

HARRIS COUNTY DEPARTMENT OF EDUCATION

GENERAL OBLIGATION DEBT

ANNUAL OPERATING AND FINANCIAL DATA

RULE 15c2-12 CONTINUING DISCLOSURE FILING

FISCAL YEAR ENDED AUGUST 31, 2012

February 1, 2013

VALUATION AND TAX-SUPPORTED DEBT

2012 Certified Taxable Valuation	\$ 275,667,298,681
(100% of Estimated Market Value)	
Outstanding Debt (January 1, 2013)	\$ 1,475,000
Total Direct Debt	\$ 1,475,000
As a % of Assessed Valuation	<u>0.0005%</u>

TAXABLE ASSESSED VALUATIONS BY CATEGORY ^(a)

	<u>Tax Year 2012</u>	<u>Tax Year 2011</u>	<u>Tax Year 2010</u>	<u>Tax Year 2009</u>	<u>Tax Year 2008</u>
Real Property ^(b)	\$ 273,453,061,530	\$ 273,826,363,849	\$ 269,097,472,624	\$ 332,909,889,609	\$ 257,495,000,282
Personal Property	90,819,510,970	90,308,969,675	88,457,257,081	36,587,421,991	72,731,991,618
Gross Value	<u>364,272,572,500</u>	<u>364,135,333,524</u>	<u>357,554,729,705</u>	<u>369,497,311,600</u>	<u>330,226,991,900</u>
Less: Exemptions	<u>88,605,273,819</u>	<u>87,558,572,541</u>	<u>85,060,408,735</u>	<u>85,098,341,766</u>	<u>75,399,801,151</u>
Net Taxable Value	\$ <u>275,667,298,681</u>	\$ <u>276,576,760,983</u>	\$ <u>272,494,320,970</u>	\$ <u>284,398,969,834</u>	\$ <u>254,827,190,749</u>

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

^(b) Net of exemptions and abatements.

TAX RATE DISTRIBUTION; LEVY AND COLLECTION HISTORY

Tax Rate Distribution

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Maintenance	\$ 0.00658	\$ 0.00658	\$ 0.00658	\$ 0.00605	\$ 0.00584
Debt Service	-	-	-	-	-
Total	\$ <u>0.00658</u>	\$ <u>0.00658</u>	\$ <u>0.00658</u>	\$ <u>0.00605</u>	\$ <u>0.00584</u>

Fiscal Year End	Tax Year	Taxable Assessed Valuation	Tax Rate	Tax Levy	Percent Collected	
					Current	Total ^(a)
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	98.45%	100.61%
2013	2012	275,667,298,681	0.00658	18,141,665	(In process of Collection)	

^(a) 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 Education 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	
2013	691,729	-	-	-	691,729
2014	690,954	-	-	-	690,954
2015	690,029	No 2012 debt issuances			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
2024	-	-	-	-	-
	<u>\$ 6,646,939</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,646,939</u>

Average Annual Debt Service Requirements \$ 553,912
 Maximum Annual Debt Service Requirements \$ 694,229

TAX ADEQUACY

Average Annual Debt Service Requirements \$ 553,912
 \$ 0.000212 per \$100 AV against the 2011 Taxable AV, at 95% collection, produces \$ 553,967
 Maximum Annual Debt Service Requirements \$ 694,229
 \$ 0.000265 per \$100 AV against the 2011 Taxable AV, at 95% collection, produces \$ 694,298

TEN LARGEST TAXPAYERS

<u>Name</u>	<u>2012 Net Taxable Assessed Valuation</u>	<u>% of Total 2012 Assessed Valuation</u>
EXXON MOBIL CORP	\$ 3,049,210,267	1.11%
CENTERPOINT ENERGY INC	2,458,242,121	0.89%
SHELL OIL CO	2,146,430,331	0.78%
CHEVRON CHEMICAL CO	1,805,849,806	0.66%
HINES INTERESTS LTD PTNRSP	1,393,328,217	0.51%
CRESCENT REAL ESTATE	1,284,063,390	0.47%
NATIONAL OILWELL INC	1,202,593,454	0.44%
HEWLETT PACKARD	1,128,140,640	0.41%
EQUISTAR CHEMICALS LP	1,032,141,947	0.37%
LYONDELL CHEMICAL CO	825,232,078	0.30%
	<u>\$ 16,325,232,251</u>	<u>5.92%</u>

TIER TWO FUNDING ⁽⁴⁾

<u>Fiscal Year End</u>	<u>Spring ISD</u>	<u>Pasadena ISD</u>	<u>Houston ISD</u>
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
2012	7,187,886	10,885,021	13,879,899

AVERAGE DAILY ATTENDANCE ⁽⁴⁾

<u>Fiscal Year End</u>	<u>Spring ISD</u>	<u>Pasadena ISD</u>	<u>Houston ISD</u>
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
2012	33,426	49,038	181,979

TAX RATES FOR THE DISTRICTS ⁽⁴⁾

<u>District</u>	<u>Maintenance Tax Rate</u>	<u>Debt Service Tax Rate</u>	<u>Total Tax Rate</u>
Spring ISD	\$ 1.0400	\$ 0.5300	\$ 1.5700
Pasadena ISD	1.0700	0.2800	1.3500
Houston ISD	1.0067	0.1500	1.1567

STATE SOURCES OF REVENUE ⁽⁴⁾

<u>Fiscal Year End</u>	<u>Spring ISD</u>	<u>Pasadena ISD</u>	<u>Houston ISD</u>
2012	\$ 173,919,290	\$ 252,712,389	\$ 363,491,510

⁽⁴⁾ 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 Education, purchasing cooperatives, records management services, special education services, psychological and therapy services, staff development workshops, and printing services.

