Total	\$ 0.0052	\$ 0.0052	\$ 0.0054	\$ 0.0060	\$ 0.0064

<b>Fiscal Year End</b>	<b>Tax Year</b>	<b>Taxable Assessed Valuation <sup>(b)</sup></b>	<b>Tax Rate</b>	<b>Tax Levy</b>	<b>Percent Collected</b>	
					<b>Current</b>	<b>Total <sup>(a)</sup></b>
2014	2013	\$ 315,575,071	\$ 0.006358	\$ 20,064,263	98.71%	100.39%
2015	2014	348,957,093	0.005999	20,933,936	100.00%	116.36%
2016	2015	390,569,070	0.005422	21,040,325	100.00%	104.33%
2017	2016	416,884,796	0.005200	21,678,009	100.00%	104.12%
2018	2017	399,079,153	0.005195	20,732,162	(In process of collection)	

<sup>(a)</sup> Excludes penalties and interest.

<sup>(b)</sup> Shown in thousands.

**AUTHORIZED BUT UNISSUED UNLIMITED TAX BONDS**

<b>Date Authorized</b>	<b>Purpose</b>	<b>Amount Authorized</b>	<b>Heretofore Issued</b>	<b>Authorized But Unissued</b>
The Harris Co. Dept. of Edu. does not have any authorized but unissued debt.				

**DEBT SERVICE REQUIREMENTS <sup>(a)</sup>**

FYE 31-Aug	Outstanding Debt Service	The Bonds			Total Debt Service
		Principal	Interest	Total	
2018	\$ 690,329	\$ -	\$ -	\$ -	\$ 690,329
2019	691,129	-	-	-	691,129
2020	451,429	-	-	-	451,429
2021	451,429	-	-	-	451,429
2022	451,429	-	-	-	451,429
2023	451,429	-	-	-	451,429
	<u>\$ 3,187,171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,187,171</u>
Average Annual Debt Service Requirements					\$ 531,195
Maximum Annual Debt Service Requirements (2019)					\$ 691,129

<sup>(a)</sup> Includes sinking fund deposits for the Series 2009 Qualified Zone Academy Bonds.

**TAX ADEQUACY**

Average Annual Debt Service Requirements	\$ 531,195
0.000141 per \$100 AV against the 2017 Taxable AV, at 95% collection, produces	\$ 534,567
Maximum Annual Debt Service Requirements (2019)	\$ 691,129
0.000183 per \$100 AV against the 2017 Taxable AV, at 95% collection, produces	\$ 693,799

**TEN LARGEST TAXPAYERS**

<u>Name</u>	<u>2017 Net Taxable Assessed Valuation</u>	<u>% of Total 2017 Assessed Valuation</u>
Centerpoint Energy, Inc.	\$ 3,344,793,919	0.84%
Exxon Mobil Corporation	3,308,916,898	0.83%
Chevron Chemical Company	2,940,716,610	0.74%
Shell Oil Company	1,634,578,498	0.41%
Equistar Chemicals LP (d)	1,413,362,187	0.35%
Palmetto Transoceanic LLC	1,296,879,607	0.32%
National Oilwell	1,060,010,188	0.27%
Hewlett Packard	870,072,779	0.22%
Walmart	869,095,923	0.22%
Valero Energy Corp	841,934,380	0.21%
	<u>\$ 17,580,360,989</u>	<u>4.41%</u>

