

Financial Highlights

as of December 31, 2018



HIGHLIGHTS of INTERIM FINANCIAL
REPORT (unaudited)
December 31, 2018

and

BUDGET AMENDMENT REPORT
for the January 16, 2018 Board Meeting

Click below for a 1 minute Briefing:

<http://www.showme.com/sh?h=IOZNRKS>
Prepared by: Business Support Services Division

Posted on our website at

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

Linked from State Comptroller's website

<http://www.texastransparency.org/local/schools.php>



INTERIM FINANCIAL REPORT (unaudited)

GENERAL FUND

Balance Sheet as of December 31, 2018

HARRIS COUNTY DEPARTMENT OF EDUCATION		Schedule 1
INTERIM FINANCIAL REPORTS (Unaudited)		
GENERAL FUNDS 100-199 BALANCE SHEET		
Fiscal year to date: December 31, 2018		
	ACTUAL	
<u>ASSETS</u>		
Cash and Temporary Investments	\$ 29,818,338	
Property Taxes-Delinquent at September 1, 2018	843,570	
Less: Allowances for Uncollectible Taxes	(16,871)	
Due from Federal Agencies	48,516	
Other Receivables	2,965,472	
Inventories	113,634	
Deferred Expenditures	-	
Other Prepaid Items	34,606	
TOTAL ASSETS:	\$ 33,807,265	
<u>LIABILITIES</u>		
Accounts Payable	17,877	
Bond Interest Payable	-	
Due to Other Funds	-	
Accrued Wages	(22,622)	
Payroll Deductions	848,440	
Due to Other Governments	11,561	
Deferred Revenue	835,811	
TOTAL LIABILITIES:	\$ 1,691,067	
<u>FUND EQUITY</u>		
Unassigned Fund Balance	18,072,992	
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	2,728,732	
Over(Under) Expenditures & Other Uses		
TOTAL FUND EQUITY:	\$ 31,903,908	
Fund Balance Appropriated Year-To-Date	212,290	
TOTAL LIABILITIES, FUND EQUITY, AND FUND BALANCE APPROPRIATED TO DATE:	\$ 33,807,265	

INTERIM FINANCIAL REPORT (unaudited)

ASST. SUPERINTENDENT FOR BUSINESS SERVICES' MESSAGE

As of December 31, 2018

The General Fund balance at 12/31/18 is \$27,910,197

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 2019.

As of December 31, 2018 activity includes:

Description	9/1/2018	Appropriated YTD	Estimated Balance
Non-Spendable	\$ 163,555	\$ -	\$ 163,555
Restricted	-	-	-
Committed	1,575,000	-	1,575,000
Assigned	9,363,629	-	9,363,629
Unassigned	17,020,303	212,290	16,808,013
Total Fund Balance	\$ 28,122,487	\$ 212,290	\$27,910,197

INTERIM FINANCIAL REPORT (unaudited)

As of December 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 December 31, 2018

Indicator of Financial Strength

Percent of Fund Balance to G/F Expenditures Ratio What is the percent of rainy fund balance? (*)Unadjusted	Working Capital Ratio What is the cash flow availability for the organization?
<div>Unassigned Fund Balance \$ 18,072,992</div> <div>-----</div> <div>Total G/F Expenditures \$ 13,824,112</div> <div>Goal : > 30% of G/F Exp.</div> <div>Benchmark: 10% to 29%</div> <div>Danger: Under 10%</div>	<div>Total Current Assets</div> <div>Less Total Current Liabilities</div> <div>\$33,807,265 - \$1,691,067 = \$32,116,198</div> <div>Goal : >\$15,000,000</div> <div>Benchmark : \$10M to \$15M</div> <div>Danger : Under < \$10M</div>

131% FY19

102% FY18

32M FY19

30M FY18

Details on Schedule 3

Budgeted
30%

Details on Schedule 1

Budgeted
\$30M

INTERIM FINANCIAL REPORT (unaudited)

