

Financial Highlights

as of September 30, 2019



HIGHLIGHTS of INTERIM FINANCIAL REPORT (unaudited) September 30, 2019

and

BUDGET AMENDMENT REPORT for the October 16, 2019 Board Meeting

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Prepared by: Business Support Services Division

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INTERIM FINANCIAL REPORT (unaudited)

GENERAL FUND

Balance Sheet as of September 30, 2019

	ACTUAL
<u>ASSETS</u>	
Cash and Temporary Investments	\$ 30,550,538
Property Taxes-Delinquent at September 1, 2019	843,570
Less: Allowances for Uncollectible Taxes	(16,871)
Due from Federal Agencies	4,629
Other Receivables	1,169,447
Inventories	146,752
Deferred Expenditures	-
Other Prepaid Items	37,856
TOTAL ASSETS:	\$ 32,735,921
<u>LIABILITIES</u>	
Accounts Payable	11,339
Bond Interest Payable	-
Due to Other Funds	-
Accrued Wages	-
Payroll Deductions	1,116,573
Due to Other Governments	2,146
Deferred Revenue	838,028
TOTAL LIABILITIES:	\$ 1,968,087
<u>FUND EQUITY</u>	
Unassigned Fund Balance	21,100,910
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	(1,975,486)
Over(Under) Expenditures & Other Uses	
TOTAL FUND EQUITY:	\$ 30,767,834
Fund Balance Appropriated Year-To-Date	-
TOTAL LIABILITIES, FUND EQUITY, AND FUND BALANCE APPROPRIATED TO DATE:	\$ 32,735,921

INTERIM FINANCIAL REPORT (unaudited)

ASST. SUPERINTENDENT FOR BUSINESS SERVICES' MESSAGE

As of September 30, 2019

The **ESTIMATED** General Fund balance at 09/30/2019 is \$29,412,165 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 2020.

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	-	17,769,755	\$ 17,769,755
Total Fund Balance	\$ 29,412,165	\$ -	\$29,412,165	\$ 29,412,165

Excess (Deficiency) of CURRENT Revenues and Other Resources (From 9/1/2018 to Date)

\$ 1,355,669

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

\$ 30,767,834

INTERIM FINANCIAL REPORT (unaudited)

As of September 30, 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 September 30, 2019

Indicators of Financial Strength

Percent of Fund Balance to G/F

Expenditures Ratio

What is the percent of rainy fund balance?

(*)Unadjusted

Unassigned Fund Balance \$ 21,100,910

Total G/F Expenditures \$ 3,166,437

Goal : > 30% of G/F Exp.
Benchmark: 10% to 29%
Danger: Under 10%

667% FY20

569% FY19

Details on Schedule 3

Budgeted
30%

Working Capital Ratio

What is the cash flow availability for
the organization?

Total Current Assets Less Total Current
Liabilities

\$32,735,921 - 1,968,087 = \$30,767,835

Goal : >\$15,000,000
Benchmark : \$10M to \$15M
Danger : Under < \$10M

31M FY20

29M FY19

Details on Schedule 1

Budgeted
33M

INTERIM FINANCIAL REPORT (unaudited)

As of September 30, 2019

Indicators of Efficient Leverage Reserves

Unassigned Fund Balance Ratio

How much is available in reserves?

Unassigned Fund Balance	\$ 21,100,910
-----	-----
Total Fund Balance	\$ 30,767,834

Goal : > 75%
Benchmark: 50% to 75%
Danger: <50%

69% FY20

57% FY19

Details on Schedule 1

Budgeted
87%

Debt to Income Ratio

What is the ability of HCDE to cover its debt payments?

Annual Principal and Interest Payments on
Term Debt and Capital Leases

\$0

G/F Revenue Less Facility Charges
\$1,190,951 – 221,585

Goal : <25% of annual revenue
Benchmark : 25% to <49%
Danger : Over > 50%

0% FY20

0% FY19

Details on Schedule 5

Budgeted
6%

INTERIM FINANCIAL REPORT (unaudited)

As of September 30, 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	\$ 328	Indirect Cost General Fund	\$ 0
-----	-----	-----	-----
Total Revenue	\$ 2,037,064	Total General Fund Revenues	\$ 1,190,951
Goal :	<20% of revenue	Goal :	> 5%
Benchmark:	20% to 30%	Benchmark:	2% to 5%
Danger:	Over > 30%	Danger:	Under < 2%
0% FY20		0% FY20	
0% FY19		0% FY19	
Details on Schedule 2		Details on Schedule 3	
Budgeted 41%		Budgeted 3%	

INTERIM FINANCIAL REPORT (unaudited)

As of September 30, 2019

Indicators of Revenue Growth

Fee for Service Revenue Ratio

How are revenues spread across All Funds?

