

HOUSTON INDEPENDENT SCHOOL DISTRICT



FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

PREPARED BY THE OFFICE OF FINANCE

2015

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2015
HOUSTON, TEXAS

HATTIE MAE WHITE
EDUCATIONAL SUPPORT CENTER
4400 WEST 18TH STREET
HOUSTON, TX 77092-8501

HOUSTON INDEPENDENT SCHOOL DISTRICT COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

2015 COMPREHENSIVE
ANNUAL FINANCIAL
REPORT

— INTRODUCTION
SECTION

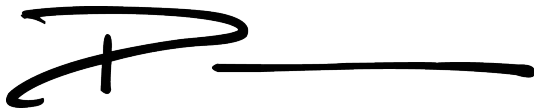
CERTIFICATE OF BOARD

Houston Independent School District

Harris County

101-912-IV

We, the undersigned, certify that the attached auditors' reports of the above-named school district were reviewed and approved for the fiscal year ended June 30, 2015, at a meeting of the Board of Education of such school district on the 12th day of November 2015.

A stylized, handwritten signature in black ink, consisting of a large, bold 'P' followed by a horizontal line.

Paula Harris
Secretary, Board of Education
Houston Independent School District

A handwritten signature in black ink that reads 'Rhonda Skillern-Jones' in a cursive script.

Rhonda Skillern-Jones
President, Board of Education
Houston Independent School District



HOUSTON INDEPENDENT SCHOOL DISTRICT

Hattie Mae White Educational Support Center
4400 West 18th Street • Houston, Texas 77092-8501

Terry B. Grier, Ed.D.
Superintendent of Schools

www.HoustonISD.org
www.twitter.com/HoustonISD

November 12, 2015

To the Board of Education Members and the
Citizens of the Houston Independent School District:

The Comprehensive Annual Financial Report (CAFR) of the Houston Independent School District (the "District" or "HISD") for the fiscal year ended June 30, 2015 is hereby submitted. This document is management's report of financial operations to the Board of Education (the "Board"), taxpayers, grantor agencies, employees, the Texas Education Agency, and other interested parties.

The Texas Education Code requires that all school districts file an annual report with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The annual report must be prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental entities and must be audited by a firm of independent licensed certified public accountants. This Comprehensive Annual Financial Report is submitted in fulfillment of that requirement. An audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to fairly present the financial position as well as the financial condition of the District. Disclosures necessary to enable the reader to gain understanding of such financial operations have been included. Responsibility for the accuracy and completeness of the data presented, as well as the presentation of this report, rests with District management.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE HOUSTON INDEPENDENT SCHOOL DISTRICT

The District was created and incorporated by an act of the Thirty-Eighth Legislature of the State of Texas in 1923. As an independent school district, a nine-member board of trustees elected from single-member districts constitutes the governing body. Based on legislative authority codified in the Texas Education Code, the trustees (1) have exclusive power and duty to govern and oversee the District; (2) can acquire and hold real and personal property, sue and be sued, and hold all rights and titles to school property; (3) shall have power to levy and collect taxes and to issue bonds; (4) can contract for appointed officers, teachers, and other personnel as well as for goods and services; and (5) have the right of eminent domain to acquire real property.

HISD, with an enrollment of over 215,000 students, is the seventh-largest public school system in the nation and the largest in Texas. An increase in enrollment of less than one percent is predicted for the 2015-16 year. The District encompasses 301 square miles within greater Houston. HISD is an ethnically diverse district as 62 percent of all students are Hispanic, 25 percent are African-American, 8 percent are White and 4 percent are Asian. About 100 different languages are spoken by students throughout the District and over 62,000 students are English language learners.

Houston Independent School District provides services through ten early childhood centers (pre-kindergarten for four-year old students), 153 elementary schools (grades K-5), 37 middle schools (grades 6-8), 40 high schools (grades 9-12) and 43 combination/alternative sites. A list of school buildings with year of construction can be found in the Statistical Data Section.

The District offers many education programs in addition to general education including special education services, gifted and talented programs, career and technical education, dual language programs, and various magnet programs. HISD contracted with ten charter schools which are funded with state tier one funds that flow through the District.

ECONOMIC OUTLOOK



Houston, the fourth largest city in the United States with a population of 2.2 million, is a leader in numerous industries, including manufacturing, healthcare services, engineering, and oil and gas. In addition to great businesses, you'll find professional sports, first-class museums and theatre, and an exquisite restaurant scene. Houston is known for oil, NASA, urban sprawl and business-friendly policies. In 2014, Forbes ranked Houston as the No.1 city for manufacturing in the United States.



Employment in the Houston-Sugar Land-Baytown Metropolitan Statistical Area stood at 2,987,000 in June 2015, up 55,700 from one year earlier per the U.S. Bureau of Labor Statistics. The same report noted that Houston has had a 6.4% job increase, which was more than double the national rate of 2.9%.

International City

Houston is truly an international city. More than one-fourth of all residents are foreign born and over 90 different languages are spoken in Houston. International migration represents approximately one-fourth of the region's total population growth over the past decade. Houston leads the Southwest with 21 foreign banks from nine different nations. The Port of Houston is a 25-mile-long complex of private and public facilities located just a few hours' sailing time from the Gulf of Mexico. Over 200 million tons of cargo travels through the port annually, which is 67% of the U.S. gulf coast major imports, ranking the Port of Houston first in U. S. imports.

Transportation

The Houston Airport System ("HAS") is comprised of three airports: Bush Intercontinental Airport, Hobby Airport and Ellington Airport. HAS contributes over \$27.5 billion to the local economy. In 2014, HAS served over 61 million passengers, and announced plans to expand routes to Latin America in October 2015. The Metropolitan Transit Authority of Harris County ("METRO") operates a bus and light rail system. For the period July 2014 to June 2015, METRO had a weekday average ridership of 385,000.

Education and Health Services

The Texas Medical Center ("TMC") is one of Houston's largest employers with 106,000 employees. The internationally renowned, 1,345-acre TMC is the world's largest medical center complex with 54 member institutions, including leading medical, academic and research institutions. TMC's The University of Texas M.D. Anderson Cancer Center continues to be ranked as one of the nation's top two cancer centers in U.S. News and World Report's annual rankings of the best hospitals for cancer care.



Summary

Houston's strategic location and core strengths, including very strong exports and imports, cutting-edge medical advancements, and technology breakthroughs across industries, uniquely position the city to play a vital role in meeting national and global market demands. At a time of unprecedented geopolitical demographic shifts affecting markets worldwide, Houston stands as a leader among U. S. cities of the 21st century.

ACCOUNTING AND BUDGETARY CONTROLS

The diverse nature of the District's operations and the necessity of legal compliance preclude recording the financial transactions of the District in a single fund. The District's accounting system is organized and operated on a "fund basis." Each fund is a distinct, self-balancing accounting entity. The various funds are fully described in Note 1 of the "Notes to the Basic Financial Statements."

In developing, evaluating, and improving the District's accounting system, consideration is given to the adequacy of the internal control structure. Internal controls are designed to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and those transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with GAAP. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above-mentioned framework. We believe the District's internal control structure adequately safeguards assets and provides reasonable assurance of the proper recording of financial transactions.

As a recipient of federal, state, and local grants, the District is also responsible for an adequate internal control structure that ensures compliance with applicable laws and regulations related to these grants. All funded grants are subject to testing as part of the District's Single Audit as mandated by the Office of Management and Budget ("OMB") Circular A-133. The internal control structure is subject to ongoing reviews by management.

As a part of the District's Single Audit, tests are conducted to determine the adequacy of the internal control structure as related to federal award programs as well as compliance with applicable laws and regulations. The results of the District's Single Audit for the fiscal year ended June 30, 2015, reported no instances of material weaknesses in the internal control structure over federal awards.

The District's financial system allows work-location supervisors access to a variety of business and financial reports on a real-time basis. All reports show summaries and details for transactions.

The District utilizes a line-item budget of proposed expenditures and the means of financing them. The emphasis of the budget process is to identify the activities requiring resources and to rank those activities according to the needs of the entire District. Budgetary control is maintained at the function level by organizational unit through the encumbrance of estimated purchase amounts and other expenditures prior to the execution of contracts, approval of personnel transactions, or release of purchase orders to vendors. Those obligations which would result in an overrun of appropriated funds are not released until additional appropriations are made available. The Board of Education approves budgets for the General Fund, Special Revenue Fund, Debt Service Fund, Capital Renovation Fund, and Nutrition Services Fund.



Waltrip High School Rendering



North Forest High School Rendering

CAPITAL PROJECTS

The Capital Renovation Fund was created to account for the District's capital projects and includes the 2012 bond program.



In November 2012, Houston voters by a margin of nearly 2 to 1 approved a \$1.89 billion bond referendum to replace and repair 40 schools, including 29 high schools. In addition, the bond program includes funds that will benefit students across the District including funding for technology upgrades, replacement of regional field houses, athletic facilities improvements, middle school restroom renovations, and safety and security upgrades.

Despite a challenging construction market, the bond program is making progress in the planning, design, and construction of new schools. The amount of construction work now taking place is unrivaled and marks a major District milestone as 6.8 million of square footage is planned in this program.

The Public Facility Corporation ("PFC") was established to issue bonds to provide for the acquisition of and placement in service of educational facilities in accordance with the Public Facility Corporation Act. In December 2014, the PFC issued bonds to fund construction of three new schools: North Forest High School, North Forest Early Childhood Center, and Energy Institute High School.

For the fiscal year ended June 30, 2015, facilities acquisition and construction expenditures for the Capital Renovation Fund and the PFC amounted to \$240,436,423.

LONG-TERM FINANCIAL PLANNING

The District is subject to a target revenue formula for school district funding. Under the target revenue methodology, the District's maintenance and operations revenue from property taxes and state aid is capped. As collections from property taxes increase, state aid is reduced by the same amount. The District is challenged with providing salary increases and other inflationary fixed costs within a capped budget. Therefore, the District is constantly adjusting future projections as costs in the market shift and as changes are proposed or adopted by the Texas Legislature.

MAJOR INITIATIVES

The HISD Graduate Profile

With the help of community and business partners, as well as leaders from Houston's largest industries and institutes of higher education, HISD has developed the Global Graduate profile. The profile contains six characteristics or qualities that all students will develop and grow during their time in elementary, middle, and high school. The six characteristics are:

- A Leader – Works collaboratively and leads by example. Embraces new ideas and technologies and motivates others to be open to change.
- A Critical Thinker – Identifies and dissects issues, seeks multiple options, and critically evaluates various solutions. Understands when additional information is needed and effectively uses technology (21st century literacies) to do research.
- A College-Ready Learner – Proficient in the core disciplines, as evidenced by successful performance on state and national assessments. Works hard and persists to achieve academic and career goals.
- Adaptable & Productive – Industrious member of a global society. Demonstrates flexibility and cross-cultural skills when fulfilling personal, professional, and community experiences.
- A Responsible Decision Maker – Sets goals, develops action plans, and works hard. When faced with challenges and obstacles, is able to persist to achieve goal.
- A Skilled Communicator – Reads, writes, speaks, and listens effectively – adapting to diverse audiences and settings.

Dual Language

HISD has doubled the number of its Dual Language programs, allowing students to spend a portion of their day learning in English and the rest of the day immersing themselves in culture and languages such as Mandarin Chinese and Spanish

Focus on Literacy

Because being a skilled communicator is a vital tool to compete in a 21st century workplace, HISD emphasizes reading and writing competencies across subjects. The journey from pre-K student to Global Graduate is supported every step of the way.

Technology

High school students in HISD are learning on district-issued laptops they can use at school and at home – developing digital and interpersonal skills for the real world. The district is launching an online platform for educational information and curriculum that will also give parents an easy way to monitor their child's progress and interact with teachers.

College and Career Readiness

HISD is combining core academics with career-based knowledge and skills in collaborative and research-intensive learning environments. Business, medical, and energy leaders across Houston are partnering with HISD to offer students work-based experiences and certifications. Advanced Placement courses are offered at every high school, and more students than ever are passing their AP exams. All HISD students in grades 9-11 have the opportunity to take the PSAT test for free, and since May 2012, every HISD junior has taken the SAT exam during regular class time for free.

AWARDS AND ACKNOWLEDGMENTS

Perhaps no responsibility is as great as that of educating our youth, and all of our efforts lead back to the classroom. Given that the District's academic advancements are dependent upon its fiscal successes, it is imperative that HISD continue to improve upon its reporting proficiencies. The following text cites awards received by the District for financial reporting excellence and the related acknowledgments in this regard.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. This was the 42nd consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ASBO Certificate of Excellence

The District received the Association of School Business Officials' ("ASBO") Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2014. The District has received this award for 36 consecutive years. This award certifies that the Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the ASBO.

Production Award 2015

The District is the recipient of the Association of College and University Printers Production Award for 2015. The award is for printed quality and production originality of the 2014 Comprehensive Annual Financial Report.

Acknowledgments

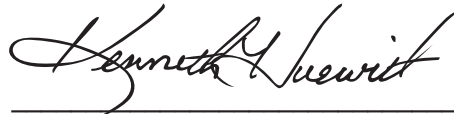
The preparation of this report on a timely basis could not be accomplished without the dedicated services of the entire staff of the District's Office of Finance. Also, we would like to express our appreciation to other departments, schools, and individuals who assisted in its preparation.

Moreover, we wish to thank and express appreciation to the administrators and other employees of the District for their interest and support in planning and conducting the financial affairs of the District in a responsible and progressive manner.

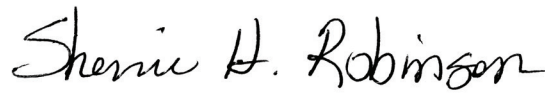
Respectfully submitted,



Terry B. Grier, Ed.D.
Superintendent of Schools



Kenneth Huewitt
Chief Financial Officer



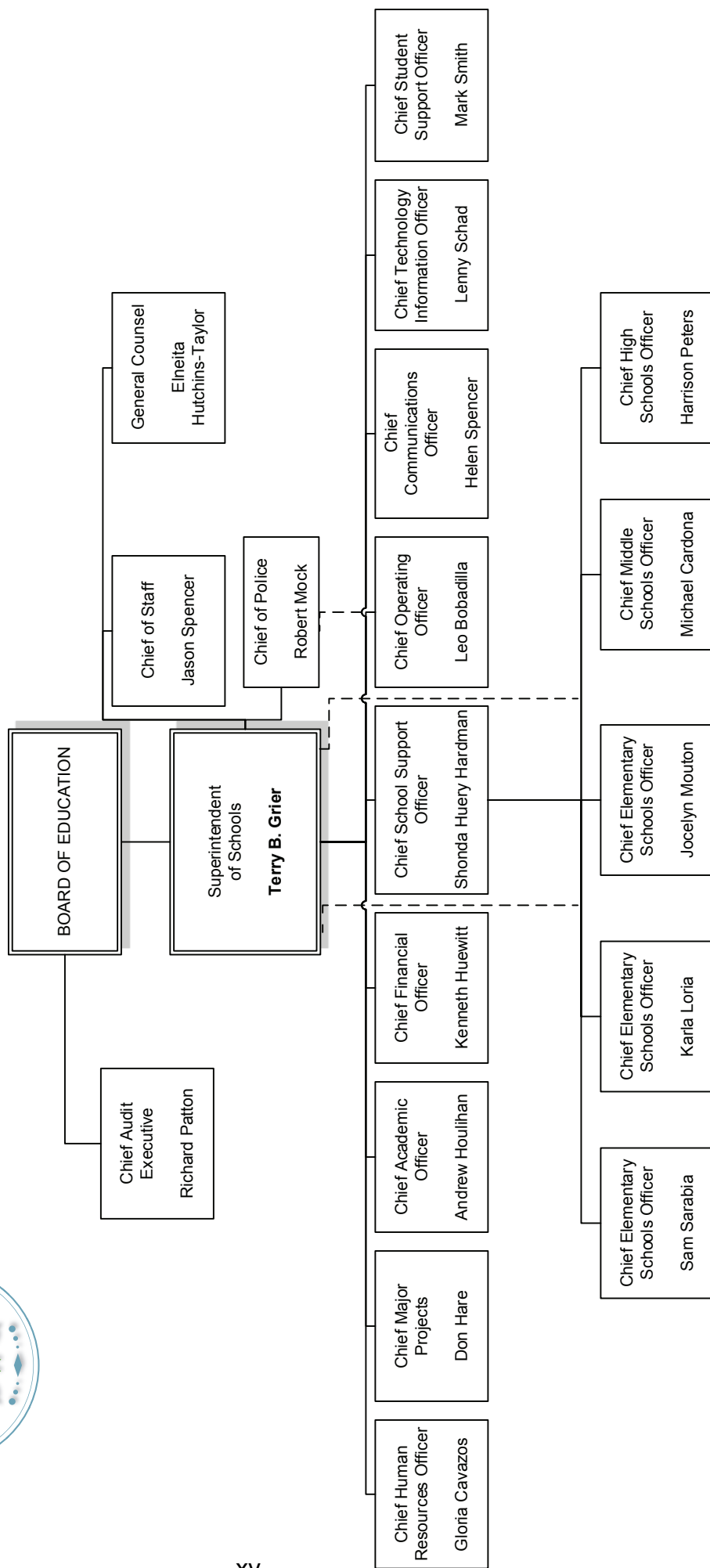
Sherrie H. Robinson
Controller

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Organizational Chart

June 30, 2015



2014 - 2015 HISD BOARD OF EDUCATION



Rhonda Skillern-Jones
President



Manuel Rodriguez Jr.
First Vice President



Wanda Adams
Second Vice President



Paula Harris
Secretary



Juliet Stipeche
Assistant Secretary



Anna Eastman



Michael L. Lunceford



Greg Meyers



Harvin C. Moore



HOUSTON INDEPENDENT SCHOOL DISTRICT

Appointed Officials as of June 30, 2015

Terry B. Grier	Superintendent of Schools
Leo Bobadilla	Chief Operating Officer
Helen Spencer	Chief Communications Officer
Kenneth Huewitt	Chief Financial Officer
Gloria Cavazos	Chief Human Resources
Shonda Huery Hardman	Chief School Support Officer
Mark Smith	Chief Student Support Officer
Andrew Houlihan	Chief Academic Officer
Jason Spencer	Chief of Staff
Lenny Schad	Chief Technology Information Officer
Elneita Hutchins-Taylor	General Counsel
Don Hare	Chief Major Projects Officer
Richard Patton	Chief Audit Executive
Samuel Sarabia	Chief Elementary Schools Officer
Karla Loria	Chief Elementary Schools Officer
Jocelyn Mouton	Chief Elementary Schools Officer
Michael Cardona	Chief Middle Schools Officer
Harrison Peters	Chief High Schools Officer