As of December 31, 2018

Indicator of Efficient Leverage Reserves

Unassigned Fund Balance Ratio How much is available in reserves?		Debt to Income Ratio What is the ability of HCDE to cover its debt payments?	
Unassigned Fund Balance	\$ 18,072,992	Annual Principal and Interest Payments on Term Debt and Capital Leases	\$0
-----	-----		
Total Fund Balance	\$ 32,116,198	G/F Revenue Less Facility Charges	\$16,552,843 – 1,685,506
Goal :	> 75%	Goal :	<25% of annual revenue
Benchmark:	50% to 75%	Benchmark :	25% to <49%
Danger:	<50%	Danger :	Over > 50%
56% FY19		0% FY19	
45% FY18		0% FY18	

Details on Schedule 1

Budgeted
74%

Details on Schedule 5

Budgeted
7%

INTERIM FINANCIAL REPORT (unaudited)

As of December 31, 2018

Indicators of Efficiency

Tax Revenue to Total Revenue Ratio How Efficient is HCDE at leveraging local Taxes? (Current)		Indirect Cost to Tax Ratio How much dependency on indirect cost from grants?	
Current Tax Revenue	\$ 4,984,169	Indirect Cost General Fund	\$ 400,888
-----	-----	-----	-----
Total Revenue	\$ 28,998,480	Total General Fund Revenue	\$ 16,552,843
Goal :	<20% of revenue	Goal :	> 5%
Benchmark:	20% to 30%	Benchmark:	2% to 5%
Danger:	Over > 30%	Danger:	Under < 2%

17% FY19

27% FY18

2% FY19

1% FY18

Details on Schedule 2

Budgeted
23%

Details on Schedule 3

Budgeted
3%

INTERIM FINANCIAL REPORT (unaudited)

As of December 31, 2018

Indicators of revenue growth

Fee for Service Revenue Ratio How are revenues spread across All Funds?	Fee for Service Revenue Growth Ratio What is the market growth for fee on services?		
<div>Total Fee for Service Revenues (G/F) \$7,995,034</div> <div>-----</div> <div>Total Revenues \$28,998,480</div> <div>Goal : >30% of annual revenue</div> <div>Benchmark: 10% to 29%</div> <div>Danger: Under 10%</div>	<div>Fee for Services Current Year Less Fee for Services Last Year</div> <div>\$7,995,034 - \$7,320,955</div> <div>-----</div> <div>Fees for Service Last Year \$7,320,955</div> <div>Goal : >3% + growth</div> <div>Benchmark : 0% to 3%</div> <div>Danger : Under < 0%</div>		
28% FY19	36% FY18	9% FY19	-5% FY18

Details on Schedule 14

Budgeted
21%

Details on Schedule 14

Budgeted
2%

FY 2018-19 FUND BALANCE – BUDGETED ACTIVITY

FUND BALANCE CATEGORY	Sept 1, 2018 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							2,700,000
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							950,000
Workforce Development	500,000							500,000
Total Reserves:	11,102,184							11,102,184
Unassigned	17,020,303		72,290	140,000				16,808,013
Total Est. Fund Balance:	28,122,487	-	72,290	140,000	-	-	-	27,910,197

INTERIM FINANCIAL REPORT (unaudited)

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

REVENUES

Budget to Actual at December 31, 2018

Fund	Budget	Received/Billed	%
General Fund	\$53,258,191	\$16,552,843	31%
December is the end of the 4th month or approximately 33% of the fiscal year.			
(1) This amount includes accounts receivable billed.			
Special Revenue Funds	36,354,534	7,270,245	20%
Most grant periods differ from fiscal year.			
(2) Grants are on monthly reimbursement basis; subsequently billed			
Debt Service Fund	3,149,497	0	0%
(3) This fund has activity in February, May (interest and principal payments), and August (interest only payment).			
Capital Projects Fund	2,000,000	78,372	0%
Trust and Agency Fund	0	1,495	0%
Choice Partners Fund (Enterprise Fund)	4,646,364	3,326,451	72%
Worker's Comp. Fund (Internal Service Fund)	300,000	83,568	28%
Facilities Fund (Internal Service Fund)	5,428,496	1,685,506	31%
Total as of the end of the month	\$105,137,082	\$28,998,480	28%

*Federal funding is the main source for special revenue grants. The \$29,127,104 Federal Program Revenues includes \$3,897,321 for Adult Education, \$5,895,209 for CASE, \$19,167,268 for Head Start, and \$167,306 for various other divisions.

