



Harris County
Department of
Education

FINANCIAL HIGHLIGHTS

June 20, 2018



HIGHLIGHTS of INTERIM FINANCIAL REPORT

May 31, 2018

and

BUDGET AMENDMENT REPORT

for the June 20, 2018 Board Meeting

(unaudited)

Click below for a 1 minute Briefing:

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Prepared by: Business Support Services Division



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<http://www.hcde-texas.org/default.aspx?name=013.BusinessHome>

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INTERIM FINANCIAL REPORT (unaudited)

GENERAL FUND Balance Sheet at

May 31, 2018

HARRIS COUNTY DEPARTMENT OF EDUCATION		Schedule 1
INTERIM FINANCIAL REPORTS (Unaudited)		
GENERAL FUNDS 100-199 BALANCE SHEET		
Fiscal year to date: May 31, 2018		
		<u>ACTUAL</u>
<u>ASSETS</u>		
Cash and Temporary Investments	\$	36,328,378
Property Taxes-Delinquent at September 1, 2017		864,219
Less: Allowances for Uncollectible Taxes		(17,285)
Due from Federal Agencies		213
Other Receivables		1,649,886
Inventories		152,378
Deferred Expenditures		-
Other Prepaid Items		34,606
TOTAL ASSETS:	\$	<u>39,012,395</u>
<u>LIABILITIES</u>		
Accounts Payable		91,388
Bond Interest Payable		-
Due to Other Funds		-
Accrued Wages		-
Payroll Deductions		841,703
Due to Other Governments		165
Deferred Revenue		1,016,832
TOTAL LIABILITIES:	\$	<u>1,950,087</u>
<u>FUND EQUITY</u>		
Unassigned Fund Balance		15,585,893
Non-Spendable Fund Balance		163,555
Restricted Fund Balance		-
Committed Fund Balance		1,575,000
Assigned Fund Balance		9,363,629
Excess(Deficiency) of Revenues & Other Resources Over(Under) Expenditures & Other Uses		8,939,818
TOTAL FUND EQUITY:	\$	<u>35,627,895</u>
Fund Balance Appropriated Year-To-Date		1,434,413
TOTAL LIABILITIES, FUND EQUITY, AND FUND BALANCE APPROPRIATED TO DATE:	\$	<u>39,012,395</u>

INTERIM FINANCIAL REPORT (unaudited)

ASST. SUPERINTENDENT FOR BUSINESS SERVICES' MESSAGE

As of May 31, 2018

The General Fund balance at 9/1/17 is \$28,122,487

As year end adjustments are completed, a budget amendment will be submitted to the board for items assigned, restricted and committed that will roll forward into FY 2018.

As of May 31, 2018 activity includes:

Description	9/1/2017	Appropriated YTD	Estimated Balance
Non-Spendable	\$ 163,555	\$ -	\$ 163,555
Restricted	-	-	-
Committed	1,575,000	-	1,575,000
Assigned	9,363,629	(1,285,250)	8,078,379
Unassigned	17,020,303	(149,163)	16,871,140
Total Fund Balance	\$ 28,122,487	\$ (1,434,413)	\$26,688,074

INTERIM FINANCIAL REPORT (unaudited)

As of May 31, 2018

Financial Ratios

- *Level One - Indicator of financial strength*
- *Level Two - Indicator of efficient leverage*
- *Level Three - Indicators of efficiency*
- *Level Four - Indicator of revenue growth*

INTERIM FINANCIAL REPORT (unaudited)

As of May 31, 2018

Indicator of Financial Strength

Percent of Fund Balance to G/F Expenditures Ratio	Working Capital Ratio												
What is the percent of rainy fund balance? (*)Unadjusted	What is the cash flow availability for the organization?												
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Unassigned Fund Balance</td> <td style="text-align: right;">\$15,585,893</td> </tr> <tr> <td colspan="2" style="text-align: center;">-----</td> </tr> <tr> <td>Total G/F Expenditures</td> <td style="text-align: right;">\$34,513,191</td> </tr> </table> <p>Goal : > 30% of G/F Exp. Benchmark: 10% to 29% Danger: Under 10%</p>	Unassigned Fund Balance	\$15,585,893	-----		Total G/F Expenditures	\$34,513,191	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">Total Current Assets</td> </tr> <tr> <td colspan="2" style="text-align: center;">Less Total Current Liabilities</td> </tr> <tr> <td colspan="2" style="text-align: center;">\$39,012,395 – \$1,950,087 = \$37,062,308</td> </tr> </table> <p>Goal : >\$15,000,000 Benchmark : \$10M to \$15M Danger : Under < \$10M</p>	Total Current Assets		Less Total Current Liabilities		\$39,012,395 – \$1,950,087 = \$37,062,308	
Unassigned Fund Balance	\$15,585,893												

