

Financial Highlights

as of March 31, 2019



HIGHLIGHTS of INTERIM FINANCIAL
REPORT (unaudited)
March 31, 2019

and

BUDGET AMENDMENT REPORT
for the April 17, 2019 Board Meeting

Click below for a 1 minute Briefing:

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Prepared by: Business Support Services Division

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INTERIM FINANCIAL REPORT (unaudited)

GENERAL FUND

Balance Sheet as of March 31, 2019

HARRIS COUNTY DEPARTMENT OF EDUCATION
INTERIM FINANCIAL REPORTS (Unaudited)
GENERAL FUNDS 100-199 BALANCE SHEET
 Fiscal year to date: March 31, 2019

Schedule 1

	ACTUAL
<u>ASSETS</u>	
Cash and Temporary Investments	\$ 44,242,585
Property Taxes-Delinquent at September 1, 2018	843,570
Less: Allowances for Uncollectible Taxes	(16,871)
Due from Federal Agencies	17,160
Other Receivables	2,698,019
Inventories	106,989
Deferred Expenditures	-
Other Prepaid Items	34,606
TOTAL ASSETS:	\$ 47,926,058
<u>LIABILITIES</u>	
Accounts Payable	38,905
Bond Interest Payable	-
Due to Other Funds	-
Accrued Wages	-
Payroll Deductions	929,252
Due to Other Governments	-
Deferred Revenue	835,473
TOTAL LIABILITIES:	\$ 1,803,630
<u>FUND EQUITY</u>	
Unassigned Fund Balance	17,557,461
Non-Spendable Fund Balance	128,037
Restricted Fund Balance	-
Committed Fund Balance	2,014,976
Assigned Fund Balance	9,499,397
Excess(Deficiency) of Revenues & Other Resources	16,710,267
Over(Under) Expenditures & Other Uses	-
TOTAL FUND EQUITY:	\$ 45,910,138
Fund Balance Appropriated Year-To-Date	212,290
TOTAL LIABILITIES, FUND EQUITY, AND FUND BALANCE APPROPRIATED TO DATE:	\$ 47,926,058

INTERIM FINANCIAL REPORT (unaudited)

ASST. SUPERINTENDENT FOR BUSINESS SERVICES' MESSAGE

As of March 31, 2019

The **ESTIMATED** General Fund balance at 03/31/2019 is \$29,199,875 after current appropriations.

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.

Description	Audited (Per CAFR) 9/1/2018	Appropriated YTD	Estimated Balance at Month End	Estimated Balance at Month End
Non-Spendable	\$ 128,037	\$ -	\$ 128,037	\$ 128,037
Restricted	-	-	-	\$ -
Committed	2,014,976	-	2,014,976	\$ 2,014,976
Assigned	9,499,397	-	9,499,397	\$ 9,499,397
Unassigned	17,769,755	212,290	17,557,465	\$ 17,557,465
Total Fund Balance	\$ 29,412,165	\$ 212,290	\$29,199,875	\$ 29,199,875
Excess (Deficiency) of CURRENT Revenues and Other Resources (From 9/1/2018 to Date)				\$ 16,710,263
This Excess represents the cash flow received YTD resulting from the Difference in INFLOWS and OUTFLOWS				
Fund Equity - Per Estimated Balance Sheet as of the end of the Month to Date				\$ 45,910,138

INTERIM FINANCIAL REPORT (unaudited)

As of March 31, 2019

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 March 31, 2019

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 \$ 17,557,461</div> <div>-----</div> <div>Total G/F Expenditures \$ 27,655,332</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>\$47,926,058 - \$1,803,630 = \$46,122,428</div> <div>Goal : >\$15,000,000</div> <div>Benchmark : \$10M to \$15M</div> <div>Danger : Under < \$10M</div>
63% FY19	46M FY19
61% FY18	42M FY18

Details on Schedule 3

Budgeted
30%

Details on Schedule 1

Budgeted
\$30M

INTERIM FINANCIAL REPORT (unaudited)