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Houston Independent School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, appearing to read "M. Pepera", is written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

A handwritten signature in black ink, appearing to read "John D. Musso", is written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

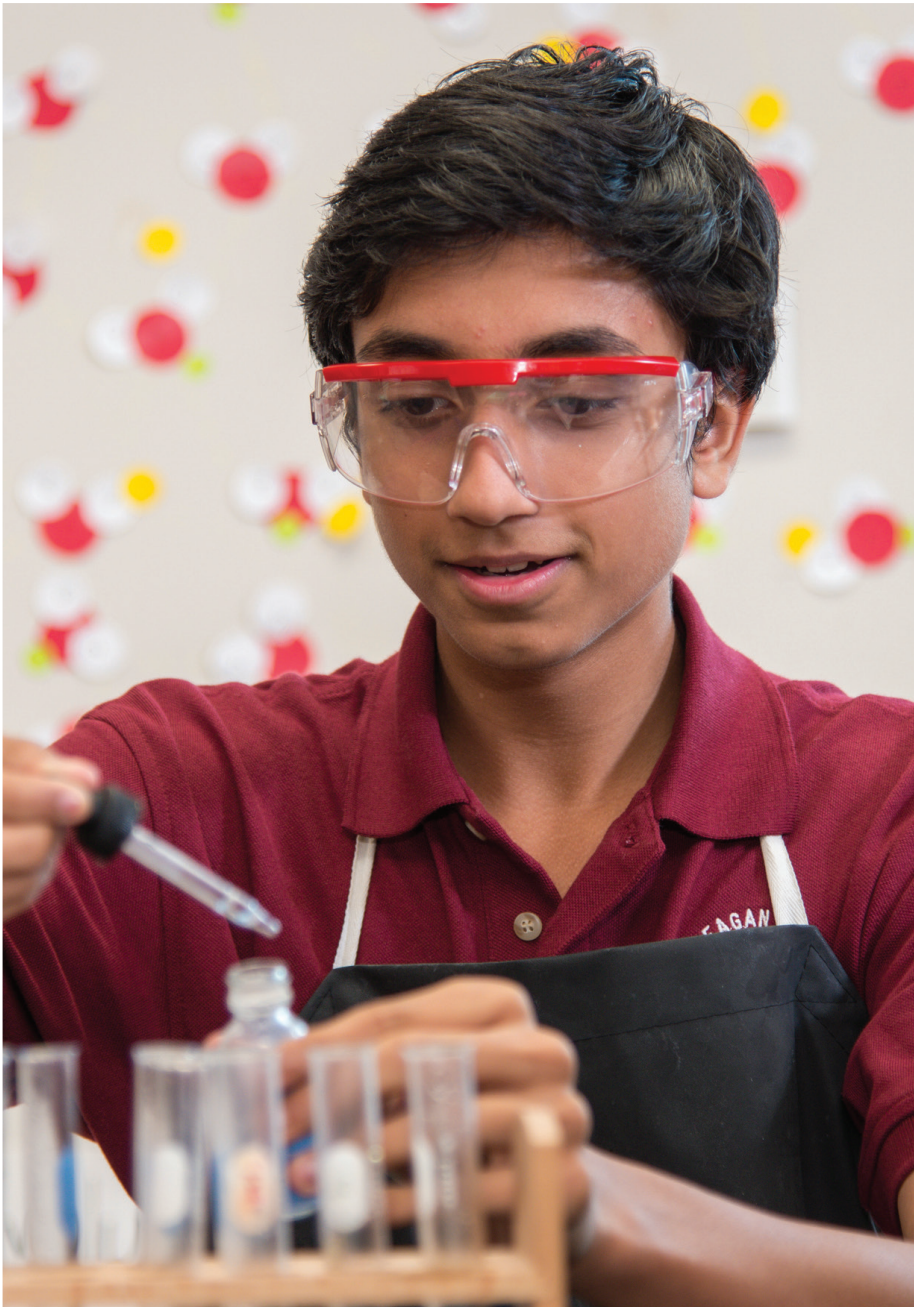
**Houston Independent School
District, Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

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FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

2015 COMPREHENSIVE
ANNUAL FINANCIAL
REPORT

— FINANCIAL
SECTION

HOUSTON INDEPENDENT SCHOOL DISTRICT



FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

FINANCIAL SECTION

2015 BASIC FINANCIAL STATEMENTS

Independent Auditors' Report

The Board of Education
Houston Independent School District:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Houston Independent School District (the "District"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2015, the District adopted new accounting guidance, GASB 68 *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Revenues, Expenditures, Changes in Fund Net Position – Budget and Actual- General Fund, Special Revenue Fund, Schedule of the District's Proportionate Share of the Net Pension Liability-Teachers Retirement System, and Schedule of the District's Contributions – Teachers Retirement System on pages 5–15, 73, 74, 75 and 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Introductory and Statistical Sections and the Other Supplementary Information and Individual and Combining Fund Statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Other Supplementary Information and Individual and Combining Fund Statements are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information and Individual and Combining Fund Statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Deloitte & Touche LLP

November 12, 2015

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MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Our discussion and analysis of Houston Independent School District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2015. It should be read in conjunction with the transmittal letter at the front of this report and the basic financial statements which follow this section.

The Management's Discussion and Analysis provides information on both government-wide financial statements and fund financial statements.

FINANCIAL HIGHLIGHTS

- On the government-wide financial statement of net position, the assets of the District exceeded the liabilities by \$1.889 billion. Of this amount, \$581 million is unrestricted to meet the ongoing obligations of the District.
- Total net position of the District decreased from \$1.963 billion in fiscal year 2014 to \$1.889 billion in fiscal year 2015, a decrease of approximately \$74 million.
- Total revenues increased \$144 million from \$2.322 billion in fiscal year 2014 to \$2.466 billion in fiscal year 2015.
- The District's governmental funds financial statements reported a combined ending fund balance in fiscal year 2015 of \$1.651 billion, an increase of \$383 million from fiscal year 2014.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

All of the District's services are reported in the government-wide financial statements, including instruction, student support services, student transportation, general administration, school leadership, facilities acquisition and construction, and nutrition services. Property taxes, state and federal aid, and investment earnings finance most of the activities. Additionally, all capital and debt financing activities are reported here.

The government-wide financial statements are designed to provide readers a broad overview of the District's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial position is improving or deteriorating.

The *statement of activities* details how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges.

The government-wide financial statements include not only the District itself, but also a legally separate entity for which the District is financially accountable. Financial information for this component unit is reported separately in the fund financial statements as a nonmajor governmental fund.

Fund Financial Statements

The District uses fund accounting to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the District's most significant *funds*—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the District's activities are included in governmental funds which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year end that are available. However, unlike the government-wide financial statements, governmental fund financial statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.

The District maintains five governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Special Revenue Fund, the Debt Service Fund, and the Capital Renovation Fund, all of which are considered to be major funds. Data from the Capital Renovation Fund - Public Facility Corporation is presented as a nonmajor governmental fund on the same statements.

Proprietary funds are used to account for operations that are financed similar to those found in the private sector. These funds provide both long and short-term financial information. The District maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for its nutrition services, business development, and medicaid programs. The Nutrition Services Fund is considered a major proprietary fund. The District uses internal service funds to report activities that provide services for the District's other programs and activities, i.e., health insurance, workers' compensation, print shop, and internal services. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities within the government-wide financial statements.

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, and/or other funds. No fiduciary funds are used as clearing accounts to distribute financial resources to other funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Immediately following the required supplementary information, combining statements are included for the nonmajor enterprise funds, the internal service funds, and the agency funds.

The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements. Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain.

Figure A-1. Major Features of the District's Government-wide and Fund Financial Statements

Type of Statements	Fund Statements			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	All activities of the District (except fiduciary funds) and the Agency's component units	The activities of the District that are not proprietary or fiduciary	Activities the District operates similar to private businesses	Instances in which the District is the trustee or agent for someone else's resources
Required financial statements	◆ Statement of net position	◆ Balance sheet	◆ Statement of net position	◆ Statement of fiduciary net position
	◆ Statement of activities	◆ Statement of revenues, expenditures & changes in fund balances	◆ Statement of revenues, expenses and changes in fund net position ◆ Statement of cash flows	◆ Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The District's total net position was approximately \$1.889 billion at June 30, 2015. The District's governmental activities net position decreased by \$56 million. The District's business-type activities net position decreased by \$17 million.

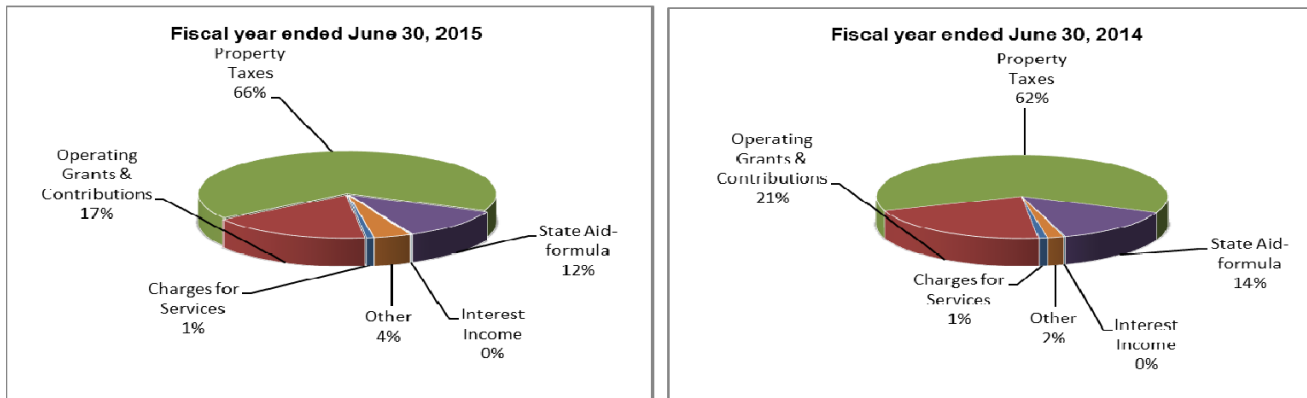
The District's Condensed Statement of Net Position
(in thousands of dollars)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>		
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>Difference</u>
Current and other assets	\$ 2,086,606	1,701,326	\$ 70,413	\$ 74,502	\$ 2,157,019	\$ 1,775,828	\$ 381,191
Capital assets	3,284,637	3,147,459	2,312	1,423	3,286,949	3,148,882	138,067
Total assets	<u>5,371,243</u>	<u>4,848,785</u>	<u>72,725</u>	<u>75,925</u>	<u>5,443,968</u>	<u>4,924,710</u>	<u>519,258</u>
Deferred outflows	69,626	16,269	2,695	-	72,321	16,269	56,052
Current liabilities	496,275	482,949	2,717	5,164	498,992	488,113	10,879
Long term liabilities	3,024,315	2,488,460	14,969	234	3,039,284	2,488,694	550,590
Total liabilities	<u>3,520,590</u>	<u>2,971,409</u>	<u>17,686</u>	<u>5,398</u>	<u>3,538,276</u>	<u>2,976,807</u>	<u>561,469</u>
Deferred Inflows	84,507	1,498	4,493	-	89,000	1,498	87,502
Net position:							
Net investment in capital							
assets	1,251,173	1,107,825	2,312	1,423	1,253,485	1,109,248	144,237
Restricted	47,833	84,103	7,004	20,427	54,837	104,530	(49,693)
Unrestricted	536,766	700,219	43,925	48,677	580,691	748,896	(168,205)
Total net position	<u>\$ 1,835,772</u>	<u>\$ 1,892,147</u>	<u>\$ 53,241</u>	<u>\$ 70,527</u>	<u>\$ 1,889,013</u>	<u>\$ 1,962,674</u>	<u>\$ (73,661)</u>

Net investment in capital assets (e.g. land, buildings, furniture, and equipment) less any related debt used to acquire those assets that is still outstanding is \$1.253 billion. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position of \$55 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$581 million may be used to meet the District's ongoing obligations.

Changes in net position. The District's total revenues were \$2.466 billion. A significant portion, approximately 66 percent, of the District's revenue is from property taxes. Operating grants and contributions provided revenue of 17 percent, 12 percent comes from state aid - formula grants, while only 1 percent relates to charges for services. (See Figure A-2) The total cost of all programs and services was \$2.208 billion.

**Figure A-2 District
Sources of Revenue**



Governmental Activities

The net position of the District's governmental activities decreased by \$56 million due to decreases in state aid sources and increases in instruction expenses and data processing services. The total cost of all governmental activities for the fiscal year ended June 30, 2015 was \$2.075 billion. Funding for these governmental activities is by specific program revenue or through general revenues such as property taxes and investment earnings. The following is a summary of the governmental activities:

- The cost of all *governmental activities* this year was \$2.076 billion.
- Some of the *governmental activities* cost was funded by program revenues directly attributable to specific activities. These program revenues amounted to \$286 million.
- The remaining cost of *governmental activities* not directly funded by program revenues was \$1.789 billion of which \$1.630 billion was funded by property taxes and \$286 million was funded by state aid - not restricted to specific programs.

Business-type Activities

The net position of the District's business-type activities decreased by \$17 million due to the GASB 68 adjustment. Funding for these business-type activities is by specific program revenue or through general revenues such as investment earnings and miscellaneous sources. The following is a summary of the business-type activities:

- The cost of all *business-type activities* this year was \$132 million.
- The majority of the *business-type activities* cost was funded by program revenues directly attributable to specific activities. These program revenues amounted to \$162 million.

Changes in Net Position

The total net position of the District decreased by \$74 million due to the following activities:

- Operating grants and contributions revenues decreased by \$68 million mainly due to a decrease in the Instructional Material Allotment (IMA) and a decrease in TRS on behalf offset by expenditures for TRS on behalf.
- Property tax revenues increased by \$198 million due to increases in property values and \$.01 increase in the debt service tax rate.
- State aid not restricted to specific programs decreased \$37 million primarily due to increases in property tax revenues.
- Data processing services increased by \$26 million due to a multi-year district-wide initiative to improve the District's network infrastructure.
- Instruction costs increased by \$28 million due to increases in payroll costs for teachers and increase in student enrollment.
- Plant maintenance and operations services decreased \$17 million due to non-recurring repair costs related to the annexation of North Forest ISD in fiscal year 2014.

The District's Changes in Net Position

(in thousands of dollars)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for services	\$ 2,547	\$ 3,134	\$ 17,420	\$ 19,073	\$ 19,967	\$ 22,207
Operating grants and contributions	283,689	358,083	144,335	138,265	428,024	496,348
General Revenues						
Property taxes	1,629,736	1,432,179	-	-	1,629,736	1,432,179
State aid - not restricted to specific programs	286,405	323,853	-	-	286,405	323,853
Earnings on investments	3,725	3,979	57	59	3,782	4,038
Other	97,889	42,455	426	1,055	98,315	43,510
Total revenues	<u>2,303,991</u>	<u>2,163,683</u>	<u>162,238</u>	<u>158,452</u>	<u>2,466,229</u>	<u>2,322,135</u>
Expenses						
Instruction	1,209,883	1,182,119	-	-	1,209,883	1,182,119
Instructional resources and media services	7,703	9,945	-	-	7,703	9,945
Instructional staff development	60,006	59,083	-	-	60,006	59,083
Curriculum development	5,718	6,140	-	-	5,718	6,140
Instructional leadership	28,478	25,360	-	-	28,478	25,360
School leadership	129,496	125,594	-	-	129,496	125,594
Guidance, counseling, and evaluation services	46,639	49,573	-	-	46,639	49,573
Social work services	2,920	3,201	-	-	2,920	3,201
Health services	20,326	20,089	-	-	20,326	20,089
Student transportation	56,263	54,382	-	-	56,263	54,382
Food service	735	740	-	-	735	740
Co-curricular/extracurricular activities	17,216	15,883	-	-	17,216	15,883
General administration	35,367	36,400	-	-	35,367	36,400
Plant maintenance and operations	175,915	192,637	-	-	175,915	192,637
Security and monitoring services	22,507	21,717	-	-	22,507	21,717
Data processing services	95,133	68,775	-	-	95,133	68,775
Community services	6,532	4,872	-	-	6,532	4,872
Fiscal agent/member districts of shared services	2,704	1,957	-	-	2,704	1,957
Interest and fiscal charges	89,351	92,547	-	-	89,351	92,547
Juvenile justice alternative education program	792	844	-	-	792	844
Tax reinvestment zone payments	49,360	53,642	-	-	49,360	53,642
Tax appraisal and collection	12,555	10,589	-	-	12,555	10,589
Food service	-	-	122,401	115,781	-	115,781
Other	-	-	9,786	9,054	9,786	9,054
Total expenses	<u>2,075,599</u>	<u>2,036,089</u>	<u>132,187</u>	<u>124,835</u>	<u>2,085,385</u>	<u>2,160,924</u>
Change in net position before transfers	228,392	127,594	30,051	33,617	380,844	161,211
Transfers	30,400	21,261	(30,400)	(21,261)	-	-
Change in net position	258,792	148,855	(349)	12,356	380,844	161,211
Beginning net position (restated, Note 1)	<u>1,576,980</u>	<u>1,743,292</u>	<u>53,590</u>	<u>58,171</u>	<u>1,630,570</u>	<u>1,801,463</u>
Ending net position	<u>\$ 1,835,772</u>	<u>\$ 1,892,147</u>	<u>\$ 53,241</u>	<u>\$ 70,527</u>	<u>\$ 2,011,414</u>	<u>\$ 1,962,674</u>

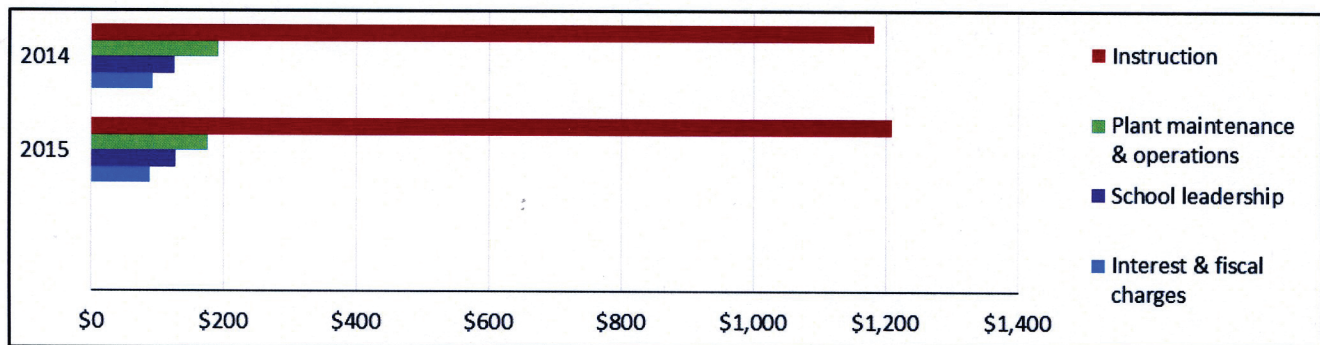
Note: Beginning net position has been restated due to adoption of GASB 68.

