

**HARRIS COUNTY DEPARTMENT OF EDUCATION**

**GENERAL OBLIGATION DEBT**

**ANNUAL OPERATING AND FINANCIAL DATA**

**RULE 15c2-12 CONTINUING DISCLOSURE FILING**

**FISCAL YEAR ENDED AUGUST 31, 2011**

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January 27, 2012

**VALUATION AND TAX-SUPPORTED DEBT**

2011 Certified Taxable Valuation (100% of Estimated Market Value)	\$ 276,576,760,983
Outstanding Debt (January 1, 2012)	\$ 1,660,000
Total Direct Debt	<u>\$ 1,660,000</u>
As a % of Assessed Valuation	<u>0.0006%</u>

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

	<b>Tax Year 2011</b>	<b>Tax Year 2010</b>	<b>Tax Year 2009</b>	<b>Tax Year 2008</b>	<b>Tax Year 2007</b>
Real Property <sup>(b)</sup>	\$ 273,826,363,849	\$ 269,097,472,624	\$ 332,909,889,609	\$ 257,495,000,282	\$ 259,977,728,049
Personal Property	<u>90,308,969,675</u>	<u>88,457,257,081</u>	<u>36,587,421,991</u>	<u>72,731,991,618</u>	<u>30,266,657,974</u>
Gross Value	364,135,333,524	357,554,729,705	369,497,311,600	330,226,991,900	290,244,386,023
Less: Exemptions	<u>87,558,572,541</u>	<u>85,060,408,735</u>	<u>85,098,341,766</u>	<u>75,399,801,151</u>	<u>66,988,093,835</u>
Net Taxable Value	\$ 276,576,760,983	\$ 272,494,320,970	\$ 284,398,969,834	\$ 254,827,190,749	\$ 223,256,292,188

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

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

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

**Tax Rate Distribution**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Maintenance	\$ 0.00658	\$ 0.00658	\$ 0.00605	\$ 0.00584	\$ 0.00585
Debt Service	-	-	-	-	-
Total	<u>\$ 0.00658</u>	<u>\$ 0.00658</u>	<u>\$ 0.00605</u>	<u>\$ 0.00584</u>	<u>\$ 0.00585</u>

Fiscal Year End	Tax Year	Taxable Assessed Valuation	Tax Rate	Tax Levy	Percent Collected	
					Current	Total <sup>(a)</sup>
2007	2006	\$ 226,221,497,827	\$ 0.00629	\$ 14,421,398	99.23%	99.40%
2008	2007	254,536,385,397	0.00585	15,021,841	98.94%	99.28%
2009	2008	281,242,543,399	0.00584	16,424,565	97.60%	98.94%
2010	2009	283,907,489,994	0.00605	17,176,403	97.71%	99.12%
2011	2010	272,494,320,970	0.00658	17,932,851	98.52%	98.52%
2012	2011	276,576,760,983	0.00658	18,198,751	(In process of Collection)	

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

**AUTHORIZED BUT UNISSUED UNLIMITED TAX BONDS**

Date Authorized	Purpose	Amount Authorized	Heretofore Issued	Authorized But Unissued
The Harris Co. Dept. of Edu. Public Facilities Corporation does not have any authorized but unissued debt.				

**DEBT SERVICE REQUIREMENTS**

FYE 31-Aug	Outstanding Debt Service	The Bonds			Total Debt Service
		Principal	Interest	Total	
2012	\$ 692,354	\$ -	\$ -	\$ -	\$ 692,354
2013	691,729	-	-	-	691,729
2014	690,954	-	-	-	690,954
2015	690,029	-	-	-	690,029
2016	692,829	-	-	-	692,829
2017	694,229	-	-	-	694,229
2018	690,329	-	-	-	690,329
2019	691,129	-	-	-	691,129
2020	451,429	-	-	-	451,429
2021	451,429	-	-	-	451,429
2022	451,429	-	-	-	451,429
2023	451,429	-	-	-	451,429
	<u>\$ 7,339,293</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,339,293</u>

Average Annual Debt Service Requirements	\$ 611,608
Maximum Annual Debt Service Requirements	\$ 694,229

**TAX ADEQUACY**

Average Annual Debt Service Requirements	\$ 611,608
0.00023 per \$100 AV against the 2011 Taxable AV, at 95% collection, produces	\$ 611,669
Maximum Annual Debt Service Requirements	\$ 694,229
0.00026 per \$100 AV against the 2011 Taxable AV, at 95% collection, produces	\$ 694,298