Total G/F Expenditures	\$34,513,191												
Total Current Assets													
Less Total Current Liabilities													
\$39,012,395 – \$1,950,087 = \$37,062,308													

45% FY18

38% FY17

37M FY18

36M FY17

Details on Schedule 3

Budgeted
18%

Details on Schedule 1

Budgeted
\$15M

INTERIM FINANCIAL REPORT (unaudited)

As of May 31, 2018

Indicator of Efficient Leverage Reserves



<p>Unassigned Fund Balance Ratio How much is available in reserves?</p>	<p>Debt to Income Ratio What is the ability of HCDE to cover its debt payments?</p>
<p>Unassigned Fund Balance \$15,585,893 ----- Total Fund Balance \$37,062,308</p> <p>Goal : > 75% Benchmark: 50% to 75% Danger: <50%</p>	<p>Annual Principal and Interest Payments on Term Debt and Capital Leases \$2,999,125 ----- G/F Revenue Less Facility Charges \$43,453,009 – 3,424,582</p> <p>Goal : <25% of annual revenue Benchmark : 25% to <49% Danger : Over > 50%</p>

42% FY18

40% FY17

Details on Schedule 1

Budgeted
64%

7% FY18

6% FY17

Details on Schedule 5

Budgeted
6%

INTERIM FINANCIAL REPORT (unaudited)

As of May 31, 2018

Indicators of efficiency



Tax Revenue to Total Revenue Ratio		Indirect Cost to Tax Ratio	
How efficient is HCDE at leveraging local taxes? (Current)		How much dependency on indirect cost from grants?	
Current Tax Revenue	\$22,187,054	Indirect Cost General Fund	\$1,019,851
-----	-----	-----	-----
Total Revenue	\$71,971,884	Total General Fund Revenues	\$43,453,009
Goal :	<20% of revenue	Goal :	>5%
Benchmark:	20% to 30%	Benchmark :	2% to 5%
Danger:	Over > 30%	Danger :	Under < 2%

31% FY18

26% FY17

Details on Schedule 2

Budgeted
21%

2% FY18

2% FY17

Details on Schedule 3

Budgeted
3%

INTERIM FINANCIAL REPORT (unaudited)

As of May 31, 2018

Indicator of revenue growth



<p align="center">Fee for Service Revenue Ratio</p> <p align="center">How are revenues spread across All Funds?</p>	<p align="center">Fee for Service Revenue Growth Ratio</p> <p align="center">What is the market growth for fee for services?</p>
<p>Total Fee for Service Revenues (G/F) \$16,749,937</p> <p align="center">-----</p> <p>Total Revenues \$71,971,884</p> <p>Goal : >30% of annual revenue Benchmark: 10% to 29% Danger: Under 10%</p>	<p>Fee for Services Current Year Less Fee for Services Last Year</p> <p align="center">\$16,749,937 – 17,599,814</p> <p align="center">-----</p> <p>Fees for Service Last Year \$17,599,814</p> <p>Goal : >3% + growth Benchmark : 0% to 3% Danger : Under < 0%</p>

23% FY18

22% FY17

Details on Schedule 14

Budgeted
21%

-5% FY18

10% FY17

Details on Schedule 14

Budgeted
5%

FY 2017-18 FUND BALANCE – BUDGETED ACTIVITY

FUND BALANCE CATEGORY	Sept 1, 2017 Beginning Audited	September	October	November	December-January	February	March-August	
Inventory	123,353							123,353
Prepaid Items	40,202							40,202
Emp Retirement Leave Fund	375,000							375,000
Unemployment Liability	200,000							200,000
Capital Projects	1,000,000							1,000,000
Assets Replacement Schedule	861,576							861,576
Building and Vehicle Replacement	597,000							597,000
Local Construction	2,700,000		(500,000)					2,200,000
PFC Lease Payment	2,454,263							2,454,263
QZAB bond payment	690,329							690,329
New Program Initiative	610,461							610,461
Software and Program Development								-
Recovery High School	950,000		(785,250)					164,750
Workforce Development	500,000							500,000
Total Reserves:	11,102,184							9,816,934
Unassigned	17,020,303		(46,501)	(84,000)		(18,662)		16,871,140
Total Est. Fund Balance:	28,122,487	-	(1,331,751)	(84,000)	-	(18,662)	-	26,688,074