The following table presents the cost of the District's largest governmental functions as well as their related *net cost* (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars, state revenues, and other miscellaneous general revenues.

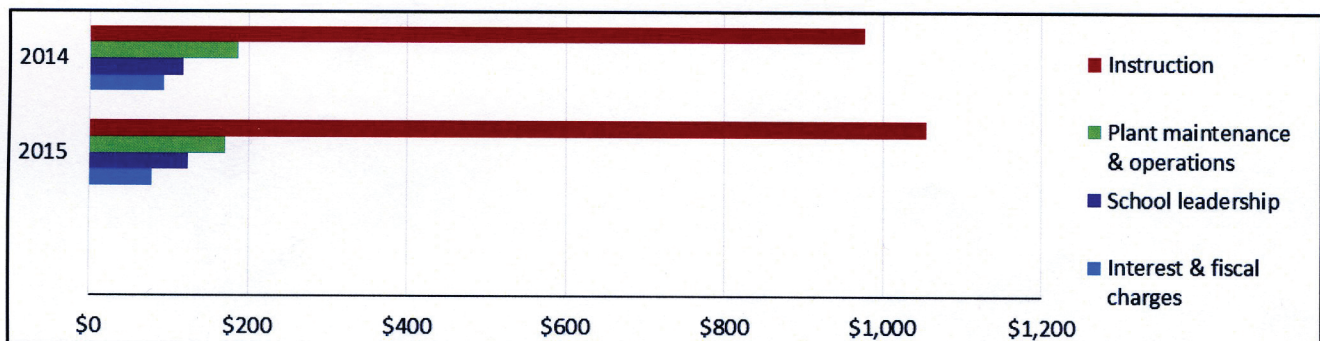
(in millions of dollars)

	<i>Total Cost of Services</i>		<i>Net Cost of Services</i>	
	2015	2014	2015	2014
Instruction	\$ 1,210	\$ 1,182	\$ 1,055	\$ 976
Plant maintenance & operations	176	193	171	186
School leadership	129	126	123	117
Data Processing Service	95	69	84	34

Total Cost of Services



Net Cost of Services



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds The District's accounting records for general governmental operations are maintained on a modified accrual basis as prescribed by the *Financial Accountability System Resource Guide*, Texas Education Agency, with the revenues being recorded when available and measurable to finance expenditures of the fiscal period. Expenditures are recorded when services or goods are received and the fund liabilities are incurred. The general governmental operations include the following major funds: General, Special Revenue, Debt Service, Capital Renovation, and the nonmajor governmental fund (Public Facility Corporation).

Revenues for general governmental functions totaled \$2.235 billion (excluding other sources) for the fiscal year ended June 30, 2015, an increase of 4.3 percent from the prior fiscal year. Property taxes were the largest source of revenue received by the District at 72.5 percent of total revenues. Property taxes are part of the District's target revenue funding system established by the 83rd Texas Legislature. The District earns \$6,028 per weighted average daily attendance ("WADA"). The difference between what the District collects in property taxes and the target revenue per WADA is made up in state funding through Available State Aid for

Tax Reduction (ASATR). As property taxes increase, the amount of funding from the State of Texas decreases and vice versa. However, due to the increase in property values the District exceeded the minimum guaranteed revenue and no longer receives ASATR.

Expenditures for general governmental operations totaled \$3.111 billion during fiscal year 2015, an increase of 35.2 percent from fiscal year 2014. Increases in expenditures occurred in the functional areas of instruction, instructional staff development, instructional leadership, school leadership, student transportation, food services, co-curricular activities, security and monitoring services, data processing services, community services, fiscal agent payments, tax appraisal and collection services, debt service fiscal charges, and facilities acquisition and construction services.

The District's governmental funds financial statements reported a combined fund balance of \$1.651 billion, an increase of \$383 million. Of this amount, \$283 million is unassigned in the General Fund and is available for spending at the District's discretion. The net increase of the combined fund balances was comprised of fund balance increases in the Capital Renovation Fund of \$209 million, increases in the General Fund of \$106 million, increases in the non-major Capital Renovation Fund of \$87 million, and a decrease of \$20 million in the Debt Service Fund. Out of the combined fund balances, \$11 million is nonspendable in the General Fund and \$352 million is set aside for other purposes in the General Fund. The remainder of the fund balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending.

The General Fund is the primary operating fund of the District. The fund balance of the General Fund increased \$106 million during the fiscal year primarily due to increases in property tax and other financing sources. At the end of the fiscal year, the unassigned fund balance represented 17 percent of the total General Fund expenditures, while total fund balance represented 39 percent of that same amount.

The Special Revenue Fund accounts for all grants received by the District from local, state, and federal sources. The ending fund balance of \$28 million consists of \$22 million which is restricted for E-rate activities and \$6 million is restricted carryover funds for lost textbooks. There was no significant change in the fund balance.

The Debt Service Fund has a total fund balance of \$126 million all of which is restricted for the payment of debt service. The net decrease in fund balance during the period in the Debt Service Fund was \$20 million. The decrease resulted primarily from the cash defeasance of outstanding debt partially offset by a reduction in anticipated debt service payments for new debt. The District makes semi-annual debt service payments in December/June, January/July, February/August and March/September of each year. Debt service payments for the period ended June 30, 2015 included all scheduled payments including payments due within 30 days of year end.

The Capital Renovation Fund has a total fund balance of \$758 million of which \$649 million is restricted for rebuild construction programs. The fund balance increased by \$209 million due to the issuance of bonds and increases in sale of capital assets.

The Capital Renovation Fund – Public Facility Corporation has a total fund balance of \$93 million, all of which is restricted for construction of three additional projects. The fund balance increased by \$87 million due to the issuance of bonds.

Proprietary Funds The District maintains both enterprise funds and internal service funds. Information is presented separately in the proprietary funds statement of net position and in the proprietary funds statement of revenues, expenses, and changes in net position for the Nutrition Services Fund, which is considered to be a major fund. The net position in the Nutrition Services Fund as of June 30, 2015 was \$9 million. Of this amount, \$2 million represented the investment in capital assets and \$7 million was restricted. For the fiscal year, net position for the Nutrition Services Fund decreased by \$12 million due to the GASB 68 adjustment.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget several times. As a result, actual expenditures were \$308.5 million less than the final appropriated budget which resulted in positive variances. These variances are the result of salaries, benefits, consultants, and contracted services being budgeted at a greater amount than expenditures. Following were the key variances:

- \$95.2 million in encumbrances were carried over to the 2015-2016 fiscal year as purchase orders or requisitions
- \$64.3 million resulted from staffing adjustments (all areas including salaries, substitutes, stipends, overtime, and benefits)
- \$53.5 million from North Forest annexation incentive aid from the state that will be reserved for North Forest area construction projects
- \$32.9 million primarily from the SAP re-implementation project which was approved in April 2015 and didn't have any significant expenditures by June 30, 2015
- \$18.8 million from instructional services of which \$13.8 million was from school resource allocation funds
- \$21.3 million from facility maintenance of which \$18.3 million was primarily from utilities, custodial, property liability, and auto insurance
- \$17.5 million technology equipment budgeted but not spent

Staffing is budgeted at one hundred percent of actual salary. Budget amounts for vacant positions are monitored to ensure that only limited revisions are allowed for departments. Schools have a more flexible revision policy but cannot take excess salary budgets for non-salary uses.

The final budgeted amount for revenues was \$1.78 billion (excluding other sources). Actual revenues are under the revised budget by \$22 million primarily due to reduction in the state's Instruction Material Allotment (IMA) and TRS on behalf payments which has an equal reduction in expenditures.

The 2014-2015 General Fund operating budget had an increase of \$265.4 million during the year. Budget adjustments include the following major items:

- Carryover encumbrances - \$88.7 million
- Salary increases - \$42.3 million
- North Forest incentive funding - \$53.5 million
- Technology infrastructure and SAP project - \$20.5 million
- Enrollment increases to campus PUA - \$16.0 million
- Tax Increment Reinvestment Zone ("TIRZ") - \$6.4 million
- Capital outlay - \$5.4 million
- Bilingual stipend increase - \$5.7 million
- TRS on behalf - \$4.4M
- Instructional staff development - move programs from Title II to General Fund - \$3.9 million
- Capital Replacement Program (5-year cycle) - \$3.8 million
- Bus and police radio tower and system replacement - \$8.0 million
- Facilities assessment - \$4.0 million
- Bus fleet replacement - \$2.0 million

Other Financing Sources:

- Capital leases for PowerUp laptops - \$19.8 million

The revenue budget increased \$128.3 million during the year:

- North Forest incentive - \$66.4 million
- State funding increase due to student enrollment - \$34.3 million
- Tax Increment Reinvestment Zone ("TIRZ") - \$6.4 million
- TRS on behalf - \$4.4
- Property Tax value growth - \$17.3 million

Budget amendments are presented to the Board of Education for consideration and approval throughout the year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

The District had invested \$3.284 billion, net of depreciation, in a broad range of capital assets, including land, buildings and improvements, furniture and equipment, and vehicles. This amount represents a net increase (including additions, deductions, and depreciation) of \$137 million over last year.

District's Capital Assets
(net of depreciation, in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2015	2014	2015	2014	2015	2014	2015-2014
Land	\$ 277,386	248,167	\$ -	-	\$ 277,386	248,167	11.77%
Building and Improvements	2,358,449	2,449,650	-	-	2,358,449	2,449,650	-3.72%
Vehicles	33,691	36,045	699	234	34,390	36,279	-5.20%
Furniture and Equipment	86,676	88,409	1,613	1,189	88,289	89,598	-1.46%
Construction in progress	528,435	325,188	-	-	528,435	325,188	62.50%
Total	\$ 3,284,637	3,147,459	\$ 2,312	1,423	\$ 3,286,949	3,148,882	4.38%

As of June 30, 2015, the District had fully funded construction commitments of \$375,930,952. More detailed information about the District's capital assets is presented in Note 6 of the "Notes to the Basic Financial Statements."

Long Term Debt

As of June 30, 2015, the District had net bonded debt outstanding of \$2.675 billion. The District debt totals included \$627.4 million in Variable Rate Bonds outstanding at fiscal year end. The ratio of net general bonded debt to assessed valuation and the amount of bonded debt per student are useful indicators of the District's debt position. This data reflects an increase in the ratio of net bonded debt to assessed value to 1.92 percent, as compared to 1.91 percent last year.

On September 10, 2014 the District issued \$349.7 million of variable rate debt as part of the 2012 bond election. Outstanding variable rate debt increased by \$336.1 million compared to prior year ending balances after the September, 2014 issuance was refunded and remarketed in June, 2015. Variable rate debt as a percentage of net bonded debt outstanding as of June 30, 2015 is 23.46 percent.

The Public Facility Corporation, a component unit of Houston Independent School District, issued \$81.7 million of Lease Revenue Bonds for the purpose of building three educational facilities.

The District issued refunding bonds in the amount of \$365,395,000 and completed a cash defeasance in the amount of \$48 million in order to reduce debt service costs of the District.

The District did not issue any contractual obligations or maintenance notes during the year ended June 30, 2015. Contractual obligations, with a remaining balance of \$17,315,000, were previously issued for the purpose of acquiring personal property assets and are authorized pursuant to the laws of the State of Texas, including the Public Property Finance Act, Section 271.001 of the Texas Local Government Code.

Interest earnings on proceeds from debt issued since May 15, 1989, are subject to arbitrage regulations contained in the Federal Tax Reform Act of 1986. The District records the liability as an assigned part of fund balance, if needed, on an annual basis. As of June 30, 2015 no arbitrage rebate liability exists.

More detailed information about the District's long term debt is presented in Note 8 of the "Notes to the Basic Financial Statements."

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

When the 2015-2016 budget was adopted in June 2015, the District projected an increase in local funding from the 2014-2015 original budgeted property tax levy of \$151.3 million, a loss of state funding of \$3 million, and projected increase in revenues from other sources of \$4.4 million for a net increase of \$152.7 million in revenues. This includes the loss of one-time funding for TRS payroll contribution of \$12.86 million and one-time pre-kindergarten funding of \$1.2 million. The additional increased funding received by the District is one-time in that if property values do not increase at the same rate as 2015-2016, the District will lose state funding as the funding formula catches up to the District and becomes recapture.

The 2015-2016 state revenue projections are based on an estimated average daily attendance (ADA) of 194,549 students and a weighted average daily attendance (WADA) of 269,367 students.

In May 2015, the 83rd Legislature put \$3.61 billion back into Public Education for the 2015-2016 biennium. Funding of \$1.2 billion is related to the Basic Allotment, \$860 million is related to the Austin Yield, \$1.25 billion is for an increase in the state mandated homestead exemption, \$200 million is for fractional funding, and \$100 million is for the new facilities allotment. In addition to the \$3.61 billion, the state added \$2.5 billion for statewide enrollment growth for a total increase to public education of \$6.11 billion.

The Legislature put the funds back in through several changes to the funding formula.

1. The basic allotment was increased from \$5,040 to \$5,140 for 2015-2016. The base amount is generated by every student in HISD.
2. The Equalized Wealth Level was changed from \$504,000 to \$514,000 for 2015-2016 and 2016-2017. This is the level at which a district becomes Chapter 41 ("Robin Hood") and has to send a portion of local property taxes to the state
3. The Tier II (Austin Yield) changed to \$74.28 in 2015-2016 and \$77.53 in 2016-2017. This funding is generated by \$.04 pennies of the District's tax rate approved in 2006-2007.
4. The state mandated local homestead exemption was increased from \$15,000 to \$25,000. This item must be approved in the November 3, 2015 election before it becomes law.

For 2015-2016, taxable property value was projected to increase by approximately \$151.4 million (11.13%) or \$15.13 billion in taxable value from the 2014-2015 original budget. The 2015-2016 fiscal year is the first year that the District has been designated Chapter 41 at equalized wealth level 1 (EWL1), but the District does not expect to have to pay any recapture due to growth in the student population and the increase in the state mandated homestead exemption. However, for 2016-2017, the District will be Chapter 41 and will have to pay recapture to the state.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer at 4400 West 18th Street, Houston, Texas 77092, or call (713) 556-6600.

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HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 5,634,375	\$ 150,290	\$ 5,784,665
Investments	1,874,790,813	37,151,543	1,911,942,356
Delinquent taxes receivable - net of estimated uncollectible taxes	43,911,325	-	43,911,325
Accounts receivable	148,112,578	28,136,797	176,249,375
Inventories	3,310,917	4,626,199	7,937,116
Other assets	10,846,084	348,449	11,194,533
Land	277,385,889	-	277,385,889
Construction in progress	528,435,402	-	528,435,402
Buildings and improvements	3,569,151,960	-	3,569,151,960
Furniture and equipment	419,345,603	10,695,769	430,041,372
Vehicles	117,323,770	2,522,088	119,845,858
Accumulated depreciation	(1,627,005,266)	(10,905,668)	(1,637,910,934)
Total assets	<u>5,371,243,450</u>	<u>72,725,467</u>	<u>5,443,968,917</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred losses on debt refundings	19,484,432	-	19,484,432
Deferred outflows related to TRS	50,141,276	2,694,631	52,835,907
	<u>69,625,708</u>	<u>2,694,631</u>	<u>72,320,339</u>
LIABILITIES			
Accounts payable	70,102,409	2,959,861	73,062,270
Accrued salaries and related expenses	110,111,030	605,595	110,716,625
Other liabilities	88,744,709	-	88,744,709
Internal balances	1,370,962	(1,370,962)	-
Unearned revenues	7,131,154	321,824	7,452,978
Interest payable	45,442,719	-	45,442,719
Long-term liabilities:			
Portion due or payable within one year:			
Bonds payable	84,355,248	-	84,355,248
Contractual obligations payable	9,005,000	-	9,005,000
Notes payable	5,000,000	-	5,000,000
Lease purchases	10,232,357	-	10,232,357
Accretion payable	42,915,084	-	42,915,084
Compensated absences payable	3,147,247	200,524	3,347,771
Claims payable	18,717,624	-	18,717,624
Portion due or payable after one year:			
Bonds payable	2,630,187,755	-	2,630,187,755
Contractual obligations payable	8,310,000	-	8,310,000
Notes payable	40,360,000	-	40,360,000
Lease purchases	20,776,256	-	20,776,256
Accretion payable	14,206,026	-	14,206,026
Compensated absences payable	31,500,924	281,708	31,782,632
Claims payable	5,674,758	-	5,674,758
Net Pension Liability (District's Share)	273,298,889	14,687,295	287,986,184
Total liabilities	<u>3,520,590,151</u>	<u>17,685,845</u>	<u>3,538,275,996</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred gains on debt refundings	904,465	-	904,465
Deferred inflows related to TRS	83,602,940	4,492,887	88,095,827
	<u>84,507,405</u>	<u>4,492,887</u>	<u>89,000,292</u>
NET POSITION			
Net investment in capital assets	1,251,173,392	2,312,189	1,253,485,581
Restricted for:			
Capital acquisition program	5,718,568	-	5,718,568
Debt service	42,113,930	-	42,113,930
Nutrition services	-	7,004,373	7,004,373
Unrestricted	536,765,712	43,924,804	580,690,516
Total net position	<u>\$ 1,835,771,602</u>	<u>\$ 53,241,366</u>	<u>\$ 1,889,012,968</u>

The notes to the basic financial statements are an integral part of this statement.