Total Fee for Service Revenues (G/F) **\$555,781**

Total Revenues **\$2,036,994**

Goal : >30% of annual revenue
Benchmark: 10% to 29%
Danger: Under 10%

27% FY20

29% FY19

Details on Schedule 14

Budgeted
44%

Fee for Service Revenue Growth Ratio

What is the market growth for fee on services?

Fee for Services Current Year Less Fee for Services Last Year

\$555,781 – 704,228

Fees for Service Last Year **\$704,228**

Goal : >3% + growth
Benchmark : 0% to 3%
Danger : Under < 0%

-21% FY20

29% FY19

Details on Schedule 14

Budgeted
4%

FUND BALANCE CATEGORY	Sept 1, 2018 Beginning Audited	September	October	November- 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		-	-	17,769,755
Total Est. Fund Balance:	29,412,165	-	-	-	29,412,165

FY 2019-20 FUND BALANCE – BUDGETED ACTIVITY

INTERIM FINANCIAL REPORT (unaudited)

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

REVENUES

Budget to Actual at September 30, 2019

**Federal funding is the main source for special revenue grants. The \$32,674,325 Federal Program Revenues includes \$6,942,935 for Adult Education, \$5,898,507 for CASE, \$19,665,709 for Head Start, and \$167,174 for various other divisions.

Fund	Budget	Received/Billed	%
General Fund	\$55,224,065	\$1,190,951	2%
September is the end of the 1st month or approximately 8% of the fiscal year.			
(1) This amount includes accounts receivable billed.			
Special Revenue Funds	40,574,295	563	0%
Most grant periods differ from fiscal year.			
(2) Grants are on monthly reimbursement basis; subsequently billed			
Debt Service Fund	2,917,611	0	0%
(3) This fund has activity in February, May (interest and principal payments), and August (interest only payment).			
Capital Projects Fund	3,796,869	14,684	0%
Trust and Agency Fund	0	0	0%
Choice Partners Fund (Enterprise Fund)	4,907,948	588,898	12%
Worker's Comp. Fund (Internal Service Fund)	450,000	20,384	5%
Facilities Fund (Internal Service Fund)	5,135,951	221,585	4%
Total as of the end of the month	\$113,006,739	\$2,037,066	2%

ADOPTED BUDGETS AND AMENDMENTS

2019-2020

		Revenues Adopted Budget	Appropriations Adopted Budget
	Budget	112,907,418	128,418,154
September		99,321	99,321
	Subtotal-September	113,006,739	128,517,475
October			
	Subtotal October	113,006,739	128,517,475
November			
	Subtotal November	113,006,739	128,517,475
December			
	Subtotal December	113,006,739	128,517,475
January			
	Subtotal January	113,006,739	128,517,475

INTERIM FINANCIAL REPORT (unaudited)

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

EXPENDITURES

Budget to Actual at September 30, 2019

Fund	Budget	Encumbered/Spent	%
General Fund	\$60,114,801	\$3,166,437	8%
(1) Encumbrances as of the end of the month total.		\$ 1,818,908	Encumbrances
September is the end of the 1st month or approximately 8% of the fiscal year.			
Special Revenue Funds	40,574,295	1,412,732	8%
(2) Encumbrances as of the end of the month total.		1,687,229	Encumbrances
Most grant periods differ from the fiscal year.			
Debt Service Fund	2,917,611	0	0%
(3) This fund has activity in February, May (interest and principal			
Capital Projects Fund	14,416,869	1,307,803	9%
Trust and Agency Fund	0	0	0%
Choice Partners Fund (Enterprise Fund)	4,907,948	837,755	17%
Worker's Comp. Fund (Internal Service Fund)	450,000	754	0%
Facilities Fund (Internal Service Fund)	5,135,951	570,420	11%
Total as of the end of the month	\$128,517,475	\$10,802,037	8%

INTERIM FINANCIAL REPORT (unaudited)

FY 2019-20 Donations Report

All Funds as of September 30, 2019

Month 2019-2020	CASH	IN-KIND	TOTAL
September	2,500.00	-	2,500.00
October			
November			
December			
January			
February			
March			
April			
May			
June			
July			
August			
2020 Total:	2,500.00	-	2,500.00
2019 YTD Total:	7,678.00	95,540.26	103,218.26

INTERIM FINANCIAL REPORT (unaudited)