INTERIM FINANCIAL REPORT (unaudited)

GENERAL, SPECIAL REVENUE, DEBT SERVICE FUNDS, CAPITAL PROJECTS, AND INTERNAL SERVICE FUNDS

Revenues

Budget to Actual at May 31, 2018

Fund	Budget	Received/Billed	%
General Fund	\$51,020,831	\$43,453,009	85%
May is the end of the 9th month or approximately 75% of the fiscal year.			
(1) This amount includes accounts receivable billed.			
Special Revenue Funds	38,052,508	17,993,456	47%
Most grant periods differ from fiscal year.			
(2) Grants are on monthly reimbursement basis; subsequently billed			
Debt Service Fund	3,144,592	2,999,125	95%
(3) This fund has activity in February, May (interest and principal payments), and August (interest only payment).			
Capital Projects Fund	1,506,000	107,139	0%
Trust and Agency Fund	0	3,867	0%
Choice Partners Fund (Enterprise Fund)	4,299,354	3,756,319	87%
Worker's Comp. Fund (Internal Service Fund)	440,000	234,388	53%
Facilities Fund (Internal Service Fund)	5,600,761	3,424,582	61%
Total as of the end of the month	\$104,064,046	\$71,971,884	69%

*Federal funding is the main source for special revenue grants. The \$29,553,965 Federal Program Revenues includes \$4,745,265 for Adult Education, \$6,470,979 for CASE, \$18,331,943 for Head Start, and \$5,778 for various other divisions.

Adopted Budget and Amendments

		Revenues	Appropriations
		Adopted Budget	Adopted Budget
	Budget	99,850,987	114,521,059
September		(540,822)	(540,822)
	Subtotal-September	99,310,165	113,980,237
October		1,305,979	2,637,730
	Subtotal October	100,616,144	116,617,967
November		1,516,103	1,516,103
	Subtotal November	102,132,247	118,134,070
December		535,871	619,871
	Subtotal December	102,668,118	118,753,941
January		(241,753)	(241,753)
	Subtotal January	102,426,365	118,512,188
February		472,334	490,996
	Subtotal February	102,898,699	119,003,184
March		-	-
	Subtotal March	102,898,699	119,003,184
April		786,147	786,147
	Subtotal April	103,684,846	119,789,331
May		379,200	379,200
	Subtotal May	104,064,046	120,168,531

INTERIM FINANCIAL REPORT (unaudited)

GENERAL, SPECIAL REVENUE, DEBT SERVICE FUNDS, CAPITAL PROJECTS, AND INTERNAL SERVICE FUNDS

Expenditures

Budget to Actual at May 31, 2018

Fund	Budget	Encumbered/Spent	%
General Fund	\$56,309,244	\$34,513,191	63%
(1) Encumbrances as of the end of the month total.		1,115,310	Encumbrances
May is the end of the 9th month or approximately 75% of the fiscal year.			
Special Revenue Funds	38,052,508	19,949,483	67%
(2) Encumbrances as of the end of the month total.		5,462,942	Encumbrances
Most grant periods differ from the fiscal year.			
Debt Service Fund	3,144,592	2,999,125	95%
(3) This fund has activity in February, May (interest and principal payments), and August (interest only payment).			
Capital Projects Fund	12,322,072	1,386,527	11%
Trust and Agency Fund	0	3,162	0%
Choice Partners Fund (Enterprise Fund)	4,299,354	3,947,820	92%
Worker's Comp. Fund (Internal Service Fund)	440,000	349,317	79%
Facilities Fund (Internal Service Fund)	5,600,761	4,072,353	73%
Total as of the end of the month	\$120,168,531	\$73,799,230	61%

INTERIM FINANCIAL REPORT (unaudited)

FY 2017-18 Donations Report
All Funds as of May 31, 2018

Month 2017-2018	CASH	IN-KIND	TOTAL
September	1,998.37	-	1,998.37
October	5,125.00	35,246.46	40,371.46
November	-	3,968.54	3,968.54
December	-	2,127.55	2,127.55
January	1,000.00	13,698.91	14,698.91
February	-	4,636.75	4,636.75
March	-	18,618.57	18,618.57
April	-	54,445.21	54,445.21
May	-	2,994.99	2,994.99
June			-
July			-
August			-
2018 Total:	8,123.37	135,736.98	143,860.35
2017 Total:	4,303.00	63,187.73	67,490.73