**TEN LARGEST TAXPAYERS**

<u>Name</u>	<u>2011 Net Taxable Assessed Valuation</u>	<u>% of Total 2011 Assessed Valuation</u>
EXXON MOBIL CORP	\$ 2,835,689,612	1.03%
CENTERPOINT ENERGY INC	2,393,466,620	0.87%
SHELL OIL CO	2,319,116,454	0.84%
CHEVRON CHEMICAL CO	1,531,504,686	0.55%
HINES INTERESTS LTD PTNRSP	1,180,204,863	0.43%
HEWLETT PACKARD	1,118,453,868	0.40%
CRESCENT REAL ESTATE	1,076,211,910	0.39%
NATIONAL OILWELL INC	1,053,525,240	0.38%
EQUISTAR CHEMICALS LP	984,725,728	0.36%
HOUSTON REFINING	948,896,104	0.34%
	<u>\$ 15,441,795,085</u>	<u>5.58%</u>

**TIER TWO FUNDING <sup>(a)</sup>**

<u>Fiscal Year End</u>	<u>Spring ISD</u>	<u>Pasadena ISD</u>	<u>Houston ISD</u>
2006	\$ 23,532,273	\$ 55,271,741	\$ -
2007	26,621,280	62,052,843	49,773,108
2008	15,890,926	27,798,503	19,848,893
2009	21,103,539	29,079,535	17,622,738
2010	6,563,798	10,101,431	14,556,777
2011	6,845,299	10,270,921	14,629,447

**AVERAGE DAILY ATTENDANCE <sup>(a)</sup>**

<u>Fiscal Year End</u>	<u>Spring ISD</u>	<u>Pasadena ISD</u>	<u>Houston ISD</u>
2006	28,177	45,580	192,412
2007	28,730	45,914	192,768
2008	30,284	46,953	179,317
2009	31,511	47,560	179,830
2010	32,634	48,191	181,126
2011	33,483	48,340	182,724

**TAX RATES FOR THE DISTRICTS <sup>(a)</sup>**

<u>District</u>	<u>Maintenance Tax Rate</u>	<u>Debt Service Tax Rate</u>	<u>Total Tax Rate</u>
Spring ISD	\$ 1.0400	\$ 0.4200	\$ 1.4600
Pasadena ISD	1.0700	0.2800	1.3500
Houston ISD	1.0067	0.1500	1.1567

**STATE SOURCES OF REVENUE <sup>(a)</sup>**

<u>Fiscal Year End</u>	<u>Spring ISD</u>	<u>Pasadena ISD</u>	<u>Houston ISD</u>
2011	\$ 181,262,616	\$ 259,402,653	\$ 465,837,622

<sup>(a)</sup> Source: TEA Summary of Finances**THE DEPARTMENT**

The Department is a political subdivision of the State of Texas created pursuant to the laws of the state of Texas, particularly Chapters 17 & 18 and Sec. 11,301. Texas Education Code, and an election held within Harris County. The Department serves 30,000 educators and more than 520,000 students in 25 school districts in Harris County. Some services include adult and continuing education, academic support services, two types of alternative schools- Adjudicated and Special Edjucation, purchasing cooperatives, records management services, special education services, psychological and therapy services, staff development workshops, and printing services.