As of March 31, 2019

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	\$ 17,557,461	Annual Principal and Interest Payments on Term Debt and Capital Leases	\$2,580,466
-----	-----		
Total Fund Balance	\$ 46,122,428	G/F Revenue Less Facility Charges	\$44,346,866 – 2,728,795
Goal :	> 75%	Goal :	<25% of annual revenue
Benchmark:	50% to 75%	Benchmark :	25% to <49%
Danger:	<50%	Danger :	Over > 50%
38% FY19		6% FY19	
37% FY18		7% FY18	

Details on Schedule 1

Budgeted
74%

Details on Schedule 5

Budgeted
7%

INTERIM FINANCIAL REPORT (unaudited)

As of March 31, 2019

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	\$ 22,524,545	Indirect Cost General Fund	\$ 841,933
-----	-----	-----	-----
Total Revenue	\$ 70,027,514	Total General Fund Revenue	\$ 44,365,599
Goal :	<20% of revenue	Goal :	> 5%
Benchmark:	20% to 30%	Benchmark:	2% to 5%
Danger:	Over > 30%	Danger:	Under < 2%

32% FY19

36% FY18

2% FY19

2% FY18

Details on Schedule 2

Budgeted
23%

Details on Schedule 3

Budgeted
3%

INTERIM FINANCIAL REPORT (unaudited)

As of March 31, 2019

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?
Total Fee for Service Revenues (G/F) \$15,290,691 ----- Total Revenues \$70,008,782	Fee for Services Current Year Less Fee for Services Last Year \$15,290,691 - \$14,389,389 ----- Fees for Service Last Year \$14,389,389
Goal : >30% of annual revenue Benchmark: 10% to 29% Danger: Under 10%	Goal : >3% + growth Benchmark : 0% to 3% Danger : Under < 0%
22% FY19	6% FY19
24% FY18	-4% 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	93,431							93,431
Prepaid Items	34,606							34,606
Emp Retirement Leave Fund	500,000							500,000
Unemployment Liability	200,000							200,000
Capital Projects	1,314,976							1,314,976
Assets Replacement Schedule	1,000,000							1,000,000
Building and Vehicle Replacement	1,000,000							1,000,000
Local Construction	2,500,000							2,500,000
PFC Lease Payment	691,129							691,129
QZAB bond payment	2,458,268							2,458,268
New Program Initiative	-							-
Software and Program Development	-							-
Recovery High School	1,000,000							1,000,000
Workforce Development	850,000							850,000
Total Reserves:	11,642,410							11,642,410
Unassigned	17,769,755		72,290	140,000				17,557,465
Total Est. Fund Balance:	29,412,165	-	72,290	140,000	-	-	-	29,199,875

INTERIM FINANCIAL REPORT (unaudited)

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

REVENUES

Budget to Actual at March 31, 2019

Fund	Budget	Received/Billed	%
General Fund	\$53,258,191	\$44,365,599	83%
March is the end of the 7th month or approximately 58% of the fiscal year.			
(1) This amount includes accounts receivable billed.			
Special Revenue Funds	37,137,782	14,316,003	39%
Most grant periods differ from fiscal year.			
(2) Grants are on monthly reimbursement basis; subsequently billed			
Debt Service Fund	3,149,497	2,580,466	82%
(3) This fund has activity in February, May (interest and principal payments), and August (interest only payment).			
Capital Projects Fund	2,000,000	142,058	7%
Trust and Agency Fund	0	3,187	0%
Choice Partners Fund (Enterprise Fund)	4,646,364	5,743,550	124%
Worker's Comp. Fund (Internal Service Fund)	300,000	147,856	49%
Facilities Fund (Internal Service Fund)	5,428,496	2,728,795	50%
Total as of the end of the month	\$105,920,330	\$70,027,514	66%