INTERIM FINANCIAL REPORT (unaudited)

FY 2017-18 Donations Report All Funds as of May 31, 2018

HCDE Donation/Sponsor Report

CENTER FOR GRANTS DEVELOPMENT ON BEHALF OF HCDE DIVISIONS								
May 1st through May 31st, 2018								
<i>Donor/Sponsor Last Name</i>	<i>Donor/Sponsor First Name</i>	<i>Organization</i>	<i>Site</i>	<i>Division</i>	<i>Description of Donation/Sponsorship</i>	<i>Cash Totals</i>	<i>In-kind Totals</i>	<i>Totals</i>
Andrade	Hilda		HCDE	Head Start - Barrett Station	Classroom Supplies		\$36.00	\$36.00
Limas	Ethelvina		HCDE	Head Start - Barrett Station	Classroom Supplies		\$170.31	\$170.31
Eagleton	Anthony	Barrett Station - Riley Chambers Community Center	HCDE	Head Start - Barrett Station	Classroom Supplies		\$150.00	\$150.00
Bowie	Kirk		HCDE	Head Start - Baytown	Classroom Supplies		\$439.89	\$439.89
Eugene	Deandra		HCDE	Head Start - Baytown	Classroom Supplies		\$30.00	\$30.00
Huerta	Elena		HCDE	Head Start - Baytown	Classroom Supplies		\$25.00	\$25.00
Huerta	Elena		HCDE	Head Start - Baytown	Classroom Supplies		45.00	\$45.00
Murillo	Daniela		HCDE	Head Start - Baytown	Classroom Supplies		\$25.00	\$25.00
Wilson	Cherokee		HCDE	Head Start - Baytown	Classroom Supplies		\$32.50	\$32.50
Zamora	Lorena		HCDE	Head Start - Baytown	Classroom Supplies		\$29.00	\$29.00
Juarez	Crystal		HCDE	Head Start - Channelview	Classroom Supplies		\$30.04	\$30.04
		Love Brushing Dentistry	HCDE	Head Start - Channelview	Toothbrush, Toothpaste, Dental Floss		\$148.40	\$148.40
Clifton	Tara		HCDE	Head Start - Compton	Classroom Supplies		\$55.49	\$55.49
Faultry	Martha		HCDE	Head Start - Compton	Classroom Supplies		\$43.00	\$43.00
Washington	Tonya		HCDE	Head Start - Compton	Classroom Supplies		\$34.20	\$34.20
Cerrato	Anael		HCDE	Head Start - Coolwood	Classroom Supplies		\$27.00	\$27.00
Pavel-Garcia	Carolyn		HCDE	Head Start - Coolwood	Classroom Supplies		\$42.00	\$42.00
Chavez	Luz		HCDE	Head Start - Pugh	Classroom Supplies		\$42.94	\$42.94
Barber	Sally	Assistance League of Houston	HCDE	Head Start - Pugh	Books		\$389.22	\$389.22
		Pearson Education	HCDE	Teaching and Learning Center	Lunch - ELA Leadership Meeting		\$1,200.00	\$1,200.00
							\$0.00	\$2,994.99
							\$2,994.99	\$2,994.99

INTERIM FINANCIAL REPORT (unaudited)
 TAX COLLECTIONS COMPARATIVE ANALYSIS Fiscal
 Year-To-Date at May 31, 2018

See Tax Calculator at → <http://www.hcde-texas.org/default.aspx?name=TaxCalculator>