FY 2019-20 Donations Report

All Funds as of September 30, 2019

CENTER FOR GRANTS DEVELOPMENT ON BEHALF OF HCDE DIVISIONS								
September 1 - 30, 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>
Rawlinson-Maynard	Gayla	HCDE		Teaching and Learning Center	Scholastic Art and Writing Awards Student Travel Scholarships	\$ 120.00		\$ 120.00
Allen	Rebecca	HCDE		School-based Therapy Services	Employee Giving Fund: Unrestricted	\$ 50.00		\$ 50.00
		HCDE		School-based Therapy Services	Employee Giving Fund: Unrestricted	\$ 20.00		\$ 20.00
Guthrie	Catherine	HCDE		School-based Therapy Services	Employee Giving Fund: Unrestricted	\$ 150.00		\$ 150.00
Matthews	Belinda	HCDE		School-based Therapy Services	Employee Giving Fund: Unrestricted	\$ 10.00		\$ 10.00
		HCDE		Schools	Employee Giving Fund: Unrestricted	\$ 120.00		\$ 120.00
Drury	Jeffrey A.	HCDE		Adult Education; Head Start	Employee Giving Fund: Unrestricted	\$ 480.00		\$ 480.00
		HCDE		Adult Education	Employee Giving Fund: Unrestricted	\$ 50.00		\$ 50.00
LENSEC/Harris	Keith	HCDE		Center for Safe and Secure	School Safety Forum	\$750.00		\$ 750.00
Premier Wireless/ Bogle	Lea	HCDE		Center for Safe and Secure	School Safety Forum	\$750.00		\$ 750.00
						\$ -		\$ 2,500.00

Harris County Department of Education

Comparitive Analysis of Property Values

	Adopted	September
	ADOPTED TAX RATE	ADOPTED TAX RATE
Proposed Collections Tax Year 2019	0.005000	0.005000
Certified Taxable Value per HCAD (\$000)	427,549,758,437	459,843,013,048
Values under protest or not certified (\$000)	55,586,576,260	24,271,287,649
	483,136,334,697	484,114,300,697
/ Rate per Taxable \$100	4,831,363,347	4,841,143,007
X Tax Rate	24,156,817	24,205,715
Estimated collection rate	99.88%	99.88%
X Estimated Collection Rate	24,126,693	24,175,531
+Delinquent Tax Collections	150,000	150,000
+Special Assessments	15,000	15,000
+ Penalty & Interest	-	-
Estimated Tax Available Operations:	\$ 24,291,693	\$ 24,340,531

Net Gain or Loss on values \$ - \$ 48,837

INTERIM FINANCIAL REPORT (unaudited) TAX COLLECTIONS COMPARATIVE ANALYSIS



Fiscal Year-To-Date at September 30, 2019

See Tax Calculator at →

<https://hcde-texas.org/transparency/tax-rate/>

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS Fiscal Year-To-Date at September 30, 2019 (1st month / 12 months)

HARRIS COUNTY DEPARTMENT OF EDUCATION			
Tax Year 2019 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	\$459,843,013,048	\$459,843,013,048	\$459,843,013,048
PLUS: Uncertified Roll Summary Report:			
Scenario (1) Appraised value	32,097,910,153	-	-
Scenario (2) Owner's value	-	31,101,131,053	-
Scenario (3) Estimated final value	-	-	24,271,287,649
Total taxable value, Certified and Uncertified:	<u>\$491,940,923,201 (A)</u>	<u>\$490,944,144,101 (A)</u>	<u>\$484,114,300,697 (A)</u>
			
Calculate Interim Current Tax Revenue Estimate:			
1) (A) divided by 100	\$4,919,409,232 (B)	\$4,909,441,441 (B)	\$4,841,143,007 (B)
2) Current Tax Rate	X 0.005 (C)	X 0.005 (C)	X 0.005 (C)
3) 2017 Interim Current Tax Revenue Estimate, at 100% Collection Rate, (B) X (C)	<u>\$24,597,046 (D)</u>	<u>\$24,547,207 (D)</u>	<u>\$24,205,715 (D)</u>
4) Interim Tax Rev Estimate @ 99.8753% Collection Rate:	<u>\$24,566,374 (E)</u>	<u>\$24,516,597 (E)</u>	<u>\$24,175,531 (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)	\$24,566,374 (E)	\$24,516,597 (E)	\$24,175,531 (E)
LESS: Tax Revenue, Currently Budgeted	<u>\$24,279,517 (F)</u>	<u>\$24,279,517 (F)</u>	<u>\$24,279,517 (F)</u>
Total Interim Current Tax Revenue Estimate Over/(Under)			
Current Tax Revenue, Currently Budgeted, (E) - (F):	<u>\$286,857</u>	<u>\$237,080</u>	<u>-\$103,986</u>
			
Total Current Tax Revenue Received, Accumulated from September 1 to September 30, 2019, 1990-571100	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS Fiscal Year-To-Date at September 30, 2019 (1st month / 12 month)