ADOPTED BUDGETS AND AMENDMENTS

2018-2019

		Revenues Adopted Budget	Appropriations Adopted Budget
	Budget	102,910,372	117,335,372
September		316,758	316,758
	Subtotal-September	103,227,130	117,652,130
October		1,494,807	1,567,097
	Subtotal October	104,721,937	119,219,227
November		177,953	317,953
	Subtotal November	104,899,890	119,537,180
December		237,192	387,192
	Subtotal December	105,137,082	119,924,372

INTERIM FINANCIAL REPORT (unaudited)

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

EXPENDITURES

Budget to Actual at December 31, 2018

Fund	Budget	Encumbered/Spent	%
General Fund	\$57,395,481	\$13,824,112	27%
(1) Encumbrances as of the end of the month total.		\$ 1,685,207	Encumbrances
December is the end of the 4th month or approximately 33% of the fiscal year.			
Special Revenue Funds	36,354,534	7,951,467	35%
(2) Encumbrances as of the end of the month total.		4,602,988	Encumbrances
Most grant periods differ from the fiscal year.			
Debt Service Fund	3,149,497	0	0%
(3) This fund has activity in February, May (interest and principal			
Capital Projects Fund	12,500,000	538,334	4%
Trust and Agency Fund	0	3,060	0%
Choice Partners Fund (Enterprise Fund)	4,646,364	3,537,238	76%
Worker's Comp. Fund (Internal Service Fund)	450,000	309,829	69%
Facilities Fund (Internal Service Fund)	5,428,496	2,393,048	44%
Total as of the end of the month	\$119,924,372	\$34,845,283	29%

INTERIM FINANCIAL REPORT (unaudited)

FY 2018-19 Donations Report

All Funds as of December 31, 2018

Month 2018-2019	CASH	IN-KIND	TOTAL
September	1,113.00	-	1,113.00
October	5,065.00	-	5,065.00
November	-	2,564.95	2,564.95
December	-	13,551.89	13,551.89
January			-
February			-
March			-
April			-
May			-
June			-
July			-
August			-
2019 Total:	6,178.00	16,116.84	22,294.84
2018 YTD Total:	8,123.37	201,991.68	210,115.05

INTERIM FINANCIAL REPORT (unaudited)

FY 2018-19 Donations Report

All Funds as of December 31, 2018

CENTER FOR GRANTS DEVELOPMENT ON BEHALF OF HCDE DIVISIONS

December 1 - December 31, 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>
		ESA ZETA TAU	HCDE	Early Childhood - Baytown	Classroom Supplies		\$ 315.00	\$ 315.00
		Houston Livestock Show & Rodeo	HCDE	Head Start - Fonwood	Passes		\$ 6,000.00	\$ 6,000.00
Martinez	Maria		HCDE	Head Start - Baytown	Classroom Supplies		\$ 70.00	\$ 70.00
Temelo	Luise Fernanda		HCDE	Head Start - Baytown	Classroom Supplies		\$ 104.00	\$ 104.00
Carter	Edward		HCDE	Head Start - Tidwell	Classroom Supplies		\$ 66.25	\$ 66.25
Juarez	Desiree		HCDE	Head Start - Tidwell	Classroom Supplies		\$ 104.00	\$ 104.00
		Assistance League of Houston	HCDE	Head Start - Pugh	Classroom Supplies		\$ 308.10	\$ 308.10
Boswell	Kathy		HCDE	Head Start - Pugh	Classroom Supplies		\$ 308.10	\$ 308.10
Anderson	Dawn		HCDE	Head Start - La Porte	Classroom Supplies		\$ 246.68	\$ 246.68
Garcia	Ashley		HCDE	Head Start - La Porte	Classroom Supplies		\$ 81.00	\$ 81.00
Howard	Jenifer		HCDE	Head Start - La Porte	Classroom Supplies		\$ 56.15	\$ 56.15
		City of La Porte Senior Services	HCDE	Head Start - La Porte	Classroom Supplies		\$ 772.61	\$ 772.61
		City of La Porte Parks & Recreation	HCDE	Head Start - La Porte	Use of Facility & Transportation		\$ 3,000.00	\$ 3,000.00
Collins	Jeffrey		HCDE	Head Start - Fifth Ward	Books		\$ 1,500.00	\$ 1,500.00
		Martha Faultry	HCDE	Head Start - Compton	Classroom Supplies		\$ 450.01	\$ 450.01
Banegas	Cinthia		HCDE	Head Start - JD Walker	Classroom Supplies		\$ 169.99	\$ 169.99
Totals						\$ -	\$ 13,551.89	\$ 13,551.89