Harris County Department of Education					
Comparative Analysis of Property Values					
	Adopted	September	March	April	May
	ADOPTED	ADOPTED	ADOPTED	ADOPTED	ADOPTED
	TAX RATE	TAX RATE	TAX RATE	TAX RATE	TAX RATE
Proposed Collections Tax Year 2017	0.005195	0.005195	0.005195	0.005195	0.005195
Certified Taxable Value per HCAD *	\$ 399,079,153,088	\$ 417,201,311,706	\$ 436,316,779,049	\$ 436,193,223,127	\$ 435,540,062,641
Values under protest or not certified	36,649,820,444	21,299,722,405	1,996,614,184	1,494,585,159	1,642,873,944
	435,728,973,532	438,501,034,111	438,313,393,233	437,687,808,286	437,182,936,585
/ Rate per Taxable \$100	4,357,289,735	4,385,010,341	4,383,133,932	4,376,878,083	4,371,829,366
X Tax Rate	22,636,120	22,780,129	22,770,381	22,737,882	22,711,654
Estimated collection rate	98.40%	98.40%	98.40%	98.40%	98.40%
X Estimated Collection Rate	22,273,000	22,414,698	22,405,107	22,373,129	22,347,322
+Delinquent Tax Collections	155,000	155,000	155,000	155,000	155,000
+Special Assessments	15,000	15,000	15,000	15,000	15,000
+ Penalty & Interest	180,000	180,000	180,000	180,000	180,000
Estimated Current Tax Available for Operations:	\$ 22,623,000	\$ 22,764,698	\$ 22,755,107	\$ 22,723,129	\$ 22,697,322
Net Gain or Loss on values	\$ -	\$ 141,698	\$ 132,107	\$ 100,129	\$ 74,322

INTERIM FINANCIAL REPORT (unaudited)
TAX COLLECTIONS Fiscal Year-To-Date at May 31, 2018 (9th month / 12 month)

HARRIS COUNTY DEPARTMENT OF EDUCATION
 Tax Year 2017 Interim Current Tax Revenue Estimate Updates

	SCENARIO (1) APPRAISED VALUE HCAD	SCENARIO (2) OWNER'S VALUE OWNER REQUESTED	SCENARIO (3) EST FINAL VALUE COMMITTEE RECOMMENDED
Property Use Category Recap-Certified To Date -Report:			
Taxable value	\$435,540,062,641	\$435,540,062,641	\$435,540,062,641
PLUS: Uncertified Roll Summary Report:			
Scenario (1) Appraised value	8,302,517,067	-	-
Scenario (2) Owner's value	-	8,028,633,696	-
Scenario (3) Estimated final value	-	-	1,407,239,200
Total taxable value, Certified and Uncertified:	<u>\$443,842,579,708</u> (A)	<u>\$443,568,696,337</u> (A)	<u>\$436,947,301,841</u> (A)
Calculate Interim Current Tax Revenue Estimate:			
1) (A) divided by 100	\$4,438,425,797 (B)	\$4,435,686,963 (B)	\$4,369,473,018 (B)
2) Current Tax Rate	<u>X 0.005195</u> (C)	<u>X 0.005195</u> (C)	<u>X 0.005195</u> (C)
3) 2016 Interim Current Tax Revenue Estimate, at 100% Collection Rate, (B) X (C)	<u>\$23,057,622</u> (D)	<u>\$23,043,394</u> (D)	<u>\$22,699,412</u> (D)
4) Interim Tax Rev Estimate @ 98.40% Collection Rate:	<u>\$22,687,740</u> (E)	<u>\$22,673,740</u> (E)	<u>\$22,335,277</u> (E)
Comparison of Interim Tax Rev Estimate @ 98.40% Collection Rate with Interim Current Tax Revenue Est:			
Interim Current Tax Revenue Estimate Over/(Under)			
Current Tax Revenue, Currently Budgeted:			
Interim Current Tax Revenue Estimate (E)	\$22,687,740 (E)	\$22,673,740 (E)	\$22,335,277 (E)
LESS: Tax Revenue, Currently Budgeted	<u>\$22,273,000</u> (F)	<u>\$22,273,000</u> (F)	<u>\$22,273,000</u> (F)
Total Interim Current Tax Revenue Estimate Over/(Under) Current Tax Revenue, Currently Budgeted, (E) - (F):	<u>\$414,740</u>	<u>\$400,740</u>	<u>\$62,277</u>
Total Current Tax Revenue Received, Accumulated from September 1 to May 31, 2018, 1998-571100**:	<u>\$22,093,480</u>	<u>\$22,093,480</u>	<u>\$22,093,480</u>

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS Fiscal Year-To-Date at May 31, 2018 (9th month / 12 months)