TAX YEAR 2019 COLLECTION SUMMARY					
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
REVENUES:					
Current Tax	\$24,279,517	\$ -	\$ -	\$ 24,279,517	0.0%
Deliquent Tax	150,000	40,506	40,506	109,494	27%
Penalty & Interest	-	9,615	9,615	(9,615)	0%
Special Assessments and Miscellaneous	15,000	328	328	14,672	2%
Subtotal Revenues:	\$24,444,517	\$ 50,448	\$ 50,448	\$ 24,394,069	0.2%
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
EXPENDITURES:					
LESS: HCAD Fees	\$ 185,000	\$ 42,791	\$ 42,791	\$ 142,209	23%
LESS: HCTO Fees	475,000	1,253	1,253	473,747	0%
Subtotal Expenditures	\$ 660,000	\$ 44,044	\$ 44,044	\$ 615,956	7%
Net Tax Collections:	\$23,784,517	\$ 6,404	\$ 6,404	\$ 23,778,113	0.0%

- a) 2019 Tax Rate = \$0.005000/\$100 Property Assessment/Appraisal - --> Annual Tax on a \$200,000 - \$40,000 = \$160,000/100 x .005000 = Residential Property = \$8.00 (net of 20% homestead exception.)
- b) \$655,000/\$23,475,040 = 2.78% Collection and assessment costs

INTERIM FINANCIAL REPORT (unaudited)

DISBURSEMENT – ALL FUNDS

September 30, 2019

DESCRIPTION	DISBURSEMENTS	AMOUNT
All Funds	69 Checks	\$247,271
P Card - August 2019	762 Transactions	\$130,198
Bank ACH	6 Transfers	\$1,663,326
	Total:	\$2,040,795

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 September 30, 2019

<u>GENERAL FUND - Governmental</u>						
<u>Budget Manager Title</u>	<u>Revenues</u>	<u>Tax Subsidy</u>	<u>Expenditure and Encumbrances</u>	<u>Includes Tax Subsidy Variance</u>	<u>W/o tax Benefit Ratio</u>	<u>Benefit Variance</u>
			<i>Includes Encumbrances</i>			
Educator Certification and Prof Adv	33,948	-	51,100	(17,152)	-51%	(17,152)
Records Management	381,682	-	206,443	175,239	46%	175,239
School Based Therapy Services	-	-	870,725	(870,725)	N/A	(870,725)
Schools	6,750	-	1,136,973	(1,130,223)	-16744%	(1,130,223)

<u>ENTERPRISE FUND-CHOICE PARTNERS COOPERATIVE</u>					
<u>Budget Manager Title</u>	<u>Revenues</u>	<u>Expenditure and Encumbrances</u>	<u>Transfer Out To General Fund</u>	<u>Benefit Ratio</u>	<u>Benefit Variance</u>
Choice Partners Cooperative (Enterprise)	588,898	396,548	192,350	33%	192,350

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

October 16, 2019
Board Meeting
(unaudited)

Amendments

General Revenue Fund = \$445,197

Special Revenue Fund = \$1,660,394

Capital Projects Fund = \$50,017

INTERIM FINANCIAL REPORT (unaudited)

FY 2019-20 BUDGET AMENDMENT REPORT

October 16, 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 (1990) Budget Manager (922) CASE to adjust placeholder amount to reflect the additional revenue received in excess of placeholder.	\$ 25,000	\$ 25,000	-	-
Increase expenditures in the General Fund (1990) of \$320,197 for the <u>roll forward</u> of open Purchase Orders. Business Support Services (BM 050), Department Wide (BM 098), and Technology Support Services (BM 090) were affected.	\$ -	\$ 320,197	-	(320,197)
Increase revenues & expenditures in the General Fund (1990) Budget Manager (005) CSSS for the addition of School Safety Audits.	\$ 100,000	\$ 100,000	-	-
<u>DECREASES</u>				
Total GENERAL FUND:	\$ 125,000	\$ 445,197	-	\$ (320,197)

INTERIM FINANCIAL REPORT (unaudited)

FY 2019-20 BUDGET AMENDMENT REPORT

October 16, 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 (2670) Budget Manager (922) CASE to adjust placeholder amount to reflect the actual grant award.	\$ 191,061	\$ 191,061	-	-
Increase revenues & expenditures in the Special Revenue Fund (2179) Budget Manager (190) Digital Education and Innovation to adjust budget amount to reflect the remaining grant balance.	\$ 7,714	\$ 7,714	-	-
Increase revenues & expenditures in the Special Revenue Fund (4980) Budget Manager (901) Head Start to reflect <u>rollover of</u> grant funds received in FY19 from the TEGNA Foundation.	\$ 30,040	\$ 30,040	-	-
Increase revenues & expenditures in the Special Revenue Fund (2070) Budget Manager (901) Head Start to reflect a <u>new</u> grant awarded by the US Department of Health and Human Services for support in the restoration of the Coolwood Head Start Center after Hurricane Harvey.	\$ 523,610	\$ 523,610	-	-