GENERAL FUND REVENUES AND EXPENDITURE HISTORY ⁽⁶⁾

For Fiscal Year Ended August 31st

	2012	2011	2010	2009	2008
REVENUES					
Local and Intermediate Sources	\$ 39,507,452	\$ 40,280,929	\$ 38,359,185	\$ 36,699,751	\$ 34,689,194
State Program Revenues	2,803,397	2,880,297	2,380,627	2,796,661	2,732,856
Federal Program Revenues	2,078,715	2,276,822	2,256,357	2,134,164	1,916,803
Other Revenues	-	-	-	-	-
Total Revenues	\$ 44,389,564	\$ 45,438,048	\$ 42,996,169	\$ 41,630,576	\$ 39,338,853
EXPENDITURES					
Academic and Behavior Centers	\$ -	\$ -	\$ -	\$ -	\$ -
Adult Education-Local	134,897	144,467	281,168	124,599	119,787
Alternative Teacher Certification	170,007	86,709	102,752	117,165	107,753
Assistant Superintendent-Harris	446,650	454,940	454,813	431,828	401,040
Assistant Superintendent-Pitre	-	-	-	-	-
Board of Trustees	108,958	139,736	120,431	115,862	149,736
Business Services	1,525,180	1,573,952	1,635,352	1,475,413	1,175,562
Center for Profess. Dev. & Instruct. Supp.	-	-	-	-	-
Center for Safe and Secure Schools	413,600	623,732	415,569	416,430	878,083
Center for School Governance	180,248	182,784	184,855	205,637	171,385
Choice Facility Partners	1,367,157	1,171,149	1,072,172	693,790	-
Client Development Services	403,415	-	-	-	-
Communications & Public Information	506,026	931,143	676,953	637,003	485,062
Cooperative for After School Enrichment	164,276	370,538	185,892	231,848	52,316
Department-Wide	5,247,400	6,011,303	6,089,433	5,220,530	5,079,861
Digital Learning & Instructional Tech.	136,687	160,571	216,549	195,337	335,324
Early Childhood Intervention Keep Pace	52,362	-	-	-	-
Education Foundation	200,322	150,782	165,344	108,743	158,574
External Relations Officer	64,479	76,259	77,220	70,648	-
Facilities Services	412,563	1,875,564	422,598	1,181,923	621,159
Highpoint Schools	-	-	-	-	-
Headstart	24,391	-	-	-	-
Human Resources	871,536	934,284	913,737	1,012,280	819,062
Institutional Support	889,091	978,342	962,628	872,255	861,609
Job Order Contracts	-	-	-	-	327,025
Insurance Cooperative	-	-	-	-	-
Local Construction Projects	-	-	-	-	-
Printing and Visual Communications	-	-	-	-	93,150
Principal Certification	-	96,667	68,664	41,984	8,128
Public Information Services	-	-	-	-	-
Purchasing Cooperatives	-	792,975	869,923	788,801	768,068
QZAB	853,810	3,101,860	796,984	3,186,380	-
Purchasing Support Services	355,414	-	-	-	-
Records Management Cooperatives	1,603,485	1,402,283	1,525,365	1,247,855	1,261,366
Research and Evaluation	450,620	441,394	425,438	337,233	305,147
Resource Development	552,633	583,081	547,611	491,793	439,993
Retirement Leave Benefits	224,144	261,983	65,515	183,530	165,246
Scholastic Art	60,062	78,239	77,238	63,163	64,660
School Governance & Business Mgt.	-	-	-	-	-
Special Education Services	7,318,381	7,727,963	7,986,310	7,044,340	6,922,950
Special Schools Administration	9,838,623	10,299,966	10,297,155	9,514,953	9,096,849
Superintendent's Office	351,005	353,242	342,740	342,709	306,352
Technology Services Division	3,069,301	3,365,993	3,505,672	3,077,579	2,916,472
Texas Academic Decathlon	-	-	-	-	-
Texas Leans	2,264	84	48	(792)	5,100
Bond Issuance Costs-QZAB & MTN	-	-	-	151,385	-
Zenith Project	-	-	-	-	-
Total Expenditures	\$ 37,998,987	\$ 44,371,985	\$ 40,486,129	\$ 39,582,204	\$ 34,096,819
Excess (Deficiency) Rev. Over Exp.	\$ 6,390,577	\$ 1,066,063	\$ 2,510,040	\$ 2,048,372	\$ 5,242,034
Other Resources	-	-	-	-	2,580
Sale of Equipment	7,226	-	-	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)	(3,799,865)	(3,570,256)	(3,833,475)	(3,243,104)	(2,928,224)
Excess (Deficiency) of Revenues and Other Resources Over Exp. and Other Uses	\$ 2,597,938	\$ (2,504,193)	\$ (1,323,435)	\$ 7,243,534	\$ 2,316,390
Fund Balance - September 1 (Beginning)	\$ 19,225,734	\$ 21,729,927	\$ 23,053,362	\$ 15,809,828	\$ 13,493,438
Increase (Decrease) in Fund Balance	-	-	-	-	-
Fund Balance - August 31 (Ending)	\$ 21,823,672	\$ 19,225,734	\$ 21,729,927	\$ 23,053,362	\$ 15,809,828

⁽⁶⁾ Source: Department's audited financial reports. See "Appendix B -- EXCERPTS FROM THE DEPARTMENTS AUDITED FINANCIAL REPORTS."

THE DEPARTMENT'S AUTHORIZATION

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: _____

Name:

John E. Sawyer, Ed.D.

Title:

Superintendent of Schools

Date:

2/1/2013