TAX YEAR 2017 COLLECTION SUMMARY					
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
REVENUES:					
Current Tax	\$ 22,273,000	\$ 86,609	\$ 22,093,480	\$ 179,520	99%
Delinquent Tax	\$ 155,000	\$ (5,679)	\$ (22,547)	\$ 177,547	-15%
Penalty & Interest	\$ 180,000	\$ 12,470	\$ 131,663	\$ 48,337	73%
Special Assessments and Miscellaneous	\$ 15,000	\$ 1,028	\$ 16,072	\$ (1,072)	107%
Subtotal Revenues:	\$ 22,623,000	\$ 94,428	\$ 22,218,668	\$ 404,332	98%
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
EXPENDITURES:					
LESS: HCAD Fees	\$ 180,000	\$ 41,700	\$ 164,703	\$ 15,297	92%
LESS: HCTO Fees	\$ 443,390	\$ -	\$ 443,389	\$ 1	100%
Subtotal Expenditures:	\$ 623,390	\$ 41,700	\$ 608,092	\$ 15,298	98%
Net Tax Collections:	\$ 21,999,610	\$ 52,728	\$ 21,610,576	\$ 389,034	98%

a) 2017 Tax Rate = \$0.005195/\$100 Property Assessment/Appraisal - --> Annual Tax on a \$200,000 - \$40,000 = \$160,000/100 x .005195 =

Residential Property = \$8.32 (net of 20% homestead exception.)

b) \$600,000/\$21,698,803 = 2.77% Collection and assessment costs

INTERIM FINANCIAL REPORT (unaudited)
DISBURSEMENTS – ALL FUNDS
 May 31, 2018

DESCRIPTION	DISBURSEMENTS	AMOUNT
All Funds	648 Checks	\$1,577,755
P Card - April 2018	594 Transactions	\$97,041
Bank ACH	7 Transfers	\$2,062,352
	Total:	\$3,737,148

Notes:

- (A) All Purchase Orders and Payment Authorizations are reviewed before disbursement.
- (B) All Procurement Card charges are reviewed by cardholder, supervisor, and business office staff each month.
- (C) A report on CH Local expenditures is included in the monthly report.

INTERIM FINANCIAL REPORT (unaudited)

Segment Division Data

As of May 31, 2018

<u>GENERAL FUND - Governmental</u>						
<u>Budget Manager Title</u>	Revenues	Tax Subsidy	Expenditure and Encumbrances	Includes Tax Subsidy Variance	W/o tax Profit Ratio	Profitability Variance
Educator Certification and Prof Adv	221,453	219,535	464,440	(23,452)	-110%	(242,987)
Records Management	1,121,874	110,149	1,275,763	(43,740)	-14%	(153,889)
School Based Therapy Services	7,194,453	673,208	7,867,662	-	-9%	(673,208)
Schools	7,451,547	1,253,348	8,438,384	266,510	-13%	(986,837)
<u>ENTERPRISE FUND-CHOICE PARTNERS COOPERATIVE</u>						
<u>Budget Manager Title</u>	Revenues	Expenditure and Encumbrances	Transfer Out To General Fund	Profit Ratio	Profitability Variance	
Choice Partners Cooperative (Enterprise)	3,756,319	1,553,770	2,202,549	59%	2,202,549	

Note: Effective FY 16 Choice Partners is reported as an Enterprise Fund (711) and is no longer part of General Fund.

Note: The difference between revenues & expenditures for Choice Partners is transferred out into General Fund, that transfer is not included in the expenditure column above.

HIGHLIGHTS Of BUDGET AMENDMENT REPORT

June 20, 2018

Board Meeting

(unaudited)



Amendments

General Fund= \$13,098

Special Revenue Fund= \$4,559,077

INTERIM FINANCIAL REPORT (unaudited)

FY 2017-18 BUDGET AMENDMENT REPORT

June 20, 2018

General Fund

Budget Rationale	Changes to Revenues	Changes to Appropriations	Changes Impacting F/Bal	Total Net Change
GENERAL FUND				
<u>INCREASES</u>				
Increase revenues & expenditures in the General Fund (1998) - by \$40,098 in order to cover the costs associated with additional personnel hired during FY17-18. New positions include Educational Aides, Marketing Coordinator, Therapists, and a Manager.	40,098	40,098		<6>
<u>DECREASES</u>				
Decrease revenues & expenditures in the General Fund (1998) - BM 922 (CASE) by \$27,000. This decrease is due to a budgeted conference sponsorship revenue that was not received.	(27,000)	(27,000)		<8>
Total GENERAL FUND:	13,098	13,098	-	-

INTERIM FINANCIAL REPORT (unaudited)