INTERIM FINANCIAL REPORT (unaudited)

FY 2019-20 BUDGET AMENDMENT REPORT

October 16, 2019

Special Revenue Fund Continued

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 (2300) Budget Manager (201) Adult Education to reflect rollover of grant funds received in FY19 from the Houston-Galveston Area Council.	\$ 766,342	\$ 766,342	-	-
Increase revenues & expenditures in the Special Revenue Fund (2340) Budget Manager (201) Adult Education to reflect rollover of grant funds received in FY19 from the Houston-Galveston Area Council.	\$ 207,419	\$ 207,419	-	-
DECREASES				
Decrease revenues & expenditures in the Special Revenue Fund (2670) Budget Manager (922) CASE to adjust placeholder amount to reflect the actual grant award.	\$ (65,792)	\$ (65,792)	-	-
Total SPECIAL REVENUE FUND:	\$ 1,660,394	\$ 1,660,394	-	\$ -

INTERIM FINANCIAL REPORT (unaudited)

FY 2019-20 BUDGET AMENDMENT REPORT

October 16, 2019

Capital Projects Fund

Budget Rationale	Changes to Revenues	Changes to Appropriations	Changes Impacting F/Bal	Total Net Change
CAPITAL PROJECTS FUND				
<u>INCREASES</u>				
Increase expenditures in the Capital Projects Fund (6950) of \$50,017 for the <u>roll forward</u> of open Purchase Orders for Fortis Academy (BM 800).	\$ -	\$ 50,017	-	(50,017)
<u>DECREASES</u>				
Total GENERAL FUND:	<u>\$ -</u>	<u>\$ 50,017</u>	<u>-</u>	<u>\$ (50,017)</u>

Construction PFC Update

September 30, 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	<u>\$ 10,811,072.20</u>

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:			<u>\$ 218,061.80</u>

Value...Opportunity...Service

\$225,000
Budgeted

Available September 2019 PFC Bond Series Funds

RECAP:	EXPENDITURES BY MONTH	EXPENDITURES BY TYPE
	October 24, 2016 Land Purchase 949,765.41	Purchaser's Counsel and MAC Fees \$ 16,100.00
	November 2, 2016 Closing Costs 234,161.80	Land Purchase Costs 949,765.41
	February 14, 2018 CRE8, Inc. Payment 75,600.00	Bond issuance Costs 218,061.80
	March 7, 2018 Gradient Group Payment 600.00	Building Construction/Renovation 3,287,221.00
	March 7, 2018 D&A Payment 18,650.00	Building Design & Architect Fees 451,569.40
	June 14, 2018 CRE8, Inc. Payment 201,857.74	Legal Fees 10,978.38
	October 4, 2018 HCDE Legal Fees 8,360.00	Bid Advertisements 631.82
	October 4, 2018 Wright National Flood 1,184.00	Project Documentation 8,915.00
	October 24, 2018 HTS, Inc. Consultants 8,832.00	Surveys and Investigations 56,909.90
	October 26, 2018 Doucet and Associates 2,000.00	Permits and Fees 23,418.51
	December 19, 2018 CRE8, Inc. Payment 112,907.85	CNP- Installation 10,590.00
	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 43,034.27	
	April 11, 2019 Webber Construction 154,651.00	
	April 11, 2019 Webber Construction 41,340.00	
	May 2, 2019 LoneStar Documentation 3,465.00	
	May 10, 2019 Webber Construction 69,240.00	
	May 23, 2019 Webber Construction 513,600.00	
	City of Houston Water/Waste Connection 11,413.19	
	June 5, 2019 LoneStar Documentation 1,590.00	
	June 5, 2019 CRE8, Inc. Payment 18,169.54	
	June 5, 2019 LoneStar Documentation 2,090.00	
	June 11, 2019 Webber Construction 324,328.00	
	June 11, 2019 HCDE Legal Fees 10,221.32	
	July 10, 2019 LoneStar Documentation 1,590.00	
	July 10, 2019 Webber Construction 210,472.00	
	July 18, 2019 HTS, Inc Consultants 25,009.00	
	July 31, 2019 Rice & Gardner 1,218.90	
	July 31, 2019 LoneStar Documentation 1,590.00	
	August 28, 2019 Webber Construction 859,883.00	
	August 29, 2019 HCDE 9,000.00	
	August 29, 2019 HCDE 1,564.00	
	September 9, 2019 Lonestar Documentation LLC- Mu 1,590.00	
	September 30, 2019 Webber Construction 1,106,847.00	
	TOTAL As of September 30, 2019 \$ 5,034,161.22	\$ 5,034,161.22