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**HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Instruction	\$ 1,209,883,205	\$ 1,406,428	\$ 153,122,141	\$ (1,055,354,636)	-	\$ (1,055,354,636)
Instructional resources and media services	7,702,863	-	607,687	(7,095,176)	-	(7,095,176)
Instructional staff development	60,005,763	-	36,561,762	(23,444,001)	-	(23,444,001)
Curriculum development	5,717,871	-	317,965	(5,399,906)	-	(5,399,906)
Instructional leadership	28,477,630	-	9,252,047	(19,225,583)	-	(19,225,583)
School leadership	129,495,908	-	6,243,571	(123,252,337)	-	(123,252,337)
Guidance, counseling, and evaluation services	46,638,994	-	10,506,642	(36,132,352)	-	(36,132,352)
Social work services	2,920,092	-	1,201,354	(1,718,738)	-	(1,718,738)
Health services	20,326,190	-	4,382,460	(15,943,730)	-	(15,943,730)
Student transportation	56,262,972	-	19,023,111	(37,239,861)	-	(37,239,861)
Food service	735,266	-	64,492	(670,774)	-	(670,774)
Co-curricular/extracurricular activities	17,216,086	814,171	2,838,371	(13,563,544)	-	(13,563,544)
General administration	35,366,990	-	4,319,515	(31,047,475)	-	(31,047,475)
Plant maintenance and operations	175,914,882	326,551	4,883,324	(170,705,007)	-	(170,705,007)
Security and monitoring services	22,506,620	-	1,017,295	(21,489,325)	-	(21,489,325)
Data processing services	95,132,817	-	11,107,545	(84,025,272)	-	(84,025,272)
Community services	6,532,422	-	4,409,198	(2,123,224)	-	(2,123,224)
Fiscal agent/member districts of shared services	2,704,595	-	2,704,595	-	-	-
Juvenile justice alternative education program	792,000	-	-	(792,000)	-	(792,000)
Tax reinvestment zone payments	49,360,389	-	-	(49,360,389)	-	(49,360,389)
Tax appraisal and collection	12,555,327	-	-	(12,555,327)	-	(12,555,327)
Interest and fiscal charges	89,351,058	-	11,125,880	(78,225,178)	-	(78,225,178)
Total governmental activities	2,075,599,940	2,547,150	283,688,955	(1,789,363,835)	-	(1,789,363,835)
Business-type activities:						
Nutrition services	122,401,383	8,374,719	117,169,872	-	3,143,208	3,143,208
Business development	4,490,622	4,944,367	-	-	453,745	453,745
Medicaid	4,287,529	3,345,480	27,164,887	-	26,222,838	26,222,838
Marketplace	1,007,281	755,925	-	-	(251,356)	(251,356)
Total business-type activities	132,186,815	17,420,491	144,334,759	-	29,568,435	29,568,435
Total activities	\$ 2,207,786,755	\$ 19,967,641	\$ 428,023,714	(1,789,363,835)	29,568,435	(1,759,795,400)
General revenues:						
Taxes:						
Maintenance & operations property taxes				1,397,469,254	-	1,397,469,254
Debt service property taxes				232,266,371	-	232,266,371
State aid - not restricted to specific programs				286,405,460	-	286,405,460
Tax increment reinvestment zone				25,200,451	-	25,200,451
Unrestricted investment earnings				3,724,933	57,514	3,782,447
Miscellaneous				19,274,951	425,772	19,700,723
Gain on sale of real or personal property				53,413,990	-	53,413,990
Transfers in (out)				30,400,000	(30,400,000)	-
Total general revenues and transfers				2,048,155,410	(29,916,714)	2,018,238,696
Change in net position				258,791,575	(348,279)	258,443,296
Net position—beginning				1,892,147,411	70,526,986	1,962,674,397
Prior period adjustment required by GASB 68				(315,167,384)	(16,937,341)	(332,104,725)
Net position—beginning restated				1,576,980,027	53,589,645	1,630,569,672
Net position—ending				\$ 1,835,771,602	\$ 53,241,366	\$ 1,889,012,968

The notes to the basic financial statements are an integral part of this statement.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2015**

	MAJOR				NONMAJOR		
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Renovation Fund	Capital Renovation Fund - PFC	Total Governmental Funds	
ASSETS							
Cash and cash equivalents	\$ 4,760,351	\$ 520,874	\$ 38,715	\$ 34,094	\$ 171,816	\$ 5,525,850	
Investments	725,925,995	26,583,889	136,517,683	789,541,578	95,310,195	1,773,879,340	
Delinquent taxes receivable - net of estimated uncollectible taxes							
Accounts receivable	38,508,067	-	5,403,258	-	-	43,911,325	
Due from other funds	107,248,476	38,198,541	2,375,152	-	-	147,822,169	
Inventories	5,291,634	-	379,715	359,639	-	6,030,988	
Other assets	3,310,917	-	-	-	-	3,310,917	
Total assets	8,850,637	88,249	66,893	1,603,568	34,689	10,644,036	
	\$ 893,896,077	\$ 65,391,553	\$ 144,781,416	\$ 791,538,879	\$ 95,516,700	\$ 1,991,124,625	
LIABILITIES							
Accounts payable	\$ 37,274,949	\$ 6,559,998	\$ 29,665	\$ 33,494,205	\$ 2,274,846	\$ 79,633,663	
Debt service payable	-	-	14,393,662	-	-	14,393,662	
Accrued salaries and expenditures	103,725,288	5,883,810	-	157,500	-	109,766,598	
Other liabilities	72,515,791	1,592,626	242,630	-	-	74,351,047	
Due to other funds	-	16,151,243	-	-	6,676	16,157,919	
Unearned revenues	-	7,112,348	-	-	-	7,112,348	
Total liabilities	213,516,028	37,300,025	14,665,957	33,651,705	2,281,522	301,415,237	
DEFERRED INFLOWS OF RESOURCES							
Deferred property taxes	32,746,335	-	4,416,183	-	-	37,162,518	
Deferred revenues	1,467,892	-	-	-	-	1,467,892	
Total deferred inflows of resources	34,214,227	-	4,416,183	-	-	38,630,410	
FUND BALANCES							
Nonspendable	11,234,622	-	-	-	-	11,234,622	
Restricted	5,686,179	28,091,528	125,699,276	648,942,505	93,235,178	901,654,666	
Committed	89,706,733	-	-	38,462,761	-	128,169,494	
Assigned	256,992,372	-	-	70,481,908	-	327,474,280	
Unassigned	282,545,916	-	-	-	-	282,545,916	
Total fund balances	646,165,822	28,091,528	125,699,276	757,887,174	93,235,178	1,651,078,978	
Total liabilities, deferred inflows of resources, and fund balances	\$ 893,896,077	\$ 65,391,553	\$ 144,781,416	\$ 791,538,879	\$ 95,516,700	\$ 1,991,124,625	

The notes to the basic financial statements are an integral part of this statement.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015**

Total Fund Balances— Governmental Funds **\$ 1,651,078,978**

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in governmental funds. The cost of the assets is \$4,911,642,624 and the accumulated depreciation is \$1,627,005,266. 3,284,637,358

Property taxes and other receivables are not available soon enough to pay for the current period's expenditures, and therefore, are deferred in the funds. 38,630,410

Various internal service fund noncurrent assets included in the proprietary funds statement of net position. (1,952,588)

Internal service funds are used by the District's management to charge the costs of workers' compensation, health insurance, and print shop activities to the funds. A portion of the assets and liabilities of the internal service funds are included with governmental activities. 82,162,133

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported as liabilities in the funds. Long term liabilities at year-end consist of:

Bonds payable	\$ 2,621,020,054	
Accretion of interest payable	57,121,110	
Contractual obligations payable	8,310,000	
Notes payable	40,360,000	
Compensated absences payable	34,207,321	
Lease purchases payable	31,008,613	
Premium on bonds payable	93,522,949	
Accrued interest payable	45,054,056	
		(2,930,604,103)

Deferred gains and losses on the refunding of bonds are not reported in the funds but are considered deferred inflows and outflows in the statement of net position. 18,579,967

Included in the items related to debt is the recognition of the District's proportionate share of pension liability required by GASB 68:

Net pension liability	\$ (273,298,889)	
Deferred resource inflow related to TRS	(83,602,940)	
Deferred resource outflow related to TRS	50,141,276	
Decrease in Net Position		(306,760,553)

Total Net Position of Governmental Activities **\$ 1,835,771,602**

The notes to the basic financial statements are an integral part of this statement.

HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	MAJOR				NONMAJOR		
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Renovation Fund	Capital Renovation Fund - PFC	Total Governmental Funds	
REVENUES							
Property taxes	\$ 1,389,906,245	\$ -	\$ 230,862,719	\$ -	\$ -	\$ 1,620,768,964	
Earnings on investments	1,570,032	-	308,757	1,274,378	74,413	3,227,580	
Miscellaneous local sources	12,694,795	9,338,939	-	24,355,864	-	46,389,598	
State sources	345,456,076	5,630,394	170,925	-	-	351,257,395	
Federal sources	7,255,184	199,368,163	7,059,269	-	-	213,682,616	
Total revenues	1,766,882,332	214,337,466	238,401,670	25,630,242	74,413	2,235,326,153	
EXPENDITURES							
Current							
Instruction	986,111,818	118,328,996	-	-	-	1,104,440,814	
Instructional resources and media services	7,599,254	353,013	-	-	-	7,952,267	
Instructional staff development	22,976,770	36,131,143	-	-	-	59,107,913	
Curriculum development	5,574,472	123,150	-	-	-	5,697,622	
Instructional leadership	18,547,813	8,657,035	-	-	-	27,204,848	
School leadership	126,803,708	1,807,937	-	-	-	128,611,645	
Guidance, counseling and evaluation services	35,363,920	9,753,080	-	-	-	45,117,000	
Social work services	1,755,908	1,143,929	-	-	-	2,899,837	
Health services	16,091,754	3,768,402	-	-	-	19,860,156	
Student transportation	51,057,512	3,002,210	-	-	-	54,059,722	
Food services	526,666	64,492	-	-	-	591,158	
Co-curricular/extracurricular activities	14,431,423	2,651,823	-	-	-	17,083,246	
General administration	31,772,375	3,347,163	-	-	-	35,119,538	
Plant maintenance and operations	171,577,843	2,247,373	-	-	-	173,825,216	
Security and monitoring services	22,113,411	311,717	-	-	-	22,425,128	
Data processing services	86,172,215	3,452,473	-	-	-	89,624,688	
Community services	2,120,485	4,346,898	-	-	-	6,467,383	
Fiscal agent/member districts of shared services arrangements	792,000	2,704,595	-	-	-	2,704,595	
Juvenile justice alternative education program	49,360,389	-	-	-	-	792,000	
Tax reinvestment zone payments	12,555,327	-	-	-	-	49,360,389	
Tax appraisal and collection	-	-	-	-	-	12,555,327	
Debt service							
Principal	34,157	10,755,383	106,657,346	-	-	117,446,886	
Interest	1,389	370,497	131,766,631	-	-	132,138,517	
Fiscal charges	-	-	2,728,904	-	-	2,728,904	
Payments to escrow agents - current refunding	-	-	752,140,331	-	-	752,140,331	
Capital outlay							
Facilities acquisition and construction	571,723	95,881	-	234,857,306	5,579,117	241,104,027	
Total expenditures	1,663,912,332	213,417,190	993,293,212	234,857,306	5,579,117	3,111,059,157	
Excess (deficiency) of revenues over (under) expenditures	92,970,000	920,306	(754,891,542)	(209,227,064)	(5,504,704)	(875,733,004)	
OTHER FINANCING SOURCES (USES)							
Transfers in	30,400,000	-	31,776,969	17,471,484	-	79,648,453	
Transfers out	(37,085,543)	-	-	(12,646,844)	-	(49,732,387)	
Issuance of bonds and other debt	-	-	-	349,740,000	81,650,000	431,390,000	
Issuance of refunding debt	-	-	701,475,000	-	-	701,475,000	
Premium on the sale of bonds	-	-	-	1,643,778	10,960,062	12,603,840	
Premium on the sale of refunding bonds	-	-	52,501,363	-	-	52,501,363	
Capital leases	19,814,339	-	-	-	-	19,814,339	
Proceeds from sale of capital assets	-	-	-	61,799,149	-	61,799,149	
Payments to escrow agents - advance defeasance	-	-	(51,072,776)	-	-	(51,072,776)	
Total other financing sources (uses)	13,128,796	-	734,680,556	418,007,567	92,610,062	1,258,426,981	
Net change in fund balances	106,098,796	920,306	(20,210,986)	208,780,503	87,105,358	382,693,977	
Fund balances--beginning	540,067,026	27,171,222	145,910,262	549,106,671	6,129,820	1,268,385,001	
Fund balances--ending	646,165,822	28,091,528	125,699,276	757,887,174	93,235,178	1,651,078,978	

The notes to the basic financial statements are an integral part of this statement.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Total Net Change in Fund Balances—Governmental Funds **\$ 382,693,977**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Facilities acquisition and construction	241,104,027	
Other Acquisitions and disposals	19,074,970	
Depreciation expense	<u>(123,000,859)</u>	137,178,138

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Proceeds from the sale of bonds is a source of financing in the governmental funds, but the statement of net position recognizes it as an increase in the long term liabilities. The changes in long term liabilities at year end consist of:

Bonds payable	(249,827,653)	
Contractual obligations payable	9,005,000	
Notes payable	5,000,000	
Amortization of premium on bonds payable	(36,726,842)	
Lease purchase payable, net	(15,241,884)	
Accretion payable, net	<u>24,142,957</u>	(263,648,422)

Deferred inflows of gains and losses on debt refundings are amortized over the term of the bonds in the statements but are expensed in the year incurred in governmental funds. 3,808,811

Property taxes and other receivables, that will not be collected until after the District's fiscal year end, are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues, net of allowance for bad debt, and otherdeferred revenues increased by this amount. 7,907,505

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus, requires the use of current financial resources. In the statement of activities, however interest expense is recognized as the interest accrues, regardless of when it is due. 2,014,341

The net effect of various miscellaneous transactions involving capital assets having the effect of decreasing net assets. 2,883

In the statement of activities, compensated absences (sick pay, state personal leave, vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year the amounts earned were exceeded by the compensated absences used. (3,609,393)

Internal service funds are used by management to charge the costs of certain activities, such as workers' compensation, health insurance, and print shop activities, to individual funds. A portion of the net revenue (expense) of the internal service funds is reported with governmental activities. (15,963,096)

The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of 8/31/2014 caused the change in the ending net position to increase in the amount of \$28,149,889. Contributions made before the measurement but during the 2015 FY were also de-expended and recorded as a reduction in the net pension liability for the District. This also caused an increase in the change in net position in the amount of \$5,518,594. The District recorded its' proportionate share of the pension expense during the measurement period as part of the net pension liability. The amount expensed for FY2015 was \$42,454,657 for pension expense columns 6-12 from TRS data and the amount de-expended for the net deferred resource inflow recognized by TRS in the measurement period was \$17,193,005. This caused a net decrease in the change in net position of \$25,261,652. The impact of these adjustments is to increase the change in net position by \$8,406,831. 8,406,831

Change in Net Position of Governmental Activities **\$ 258,791,575**

The notes to the basic financial statements are an integral part of this statement.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015**

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Nutrition Services Fund	Nonmajor Enterprise Funds	Totals	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 80,836	\$ 69,454	\$ 150,290	\$ 108,525
Investments	19,752,401	17,399,142	37,151,543	100,911,473
Receivables	3,640,249	24,496,548	28,136,797	290,409
Due from other funds	-	26,241	26,241	12,084,845
Accrued interest	-	-	-	124,915
Inventories	4,576,252	49,947	4,626,199	-
Other assets	341,274	7,175	348,449	77,133
Total current assets	<u>28,391,012</u>	<u>42,048,507</u>	<u>70,439,519</u>	<u>113,597,300</u>
Noncurrent assets:				
Buildings and improvements	-	-	-	1,847,595
Furniture and equipment	10,352,405	343,364	10,695,769	1,437,675
Vehicles	2,522,088	-	2,522,088	125,049
Less accumulated depreciation	<u>(10,679,058)</u>	<u>(226,610)</u>	<u>(10,905,668)</u>	<u>(1,457,731)</u>
Total noncurrent assets	<u>2,195,435</u>	<u>116,754</u>	<u>2,312,189</u>	<u>1,952,588</u>
Total assets	<u>30,586,447</u>	<u>42,165,261</u>	<u>72,751,708</u>	<u>115,549,888</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to TRS	2,694,631	-	2,694,631	-
	<u>2,694,631</u>	<u>-</u>	<u>2,694,631</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	2,559,488	400,373	2,959,861	4,862,409
Due to other funds	1,143,339	514,140	1,657,479	326,676
Unearned revenue	-	-	-	18,806
Accrued salaries payable	527,977	77,618	605,595	344,432
Compensated absences payable	155,893	44,631	200,524	93,393
Claims and judgments payable	-	-	-	18,717,624
Deferred Revenues	321,824	-	321,824	-
Total current liabilities	<u>4,708,521</u>	<u>1,036,762</u>	<u>5,745,283</u>	<u>24,363,340</u>
Noncurrent liabilities:				
Compensated absences payable	192,567	89,141	281,708	347,457
Claims and judgments payable	-	-	-	5,674,758
Net Pension Liability (District's Share)	14,687,295	-	14,687,295	-
Total noncurrent liabilities	<u>14,879,862</u>	<u>89,141</u>	<u>14,969,003</u>	<u>6,022,215</u>
Total liabilities	<u>19,588,383</u>	<u>1,125,903</u>	<u>20,714,286</u>	<u>30,385,555</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to TRS	4,492,887	-	4,492,887	-
	<u>4,492,887</u>	<u>-</u>	<u>4,492,887</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	2,195,435	116,754	2,312,189	1,952,588
Restricted for:				
Nutrition Service	7,004,373	-	7,004,373	-
Unrestricted	-	40,922,604	40,922,604	83,211,745
Total net position	<u>\$ 9,199,808</u>	<u>\$ 41,039,358</u>	<u>\$ 50,239,166</u>	<u>\$ 85,164,333</u>

Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.