*Federal funding is the main source for special revenue grants. The \$29,827,104 Federal Program Revenues includes \$3,897,321 for Adult Education, \$5,895,209 for CASE, \$19,867,268 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
January		-	-
	Subtotal January	105,137,082	119,924,372
February		783,248	783,248
	Subtotal February	105,920,330	120,707,620
March		-	-
	Subtotal March	105,920,330	120,707,620

INTERIM FINANCIAL REPORT (unaudited)

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

EXPENDITURES

Budget to Actual at March 31, 2019

Fund	Budget	Encumbered/Spent	%
General Fund	\$57,395,481	\$27,655,332	52%
(1) Encumbrances as of the end of the month total.		\$ 1,956,315	Encumbrances
March is the end of the 7th month or approximately 58% of the fiscal year.			
Special Revenue Funds	37,137,782	15,265,754	54%
(2) Encumbrances as of the end of the month total.		4,869,943	Encumbrances
Most grant periods differ from the fiscal year.			
Debt Service Fund	3,149,497	2,580,466	82%
(3) This fund has activity in February, May (interest and principal			
Capital Projects Fund	12,500,000	605,584	5%
Trust and Agency Fund	0	3,060	0%
Choice Partners Fund (Enterprise Fund)	4,646,364	5,902,592	127%
Worker's Comp. Fund (Internal Service Fund)	450,000	312,798	70%
Facilities Fund (Internal Service Fund)	5,428,496	3,399,155	63%
Total as of the end of the month	\$120,707,620	\$62,550,999	52%

INTERIM FINANCIAL REPORT (unaudited)

FY 2018-19 Donations Report

All Funds as of March 31, 2019

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	500.00	18,886.43	19,386.43
March	-	8,663.83	8,663.83
April			-
May			-
June			-
July			-
August			-
2019 Total:	6,678.00	43,667.10	50,345.10
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 March 31, 2019

CENTER FOR GRANTS DEVELOPMENT ON BEHALF OF HCDE								
March 1 - March 31, 2019								
<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>
			HCDE	Head Start - Barrett Station	Trash Cans, Trash Bags, Bowls, Forks, Broom, Brush, Dust Pan		\$ 83.93	\$ 83.93
Limas	Ethelvina		HCDE	Head Start - Barrett Station	Classroom Supplies		\$ 74.00	\$ 74.00
		Riley Community Center	HCDE	Head Start - Barrett Station	Meeting Space		\$ 100.00	\$ 100.00
Smith	Tashauna		HCDE	Head Start - Barrett Station	Classroom Supplies		\$ 101.71	\$ 101.71
Tennard	Ashley		HCDE	Head Start - Fifth Ward	Girls Clothing		\$ 100.00	\$ 100.00
Garrett	Mary		HCDE	Head Start - Fonwood	Classroom Supplies		\$ 70.94	\$ 70.94
Ibarra	Lisset		HCDE	Head Start - Fonwood	Classroom Supplies		\$ 50.33	\$ 50.33
Skinner	Stefan	Good Shepherd Church	HCDE	Head Start - Fonwood	Classroom Supplies		\$ 94.80	\$ 94.80
		Assistance League of Houston	HCDE	Head Start - Pugh	Books		\$ 623.22	\$ 623.22
Simmons	Lawrence		HCDE	Head Start - Sheffield	Meeting Space-Gym		\$ 250.00	\$ 250.00
Singleton	Adrian		HCDE	Head Start - Tidwell	Classroom Supplies		\$ 124.90	\$ 124.90
Eberhard	Carrie	EAI Education	HCDE	TLC-Math	Sponsor of HCDE Math Leadership Meeting: Lunch and Merchandise		\$ 1,000.00	\$ 1,000.00
Perez	Pam	Glassell School of Art	HCDE	TLC-SAWA	Student Scholarships to Sttend Glassell School of Art		\$ 990.00	\$ 990.00
Hedge	Lisa	Texas Art Supply	HCDE	TLC-SAWA	Ten Student Scholarships		\$ 5,000.00	\$ 5,000.00
						\$ -	\$ 8,663.83	\$ 8,663.83
Legend: HCDE=Harris County Department of Education; SAWA=Scholastic Art and Writing Awards; TLC=Teaching and Learning Center								