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS COMPARATIVE ANALYSIS Fiscal

Year –To-Date at December 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	October	November	December
	ADOPTED TAX RATE	ADOPTED TAX RATE	ADOPTED TAX RATE	ADOPTED TAX RATE	ADOPTED TAX RATE
Proposed Collections Tax Year 2018	0.005190	0.005190	0.005190	0.005190	0.005190
Certified Taxable Value per HCAD *	\$ 412,526,038,722	\$ 431,144,848,395	\$ 441,157,229,400	\$ 445,482,657,214	\$ 447,225,280,892
Values under protest or not certified	37,168,447,726	19,561,999,721	10,156,995,148	5,712,903,568	3,559,258,684
	449,694,486,448	450,706,848,116	451,314,224,548	451,195,560,782	450,784,539,576
/ Rate per Taxable \$100	4,496,944,864	4,507,068,481	4,513,142,245	4,511,955,608	4,507,845,396
X Tax Rate	23,339,144	23,391,685	23,423,208	23,417,050	23,395,718
Estimated collection rate	99.88%	99.88%	99.88%	99.88%	99.88%
X Estimated Collection Rate	23,310,040	23,362,516	23,394,000	23,041,402	23,366,543
+Delinquent Tax Collections	150,000	150,000	150,000	150,000	150,000
+Special Assessments	15,000	15,000	15,000	15,000	15,000
+ Penalty & Interest	-	-	-	-	-
Estimated Current Tax Available for Operations:	\$ 23,475,040	\$ 23,527,516	\$ 23,559,000	\$ 23,206,402	\$ 23,531,543
Net Gain or Loss on values	\$ -	\$ 52,476	\$ 83,960	\$ (268,638)	\$ 56,503

\$451B

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS Fiscal Year-To-Date at December 31, 2018 (4th month / 12 months)

HARRIS COUNTY DEPARTMENT OF EDUCATION Tax Year 2018 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	\$447,225,280,892	\$447,225,280,892	\$447,225,280,892
PLUS: Uncertified Roll Summary Report:			
Scenario (1) Appraised value	4,886,577,495	-	-
Scenario (2) Owner's value	-	4,610,161,833	-
Scenario (3) Estimated final value	-	-	3,559,258,684
Total taxable value, Certified and Uncertified:	<u>\$452,111,858,387</u> (A)	<u>\$451,835,442,725</u> (A)	<u>\$450,784,539,576</u> (A)
Calculate Interim Current Tax Revenue Estimate:			
1) (A) divided by 100	\$4,521,118,584 (B)	\$4,518,354,427 (B)	\$4,507,845,396 (B)
2) Current Tax Rate	X 0.00519 (C)	X 0.00519 (C)	X 0.00519 (C)
3) 2017 Interim Current Tax Revenue Estimate, at 100% Collection Rate, (B) X (C)	<u>\$23,464,605</u> (D)	<u>\$23,450,259</u> (D)	<u>\$23,395,718</u> (D)
4) Interim Tax Rev Estimate @ 99.8753% Collection Rate:	<u>\$23,435,345</u> (E)	<u>\$23,421,017</u> (E)	<u>\$23,366,543</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)	\$23,435,345 (E)	\$23,421,017 (E)	\$23,366,543 (E)
LESS: Tax Revenue, Currently Budgeted	<u>\$23,310,040</u> (F)	<u>\$23,310,040</u> (F)	<u>\$23,310,040</u> (F)
Total Interim Current Tax Revenue Estimate Over/(Under)			
Current Tax Revenue, Currently Budgeted, (E) - (F):	<u>\$125,305</u>	<u>\$110,977</u>	<u>\$56,503</u>
Total Current Tax Revenue Received, Accumulated from September 1 to December 31, 2018, 1999-571106	<u>\$4,983,209</u>	<u>\$4,983,209</u>	<u>\$4,983,209</u>