Available Funds and Arbitrage

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	47,169.48
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	15,937.11	13,944.97	1,992.14
Jul-18	17,083.43	15,026.26	2,057.17
Aug-18	17,468.12	15,205.41	2,262.71
Sep-18	17,546.00	14,738.64	2,807.36
Oct-18	19,460.16	16,346.53	3,113.63
Nov-18	19,383.15	16,281.85	3,101.30
Dec-18	20,729.43	17,412.72	3,316.71
Jan-19	21,489.39	18,051.09	3,438.30
Feb-19	19,618.76	16,479.76	3,139.00
Mar-19	22,306.01	18,737.05	3,568.96
Apr-19	21,042.25	17,675.49	3,366.76
May-19	20,974.60	17,618.66	3,355.94
Jun-19	19,044.62	15,997.48	3,047.14
Jul-19	19,176.95	16,108.64	3,068.31
Aug-19	17,145.78	14,402.46	2,743.32
Sep-19	14,595.85	12,260.51	2,335.34
Interest Earned	440,151.21	392,981.73	47,169.48

HCDE Public Facility Corporation
Cash Balance-Project Acquisition Account
As of September 30, 2019 (Unaudited)

	<u>Amounts</u>
<u>Assets:</u>	
Cash/Bank of Texas 2016 Payment Account	\$ 917.32
Cash/Bank of Texas 2016 Redemption Account	12.41
Cash/Bank of Texas 2016 Project Account	54,901.23
Cash/Texpool Investment Pool-PFC	7,510,820.45
Total Assets	<u>7,566,651.41</u>
<u>Liabilities:</u>	
Accounts Payable	1,564.13
Bond Interest Payable	-
Retainage-Webber Construction Contract	164,018.00
Total Liabilities	<u>165,582.13</u>
 Total Equity Balance @ 09-30-19	 <u>\$ 7,401,069.28</u>
 ** Note 1:	
Total Assets from Cash BOK 2016	7,566,651.41
Total Assets from Cash BOK 2015	31,192.76
Total Assets from Cash BOK 2014	2,826.82
	<u>7,600,670.99</u>

**PFC Cash Balance – Project
Acquisition Account
As of September 30, 2019**

HCDE PFC Project to Date Payment Log As of September 30, 2019 (Unaudited)

REQ #	DATE PAID	PFC Draw	VENDOR	GROSS AMT	RETAINAGE	NET AMT	PURPOSE	PROJECT
JE 20170491	10/24/16		Record Land Purchase	\$ 949,765	\$ -	\$ 949,765	Purchase of Land for ABS West	ABS West
JE 20170952	12/6/2016		Bond Sale Fees Various	\$ 234,162	-	\$ 234,162	Bond Sale Fees	Bond Sale
JE 20181571	03/22/18	1	CRE8 Check 0266856	\$ 75,600	-	\$ 75,600	Architect Fees	ABS West
JE 20181702	04/04/18	2	Gradient Pmt Ck 0270914	\$ 600	-	\$ 600	Preparation Fees	ABS West
JE 20181704	04/04/18	3	Doucet & Assoc Ck 0270913	\$ 18,650	-	\$ 18,650	Boundary & Design Surveys	ABS West
JE 20182500	07/03/18	4	CRE8 Ck 0292562	\$ 201,858	-	\$ 201,858	Architect Fees	ABS West
JE 20190535	11/06/18	5	Karezewski-Bradford-Spalding	\$ 8,360	-	\$ 8,360	Review of AIA	ABS West
JE 20190535	11/06/18	6	Wright Natl Flood Insurance	\$ 1,184	-	\$ 1,184	Flood Insurance	ABS West
JE 20190537	11/06/18	7	HTS Consultants-Ck 0317551	\$ 8,832	-	\$ 8,832	Geotech Investigation	ABS West
JE 20190539	11/06/18	8	Doucet & Assoc Ck 0318110	\$ 2,000	-	\$ 2,000	Elevation Certificate	ABS West
JE 20190977	01/08/19	9	CRE8 Architects Ck 0327514	\$ 112,908	-	\$ 112,908	Architect Fees	ABS West
JE 20190978	01/08/19	11	Karezewski-Bradford-Spalding	\$ 829	-	\$ 829	Consultation of CPS Bid Process	ABS West
JE 20190979	01/08/19	10	Houston Chron Ck 0327513	\$ 632		\$ 632	Legal Required Advertisement	ABS West
JE 20191524	03/04/19	12	Lonestar Docu LLC	\$ 5,450	-	\$ 5,450	Web Camera w/Control Unit Purchase	ABS West
JE 20190524	03/04/19	13	Doucet & Assoc Ck 0336134	\$ 1,200	-	\$ 1,200	Easement Descriptions	ABS West
Ck 144192	03/01/19	16	City of Houston	\$ 11,413	-	\$ 11,413	Water/Waste Connected	ABS West
JE 20191790	03/27/19	14	Karezewski-Bradford-Spalding	\$ 225	-	\$ 225	Review of AIA Documents	ABS West
JE 20191790	03/27/19	15	CRE8 Architects Ck 0340605	\$ 43,034	-	\$ 43,034	Architect Fees	ABS West
JE 20192180	05/02/19	17	Webber Const	\$ 154,651	(7,733)	\$ 146,918	CIP Pmt #1	ABS West
JE 20192180	05/02/19	18	Webber Const	\$ 41,340	(2,067)	\$ 39,273	CIP Pmt #2	ABS West
						\$ 186,191	May Total Payments	