3,002,200

Net position of business-type activities \$ 53,241,366

The notes to the basic financial statements are an integral part of this statement.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Nutrition Services Fund	Nonmajor Enterprise Funds	Totals	
OPERATING REVENUES:				
Charges for sales and services:				
Sales to customers	\$ 8,374,719	\$ 755,925	\$ 9,130,644	\$ 23,643,824
Consulting services	-	8,289,847	8,289,847	-
Charges to employees and other funds	-	-	-	123,708,154
Miscellaneous	61,669	364,103	425,772	1,226,340
Total operating revenues	<u>8,436,388</u>	<u>9,409,875</u>	<u>17,846,263</u>	<u>148,578,318</u>
OPERATING EXPENSES:				
Payroll costs	48,115,284	2,849,678	50,964,962	14,819,294
Purchased and contracted services	11,680,873	5,697,173	17,378,046	8,366,317
Supplies and materials	59,841,070	892,914	60,733,984	2,892,589
Other operating expenses	997,143	296,860	1,294,003	1,872,682
Claims and judgments	-	-	-	138,625,976
Depreciation	531,684	48,807	580,491	181,172
Total operating expenses	<u>121,166,054</u>	<u>9,785,432</u>	<u>130,951,486</u>	<u>166,758,030</u>
Operating income (loss)	<u>(112,729,666)</u>	<u>(375,557)</u>	<u>(113,105,223)</u>	<u>(18,179,712)</u>
NONOPERATING REVENUES (EXPENSES):				
Earnings on investments	15,760	41,754	57,514	497,353
Grants from federal agencies:				
Child nutrition program	102,634,090	-	102,634,090	-
Donated commodities	7,677,201	-	7,677,201	-
Child and Adult Care Program	2,005,794	-	2,005,794	-
Summer food program	4,280,040	-	4,280,040	-
School health services (SHARS)	-	27,164,887	27,164,887	-
State matching and other	572,747	-	572,747	-
Total nonoperating revenue	<u>117,185,632</u>	<u>27,206,641</u>	<u>144,392,273</u>	<u>497,353</u>
Income (loss) before transfers	4,455,966	26,831,084	31,287,050	(17,682,359)
Transfers In	-	-	-	483,934
Transfers out	-	(30,400,000)	(30,400,000)	-
Change in net position	4,455,966	(3,568,916)	887,050	(17,198,425)
Total net position—beginning	21,681,183	44,608,274	-	102,362,758
Prior period adjustment required by GASB 68	(16,937,341)	-	-	-
Net position - beginning restated	4,743,842	-	-	-
Total net position—ending	<u>\$ 9,199,808</u>	<u>\$ 41,039,358</u>	<u>-</u>	<u>\$ 85,164,333</u>

Some amounts reported for business-type activities in the statement of activities are different because a portion of the net revenue (expense) of certain internal service funds is reported with business-type activities.

(1,235,329)

Change in net position of business-type activities

\$ (348,279)

The notes to the basic financial statements are an integral part of this statement.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Nutrition Services Fund	Nonmajor Enterprise Funds	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from user charges	\$ 9,613,562	\$ 6,909,225	\$ 16,522,787	\$ 143,357,922
Receipts from other funds	146,169	-	146,169	-
Other receipts	9,624,916	-	9,624,916	1,122,572
Payments to suppliers	(72,574,773)	(7,494,961)	(80,069,734)	(11,280,286)
Payments to employees	(48,515,914)	(2,789,214)	(51,305,128)	(12,482,590)
Payments to other funds	-	(6,901)	(6,901)	-
Claims paid	-	-	-	(142,652,845)
Other payments	-	(20,462,656)	(20,462,656)	(171,007)
Net cash used in operating activities	<u>(101,706,040)</u>	<u>(23,844,507)</u>	<u>(125,550,547)</u>	<u>(22,106,234)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Child nutrition program	102,634,090	-	102,634,090	-
State matching and other	572,747	-	572,747	-
Summer food program	4,280,040	-	4,280,040	-
Receipts from SHARS	-	27,164,887	27,164,887	-
Transfers from other funds	-	-	-	483,934
Transfers to other funds	-	(30,400,000)	(30,400,000)	-
Net cash provided by (used in) noncapital financing activities	<u>107,486,877</u>	<u>(3,235,113)</u>	<u>104,251,764</u>	<u>483,934</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	<u>(1,472,571)</u>	<u>3,157</u>	<u>(1,469,414)</u>	<u>(178,290)</u>
Net cash provided by (used in) capital and related financing activities	<u>(1,472,571)</u>	<u>3,157</u>	<u>(1,469,414)</u>	<u>(178,290)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(104,125,760)	(48,061,756)	(152,187,516)	(280,708,972)
Proceeds from sales and maturities of investments	99,845,000	75,098,550	174,943,550	301,981,522
Interest and dividends	15,760	41,754	57,514	497,353
Net cash provided by (used in) investing activities	<u>(4,265,000)</u>	<u>27,078,548</u>	<u>22,813,548</u>	<u>21,769,903</u>
Net increase (decrease) in cash and cash equivalents	43,266	2,085	45,351	(30,687)
Balances—beginning of the year	<u>37,570</u>	<u>67,369</u>	<u>104,939</u>	<u>139,212</u>
Balances—end of the year	<u>\$ 80,836</u>	<u>\$ 69,454</u>	<u>\$ 150,290</u>	<u>\$ 108,525</u>
Reconciliation of operating loss to net cash used by operating activities:				
Operating loss	\$ (112,729,666)	\$ (375,557)	\$ (113,105,223)	\$ (18,179,712)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation expense	531,684	48,807	580,491	181,172
Donated commodities	7,677,201	-	7,677,201	-
CACFP	2,005,794	-	2,005,794	-
Change in assets and liabilities:				
Receivables	1,238,843	(2,500,653)	(1,261,810)	83,128
Inventory	401,310	(42,180)	359,130	-
Accounts payables	(456,997)	(565,832)	(1,022,829)	863,518
Due from other funds	146,169	-	146,169	15,651
Accrued interest	-	-	-	(83,968)
Due to other funds	-	(20,469,557)	(20,469,557)	(5,176,041)
Accrued salaries payable	(17,874)	13,184	(4,690)	19,523
Compensated absences payable	69,035	47,281	116,316	537
Current portion of claims and judgments	-	-	-	723,894
Other long term claims and judgments	-	-	-	(521,156)
Pension expense	451,790	-	451,790	-
Deferred outflows related to TRS	(2,694,631)	-	(2,694,631)	-
Deferred inflows related to TRS	4,041,097	-	4,041,097	-
Change in net pension liabilities	(2,250,046)	-	(2,250,046)	-
Other	(119,749)	-	(119,749)	(32,780)
Net cash used by operating activities	<u>\$ (101,706,040)</u>	<u>\$ (23,844,507)</u>	<u>\$ (125,550,547)</u>	<u>\$ (22,106,234)</u>

The notes to the basic financial statements are an integral part of this statement.

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**HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015**

	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 5,667,933
Investments	<u>7,450,452</u>	<u>8,291,096</u>
Total assets	<u>7,450,452</u>	<u>\$ 13,959,029</u>
LIABILITIES		
Accounts payable	-	462,914
Accrued salaries payable	-	42,089
Due to student/administrative groups	<u>-</u>	<u>13,454,026</u>
Total liabilities	<u>-</u>	<u>\$ 13,959,029</u>
NET POSITION		
Held in trust for scholarships	<u>7,450,452</u>	
Total net position	<u>\$ 7,450,452</u>	

The notes to the basic financial statements are an integral part of this statement.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Private-Purpose Trust Funds</u>
ADDITIONS	
Gifts and contributions	\$ 117,145
Earnings on investments	<u>3,638</u>
Total additions	<u>120,783</u>
DEDUCTIONS	
Scholarships awarded	<u>1,502,635</u>
Total deductions	<u>1,502,635</u>
Change in net position	(1,381,852)
Net position—beginning of the year	<u>8,832,304</u>
Net position—end of the year	<u><u>\$ 7,450,452</u></u>

The notes to the basic financial statements are an integral part of this statement.

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***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015***

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Houston Independent School District ("District") is an independent school district created and incorporated through legislation enacted by the Thirty-Eighth Texas State Legislature in 1923. The District is the largest school district in Texas and is governed by the Board of Education, composed of nine Board Members, all of whom are elected officials.

In accordance with Governmental Accounting Standards Board, a financial reporting entity consists of the primary government and its component units. Component units are legally separate organizations for which the elected officials of the District are financially accountable, or for which the relationship to the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. Discretely presented component units, on the other hand, are reported in a separate column in the basic financial statements to emphasize they are legally separate from the School District. The District's blended component unit, although a legally separate entity, is in substance a part of the District's operations, and so data from this entity is combined with data of the primary government.

The criteria used to determine whether an organization is a component unit of the District includes: financial accountability of the District for the component unit, whether the District appoints a voting majority of the entity's board, the ability to impose the District's will on the component unit, fiscal dependency criterion, if it is a financial benefit to or burden to the District, and whether services are provided entirely or almost entirely to the District.

For financial reporting purposes, the Houston Independent School District Public Facility Corporation ("Public Facility Corporation") is included as a blended component unit in the operations and activities of the District. The criteria used to include the Public Facility Corporation as a blended component unit of the District include: the District appoints a voting majority of the Public Facility Corporation's governing body, the District is able to impose its will on the Public Facility Corporation, and the Public Facility Corporation serves the District exclusively as a financing vehicle for capital projects. The Public Facility Corporation's data is reported in a separate column in the governmental funds financial statements.

For financial reporting purposes, the Houston Independent School District GEAR UP Trust ("GEAR UP Trust") is included in the fiduciary activities of the District because of the financial accountability of the District, the appointment of a voting majority, and the fiscal dependency criteria whereby the GEAR UP Trust serves the District's students exclusively. The GEAR UP Trust was incorporated to ensure that the scholarship funds are properly spent and to guarantee a college scholarship to the eligible students at participating schools of the GEAR UP program. The GEAR UP financial information is blended with that of the District in the Statement of Fiduciary Net Position for Private-Purpose Trust Funds. Separate financial statements for GEAR UP Trust are not issued.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities of the government-wide financial statements report information on all of the nonfiduciary activities of the District and its blended component unit. The District eliminates from the Statement of Net Position and the Statement of Activities most interfund receivables and payables and transfers between funds. Interfund services provided and uses are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Program revenues included in the Statement of Activities reduce the cost of the function to be financed from general revenues. Taxes and other items not properly identified as program revenues are reported instead as general revenues.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense to each function.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. In accordance with the provisions of GASB Statement No. 34, the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major enterprise funds are reported as separate columns in the fund financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

Government-wide Financial Statements -- The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place, regardless of the timing of the related cash flows. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with GASB Statement No. 33. Property taxes are recognized as revenues in the year for which they are levied. Grants, and similar items, are recognized as revenue as soon as all eligibility requirements have been met and funds are available to meet current expenditures.

Fund Financial Statements -- Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. State aid and miscellaneous revenues, other than property taxes, are considered to be available when they are collected within the current period or within 90 days of the fiscal year end to pay liabilities of the current period. Property taxes are considered to be available if collected within 60 days of the fiscal year end. Expenditures are generally recognized under the modified accrual basis of accounting in the accounting period in which the fund liability is incurred, if measurable. However, debt service expenditures are recognized in the current fiscal period for debt service principal and interest payments due within 30 days in the subsequent fiscal period as these funds have been set aside for that purpose. Compensated absences and claims and judgments are recorded only when payment is due. Proprietary fund statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Fiduciary fund statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

During the fiscal year 2015, the District adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions* which establishes accounting and financial reporting standards for the District's proportionate share of the Net Pension Liability of the Teachers Retirement System of Texas. Adoption of GASB 68 required a prior period adjustment to report the effect of GASB 68 retroactively. The amount of the prior period adjustment is a reduction in the beginning net position of \$332,104,725. Of the total \$332,104,725 restatement, \$315,167,384 is attributable to Governmental Activities and \$16,937,341 is attributable to Business-type Activities. The restated beginning net position for the Governmental Activities is \$1,576,980,027, \$53,589,645 for Business-type Activities and a combined \$1,630,569,672 for the total Primary Government.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Funds

The District reports its financial activities through the use of “fund accounting.” The activities of the District are organized on the basis of funds. The operations of each fund are accounted for within a separate set of self-balancing accounts to reflect results of activities. Fund accounting segregates funds according to their intended purpose and is used to assist management in demonstrating compliance with finance-related legal and contractual provisions. As required by the Texas Education Agency, the following fund types are included in the financial statements:

Governmental Funds

Governmental Funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources, and the related liabilities are accounted for through the Governmental Fund Types. The following are the District's major governmental funds:

- *General Fund* -- The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.
- *Special Revenue Fund* -- The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than private-purpose trust funds or capital projects) such as federal, state or locally financed programs where unused balances are returned to the grantor at the close of specified project periods. Funds are legally restricted to expenditures for specified purposes.
- *Debt Service Fund* -- The Debt Service Fund is used to account for the accumulation of resources for, and the retirement of, general long-term debt and related costs.
- *Capital Renovation Fund* -- The Capital Renovation Fund is used to account for financial resources to be used for the acquisition, renovation or construction of major capital facilities other than those financed by proprietary funds.

Proprietary Funds

Proprietary Funds are used to account for operations that are financed in a manner similar to those found in the private sector, where the determination of net income is appropriate for sound financial administration.

- *Enterprise Funds* -- The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private enterprise where the District's intent is to provide services financed primarily through user charges. The Nutrition Service Fund is considered a major proprietary fund as defined by GASB Statement No. 34. The Nutrition Service Fund accounts for services provided to District students and includes all federal and state funds for such services.
- *Internal Service Funds* -- The Internal Service Funds are used to account for operations related to the Print Shop, Alternative Certification Program, Athletics, University Interscholastic League (“UIL”), Shared Services, Virtual School, and risk financing activities of the District.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's proprietary funds are charges to customers and other funds for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations and/or other funds.

- *Private-Purpose Trust Funds* -- Private-purpose trust funds are used to account for resources legally held in trust under which principal and income benefit individuals, private organizations or other governments. The District's private-purpose trust funds represent scholarship funds being held in trust for students.
- *Agency Funds* -- Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency funds represent school class and club activity funds. The District does not use clearing accounts to distribute financial resources to other funds of the District.

ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

Cash and Cash Equivalents

The District's *Cash Management and Investment Policy* requires all deposits to be fully collateralized with depository insurance; obligations of the United States of America or its agencies and instrumentalities (excluding those mortgage backed securities prohibited by the Public Funds Investment Act); public funds investment pools; or in any other manner and amount provided by law for deposits of the District. At all times, such securities are to have a fair value sufficient to fully collateralize deposit balances as adjusted by the amount of applicable depository insurance pursuant to Texas Government Code Section 2257.022.

The District considers cash and cash equivalents to be cash on hand and demand deposits. All other monetary assets are treated as investments including certificates of deposit, investment pools, money market instruments, and other securities defined under the Public Funds Investment Act.

Investments

Investments are stated at fair value, which is the amount at which the investment can be exchanged in a current transaction between willing parties. Management of the District believes that in the areas of investment practice, management reports, and establishment of appropriate policies, the District adhered to the requirements of the State of Texas Public Funds Investment Act. Additionally, management of the District believes that investment practices of the District were in accordance with local policies.

Receivables and Payables

All trade and property tax receivables are shown net of allowance for uncollectibles. The property tax receivable allowance is 60.2 percent of outstanding property taxes at June 30, 2015.

Inventories and Prepaids

Under the consumption method of accounting for inventories, materials and supplies are carried in an inventory account on the basis of the last invoice cost, which approximates the first-in, first-out method, and are subsequently charged to expenses/expenditures when consumed. Inventories include plant maintenance and operating supplies as well as instructional supplies. Revenue for donated commodities is recognized when the commodities are received. Other inventories are offset at year end by non-spendable fund balance in the governmental fund financial statements.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The purchases method of accounting was utilized for a prepaid lease executed as part of a sale and leaseback (operating lease) of a district facility.

Grant Fund Accounting

The Special Revenue Fund includes programs that are financed on a project grant basis. These projects have grant periods that range from less than twelve months to in excess of two years. Grants are recorded as revenues when earned, which the District considers to be earned to the extent expenditures have been incurred, and the District has met all eligibility requirements. Funds received, but not earned, are recorded as unearned revenues until earned.

Indirect costs earned from grant programs are recorded as revenues of the General Fund. These indirect costs are determined by applying approved indirect cost rates to actual expenditures of the programs.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in the accounting system in order to reserve the portion of the applicable appropriation, is employed in the Governmental Fund Types on the governmental fund financial statements. Encumbrances, which have not been liquidated, are reported as restricted, committed, or assigned fund balances.

Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, and vehicles are reported in the applicable governmental and business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital acquisition and construction are reflected as expenditures in governmental funds. Land, buildings and improvements, furniture and equipment, and vehicles are recorded at historical cost or estimated historical cost if purchased or constructed. The capitalization threshold is a unit cost of \$5,000. Donated capital assets are recorded at estimated fair value at the date of donation. Depreciation on all depreciable capital assets begins on the date the asset is placed into service using the straight-line method of depreciation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated over the following estimated useful lives:

<u>Asset Classification</u>	<u>Useful Life</u>
Buildings and improvements	40 years
Vehicles:	
Buses	12 years
Medium	7 years
Small	5 years
Furniture	5 years
Equipment	5 years

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015***

Interfund Transactions

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." All other balances between funds are reported as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as "internal balances."

A description of the basic types of interfund transactions and the related accounting policies are as follows:

- Charges for services are reported as revenues for the performing fund and expenditures/expenses of the requesting fund.
- Transactions to reimburse a fund for expenditures made by it for the benefit of another fund are recorded as expenditures or expenses in the reimbursing fund and as a reduction of expenditures or expenses in the fund that is reimbursed.
- All other interfund transfers, such as legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended, are transfers. Transfers are classified as other financing sources or uses in the Statement of Revenues, Expenditures, and Changes in Fund Balances.

For reporting at the government-wide financial statement level, the District eliminates direct interfund charges for services and the balances created within the same activity categories (i.e. governmental vs. business-type). This process ensures neither governmental nor business-type activities report direct internal revenue/expenditures. Interfund activity and balances resulting from transactions with the fiduciary funds are not eliminated. Instead, the fiduciary interfund activity and balances are treated as transactions with an external party. The Internal Service Funds are essentially repositories for income, expenses, assets and liabilities of the District's health insurance, worker's compensation, print shop, alternative certification, athletics, shared services, and UIL.