FY 2017-18 BUDGET AMENDMENT REPORT

June 20, 2018

Special Revenue Fund

Budget Rationale	Changes to Revenues	Changes to Appropriations	Changes Impacting F/Bal	Total Net Change
SPECIAL REVENUE FUND				
INCREASES				
Increase revenues & expenditures in the Special Revenue Fund (2058) - Head Start grant budget by \$118,342 increasing the placeholder to accurately reflect the Notice of Grant Award amount.	118,342	118,342		<1>
Increase revenues & expenditures in the Special Revenue Fund (4798) - Head Start In-Kind grant budget by \$3,007 increasing the placeholder to accurately reflect the Notice of Grant Award amount and donations received.	3,007	3,007		<3>
Increase revenues & expenditures in the Special Revenue Fund (2058) - Head Start grant budget by \$750,000 increasing the placeholder to accurately reflect the Notice of Grant Award amount.	750,000	750,000		<4>
Increase revenues & expenditures in the Special Revenue Fund (4967) - Hogg Grant Program Operating budget by \$2,244 to reflect carryover and additional revenues collected.	2,244	2,244		<5>
Increase revenues & expenditures in the Special Revenue Fund (2239) - Federal TANF Adult Education budget by \$243,628 to reflect additional monies awarded.	243,628	243,628		<7>
Increase revenues & expenditures in the Special Revenue Fund (3819) - State AELFLA Adult Education budget amount by \$497,506 to reflect additional monies awarded.	497,506	497,506		<10>

INTERIM FINANCIAL REPORT (unaudited)

FY 2017-18 BUDGET AMENDMENT REPORT

June 20, 2018

Special Revenue Fund Continued...

Budget Rationale	Changes to Revenues	Changes to Appropriations	Changes Impacting F/Bal	Total Net Change
Increase revenues & expenditures in the Special Revenue Fund (2309) - Federal Adult Education budget amount by \$2,706,874 to reflect additional monies awarded.	2,706,874	2,706,874		<11>
Increase revenues & expenditures in the Special Revenue Fund (2349) - Federal El Civic Adult Education budget amount by \$344,306 to reflect additional monies awarded.	344,306	344,306		<12>
Increase revenues & expenditures in the Special Revenue Fund (4988) - Local Grant CASE Ecobot budget amount by \$5,000 to reflect grant funding received from the Brown Foundation.	5,000	5,000		<13>
DECREASES				
Decrease revenues & expenditures in the Special Revenue Fund (2068) Head Start Training & Technical Assistance grant budget by \$8,631 reducing the placeholder to accurately reflect the Notice of Grant Award amount.	(8,631)	(8,631)		<2>
Decrease revenues & expenditures in the Special Revenue Fund (4638) CASE Houston Endowment grant budget by \$103,199 reducing the placeholder to accurately reflect the Notice of Grant Award amount.	(103,199)	(103,199)		<9>
Total SPECIAL REVENUE FUND:	4,559,077	4,559,077	- \$	-

Construction PFC Update

June 20, 2018



Closing on 2016 PFC Bond Series

Par Amount of Bonds (Purchase Price):	\$ 7,000,000.00
Less: Purchaser's Counsel and MAC Fees	<u>16,100.00</u>
Total Due from Purchaser:	\$6,983,900.00
Issuer Contribution	5,000,000.00
Less Land Purchase Costs	<u>954,766.00</u>
Total Available Funds	\$11,029,134.00

Total Available Funds	\$ 11,029,134.00
Bond Issuance Costs	(218,061.80)
Deposit in Project Fund Account	\$ 10,811,072.20

Invoices for Issuance Expenses

Provider	Role		Invoices
US Capital Advisors	Financial Advisor	FA Fee, Document Prep., Misc.	\$ 51,957.50
Orrick Herrington	Bond Counsel	BC Fee, AG Fee, Misc.	89,500.00
Bank of Texas	Trustee/PAR	Trustee Fees	3,500.00
Haynes and Boone, LLP	Trustee 's Counsel	Fees	5,500.00
Stewart Title	Title Policy	Fees/Expenses	<u>67,604.30</u>
Total Invoices:			\$ 218,061.80