HCDE PFC Project to Date Payment Log Continued....
As of September 30, 2019 (Unaudited)

REQ #	DATE PAID	PFC Draw	VENDOR	GROSS AMT	RETAINAGE	NET AMT	PURPOSE	PROJECT
JE 20192430	06/02/19	19	Lonestar Documentation LLC-Multivista	\$ 3,465	-	\$ 3,465	Project Set Up & Plan Review	ABS West
JE 20192430	06/02/19	20	Webber Const	\$ 69,240	(3,462)	\$ 65,778	CIP Pmt #3	ABS West
JE 20192430	06/02/19	21	Webber Const	\$ 513,600	(25,680)	\$ 487,920	CIP Pmt #4	ABS West
JE 20192701	06/10/19	22	Lonestar Documentation LLC-Multivista	\$ 1,590	-	\$ 1,590	Monthly Camera Hosting Services	ABS West
JE 20192701	06/10/19	23	CRE8 Architects Ck 0357936	\$ 18,170	-	\$ 18,170	Construction Documents, Contract Admin &	ABS West
JE 20192701	06/10/19	24	Lonestar Documentation LLC-Multivista	\$ 2,090		\$ 2,090	Payment of WebCam Installation	ABS West
JE 20192729	06/13/19	25	Webber Const	\$ 324,328	(16,216)	\$ 308,112	CIP Pmt #5	ABS West
JE 20192701	06/13/19	26	Karezewski-Bradford-Spalding	\$ 10,221	-	\$ 10,221	Legal Fees	ABS West
						\$ 861,810	June Total Payments	
JE 20192786	07/01/19	27	Lonestar Documentation LLC-Multivista	\$ 1,590		\$ 1,590	Web Camera w/Control Unit Purchase	ABS West
JE 20192788	07/08/19	28	Webber Const	\$ 210,472	(10,524)	\$ 199,948	CIP Pmt #6	ABS West
JE 20192909	07/16/19	29	HTS, Inc. Consultants	\$ 25,009		\$ 25,009	Technician Labor and Rental Fees	ABS West
JE 20192999	07/29/19	30	Rice and Gardner	\$ 1,219		\$ 1,219	Commissioning Services	ABS West
JE 20193002	07/30/19	31	Lonestar Documentation LLC-Multivista	\$ 1,590		\$ 1,590	Monthly Camera Hosting Services	ABS West
						\$ 199,948	July Total Payments	
JE20193261	08/28/19	32	Webber Const	\$ 859,883	(42,994)	\$ 816,889	CIP Pmt #7	ABS West
JE20193262	08/29/19	33	HCDE	\$ 9,000		\$ 9,000	CNP Standard Installation	ABS West
JE20193379	08/30/19	37	HCDE	\$ 1,564		\$ 1,564	Legal fees	
						\$ 827,453	August Total Payments	
JE20200217	09/30/19	35	Lonestar Documentation LLC - Mutlitivista	\$ 1,590		\$ 1,590		
JE20200215	09/30/19	36	Webber Const	\$ 1,106,847	(55,342.00)	\$ 1,051,505	CIP Pmt #8	ABS West
						\$ 1,053,095	September Total Payments	

Total Disbursements to Date: \$ 5,034,161 \$ (164,018) \$ 4,870,143

PFC Project-to-Date Income Statement

As of September 30, 2019

Project-to-Date Income Statement
Period ending September 30, 2019 (Unaudited)