Compensated Absences

The District's contract employees earn one day of sick leave per month for all months under contract, which may either be taken or accumulated with no limitation. Accumulated sick leave balances are not paid upon termination from the District, except those paid on retirement or death of employees who meet certain eligibility requirements and were hired prior to October 10, 1972.

Twelve-month employees earn vacation ranging from two to four weeks per year based on length of service. Vacation days may be carried over from one contract year to another with a maximum limit of 30 days. For twelve-month employees, the contract runs from September 1st through August 31st.

The District accrues vacation, state personal leave, and eligible sick leave in the government-wide and proprietary fund financial statements. A liability and related expenditure for these amounts is reported in the governmental funds only if they have matured as a result of employee retirements or resignations and are due.

The District's compensatory time policy requires that compensatory time be taken by the end of the school year in which it was earned. At June 30, 2015, the District had no material liability for compensatory time.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Long-term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Deferred gains and losses are classified as deferred inflows or outflows of resources. Deferred gains and losses are amortized over the life of the bonds using the straight-line method. Bond issuance costs are no longer amortized over the term of the bonds but instead are expensed in the period incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.” The details of this \$137,178,138 difference are as follows:

Facilities acquisition and construction	\$ 241,104,027
Other acquisitions and disposals	19,074,970
Depreciation expense	<u>(123,000,859)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> .	\$ <u><u>137,178,138</u></u>

FUND BALANCES AND NET POSITION

Government-wide Financial Statements

Net assets on the Statement of Net Position includes the following:

Net investment in capital assets -- the component of net position that reports capital assets less both the accumulated depreciation and the outstanding balance of debt and is directly attributable to the acquisition, construction, or improvement of these capital assets.

Restricted for capital acquisition program -- the component of net position that reports the difference between assets and liabilities of the capital acquisition program consists of assets with constraints placed on their use by the bond contracts and covenants contained therein.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Restricted for debt service -- the component of net position that reports the difference between assets and liabilities adjusted on a government-wide basis that consists of assets with constraints placed on their use by the bond covenants.

Restricted for nutrition service -- the component of net position that reports the difference between assets and liabilities of the Nutrition Service Fund that consists of assets with constraints placed on their use by the Department of Agriculture and the Texas Education Agency.

Unrestricted -- the difference between the assets and liabilities that are not reported in net position invested in capital assets, net of related debt, or restricted net assets.

The District applies restricted resources before unrestricted resources when an expense is incurred for which restricted net position is available.

Governmental Fund Financial Statements

In the fund financial statements, governmental funds report fund balances as either a non-spendable fund balance or a spendable fund balance.

Non-spendable Fund Balance

Non-spendable fund balance is that portion of fund balance that is not expendable (such as inventories) or is legally earmarked for a specific use (such as the self-funded reserves program). Non-spendable fund balance reserves may include inventories, prepaid items, deferred expenditures, and long-term receivables.

Spendable Fund Balance

Spendable fund balance is composed of restricted, committed, assigned, and unassigned portions. Components of the spendable fund balance include:

Restricted Fund Balance -- the component of the spendable fund balance constrained to a specific purpose by the provider, such as a grantor. Restricted fund balance includes funds for the child nutrition program, technology program, construction programs, and resources from other granting agencies.

Committed Fund Balance -- the component of the spendable fund balance constrained to a specific purpose by a resolution approved by the Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same action used to establish it. Committed fund balance includes funds for potential litigation, claims, judgments, and campus activity funds.

Assigned Fund Balance -- the component of the spendable fund balance that is spendable or available for appropriation, but has been tentatively earmarked for some specific purpose by the Superintendent or Chief Financial Officer. The assigned amounts can only be removed by the Superintendent or Chief Financial Officer. Assigned fund balance includes funds for insurance deductibles, program start-up costs and other legal issues.

Unassigned Fund Balance -- the component of the spendable fund balance which may be spent for any legal purpose. This portion of the total fund balance in the general fund is available to finance operating expenditures.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

FUND BALANCES	General Fund	Special Revenue Fund	Debt Service Fund	Capital Renovation Fund	Capital Renovation Fund - PFC	Total Governmental Funds
Nonspendable						
Inventories and Prepaids	\$ 11,234,622	\$ -	\$ -	\$ -	\$ -	\$ 11,234,622
Restricted						
Capital Acquisition Program	5,686,179	-	-	-	-	5,686,179
Special Revenue/Grants	-	28,091,528	-	-	-	28,091,528
Debt Service	-	-	125,699,276	-	-	125,699,276
Bond and TIRZ Capital Projects	-	-	-	648,942,505	-	648,942,505
PFC Capital Projects	-	-	-	-	93,235,178	93,235,178
Committed						
Contingency Operating Reserve	89,706,733	-	-	-	-	89,706,733
Pay-As-You-Go Capital Program	-	-	-	38,462,761	-	38,462,761
Assigned						
Auto/General Liability	4,489,351	-	-	-	-	4,489,351
Incentive Pay Program	23,114,598	-	-	-	-	23,114,598
Insurance Programs	25,993,953	-	-	-	-	25,993,953
SAP Reimplementation Project	30,000,000	-	-	-	-	30,000,000
Encumbrances	95,239,730	-	-	-	-	95,239,730
School Carryford	14,996,081	-	-	-	-	14,996,081
PFC Debt Service/Capital Projects	63,158,659	-	-	70,481,908	-	133,640,567
Unassigned	282,545,916	-	-	-	-	282,545,916
Total fund balances	\$ 646,165,822	\$ 28,091,528	\$ 125,699,276	\$ 757,887,174	\$ 93,235,178	\$ 1,651,078,978

In general, it is HISD policy (CE Local) to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which restricted and unrestricted (i.e. committed, assigned, or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

Stewardship, Compliance, and Accountability

The Board of Education adopts an appropriated budget for the General Fund, Special Revenue Fund, Debt Service Fund, Capital Renovation Fund and Nutrition Service Fund. The District is required to present the adopted and final amended budgeted revenues and expenditures and actual revenues and expenditures for the General Fund and Special Revenue Fund, which are considered major funds as defined by GASB Statement No. 34. Both the General Fund Budget and the Special Revenue Fund Budget appear in the required supplementary information section where the District compares the final amended budget to actual revenues and expenditures.

Management's Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2: HISD PUBLIC FACILITY CORPORATION

The Public Facility Corporation is a public non-profit corporation, the creation of which was sponsored by the District pursuant to the Public Facility Corporation Act, Article 717s, Vernon's Texas Civil Statutes, as amended

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

(the "Public Facility Corporation Act"). The Public Facility Corporation Act authorizes the creation and utilization by school districts of public facility corporations to issue bonds to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing and placing in service of public facilities of its governmental sponsor and further authorizes the governmental sponsor to incur lease purchase obligations in favor of the corporation to serve as security for the bonds issued by the Public Facility Corporation.

To accomplish the financings, the Public Facility Corporation and the District have entered into a number of "Leases With An Option to Purchase" pursuant to the terms of which the District will pay to the Public Facility Corporation such lease payments at such times and in such amounts as will be required to pay the principal and premium, if any, and interest on the lease revenue bonds as they become due.

The Public Facility Corporation has utilized this structure to issue Lease Revenue Bonds for building two high schools in 1998, a food warehouse facility in 2006, four elementary schools in 2010 and three instructional facilities in fiscal 2015.

NOTE 3: CASH DEPOSITS AND INVESTMENTS

Statutes of the State of Texas and policies mandated by the District's Board of Education authorize the District to invest in obligations of the U.S. Government or its agencies, repurchase agreements, commercial paper, corporate bonds, public fund investment pools, mutual funds and money market accounts. All cash balances and investments are held separately in each of its funds.

Funds held at the depository bank were properly secured at all times and the following was disclosed:

- a. Name of depository bank: JP Morgan Chase Bank
- b. Amount of bond or security pledged as of the date of the highest combined balance on deposit was \$65,563,088.
- c. Highest cash and savings deposit combined account balances amounted to \$57,417,369 and occurred on December 15, 2014. The collateral requirement that applied to total deposits that day was \$57,167,369.
- d. Total amount of Federal Deposit Insurance Corporation ("FDIC") coverage at the time of highest combined balance was \$250,000 for all accounts.

Cash, Demand and Time Deposits

As of June 30, 2015, the carrying amount of the District's demand deposits and cash on hand was \$11,280,783. The \$14,476,809 bank balance was covered by federal deposit insurance through the FDIC or was collateralized by securities held by the District's depository in joint safekeeping at the Federal Reserve Bank in the District's name. The HISD Public Facility Corporation's \$171,816 was held in a money market account at the Bank of New York Mellon Trust Company, N. A.

The District has purchased nonnegotiable certificates of deposit issued by East West Bank and Unity Bank, \$90,050,406 and \$240,000, respectively, as of June 30, 2015, for a total of \$90,290,406, or 4.68 percent of the investment portfolio. The collateral for the East West Bank certificates is comprised of a Federal Home Loan Bank Letter of Credit in the amount of \$92,700,000 issued with the District as beneficiary. Unity Bank's certificate of deposit is covered in full by Federal Deposit Insurance Corporation ("FDIC"); therefore, it requires no additional collateral under the Public Funds Investment Act, Section 2257.022.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015***

Investments

In accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* ("GASB Statement No. 31"), the District's investment securities have been recorded at fair value based upon quoted market prices as of June 30, 2015, with the increase or decrease in fair value being recorded as a component of earnings on investments. None of the District's investment securities have been reported at amortized cost.

The District's investments in public funds investment pools and money market mutual funds include those with the Lone Star Investment Pool ("LSIP"), TexSTAR, and TexPool. The fair value of the District's position in the above pools is the same as the value of the pool shares.

LSIP is a public funds investment pool created pursuant to the Interlocal Cooperation Act of the State of Texas, Article 4413(32c), Vernon's Texas Civil Statutes, as amended, and is designed to provide participating local governments with investment vehicles for local funds that may be required for immediate expenditure. The primary objective of the LSIP is to emphasize the importance of safety of principal and liquidity of Pool assets. The administrator and distributor of LSIP is First Public, a wholly owned subsidiary of the Texas Association of School Boards. Investment advisory services are provided by American Beacon Advisors and Standish Mellon Investment Asset Management Company. The custodial account is managed by State Street Bank while CAPTRUST Financial Advisors provides investment consulting services.

The Lone Star Government Overnight Fund is a stable value fund rated AAAM by Standard & Poor's rating service and the Corporate Overnight Plus Fund is a stable net asset value fund seeking to maintain a net asset value of \$0.50 and is rated AAAf/S1+ by Standard & Poor's.

The District's investment in LSIP's Government Overnight Fund and the Corporate Overnight Plus Fund, as of June 30, 2015, was \$21,909,057 and \$418,897,909, respectively, for a total of \$440,806,966, representing 22.87 percent of the total portfolio.

TexPool is a public funds investment pool operated by the Texas Treasury Safekeeping Trust Company, an entity of which the Texas Comptroller of Public Accounts is the sole officer, director, and shareholder. Administrative and investment services are provided by Federated Investors, Inc., and the assets are kept in a separate custodial account at the State Street Bank in the name of TexPool. TexPool and TexPool Prime funds are rated as AAAM by Standard & Poor's.

As of June 30, 2015, the District's investment in TexPool and TexPool Prime was \$233,701,768 and \$49,283,374, respectively, with a value of \$282,985,142, representing 14.68 percent of the total portfolio.

TexSTAR was created in April 2003, also under the Interlocal Cooperation Act. It is administered by First Southwest Asset Management, Inc. and JP Morgan Chase while JPMorgan Investment Management, Inc. provides investment advisory services. The fund is rated AAAM by Standard & Poor's.

As of June 30, 2015, the District's investment in TexSTAR was \$234,944,839, or 12.19 percent of the portfolio. As with all the investment pools, funds are readily available to support daily cash requirements. The balance includes the HISD Public Facility Corporation's \$89,634,360 invested in TexSTAR through its trustee, the Bank of New York Mellon Trust Company, N.A. These funds are restricted for use in the building of specific school projects as defined in bond issuance documents.

The District has invested in U.S. Agency Securities, issued by Federal Farm Credit Bank ("FFCB"), Federal Home Loan Bank ("FHLB"), Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae). Investments in these securities total \$672,600,211 and represent 34.88 percent of the value of the total portfolio.

HOUSTON INDEPENDENT SCHOOL DISTRICT
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The District has invested in Treasury Bonds and Treasury Notes, issued by the United States government. Investments in these U.S. Treasury securities total \$110,795,625 and represent 5.75 percent of the value of the total portfolio.

The District has invested in Municipal Bonds, issued by local or state governments. Investments in these Municipal Bonds total \$95,260,716 and represent 4.95 percent of the value of the total portfolio.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, an amendment to GASB Statement No. 3, establishes and modifies disclosure requirements related to deposits and investment risks: credit risk (including custodial credit risk and concentrations of credit risk), interest rate risk, and foreign currency risk.

To ensure compliance with the various risk factors addressed in GASB Statement No. 40, the District's Investment Advisory Committee reviewed the *Cash Management and Investment Policy*. The *Cash Management and Investment Policy* is reviewed by the Investment Advisory Committee at least annually and presented to the Board of Education for approval. The Investment Officers submit a Quarterly Investment Report to the Board of Education certifying that all investments were purchased in compliance with the *Cash Management and Investment Policy*.

The District's *Cash Management and Investment Policy* contains the following objectives:

- (1) assure the safety of District's funds;
- (2) maintain sufficient liquidity to provide adequate and timely working funds;
- (3) maintenance of the public trust as custodians and managers responsible for the investing of funds subject to state and federal laws;
- (4) optimization of yield as expressed in terms of rate of return and interest earnings;
- (5) diversification of investments as relating to maturity, instruments, and issuers shall be considered a priority within the context of the overall investment policy; and
- (6) avoid investments for speculation

All objectives are approached with the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the capital, as well as the probable income to be derived. Preservation of District capital is of highest importance. All participants in the investment process seek to act responsibly as custodians of the public trust. Investment officials avoid any transaction that might impair public confidence in the District's ability to govern effectively.

Interest Rate Risk

As a means of limiting its exposure to fair value losses that could occur from rising interest rates, the District's investment policy limits the maturities of investments and prohibits any investment for speculative gains. The available funds in the General Operating Fund may be invested for greater than one year provided that all cash flow requirements have been met. Available monies in all other funds, except for bond proceeds, can be invested for a period of up to ten years provided that cash flow needs are met. Bond proceeds can be invested for a period up to five years provided that the drawdown schedules permit such maturities.

The District recognizes that investment risks can result from market price changes. Portfolio diversification is employed as a way to control risk. Investment officers are expected to display prudence in the selection of securities, as a way to minimize risk. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio.

At June 30, 2015, the District's exposure to interest rate risk as measured by segmented time distribution by investment type is summarized below:

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	6/30/2015 Fair Value	Issuer Concentration	Investment Maturities in Years	
			Less than 1	1-5
Municipal Bonds	\$ 95,260,716	4.95%	\$ 56,140,019	\$ 39,120,697
U.S. Treasury Bonds/Notes	110,795,625	5.75%	110,795,625	-
FFCB	196,615,189	10.20%	145,826,963	50,788,226
FHLB	282,306,015	14.64%	220,091,987	62,214,028
FHLMC	84,419,791	4.38%	35,053,845	49,365,946
FNMA	109,259,216	5.66%	73,610,761	35,648,455
Total US Agency Investments	672,600,211	34.88%	474,583,556	198,016,655
Lone Star Investment Pool	440,806,966	22.87%	440,806,966	-
TexPool	282,985,142	14.68%	282,985,142	-
TexStar	234,944,839	12.19%	234,944,839	-
Total Investment Pools	958,736,947	49.74%	958,736,947	-
Certificates of Deposit	90,290,406	4.68%	90,290,406	-
Total Investments	\$ 1,927,683,905	100.00%	\$ 1,690,546,553	\$ 237,137,352

As of June 30, 2015, the dollar weighted average maturity of the total portfolio, assuming investments are held to final maturity date and not call dates, was 145 days. The modified duration as of June 30, 2015 was 0.3984 years.

Credit Risk

The District's *Cash Management and Investment Policy* allows for investments in commercial paper provided it meets the following criteria:

1. the maximum maturity does not exceed 270 days from the date of issuance;
2. it is rated at least A1 or P1 by two nationally recognized credit rating agencies or by one agency when fully secured by an irrevocable letter of credit from a United States (nationally associated) or state (state associated) bank;
3. be issued for a specific face amount;
4. be issued either through a direct placement or through broker dealers;
5. the District will diversify its investment in commercial paper by issuer and by length of maturity; and
6. the maximum the District will have in commercial paper at any time is 30 percent of the District's portfolio.

As of June 30, 2015, the District did not have any investments in commercial paper. The District's exposure to credit risk at June 30, 2015 is presented below by investment category as rated by Standard & Poor's:

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	6/30/2015 Fair Value	Rating
Municipal Bonds	\$ 95,260,716	AA-AAA, SP-1+
U.S. Treasury Bonds/Notes	110,795,625	AA+
FFCB	196,615,189	AA+
FHLB	282,306,015	AA+
FHLMC	84,419,791	AA+
FNMA	109,259,216	AA+
Total U.S. Agency Investments	672,600,211	
Lone Star Investment Pool	440,806,966	AAAm, AAAf/S1+
TexPool	282,985,142	AAAm
TexSTAR	234,944,839	AAAm
Total Investment Pools	958,736,947	
Certificates of Deposit	90,290,406	Not rated
Total Investments	\$ 1,927,683,905	

Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), and Federal National Mortgage Association (FNMA) are instrumentalities of U.S. Government; otherwise known as government sponsored corporations. These instrumentalities are established by law to implement the Federal Government's various lending programs.

Custodial Credit Risk - Funds on deposit with the depository bank are collateralized by pledged approved securities, surety bonds, or Federal Home Loan Bank Letters of Credit as specified by Section 45.208, Subchapter G, of Texas Education Code in order to adequately protect the funds of the District. Further, the District will require pledged securities at least equal to that set forth in Texas Government Code Chapter 2257.022, Subchapter B, Depository: Security For Deposit of Public Funds (currently 110 percent of the amount of the deposit if a reducing value security and equal to the deposit otherwise). The District has the right to designate the amount of approved securities and/or the aggregate amount of the bond to adequately protect the District. The District may not designate an amount less than the balance of school district funds on deposit with the depository bank from day to day, less any applicable Federal Deposit Insurance Corporation insurance. The approved securities shall be valued at market value for purposes of calculating the designated amount of collateral required. The bank shall have the right and privilege of substituting approved securities upon obtaining the approval of the District.