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

**For Fiscal Year Ended August 31st**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>REVENUES</b>					
Local and Intermediate Sources	\$ 40,280,929	\$ 38,359,185	\$ 36,699,751	\$ 34,689,194	\$ 34,073,788
State Program Revenues	2,880,297	2,380,627	2,796,661	2,732,856	2,091,547
Federal Program Revenues	2,276,822	2,256,357	2,134,164	1,916,803	1,738,883
Other Revenues	-	-	-	-	167,454
<b>Total Revenues</b>	<u>\$ 45,438,048</u>	<u>\$ 42,996,169</u>	<u>\$ 41,630,576</u>	<u>\$ 39,338,853</u>	<u>\$ 38,071,672</u>
<b>EXPENDITURES</b>					
Academic and Behavior Centers	\$ -	\$ -	\$ -	\$ -	\$ -
Adult Education-Local	144,467	281,168	124,599	119,787	117,110
Alternative Teacher Certification	86,709	102,752	117,165	107,753	-
Assistant Superintendent-Harris	454,940	454,813	431,828	401,040	434,399
Assistant Superintendent-Pitre	-	-	-	-	-
Board of Trustees	139,736	120,431	115,862	149,736	94,786
Business Services	1,573,952	1,635,352	1,475,413	1,175,562	1,140,074
Center for Profess. Dev. & Instruct. Supp.	-	-	-	-	217,318
Center for Safe and Secure Schools	623,732	415,569	416,430	878,083	668,761
Center for School Governance	182,784	184,855	205,637	171,385	-
Choice Facility Partners	1,171,149	1,072,172	693,790	-	-
Communications & Public Information	931,143	676,953	637,003	485,062	354,056
Cooperative for After School Enrichment	370,538	185,892	231,848	52,316	269,467
Department-Wide	6,011,303	6,089,433	5,220,530	5,079,861	2,616,010
Digital Learning & Instructional Tech.	160,571	216,549	195,337	335,324	401,871
Education Foundation	150,782	165,344	108,743	158,574	181,220
External Relations Officer	76,259	77,220	70,648	-	-
Facilities Services	1,875,564	422,598	1,181,923	621,159	636,194
Highpoint Schools	-	-	-	-	-
Human Resources	934,284	913,737	1,012,280	819,062	1,022,242
Institutional Support	978,342	962,628	872,255	861,609	958,852
Job Order Contracts	-	-	-	327,025	-
Insurance Cooperative	-	-	-	-	-
Local Construction Projects	-	-	-	-	226,228
Printing and Visual Communications	-	-	-	93,150	581,665
Principal Certification	96,667	68,664	41,984	8,128	112,660
Public Information Services	-	-	-	-	-
Purchasing Cooperatives	792,975	869,923	788,801	768,068	706,949
QZAB	3,101,860	796,984	3,186,380	-	-
Purchasing Support Services	-	-	-	-	-
Records Management Cooperatives	1,402,283	1,525,365	1,247,855	1,261,366	1,371,502
Research and Evaluation	441,394	425,438	337,233	305,147	400,263
Resource Development	583,081	547,611	491,793	439,993	500,514
Retirement Leave Benefits	261,983	65,515	183,530	165,246	139,639
Scholastic Art	78,239	77,238	63,163	64,660	57,112
School Governance & Business Mgt.	-	-	-	-	-
Special Education Services	7,727,963	7,986,310	7,044,340	6,922,950	7,777,000
Special Schools Administration	10,299,966	10,297,155	9,514,953	9,096,849	8,518,977
Superintendent's Office	353,242	342,740	342,709	306,352	391,786
Technology Services Division	3,365,993	3,505,672	3,077,579	2,916,472	3,606,605
Texas Academic Decathlon	-	-	-	-	-
Texas Learns	84	48	(792)	5,100	2,432
Bond Issuance Costs-QZAB & MTN	-	-	151,385	-	-
Zenith Project	-	-	-	-	-
<b>Total Expenditures</b>	<u>\$ 44,371,985</u>	<u>\$ 40,486,129</u>	<u>\$ 39,582,204</u>	<u>\$ 34,096,819</u>	<u>\$ 33,505,692</u>
Excess (Deficiency) Rev. Over Exp.	\$ 1,066,063	\$ 2,510,040	\$ 2,048,372	\$ 5,242,034	\$ 4,565,980
Other Resources	-	-	-	2,580	-
Sale of Equipment	-	-	940	-	-
Maintenance Tax Notes (MTN) Proceeds	-	-	2,000,000	-	-
QZAB Bond Sale Proceeds	-	-	6,320,000	-	-
Premium on QZAB Bond Sale & MTN	-	-	117,326	-	-
Transfers Out (Uses)	(3,570,256)	(3,833,475)	(3,243,104)	(2,928,224)	(2,823,745)
Excess (Deficiency) of Revenues and Other Resources Over Exp. and Other Uses	\$ (2,504,193)	\$ (1,323,435)	\$ 7,243,534	\$ 2,316,390	\$ 1,742,235
Fund Balance - September 1 (Beginning)	\$ 21,729,927	\$ 23,053,362	\$ 15,809,828	\$ 13,493,438	\$ 11,751,205
Increase (Decrease) in Fund Balance					
<b>Fund Balance - August 31 (Ending)</b>	<u>\$ 19,225,734</u>	<u>\$ 21,729,927</u>	<u>\$ 23,053,362</u>	<u>\$ 15,809,828</u>	<u>\$ 13,493,440</u>

<sup>(a)</sup> Source: Department's audited financial reports. See "Appendix B -- EXCERPTS FROM THE DEPARTMENT'S AUDITED FINANCIAL REPORTS."

**THE DEPARTMENT'S AUTHORIZATION**

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

HARRIS COUNTY DEPARTMENT OF EDUCATION  
PUBLIC FACILITIES CORPORATION

Signature: /s/ Jesus Amezcua

Name: Jesus Amezcua

Title: Asst. Superintendent -Business Support Svc.

Date: 1/27/2012