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS COMPARATIVE ANALYSIS Fiscal

Year –To-Date at March 31, 2019

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	January	February	March
	ADOPTED TAX RATE	ADOPTED TAX RATE	ADOPTED TAX RATE	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	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	\$ 447,709,696,992	\$ 448,229,275,195	\$ 448,050,463,110
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	2,835,867,379	1,382,080,609	1,011,894,807
	449,694,486,448	450,706,848,116	451,314,224,548	451,195,560,782	450,784,539,576	450,545,564,371	449,611,355,804	449,062,357,917
/ Rate per Taxable \$100	4,496,944,864	4,507,068,481	4,513,142,245	4,511,955,608	4,507,845,396	4,505,455,644	4,496,113,558	4,490,623,579
X Tax Rate	23,339,144	23,391,685	23,423,208	23,417,050	23,395,718	23,383,315	23,334,829	23,306,336
Estimated collection rate	99.88%	99.88%	99.88%	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	23,354,156	23,305,731	23,277,273
+Delinquent Tax Collections	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
+Special Assessments	15,000	15,000	15,000	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	23,519,156	23,470,731	23,442,273
Net Gain or Loss on values	\$ -	\$ 52,476	\$ 83,960	\$ (268,638)	\$ 56,503	\$ 44,116	\$ (4,309)	\$ (32,767)

\$449B

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS Fiscal Year-To-Date at March 31, 2019 (7th 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	\$448,050,463,110	\$448,050,463,110	\$448,050,463,110
PLUS: Uncertified Roll Summary Report:			
Scenario (1) Appraised value	1,882,214,260	-	-
Scenario (2) Owner's value	-	1,778,545,713	-
Scenario (3) Estimated final value	-	-	1,011,894,807
Total taxable value, Certified and Uncertified:	<u>\$449,932,677,370 (A)</u>	<u>\$449,829,008,823 (A)</u>	<u>\$449,062,357,917 (A)</u>
Calculate Interim Current Tax Revenue Estimate:			
1) (A) divided by 100	\$4,499,326,774 (B)	\$4,498,290,088 (B)	\$4,490,623,579 (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>\$23,351,506 (D)</u>	<u>\$23,346,126 (D)</u>	<u>\$23,306,336 (D)</u>
4) Interim Tax Rev Estimate @ 99.8753% Collection Rate:	<u>\$23,322,387 (E)</u>	<u>\$23,317,013 (E)</u>	<u>\$23,277,273 (E)</u>
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)	\$23,322,387 (E)	\$23,317,013 (E)	\$23,277,273 (E)
LESS: Tax Revenue, Currently Budgeted	<u>\$23,310,040 (F)</u>	<u>\$23,310,040 (F)</u>	<u>\$23,310,040 (F)</u>
Total Interim Current Tax Revenue Estimate Over/(Under) Current Tax Revenue, Currently Budgeted, (E) - (F):	<u>\$12,347</u>	<u>\$6,973</u>	<u>-\$32,767</u>
Total Current Tax Revenue Received, Accumulated from September 1 to March 31, 2019, 1999-571100**:	<u>\$22,459,840</u>	<u>\$22,459,840</u>	<u>\$22,459,840</u>

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS Fiscal Year-To-Date at March 31, 2019 (7th 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	\$ 378,987	\$ 22,459,480	\$ 850,560	96.4%
Delinquent Tax	150,000	5,990	(50,296)	200,296	-34%
Penalty & Interest	-	28,449	106,253	(106,253)	0%
Special Assessments and Miscellaneous	15,000	3,586	9,897	5,103	66%
Subtotal Revenues:	\$ 23,475,040	\$ 417,012	\$ 22,525,334	\$ 949,706	96.0%
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
EXPENDITURES:					
LESS: HCAD Fees	\$ 180,000	\$ 42,797	\$ 127,380	\$ 52,620	71%
LESS: HCTO Fees	475,000	-	458,226	16,774	96%
Subtotal Expenditures:	\$ 655,000	\$ 42,797	\$ 585,606	\$ 69,394	89%
Net Tax Collections:	\$ 22,820,040	\$ 374,215	\$ 21,939,728	\$ 880,312	96.1%