The Federal Deposit Insurance Corporation provides deposit insurance limits of \$250,000 for all accounts in total.

Investments purchased for Houston Independent School District are made in the name of the Houston Independent School District. All investments are purchased with the delivery versus payment method and are recorded in the District's name on the Federal Reserve's book entry system and confirmed to the District via safekeeping receipt maintained on the books of the depository bank's safekeeping department.

Investments purchased for the Houston Independent School District Public Facility Corporation (PFC) are purchased in the name of the PFC and held by the trustee, Bank of New York Mellon, as stipulated in related bond documents.

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Concentration of Credit Risk - The investment portfolio is diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issue, or a specific class of securities. Within the cash flow requirement constraints, investment maturities are staggered in a way that avoids undue concentration of assets in a specific maturity sector.

As of June 30, 2015 no single investment security (FFCB, FHLB, FHLMC, FNMA, Municipal Bonds or U.S. Treasury) comprised more than 2.36% of the total investment portfolio. Investments with FFCB, FHLB, FHLMC, FNMA, and the U.S. Treasury had concentrations greater than or equal to 5.00% of the total portfolio by issuer.

The maximum asset mix approved by the investment policy is as follows:

<u>Type</u>	<u>District Limit</u>	<u>Issuer Limit</u>
U.S. Government Securities	100%	100%
Investment Pools*	100%	40%
U.S. Agency Securities	80%	40%
Certificates of Deposit	50%	10%
Commercial Paper	30%	5%
Municipal Securities	20%	5%
Money Market Mutual Funds	15%	5%
Mutual Funds	15%	5%
Corporate Bonds	15%	5%
Repurchase Agreements	8%	8%
Money Market Accounts	7%	7%

*The District does not invest its portfolio in any single investment pool. Funds are subdivided between various pools for diversification and security reasons. Investments in any pool will be limited to 25% of the average Net Asset Value of that pool.

The District is prohibited from investing in the following types of investments:

- a. obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- b. obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- c. collateralized mortgage obligations that have a stated final maturity date of greater than 10 years;
- d. collateralized mortgage obligations whose interest rate is determined by an index that adjusts opposite to the changes in a market index; and
- e. banker's acceptances.

The District neither enters into reverse repurchase agreements nor trades in options or future contracts. Additionally, the District does not participate in any Securities Lending Program.

As of June 30, 2015, the following was the composition of the District's investment portfolio:

Lone Star Investment Pool	22.87%
TexPool	14.68%
U.S. Agency Securities	34.88%
TexSTAR	12.19%
Municipal Bonds	4.95%
U.S. Treasury Bonds/Notes	5.75%
Certificates of Deposit	4.68%
<u>Total</u>	<u>100.00%</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Foreign Currency Risk

The District does not engage in any deposit or investment transactions involving foreign currency.

NOTE 4: PROPERTY TAXES AND STATE AID REVENUE

Property Taxes

The appraisal of property within the District is the responsibility of the Harris County Appraisal District ("Appraisal District"). The District's property taxes are levied annually in October on the basis of the Appraisal District's assessed values of property as of January 1 of that calendar year and are due by January 31 of the next calendar year. Such taxes are applicable to the fiscal year in which they are levied and become delinquent with an enforceable lien on property after January 31 of the subsequent calendar year. Delinquent taxes receivable on the government-wide statement of net assets and the governmental fund balance sheet is net of estimated uncollectible taxes.

The District is permitted to levy taxes up to \$1.6367 per \$100 of assessed valuation for general governmental services and for the payment of principal and interest on general obligation long-term debt. For the current fiscal year, the Board of Education set a tax rate of \$1.19670 per \$100 of assessed valuation. The maintenance and debt service portions of such rate are \$1.0267 and \$0.17, respectively. The 2014 assessed valuation was \$139,580,407,554 which resulted in a gross tax levy of \$1,670,358,737 for the current fiscal year. The 2014 net tax levy of \$1,626,867,734 reflects an adjustment of \$43,491,003 of frozen homestead exemptions for taxpayers 65 years and older as mandated by state property tax laws.

Property taxes which are measurable (quantifiable) and available (collectible within the current period or soon enough thereafter to finance expenditures of the current period, which the District has estimated to be collected in the two months after the fiscal year end) are recognized as revenue in the year of levy in the governmental fund financial statements. Property taxes, which are measurable but not available, are recorded net of estimated uncollectible amounts, as deferred revenues in the year of the levy in the governmental financial statements. Such deferred revenues are recognized in the fund financial statements as revenue in the fiscal year in which they become available. In the government-wide financial statements, property taxes are recognized as revenues in the year for which the taxes are levied. Uncollectible property taxes in the current period decreased the allowance for uncollectible property taxes in the government-wide and fund financial statements by \$11,352,758.

Delinquent taxes receivable and the related allowance for uncollectible taxes in the governmental fund financial statements as of June 30, 2015 are as follows:

	<u>Delinquent Taxes Receivables, Gross</u>		<u>Allowance for Uncollectible Taxes</u>		<u>Delinquent Taxes Receivable, Net</u>
General Fund	\$ 96,780,742	\$	58,272,675	\$	38,508,067
Debt Service Fund	<u>13,583,357</u>		<u>8,180,099</u>		<u>5,403,258</u>
Total	<u>\$ 110,364,099</u>	\$	<u>66,452,774</u>	\$	<u>43,911,325</u>

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

State Aid Revenue

The Texas Education Agency, through its application of state law, allocates state revenues to school districts by formula allocation. The District receives two allocations—a per capita allocation and a foundation program allocation. The District also recognizes revenues for the state's share of the contributions to the Teacher Retirement System of Texas (TRS). See Note 11 for additional information on the employee's retirement plan. Other state revenues are received through other state miscellaneous programs on an allocated basis. The components of state aid as shown in the governmental fund financial statements are as follows:

<u>Revenues</u>	<u>Amount</u>
Per Capita Revenues	\$ 49,580,221
Foundation Fund Revenues	247,558,062
Other Foundation	20,000
Other State	5,532,941
TRS on Behalf	46,763,431
Shared Services Arrangement	1,802,740
	<u> </u>
Total State Aid	\$ <u>351,257,395</u>

As of June 30, 2015, the District also received state matching funds of \$572,747 in the Nutrition Service Fund.

NOTE 5: RECEIVABLES/PAYABLES

Receivables as of June 30, 2015 for the District's individual major funds and nonmajor enterprise funds and internal service funds in the aggregate are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Due from the State of Texas	\$ 104,575,106	\$ 34,198,710	\$ -	\$ 3,433,844	\$ -	\$ 142,207,660
Due from the Federal government	151,033	2,411,445	2,375,152	-	-	4,937,630
Due from Other Funding Agencies	-	1,577,188	-	-	24,496,548	26,073,736
Other	2,522,337	11,198	-	206,405	290,409	3,030,349
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Gross Receivables	107,248,476	38,198,541	2,375,152	3,640,249	24,786,957	176,249,375
Less Allowance for Uncollectibles	-	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Net Receivables	\$ <u>107,248,476</u>	\$ <u>38,198,541</u>	\$ <u>2,375,152</u>	\$ <u>3,640,249</u>	\$ <u>24,786,957</u>	\$ <u>176,249,375</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At June 30, 2015, the various components of deferred and unearned revenue reported in the governmental funds expected to be received during the subsequent fiscal year are as follows:

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Liabilities

Grant advances (unearned), Special Revenue Fund	\$	7,112,348
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Deferred inflows of resources

Deferred property taxes, General Fund		32,746,335
Deferred property taxes, Debt Service Fund		4,416,183
Deferred Revenues, General fund		1,467,892
Total deferred inflows		38,630,410

Total Deferred & Unearned Revenues	\$	45,742,758
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Payables as of June 30, 2015 for the District's individual major funds and nonmajor enterprise funds and internal service funds in the aggregate are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Renovation Fund</u>	<u>Food Service Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Vendors Payable	\$ 37,247,620	\$ 6,559,998	\$ 29,665	\$ 28,174,355	\$ 2,559,488	\$ 7,342,843	\$ 81,913,969
Retainage Payable	27,329	-	-	5,319,850	-	194,785	5,541,964
Total Payables	\$ 37,274,949	\$ 6,559,998	\$ 29,665	\$ 33,494,205	\$ 2,559,488	\$ 7,537,628	\$ 87,455,933

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 6: CAPITAL ASSETS

A summary of capital asset activity during the fiscal year ended June 30, 2015 follows:

<u>Governmental activities:</u>	<u>Balance July 1, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2015</u>
Capital assets not being depreciated:				
Land	\$ 248,167,052	\$ 30,110,914	\$ (892,077)	\$ 277,385,889
Construction in progress	325,188,261	207,197,576	(3,950,435)	528,435,402
Total capital assets not being depreciated	<u>573,355,313</u>	<u>237,308,490</u>	<u>(4,842,512)</u>	<u>805,821,291</u>
Capital assets being depreciated:				
Buildings and improvements	3,583,337,647	1,895,046	(16,080,733)	3,569,151,960
Furniture and equipment	394,531,725	26,109,993	(1,296,115)	419,345,603
Vehicles	113,635,573	5,028,074	(1,339,877)	117,323,770
Total capital assets being depreciated	<u>4,091,504,945</u>	<u>33,033,113</u>	<u>(18,716,725)</u>	<u>4,105,821,333</u>
Less accumulated depreciation for:				
Buildings and improvements	1,133,687,814	87,998,918	(10,983,899)	1,210,702,833
Furniture and equipment	306,122,728	27,620,094	(1,072,855)	332,669,967
Vehicles	77,590,496	7,381,847	(1,339,877)	83,632,466
Total accumulated depreciation	<u>1,517,401,038</u>	<u>123,000,859</u>	<u>(13,396,631)</u>	<u>1,627,005,266</u>
Governmental activities capital assets, net	<u>\$ 3,147,459,220</u>	<u>\$ 147,340,744</u>	<u>\$ (10,162,606)</u>	<u>\$ 3,284,637,358</u>
 <u>Business-type activities:</u>				
Capital assets being depreciated:				
Furniture and equipment	\$ 9,877,433	\$ 856,153	\$ (37,817)	\$ 10,695,769
Vehicles	1,993,570	616,418	(87,900)	2,522,088
Total capital assets being depreciated	<u>11,871,003</u>	<u>1,472,571</u>	<u>(125,717)</u>	<u>13,217,857</u>
Less accumulated depreciation for:				
Furniture and equipment	8,688,308	531,684	(34,660)	9,185,332
Vehicles	1,759,429	48,807	(87,900)	1,720,336
Total accumulated depreciation	<u>10,447,737</u>	<u>580,491</u>	<u>(122,560)</u>	<u>10,905,668</u>
Business-type activities capital assets, net	<u>\$ 1,423,266</u>	<u>\$ 892,080</u>	<u>\$ (3,157)</u>	<u>\$ 2,312,189</u>

Internal Service Fund capital assets are included in the Governmental activities table above. Additionally, the Business-type activities table includes the Food Service Fund and the \$116,754 net capital assets of the non-major Medicaid Fund.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

Instruction	\$ 99,064,067
Instructional resources and media services	59,554
Instructional staff development	730,452
Instructional leadership	1,211,566
School leadership	15,212
Guidance, counseling and evaluation services	4,601
Student transportation	5,469,651
Food service	102,276
Co-curricular/extracurricular activities	160,033
General administration	153,829
Plant maintenance and operations	1,802,847
Security and monitoring services	273,954
Data processing services	13,938,553
Community Services	<u>14,264</u>
Total depreciation expense, governmental activities	<u>\$ 123,000,859</u>

Business-type activities:

Food service	\$ 531,684
Other nonmajor business-type activities	<u>48,807</u>
Total depreciation expense, business-type activities	<u><u>\$ 580,491</u></u>

Construction Commitments

The District has active construction projects as of June 30, 2015. These projects include new school construction, expansion, and renovation of existing schools, safety and security projects, non-school facilities, and other projects. At June 30, 2015, the District had fully funded commitments for the following categories:

<u>Project</u>	<u>Spent-To-Date</u>	<u>Remaining Commitment</u>
New schools	\$ 82,758,908	\$ 240,396,713
Expanded schools	4,053,771	2,327,723
Renovated schools	55,134,409	22,874,414
Non-school facilities	10,246,928	33,135,568
Safety & Security projects	6,910,018	5,754,064
Early colleges	3,793,550	22,014,737
Other projects	<u>60,346,756</u>	<u>49,427,733</u>
Total	<u><u>\$ 223,244,340</u></u>	<u><u>\$ 375,930,952</u></u>

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 7: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances in the fund financial statements as of June 30, 2015 was as follows.

<u>GENERAL FUND</u>	Capital Renovation Fund	\$	(305,708)
	Debt Service Fund		(379,256)
	Special Revenue Fund		16,021,293
	Nutrition Services Fund		1,203,411
	Other Enterprise Funds		515,215
	Internal Service Funds		(11,763,321)
	DUE FROM OTHER FUNDS	\$	5,291,634
<u>SPECIAL REVENUE FUND</u>	General Fund	\$	(16,021,293)
	Capital Renovation Fund		123
	Nutrition Services Fund		(88,001)
	Other Enterprise Funds		(3,426)
	Internal Service Funds		(38,646)
	DUE TO OTHER FUNDS	\$	(16,151,243)
<u>DEBT SERVICE FUND</u>	General Fund	\$	379,256
	Capital Renovation Fund		(379)
	Other Enterprise Funds		838
	DUE FROM OTHER FUNDS	\$	379,715
<u>CAPITAL RENOVATION AND PFC FUNDS</u>	General Fund	\$	305,708
	Debt Service Fund		379
	Special Revenue Fund		(123)
	Internal Service Funds		46,999
	DUE FROM OTHER FUNDS	\$	352,963
<u>NUTRITION SERVICES FUND</u>	General Fund	\$	(1,203,411)
	Special Revenue Fund		88,001
	Other Enterprises Funds		(23,433)
	Internal Service Funds		(4,496)
	DUE TO OTHER FUNDS	\$	(1,143,339)
<u>OTHER ENTERPRISE FUNDS</u>	General Fund	\$	(515,215)
	Debt Service Fund		(838)
	Special Revenue Fund		3,426
	Nutrition Services Fund		23,433
	Internal Service Funds		1,295
	DUE TO OTHER FUNDS	\$	(487,899)
<u>INTERNAL SERVICE FUNDS</u>	General Fund	\$	11,763,321
	Capital Renovation Fund		(46,999)
	Special Revenue Fund		38,646
	Nutrition Services Fund		4,496
	Other Enterprises Funds		(1,295)
	DUE FROM OTHER FUNDS	\$	11,758,169

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015***

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments from funding agencies are received. The primary interfund transactions included amounts due from the Nonmajor Enterprises fund to the General Fund for use of unrestricted revenues.

The following is a summary of the District's transfers for the fiscal year ended June 30, 2015:

\$ 19,130,125	From the General Fund to the Debt Service Fund for interest and principal debt payments
17,471,484	From the General Fund to the Capital Renovation Fund to fund the "Pay as you go" initiative and other board authorized projects
483,934	From the General Fund to the Internal Service Fund for North Forest athletic program expenditures
12,646,844	From the Capital Renovation Fund to the Debt Service Fund for TIRZ High School payments
30,400,000	From Nonmajor Enterprise Funds to the General Fund for use of unrestricted revenues
\$ 80,132,387	Total transfers

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (4) use unrestricted revenues collected in an internal service fund to finance activities in another internal service fund.

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 8: LONG-TERM LIABILITIES AND RELATED DEFERRED INFLOWS AND OUTFLOWS

The following is a summary of the District's long-term liabilities for the fiscal year ended June 30, 2015:

	Balance			Balance	Amortizable/ Payable Within
Governmental activities:	July 1, 2014	Increases	Decreases	June 30, 2015	One year
Bonds payable	\$ 2,371,192,401	\$ 1,132,865,000	\$ 883,037,347	\$ 2,621,020,054	\$ 54,039,916
Contractual obligations	31,020,000	-	13,705,000	17,315,000	9,005,000
Notes payable	50,360,000	-	5,000,000	45,360,000	5,000,000
Total debt payable - principal	<u>2,452,572,401</u>	<u>1,132,865,000</u>	<u>901,742,347</u>	<u>2,683,695,054</u>	<u>68,044,916</u>
Premium/discount	56,796,107	65,105,202	28,378,360	93,522,949	30,315,332
Accretion on capital appreciation bonds	81,264,067	5,219,697	29,362,654	57,121,110	42,915,084
Total amortizations and accretions	<u>138,060,174</u>	<u>70,324,899</u>	<u>57,741,014</u>	<u>150,644,059</u>	<u>73,230,416</u>
Total debt payable	<u>2,590,632,575</u>	<u>1,203,189,899</u>	<u>959,483,361</u>	<u>2,834,339,113</u>	<u>141,275,332</u>
Capital leases payable	15,766,729	19,814,339	4,572,455	31,008,613	10,232,357
Compensated absences payable	31,038,241	6,839,951	3,230,020	34,648,172	3,147,247
Claims payable	24,189,643	138,828,715	138,625,976	24,392,382	18,717,624
Total other long-term liabilities payable	<u>70,994,613</u>	<u>165,483,005</u>	<u>146,428,451</u>	<u>90,049,167</u>	<u>32,097,228</u>
Total governmental activities long-term liabilities	<u>\$ 2,661,627,188</u>	<u>\$ 1,368,672,904</u>	<u>\$ 1,105,911,812</u>	<u>\$ 2,924,388,280</u>	<u>\$ 173,372,560</u>
Business-type activities:					
Compensated absences payable	\$ 365,917	\$ 473,025	\$ 356,710	\$ 482,232	\$ 200,524
Total business-type activities long-term liabilities	<u>\$ 365,917</u>	<u>\$ 473,025</u>	<u>\$ 356,710</u>	<u>\$ 482,232</u>	<u>\$ 200,524</u>
Deferred outflows of resources:					
Deferred loss on debt refundings	\$ (16,268,901)	\$ (5,049,165)	\$ (1,833,634)	\$ (19,484,432)	\$ (2,092,325)
Deferred inflows of resources:					
Deferred gains on debt refundings	\$ 1,497,745	\$ -	\$ 593,280	\$ 904,465	\$ 77,121

Internal Service Funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$440,850 of Internal Service Funds' compensated absences payable and \$24,392,382 of claims payable is included in the above governmental activities amounts. For the governmental activities, claims and judgments, and compensated absences are generally liquidated by the General Fund. The above business-type activities include the Nutrition Service Fund and the \$133,772 of compensated absences payable from nonmajor enterprise funds.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Debt Payable-Governmental Activities

At June 30, 2015, the District had outstanding \$2,834,339,113 of general obligation and lease revenue bonds, public property finance contractual obligations, and maintenance tax notes. Of the \$2,834,339,113 debt payable, \$57,121,110 was attributable to the accretion on capital appreciation bonds. These debt obligations, whose original issuance value was \$3,230,934,670, were issued at various dates from October 15, 1992 through June 1, 2015, with interest rates ranging from 1.0 percent to 6.5 percent for the purpose of new construction and maintenance of facilities. All debt obligations fully mature at various dates through June 1, 2039.