← \$225,000
Budgeted

Value...Opportunity...Service

Available 2016 PFC Bond Series Funds

RECAP:	EXPENDITURES BY MONTH	EXPENDITURES BY TYPE																																													
	<table border="0"> <tr> <td>July 14, 2016 Earnest Money Contract</td> <td>\$</td> <td>5,000.00</td> </tr> <tr> <td>October 24, 2016 Land Purchase</td> <td></td> <td>949,765.41</td> </tr> <tr> <td>November 2, 2016 Closing Costs</td> <td></td> <td>234,161.80</td> </tr> <tr> <td>February 14, 2018 CRE8, Inc. Payment</td> <td></td> <td>75,600.00</td> </tr> <tr> <td>March 7, 2018 Gradient Group Payment</td> <td></td> <td>600.00</td> </tr> <tr> <td>March 7, 2018 D&A Payment</td> <td></td> <td>18,650.00</td> </tr> <tr> <td>TOTAL As of May 31, 2018</td> <td>\$</td> <td><u>1,283,777.21</u></td> </tr> </table>	July 14, 2016 Earnest Money Contract	\$	5,000.00	October 24, 2016 Land Purchase		949,765.41	November 2, 2016 Closing Costs		234,161.80	February 14, 2018 CRE8, Inc. Payment		75,600.00	March 7, 2018 Gradient Group Payment		600.00	March 7, 2018 D&A Payment		18,650.00	TOTAL As of May 31, 2018	\$	<u>1,283,777.21</u>	<table border="0"> <tr> <td>Purchaser's Counsel and MAC Fees</td> <td>\$</td> <td>16,100.00</td> </tr> <tr> <td>Land Purchase Costs</td> <td></td> <td>954,766.00</td> </tr> <tr> <td>Bond issuance Costs</td> <td></td> <td>218,061.80</td> </tr> <tr> <td>Construction Expenditures (From Above)</td> <td></td> <td>19,250.00</td> </tr> <tr> <td>Architect Expenditures (From Above)</td> <td></td> <td>75,600.00</td> </tr> <tr> <td></td> <td></td> <td>-</td> </tr> <tr> <td></td> <td></td> <td>-</td> </tr> <tr> <td>TOTAL</td> <td>\$</td> <td><u>1,283,777.80</u></td> </tr> </table>	Purchaser's Counsel and MAC Fees	\$	16,100.00	Land Purchase Costs		954,766.00	Bond issuance Costs		218,061.80	Construction Expenditures (From Above)		19,250.00	Architect Expenditures (From Above)		75,600.00			-			-	TOTAL	\$	<u>1,283,777.80</u>
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A & E Services = architectural & engineering

Par Amount of Bonds (Purchase Price):	\$ 7,000,000.00
Less: Purchaser's Counsel and MAC Fees	<u>16,100.00</u>
Total Due from Purchaser:	\$6,983,900.00
Issuer Contribution	5,000,000.00
Less Land Purchase Costs	<u>954,766.00</u>
Total Available Funds	\$11,029,134.00

AVAILABLE PFC FUNDS	
Available Funds from Closing Date:	\$ 11,029,134.00
Closing Costs	(218,061.80)
Debt Service Funds for Feb Payment	<u>2,313,356.08</u>
Total	13,124,428.28
	Plus Interest from 11/2 to 8/31/2017 30,629.16
	Sept 2017 Interest 9,142.00
	Oct 2017 Interest 9,603.00
	Nov 2017 Interest 9,360.00
	Dec 2017 Interest 10,836.00
	Jan 2018 Interest 11,983.31
	Feb 2018 Interest 11,127.72
	Mar 2018 Interest 14,476.00
	Apr 2018 Interest 14,851.19
	May 2018 Interest 14,812.83
Available funds as of May 2018	\$ 13,246,436.66
Available funds from previous PFC Rev Bonds	32,329.36

Total Available funds -Invested **\$ 13,278,766**

Value...Opportunity...Service

Timeline pending review by the Development Plan Committee

Nov-16	Approval of Pool of architects and engineers	Board
Jan-17	Review and presentation of architect concepts	PFC
Oct-17	Approval of architect contract	PFC
Jan -18	Review of Schematic Design	PFC
Apr-18	Tentative review and approval of architect design development	PFC
May-18	Approval of method of construction per Ch 2269	PFC
Jul-18	Tentative Procurement of Construction Project	PFC
Aug-18	Tentative Construction Award Date	PFC
Jul 19	Construction Period- 12 months est.	PFC

INTERIM FINANCIAL REPORT (unaudited)

I certify that the foregoing information is true and accurate to the best of my knowledge.

/s/ Jesus J. Amezcua, RTSBA, CPA, Ph.D., Asst. Supt. for Business Support Services

/s/ Rosa Maria Torres, RTSBA, Chief Accounting Officer



Q & A