**GENERAL FUND REVENUES AND EXPENDITURE HISTORY <sup>(a)</sup>**

**For Fiscal Year Ended August 31st**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>REVENUES</b>					
Local and Intermediate Sources	\$ 42,034,954	\$ 40,518,883	\$ 43,916,837	\$ 43,502,487	\$ 41,660,806
State Program Revenues	3,031,412	3,059,624	2,944,472	2,720,828	2,678,452
Federal Program Revenues	1,373,612	1,281,029	1,524,977	1,658,526	2,231,075
<b>Total Revenues</b>	<u>\$ 46,439,978</u>	<u>\$ 44,859,536</u>	<u>\$ 48,386,286</u>	<u>\$ 47,881,841</u>	<u>\$ 46,570,333</u>
<b>EXPENDITURES</b>					
Adult Education-Local	\$ 201,615	\$ 143,983	\$ 149,882	\$ 136,826	\$ 138,947
Alternative Teacher Certification	-	-	339,863	340,141	196,592
Assistant Superintendent-Harris	534,595	533,135	514,795	465,329	458,711
Board of Trustees	138,343	131,482	205,738	194,851	158,756
Business Services	1,711,576	1,783,858	1,660,485	1,654,106	1,605,591
Center for After School Learning	273,537	152,784	-	-	-
Center for Safe and Secure Schools	647,093	473,676	625,609	747,801	409,064
Center for School Governance	-	-	70,604	129,596	177,207
Center for Texas Grants	550,918	540,539	-	-	-
Choice Facility Partners	-	-	1,731,034	1,592,628	1,579,519
Client Development Services	371,341	449,700	452,863	410,161	403,990
Communications & Public Information	844,140	874,333	699,227	653,013	653,799
Cooperative for After School Enrichment	-	-	168,765	162,300	159,740
Department-Wide	6,862,145	5,867,987	5,540,253	5,489,076	5,509,651
Digital Learning & Instructional Tech.	188,456	197,947	18,238	27,572	112,789
Early Childhood Intervention Keep Pace	-	-	6,396	78,163	43,859
Education Certification	615,966	420,288	-	-	-
Education Foundation	9,812	199,603	201,041	200,754	200,035
External Relations Officer	-	-	131,149	-	6,265
Facilities Services	730,324	449,188	1,288,233	451,170	552,735
Headstart	1,986	330	-	-	16,835
Human Resources	986,813	935,877	935,662	924,157	874,293
Institutional Support	-	-	1,173,619	1,217,735	950,549
Purchasing Support Services	487,590	472,964	-	-	-
QZAB	-	6,281	-	110,972	311,727
Preschool Early Childhood Initiative	-	-	-	36,600	-
Purchasing Support Services	-	-	397,278	427,646	394,816
Records Management Cooperatives	1,557,380	1,519,616	1,652,481	1,527,654	1,516,613
Research and Evaluation	569,923	506,034	445,798	482,391	453,375
Resource Development	-	-	513,827	504,065	551,069
Retirement Leave Benefits	358,964	322,795	288,606	410,154	219,305
Scholastic Art	101,187	102,115	87,516	72,286	71,961
School Based Therapy	9,701,864	9,292,131	-	-	-
Special Education Services	289,057	-	8,558,847	7,931,371	7,703,718
Special Schools Administration	10,707,840	10,634,714	10,791,044	10,623,818	9,977,362
Superintendent's Office	445,967	382,543	429,179	505,248	370,259
Technology Services Division	3,028,436	3,686,311	4,302,817	4,187,118	4,115,375
Teaching Center	1,229,426	1,057,582	-	-	-
<b>Total Expenditures</b>	<u>\$ 43,146,294</u>	<u>\$ 41,137,796</u>	<u>\$ 43,380,849</u>	<u>\$ 41,694,702</u>	<u>\$ 39,894,507</u>
Excess (Deficiency) Rev. Over Exp.	\$ 3,293,684	\$ 3,721,740	\$ 5,005,437	\$ 6,187,139	\$ 6,675,826
Other Resources	2,588,083	2,547,458	-	-	-
Sale of Equipment	-	-	-	135	100
Transfers Out (Uses)	(8,679,518)	(3,252,192)	(3,703,404)	(4,401,089)	(3,684,584)
Excess (Deficiency) of Revenues and Other Resources Over Exp. and Other Uses	\$ (2,797,751)	\$ 3,017,006	\$ 1,302,033	\$ 1,786,185	\$ 2,991,342
Fund Balance - September 1 (Beginning)	\$ 30,920,238	\$ 27,903,232	\$ 26,601,199	\$ 24,815,014	\$ 21,823,672
Increase (Decrease) in Fund Balance	-	-	-	-	-
<b>Fund Balance - August 31 (Ending)</b>	<u>\$ 28,122,487</u>	<u>\$ 30,920,238</u>	<u>\$ 27,903,232</u>	<u>\$ 26,601,199</u>	<u>\$ 24,815,014</u>

<sup>(a)</sup> Source: Department's audited financial reports.