- 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

March 31, 2019

DESCRIPTION	DISBURSEMENTS	AMOUNT
All Funds	451 Checks	\$1,158,168
P Card - February 2019	611 Transactions	\$92,878
Bank ACH	6 Transfers	\$1,621,341
	Total:	\$2,872,387

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 March 31, 2019

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	159,576	170,387	359,813	(29,850)	-125%	(200,237)
Records Management	910,306	53,432	1,258,698	(294,960)	-38%	(348,392)
School Based Therapy Services	5,538,409	598,238	6,183,429	(46,782)	-12%	(645,020)
Schools	7,776,229	869,448	7,233,655	1,412,022	7%	542,574
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)	5,743,550	1,347,028	4,396,522	77%	4,396,522	

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

April 17, 2019
Board Meeting
(unaudited)

Amendments

General Fund= \$31,596

Special Revenue Fund Fund= \$1,173,036

INTERIM FINANCIAL REPORT (unaudited)

FY 2018-19 BUDGET AMENDMENT REPORT

April 17, 2019

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 (1999) Budget Manager (922) CASE budget in the amount of \$25,000 to reflect the actual amount received from the United Way of Greater Houston.	25,000	25,000		
Increase revenues & expenditures in the General Fund (1999) Budget Manager (501) Special Schools Administration budget in the amount of \$6,596 to reflect additional revenue amount received from Channelview ISD.	6,596	6,596		
<u>DECREASES</u>				
Total GENERAL FUND:	31,596	31,596	-	\$ -

INTERIM FINANCIAL REPORT (unaudited)

FY 2018-19 BUDGET AMENDMENT REPORT

April 17, 2019

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 (2869) Budget Manager (313) Teaching and Learning Center TCDD Non-Poverty grant budget in the amount of \$7,500 to reflect the new grant amount.	7,500	7,500		
Increase revenues & expenditures in the Special Revenue Fund (4919) Budget Manager (005) Center for Safe and Secure Schools STOP School Violence In-Kind budget in the amount of \$49,608 to reflect the non-federal share amount for the first year of the grant.	49,608	49,608		
Increase revenues & expenditures in the Special Revenue Fund (2059) Head Start Program Operations budget in the amount of \$198,161 to reflect the additional amounts received for Cost of Living Adjustment.	198,161	198,161		
Increase revenues & expenditures in the Special Revenue Fund (4799) Head Start In-Kind budget in the amount of \$55,162 to reflect the non-federal share amount. Additional in-kind is required for the cost of living adjustment grant.	55,162	55,162		
Increase revenues & expenditures in the Special Revenue Fund (4798) Head Start In-Kind budget in the amount of \$862,605 to reflect additional non-federal share amount.	862,605	862,605		
DECREASES				
Total SPECIAL REVENUE FUND:	1,173,036	1,173,036	- \$	-

Construction PFC Update

March 31, 2019



Click below for a 1 minute Briefing:

<https://www.showme.com/sh?h=adad3qq>

Prepared by: Business Support Services Division

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 March 2019 PFC Bond Series Funds

RECAP:

EXPENDITURES BY MONTH

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
June 14, 2018 CRE8, Inc. Payment		201,857.74
October 4, 2018 HCDE Legal Fees		8,360.00
October 4, 2018 Wright National Flood		1,184.00
October 24, 2018 HTS, Inc. Consultants		8,832.00
October 26, 2018 Doucet and Associates		2,000.00
December 19, 2018 CRE8, Inc. Payment		112,907.85
December 19, 2018 Houston Chronicle Payment		631.82
December 19, 2018 HCDE Legal Fees		829.38
February 7, 2019 LoneStar Documentation		5,450.00
February 7, 2019 Doucet & Associates		1,200.00
March 6, 2019 HCDE Legal Fees		225.00
March 7, 2019 CRE8, Inc. Payment		43,034.00
TOTAL As of March 31, 2019	\$	1,670,289.00