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS Fiscal Year-To-Date at December 31, 2018 (4th month / 12 month)

TAX YEAR 2018 COLLECTION SUMMARY					
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
REVENUES:					
Current Tax	\$ 23,310,040	\$ 4,401,540	\$ 4,983,209	\$ 18,326,831	21.4%
Delinquent Tax	150,000	(5,339)	(63,899)	213,899	-43%
Penalty & Interest	-	7,843	35,531	(35,531)	0%
Special Assessments and Miscellaneous	15,000	521	960	14,040	6%
Subtotal Revenues:	\$ 23,475,040	\$ 4,404,565	\$ 4,955,801	\$ 18,519,239	21.1%
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
EXPENDITURES:					
LESS: HCAD Fees	\$ 180,000	\$ 42,886	\$ 84,583	\$ 95,417	47%
LESS: HCTO Fees	475,000	110,101	123,870	351,130	26%
Subtotal Expenditures:	\$ 655,000	\$ 152,987	\$ 208,453	\$ 446,547	32%
Net Tax Collections:	\$ 22,820,040	\$ 4,251,578	\$ 4,747,348	\$ 18,072,692	20.8%

- a) 2018 Tax Rate = \$0.005190/\$100 Property Assessment/Appraisal - --> Annual Tax on a \$200,000 - \$40,000 = \$160,000/100 x .005190 = Residential Property = \$8.32 (net of 20% homestead exception.)
- b) \$655,000/\$23,475,040 = 2.78% Collection and assessment costs

INTERIM FINANCIAL REPORT (unaudited)

DISBURSEMENT – ALL FUNDS

December 31, 2018

DESCRIPTION	DISBURSEMENTS	AMOUNT
All Funds	494 Checks	\$1,295,770
P Card - November 2018	524 Transactions	\$72,057
Bank ACH	6 Transfers	\$1,620,294
	Total:	\$2,988,121

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 December 31, 2018

GENERAL FUND - Governmental						
Budget Manager Title	Revenues	Tax Subsidy	Expenditure and Encumbrances	Includes Tax Subsidy Variance	W/o tax Benefit Ratio	Benefit Variance
Educator Certification and Prof Adv	119,631	77,098	231,147	(34,418)	-93%	(111,516)
Records Management	592,383	-	666,192	(73,809)	-12%	(73,809)
School Based Therapy Services	2,933,605	590,073	3,525,991	(2,313)	-20%	(592,386)
Schools	3,827,279	621,853	4,063,891	385,241	-6%	(236,612)
ENTERPRISE FUND-CHOICE PARTNERS COOPERATIVE						
Budget Manager Title	Revenues	Expenditure and Encumbrances	Transfer Out To General Fund	Benefit Ratio	Benefit Variance	
Choice Partners Cooperative (Enterprise)	3,326,451	902,738	2,423,713	73%	2,423,713	

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

January 16, 2018
Board Meeting
(unaudited)

Amendments

General Fund= \$0

Special Revenue Fund= \$0

Workers Compensation Fund= \$0

Construction PFC Update

January 16, 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

RECAP:

EXPENDITURES BY TYPE	
Purchaser's Counsel and MAC Fees	\$ 16,100.00
Land Purchase Costs	954,765.41
Bond issuance Costs	218,061.80
Construction Expenditures (From Above)	231,939.74
Architect Expenditures (From Above)	188,507.85
Insurance Expenditures	1,184.00
Legal Fees	9,189.38
Notice Requirement	631.82
	<u>\$ 1,620,380.00</u>