	Budget Original (a)	Actual Expenditures				(f)	Remaining Funds Available (a) - (f)
		FY 2017 (b)	FY 2018 (c)	FY 2019 (d)	As of September 30th FY 2020 (e)	Project-to-Date (b) + (c) + (d) + (e) = (f)	
Revenues							
Sale of Bonds	\$ 12,000,000	\$ 11,994,999.41	\$ -	\$ -	\$ -	\$ 11,994,999.41	\$ (5,000.59)
Int Earned-Texpool	-	28,152.97	153,300.33	236,528.39	14,499.77	432,481.46	432,481.46
Interest Earned-Bank of Texas	-	2,476.19	3,708.76	1,468.73	96.08	7,749.76	7,749.76
Total Revenues:	12,000,000	12,025,628.57	157,009.09	237,997.12	14,595.85	12,435,230.63	435,230.63
Expenditures							
Bond Sale Fees	234,162	234,161.80	-	-	-	234,161.80	0.20
ABS West Project							
Land Purchase	949,766	949,765.41	-	-	-	949,765.41	0.59
Legal Fees	19,636	-	-	21,199.83	-	21,199.83	(1,563.83)
Liability Ins Premiums	1,184	-	-	1,184.00	-	1,184.00	-
Bid Advertisements	632	-	-	631.82	-	631.82	0.18
Permits & Fees	36,651	-	600.00	11,413.19	-	12,013.19	24,638.00
Surveys & Investigations	29,482	-	18,650.00	-	-	18,650.00	10,832.00
Testing	66,322	-	-	-	-	-	66,322.00
Wiring Infrastructure	21,574	-	-	-	-	-	21,574.00
Building Design & Architect Fees	578,686	-	277,457.74	174,111.66	-	451,569.40	127,116.60
Technology Equipment	12,310	-	-	12,310.00	1,590.00	13,900.00	(1,590.00)
MEP Services	12,189	-	-	-	-	-	12,189.00
Contingency	1,119,266	-	-	-	-	-	1,119,265.81
Building Construction/Renovation	8,918,140	-	-	2,224,238.90	1,106,847.00	3,331,085.90	5,587,054.10
Total ABS West Project	11,765,838	949,765.41	296,707.74	2,445,089.40	1,108,437.00	4,799,999.55	6,965,838.45
Total Expenditures:	12,000,000	1,183,927.21	296,707.74	2,445,089.40	1,108,437.00	5,034,161.35	6,965,838.65
Excess Revenues over Expenditures:	\$ -	\$ 10,841,701.36	\$ (139,698.65)	\$ (2,207,092.28)	\$ (1,093,841.15)	\$ 7,401,069.28	\$ 7,401,069.28
Fund Balance-Beginning Estimated:			10,841,701.36	10,702,002.71	8,494,910.43		
Fund Balance-Ending Estimated:			\$ 10,702,002.71	\$ 8,494,910.43	\$ 7,401,069.28		

Note: Fiscal year begins Sept. 1st and ends Aug. 31st.

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
Mar-19	Building Permit Issued March 22, 2019	
Mar-19	Notice to Proceed March 26, 2019	
Jan-20	Date of Substantial Completion January 2020	
	Construction Period- 11 to 14 months est.	

Education Foundation Update

September 30, 2019



Education Foundation of Harris County
Statement of Financial Position
As of September 30, 2019

	Sep 30, 19	Aug 31, 19
ASSETS		
Current Assets		
Checking/Savings		
1005 · Chase Operating Fund-5717	4,332	4,362
1011 · Chase Restricted Fund-5709	148,763	148,763
1015 · Chase Operating Savings-3293	123	123
Total Checking/Savings	153,218	153,248
Accounts Receivable		
1100 · Accounts Receivable	7,742	7,742
Total Accounts Receivable	7,742	7,742
Total Current Assets	160,960	160,990
TOTAL ASSETS	160,960	160,990
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
2100 · Payroll Liabilities	0	0
Total Other Current Liabilities	0	0
Total Current Liabilities	0	0
Total Liabilities	0	0
Equity		
3200 · Temp Restricted Net Asset	73,709	73,709
3900 · Unrestricted Net Asset	87,280	18,854
Net Income	-30	68,426
Total Equity	160,959	160,989
TOTAL LIABILITIES & EQUITY	160,960	160,990

Education Foundation Update

Education Foundation Update

Education Foundation of Harris County Statement of Activities Classified September 2019

	Operating (Management)	Total Management	TOTAL
Expense			
8100 · Operating Expenses			
8170 · Other	30	30	30
Total 8100 · Operating Expenses	30	30	30
Total Expense	30	30	30
Net Income	-30	-30	-30

Transaction Detail by Account Continued...

Education Foundation of Harris County Transaction Detail by Account September 2019

Type	Date	Name	Memo	Class	Amount	Balance
8100 · Operating Expenses						
8170 · Other						
Check	09/03/2019		Service Charge	Management:Operating	-30.00	-30.00
Total 8170 · Other					-30.00	-30.00
Total 8100 · Operating Expenses					-30.00	-30.00
TOTAL					-30.00	-30.00

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/ Stephanie Wright, CPA, Chief Accounting Officer

/s/ Stephanie Ritchie, Senior Accountant

/s/ Marcia Leiva, Senior Grant Accountant