A & E Services = architectural & engineering

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)		231,541.85
Insurance Expenditures		1,184.00
Legal Fees		9,414.38
Notice Requirement		631.82
Easement Descriptions		1,200.00
Technology Purchases		5,450.00
	\$	1,670,289.00
	\$	1,670,289.00

AVAILABLE PFC FUNDS

Available Funds from Closing Date:		11,029,134
	Closing Costs	(218,061.80)
	Year to date Expenditures	(1,452,227.20)
Total		9,358,845.00
	Sept 2018 Interest	17,567.71
	Oct 2018 Interest	19,435.43
	Nov 2018 Interest	19,352.53
	Dec 2018 Interest	20,700.71
	Jan 2019 Interest	21,535.77
	Feb 2019 Interest	19,672.22
	Mar 2019 Interest	23,367.29
	Available funds as of March 2019	\$ 10,470,669.62
	Available funds from previous PFC Rev Bonds	220,664.06

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

Total Available funds -Invested

10,691,334

Available Funds and Arbitrage

ABS West PFC Project

Available at March 31, 2019 **\$ 10,691,334**

Drawdown		Contract Amount	Payments	Outstanding	Obligated
	Earnest Money Contract	5,000.00	5,000.00		
	Land Purchase	949,765.41	949,765.41		
	Closing Costs	234,161.80	234,161.80		

Drawdown 1, 4, 9, 15	Architect Contract (\$8.4M x 6%)	\$	504,000	\$	418,714	85,286
	Additional due to project size		60,000			60,000
Drawdown 1, 4)ate of disbursemen	Misc Architect Reimbursements		14,686	14,686		-
2	Gradient Group LLC	Traffic Engineering	11,440	600		10,840
3	Duscet and Associates	Surveying Services	18,650	18,650		-
5	HCDE Legal fees - architect contract- AIA	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	Included Architect Contract- Cre 8					
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 Services	MEP Services	12,189			12,189
	Phonoscope Lightwave	Wiring infrastructure	21,574			21,574
12	Muti Vista	Construction Documentati	25,855	5,450		20,405
13	Duscet and Associates	Easement Descriptions	1,200	1,200		-
14	HCDE	Legal Fees	225	225		
15	Included Architect Contract- Cre 8					
	Webber Construction Contract	construction	\$ 8,916,000			
16	Webber Construction	Construction	-		146,918	8,729,809
17	Webber Construction	Construction	-		39,273	
			\$ 10,862,911	\$ 1,670,289	\$ 186,191	\$ 9,006,431

Amount available for Furniture, equipment and contingency \$ 1,684,903

Available Funds and Arbitrage

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%.



Restricted interest by month	29,441.00
Arbitrage Calculation cost	10,000

interest earned by month

	Interest Earnings	Under @ 1.68 rate	@ current rate
till aug 31 2017	30,629.17	30,629.17	
Sep-17	9,117.61	9,117.61	
Oct-17	9,478.02	9,478.02	
Nov-17	9,349.25	9,349.25	
Dec-17	10,825.37	10,825.37	
Jan-18	11,968.62	11,968.62	
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	15,069.29	2,063.06
Aug-18	17,443.42	15,183.91	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
Jan-19	21,535.77	18,090.05	3,445.72
Feb-19	19,672.22	16,524.66	3,147.56
Mar-19	23,367.29	19,628.52	3,738.77
Interest Earned	329,373.07	299,932.07	29,441.00

ABC Project Timeline

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
March-19	Building Permit Issued March 22, 2019	
March-19	Notice to Proceed March 26, 2019	
	Date of Substantial Completion Oct 18, 2019	
Oct-19	Construction Period- 11 to 14 months est.	

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