AVAILABLE PFC FUNDS

Total Available funds -Invested

25

Available funds and arbitrage

ABS West PFC Project

Available at 9/30/18 **\$ 10,752,596**

Drawdown		Contract Amount	Payments	Outstanding	Pending	Int earned
Drawdown 1,4	Architect Contract (\$8.4M x 6%)	\$ 504,000	\$ 262,772		241,228	
	Additional due to project size	60,000			60,000	
Drawdown 1, rate of disburseme	Misc Architect Reimbursements	14,686	14,686		-	
2	Gradient Group LLC	Traffic Engineering	11,440	600	10,840	
3	Doucet and Associates	Surveying Services	18,650	18,650	-	
5	HCDE Legal fees - architect contrac	legal fees	8,360	8,360	-	
6	Wright National Flood Insurance	flood insurance	1,184	1,184	-	
7	HTS Geotechnical	geotechnical	8,838	8,832	6	
8	Doucet Associates - elevation	elevation map	2,000	2,000	-	
9	Cre8, Inc.	architect	112,908	112,908		
10	Houston Chronicle	public notice	632	632		
11	HCDE Legal fees	legal fees	829	829		
	HTS Testing	Testing Materials	66,322		66,322	
	Rice and Garner Commissioning Ser	MEP Services	12,189		12,189	
	Phonoscope Lightwave	Wiring infrastructure	21,574		21,574	
	Muti Vista	Construction Document	25,855		25,855	



\$ 869,467 \$ 431,453 \$ - \$ 438,014

\$ 10,314,582

Construction Contract construction \$ 8,916,000 \$ 8,916,000

Amount available for Furniture and equipment and contingency \$ 1,398,582

Restricted interest by month 19,108.95
Arbitrage Calculation cost 10,000

Month	INV POOLS %	
	FY18	FY19
SEP	99 - 1.04	1.97 - 2.0
OCT	1.02 - 1.05	-
NOV	1.04 - 1.06	-
DEC	1.17 - 1.25	-
JAN	1.25 - 1.32	-
FEB	1.33 - 1.35	-
MAR	1.5 - 1.57	-
APR	1.63 - 1.68	-
MAY	1.70 - 1.73	-
JUN	1.82 - 1.92	-
JUL	1.89 - 1.91	-
AUG	1.91 - 1.93	-

As it relates to a municipal bond market, arbitrage is the profit from borrowing funds in the tax exempt market and investing them in the taxable market. Unless an exception is available, the IRS requires a payment to the US Treasury equal to all interest earned on bond proceeds in excess of the bond yield. The PFC bond yield is 1.68%

		Interest Earnings	Under @1.68	@ current
Interest earned by month	till aug 31 2017	30,629.17	30,629.17	
Sep-17		3,117.61	3,117.61	
Oct-17		3,478.02	3,478.02	
Nov-17		3,349.25	3,349.25	
Dec-17		10,825.37	10,825.37	
Jan-18		11,368.62	11,368.62	
Feb-18		11,183.49	11,183.49	
Mar-18		14,056.08	14,056.08	
Apr-18		14,785.46	14,785.46	
May-18		15,756.53	15,301.14	455.39
Jun-18		16,017.00	14,014.88	2,002.13
Jul-18		17,132.35	15,063.29	2,069.06
Aug-18		17,443.42	15,183.31	2,259.51
Sep-18		17,567.71	14,756.88	2,810.83
Oct-18		19,435.00	16,325.40	3,109.60
Nov-18		19,352.00	16,255.68	3,096.32
Dec-18		20,700.71	17,388.60	3,312.11
			245,688.84	19,108.95

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
Oct-18	Tentative Procurement of Construction Project	PFC
Nov-18	Tentative Construction Award Date	PFC
Dec-18	Construction Contract was signed	PFC
Oct-19	Construction Period- 11 to 14 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



Value...Opportunity...Service