Of the District's \$2,834,339,113 total debt payable outstanding at June 30, 2015, \$175,734,363 of bonds payable and \$21,753,464 of CAB accretions are attributable to lease revenue bonds issued by the Public Facility Corporation.

The District held a bond election on November 6, 2012 for the purpose of authorizing the issuance of \$1,890,000,000 in bonded debt obligations. The election was passed by the electorate. The District utilized \$340,000,000 of the bond authorization through new debt issuance on February 14, 2013 followed by an issuance of \$349,740,000 on September 10, 2014 which together with a portion of the original issuance premium utilized \$350,000,000 of the bond authorization. A total of \$1,200,000,000 of authorized but unissued debt remains as of June 30, 2015.

Variable Rate Limited Tax Schoolhouse Bonds, Series 2014A were issued on September 10, 2014 with a par amount of \$349,740,000 and original issuance premium of \$1,643,778. Combined costs of issuance and underwriter's discount for the sale were \$1,376,724. The bonds were issued as term bonds with an initial rate period expiring on the first day of June, 2015. Following the initial rate period the bonds would convert to and bear interest at a term rate to be determined by the remarketing agent. Subsequent to the initial rate period the interest rate mode could be changed to a weekly rate, monthly rate, quarterly rate, semiannual rate, LIBOR index rate, SIFMA index rate, converted to a flexible rate, or converted to a fixed interest rate until stated maturity.

Variable Rate Limited Tax Bonds, Series 2014A

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2039	2015	349,740,000	1.00%	0.35%
		<u>\$ 349,740,000</u>		

The maximum rate of the bonds cannot exceed the maximum net effective interest rate permitted under Chapter 1204 Texas Government Code as amended. In the event of a failed remarketing a step rate of 7.00% will be invoked until such time as the bonds are successfully remarketed. A failed remarketing will not be considered an event of default. Upon a failed remarketing the mandatory tender will be deemed to have been rescinded and the subject bonds will continue to be outstanding. An acceleration of principal payments will not occur. The District has covenanted that the bonds will be converted and remarketed at the earliest reasonably practicable date on which the bonds can be sold at par, in such interest rate mode or modes as the District directs, at a rate not exceeding the Highest Lawful Rate.

Limited Tax Refunding Bonds, Series 2014B were issued on December 16, 2014 in the amount of \$365,395,000. The current refunding transaction included par issuance of \$365,395,000 and an original issuance premium of \$38,838,030. Combined costs of issuance and underwriter's discount for the sale were \$1,913,835.

Proceeds from the sale of the refunding bonds were utilized in order to defease \$177,290,000 in par value of Limited Tax Schoolhouse and Refunding Bonds, Series 2003, \$51,350,000 in par value of Limited Tax School Building Bonds, Series 2005A, and \$164,035,000 in par value of Limited Tax refunding Bonds, Series 2005A for

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

a total par value defeased of \$392,675,000. As part of the refunding transaction \$402,400,332 was placed into an irrevocable escrow account which was utilized to purchase a portfolio of U.S. Government and Agency Obligations that, together with the interest earned thereon, will provide amounts sufficient to pay when due the principal of and interest on the bonds which are due in varying amounts through the call date on February 15, 2015. The refunded bonds are considered defeased and no longer included in the debt schedules of the district.

The refunding transaction resulted in aggregate debt service cash flow savings of \$91,455,458 over the life of the refunding bond debt service compared to the refunded bond debt service. The economic gain on the refunding was \$63,352,707 with a net present value savings of 16.13%. The accounting loss on the transaction of \$5,049,165 will be deferred and amortized over the life of the refunding bonds as a deferred outflow of resources.

Refunded debt: Limited Tax Refunding Bonds, Series 2014B

	Maturity Dates to be Refunded	Principal Refunded
Series 2003 Bonds	2/15/2016	\$ 675,000
	2/15/2017	715,000
	2/15/2018	740,000
	2/15/2019	780,000
	2/15/2020	815,000
	2/15/2021	855,000
	2/15/2022	895,000
	2/15/2023	3,190,000
	2/15/2033	20,000,000
	2/15/2024	3,285,000
	2/15/2025	2,245,000
	2/15/2026	2,095,000
	2/15/2026	1,465,000
	2/15/2027	19,620,000
	2/15/2028	20,590,000
	2/15/2029	21,640,000
	2/15/2030	22,665,000
	2/15/2031	23,800,000
	2/15/2032	8,535,000
	2/15/2032	16,450,000
	2/15/2033	6,235,000
		<u>\$ 177,290,000</u>

	Maturity Dates to be Refunded	Principal Refunded
Series 2005A Bonds	2/15/2025	\$ 5,380,000
	2/15/2026	5,645,000
	2/15/2027	5,930,000
	2/15/2028	6,225,000
	2/15/2029	6,535,000
	2/15/2030	6,865,000
	2/15/2031	7,205,000
	2/15/2032	7,565,000
		<u>\$ 51,350,000</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Maturity Dates to be Refunded	Principal Refunded
Series 2005A Ref Bonds	2/15/2017	\$ 34,435,000
	2/15/2017	1,500,000
	2/15/2018	53,850,000
	2/15/2019	56,550,000
	2/15/2020	17,700,000
		\$ 164,035,000

On December 23, 2014 the Houston Independent School District Public Facility Corporation sold Lease Revenue Bonds (School Projects), Series 2014 with a par value of \$81,650,000. The bonds were issued with an original issuance premium of \$10,960,062. The proceeds less the issuance costs and underwriter's discount of \$491,926 and \$232,906, respectively, are to be used for the construction of a new North Forest High School, Early Childhood Center in the North Forest area, and a new Energy Institute High School.

The lease revenue bonds were issued as serial bonds with a final maturity date of September 15, 2020 and an all-in TIC yield of 1.52%. The plan of financing is structured whereby the Public Facility Corporation leases the properties to the District for rental payments equaling annual debt service requirements. For further description of the Houston Independent School District Public Facility Corporation please refer to Note 2 of the Notes to the Basic Financial Statements.

On June 1, 2015 the District remarketed \$65,065,000 of Variable Rate Limited Tax Refunding Bonds, Series 2012. The bonds were issued on June 1, 2012 with three tranches of initial rate periods expiring on the first day of June in 2013, 2014, and 2015. Bonds with a maturity date of June 1, 2030, initial yield of 0.90%, and principal amount of \$65,065,000 were subject to remarketing. The term expiration date of the remarketed bonds is June 1, 2018 with a yield of 1.70%. Combined costs of issuance and underwriter's discount for the remarketing were \$152,178.

Variable Rate Limited Tax Refunding Bonds, Series 2012

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2028	2016	\$ 38,675,000	0.88%	0.88%
2029	2017	40,420,000	0.95%	0.95%
2030	2018	65,065,000	1.70%	1.70%
		\$ 144,160,000		

On June 1, 2015 the District remarketed \$49,050,000 of Variable Rate Limited Tax Refunding Bonds, Series 2013B. The bonds were issued on February 14, 2013 with three tranches of initial rate periods expiring on the first day of June in 2014, 2015, and 2016. Bonds with a maturity date of June 1, 2036, initial yield of 0.59%, and principal amount of \$49,050,000 were subject to remarketing. The term expiration date of the remarketed bonds is June 1, 2018 with a yield of 1.70%. Combined costs of issuance and underwriter's discount for the remarketing were \$125,970.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Variable Rate Limited Tax Schoolhouse Bonds, Series 2013B

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2035	2017	\$ 48,030,000	0.95%	0.95%
2036	2018	49,050,000	1.70%	1.70%
* 2037	2016	50,050,000	2.00%	0.74%
		<u>\$ 147,130,000</u>		

On June 1, 2015 the District currently refunded the single series \$349,740,000 Variable Rate Limited Tax Schoolhouse Bonds, Series 2014A issued on September 10, 2014 and immediately remarketed the bonds in two series; \$168,040,000 Variable Rate Limited Tax Schoolhouse Bonds, Series 2014A-1 and \$168,040,000 Variable Rate Limited Tax Schoolhouse Bonds, Series 2014A-2. The refunding transaction enabled a remarketing of a total of \$336,080,000 in par value with \$13,663,332 in original issuance premium changing the coupon interest rates to 3.00% and 4.00% respectively. The two sub-series were remarketed with terms of one year for the 2014A-1 sub-series and two years for the 2014A-2 sub-series. The final stated maturity of each sub-series remained the same at June 1, 2039. Combined costs of issuance and underwriter's discount for the remarketing series were \$232,461 and \$232,460 respectively.

Variable Rate Limited Tax Bonds, Series 2014A-1

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2039	2016	\$ 168,040,000	3.00%	0.68%
		<u>\$ 168,040,000</u>		

Variable Rate Limited Tax Bonds, Series 2014A-2

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2039	2017	\$ 168,040,000	4.00%	1.05%
		<u>\$ 168,040,000</u>		

All outstanding bonds of the \$349,740,000 Variable Rate Limited Tax Schoolhouse Bonds, Series 2014A were defeased and removed from the Districts' schedule of debt. Due to the nature of the Variable to Variable rate refunding and remarketing there is no applicable present value savings calculation nor was there an actual gain or loss on the transaction.

The maximum rate of sub-series 2014A-1 and 2014A-2 cannot exceed the maximum net effective interest rate permitted under Chapter 1204 Texas Government Code as amended. Following the new rate periods the bonds will convert to and bear interest at a term rate to be determined by the remarketing agent. Subsequent to the new rate periods the interest rate modes may be changed to a weekly rate, monthly rate, quarterly rate, semiannual rate, flexible rate or converted to a fixed rate until stated maturity. The Bonds are subject to mandatory tender at the end of the new rate period. In the event of a failed remarketing for either sub-series a step rate of 7.00% will be invoked until such time as the bonds are successfully remarketed. A failed remarketing will not be considered an event of default.

On June 24, 2015 the District completed a cash defeasance of the remaining outstanding debt previously issued by North Forest Independent School District and annexed by Houston Independent School District on July 1, 2013. Available debt service funds were deposited into an irrevocable escrow account established for the purpose of paying off the bonds at various call dates.

HOUSTON INDEPENDENT SCHOOL DISTRICT
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Refunded debt: Cash Defeasance of North Forest ISD Bonds

	Maturity Dates to be Refunded	Principal Refunded
Series 2000 Bonds	8/15/2017	\$ 1,330,000
		\$ 1,330,000
		<u>1,330,000</u>

	Maturity Dates to be Refunded	Principal Refunded
Series 2006A Bonds	8/15/2015	\$ 1,835,000
	8/15/2016	1,925,000
	8/15/2017	2,020,000
	8/15/2018	2,125,000
	8/15/2019	1,905,000
	8/15/2020	1,995,000
	8/15/2021	2,100,000
	8/15/2022	2,200,000
	8/15/2023	2,295,000
		<u>\$ 18,400,000</u>

	Maturity Dates to be Refunded	Principal Refunded
Series 2006B Bonds	8/15/2015	\$ 1,280,000
	8/15/2016	1,335,000
	8/15/2017	55,000
	8/15/2018	1,470,000
	8/15/2019	1,545,000
	8/15/2020	1,610,000
	8/15/2021	1,690,000
	8/15/2022	1,770,000
	8/15/2023	1,850,000
	8/15/2024	1,940,000
	8/15/2025	2,030,000
	8/15/2026	2,130,000
	8/15/2030	2,545,000
	8/15/2027	2,225,000
	8/15/2028	2,330,000
	8/15/2029	2,435,000
		<u>\$ 28,240,000</u>
	Total	<u>\$ 47,970,000</u>

All outstanding bonds of North Forest Series 2000, 2006A and 2006B Bonds are considered defeased and have been removed from the debt schedules of the district. The District realized cash flow savings over the term of the debt in the total of \$13,133,262.

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Contractual Obligations are issued for the purpose of acquiring personal property assets and are authorized pursuant to the laws of the State of Texas, including the Public Property Finance Act, Section 271.001 of the Texas Local Government Code. The District did not issue any contractual obligations in the fiscal year ended June 30, 2015.

Notes issued by the District are maintenance tax notes. The maintenance tax notes were issued to provide funding for improvements to and rehabilitation of school facilities. Maintenance tax notes are authorized under Section 45.108 of the Texas Education Code. The District did not issue any maintenance tax notes in the fiscal year ended June 30, 2015.

The following table provides details of the related debt transactions during the fiscal year:

	<u>Face Value</u>	<u>Premium/ (Discount)</u>	<u>Total</u>	<u>Underwriter's Discount</u>	<u>Issue Cost</u>
<u>Issuance</u>					
Var Series 2014A	\$ 349,740,000	\$ 1,643,778	\$ 351,383,778	\$ 575,696	\$ 801,028
Ref Series 2014B	365,395,000	38,838,030	404,233,030	1,235,824	678,011
PFC LR Series 2014	81,650,000	10,960,062	92,610,062	232,906	491,926
Rem Series 2014A-1	168,040,000	3,878,363	171,918,363	206,984	25,477
Rem Series 2014A-2	168,040,000	9,784,969	177,824,969	206,984	25,476
Total	<u>\$ 1,132,865,000</u>	<u>\$ 65,105,202</u>	<u>\$ 1,197,970,202</u>	<u>\$ 2,458,394</u>	<u>\$ 2,021,918</u>
	<u>Face Value</u>	<u>Premium/ (Discount)</u>	<u>Total</u>	<u>Underwriter's Discount</u>	<u>Issue Cost</u>
<u>Remarketing</u>					
Rem Series 2012	\$ 65,065,000	\$ -	\$ 65,065,000	\$ 106,418	\$ 45,760
Rem Series 2013B	49,050,000	-	49,050,000	80,210	45,760
Total	<u>\$ 114,115,000</u>	<u>\$ -</u>	<u>\$ 114,115,000</u>	<u>\$ 186,628</u>	<u>\$ 91,520</u>
	<u>Face Value</u>	<u>Premium/ (Discount)</u>	<u>Total</u>	<u>Underwriter's Discount</u>	<u>Issue Cost</u>
<u>Defeasance</u>					
North Forest Series					
2000, 2006A, 2006B	\$ 47,970,000	\$ -	\$ 47,970,000	\$ -	\$ 20,600
Total	<u>\$ 47,970,000</u>	<u>\$ -</u>	<u>\$ 47,970,000</u>	<u>\$ -</u>	<u>\$ 20,600</u>

Premiums or discounts on each bond transaction is amortized over the life of the bond and the amortization payable of the bonds have been added to this note. Pursuant to GASB 65 underwriter's discounts and issuance costs have been expensed in the period reported.

The following table displays total principal debt outstanding by issuance as of June 30, 2015. Accreted values as of June 30, 2015 are included for each applicable debt issuance.

Premiums on Capital Appreciation Bonds are included in the accreted value of the bonds.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Date of Issue	Description	Purpose
01/01/97	Limited Tax Sch Refunding Bonds, Series 1997	Refund a portion of the District's outstanding indebtedness
02/10/05	Limited Tax Refunding Bonds, Series 2005A	Refund a portion of the District's outstanding indebtedness
09/21/05	Limited Tax Refunding Bonds, Series 2005B	Refund a portion of the District's outstanding indebtedness
11/21/06	Limited Tax Refunding Bonds, Series 2006A	Refund a portion of the District's outstanding indebtedness
03/22/07	Limited Tax Sch Refunding Bonds, Series 2007	Refund a portion of the District's outstanding indebtedness
03/01/08	Limited Tax Sch Bonds, Series 2008	Construction, acquisition and equipment of school buildings
11/01/09	Limited Tax Sch Bonds, Series 2009A-1	Construction, acquisition and equipment of school buildings
11/01/09	Limited Tax Sch Bonds, Series 2009A-2 (BABS)	Construction, acquisition and equipment of school buildings
11/01/09	Limited Tax Sch Bonds, Taxable Series 2009A-3 (BABS)	Construction, acquisition and equipment of school buildings
05/01/98	Public Facility Corp Lease Revenue Series 1998A	Construction of certain shared educational high school facilities
05/01/98	Public Facility Corp Lease Revenue Series 1998B	Construction of certain shared educational high school facilities
04/01/06	Public Facility Corp Lease Revenue Series 2006	Construction of public school facilities
04/26/10	Public Facility Corp Lease Revenue Series 2010A	Construction of public school facilities
04/26/10	Public Facility Corp Lease Revenue Taxable Series 2010B (BABS)	Construction of public school facilities
05/15/12	Variable Rate Limited Tax Refunding Bonds, Series 2012	Refund a portion of the District's outstanding indebtedness
02/14/13	Limited Tax Sch and Refunding Bonds, Series 2013A	Construction of school buildings and refund indebtedness
02/14/13	Variable Rate Limited Tax Sch Bonds, Series 2013B	Construction, acquisition and equipment of school buildings
02/14/13	Limited Tax Refunding Bonds, Series 2013C	Refund a portion of the District's outstanding indebtedness
12/16/14	Limited Tax Refunding Bonds, Series 2014B	Refund a portion of the District's outstanding indebtedness
12/23/14	Public Facility Corp Lease Revenue Series 2014	Construction of public school facilities
06/01/15	Variable Rate Limited Tax Sch Bonds, Series 2014A-1	Remarketing of Variable Rate Series 2014A originally issued for construction, acquisition and equipment of school buildings
06/01/15	Variable Rate Limited Tax Sch Bonds, Series 2014A-2	Remarketing of Variable Rate Series 2014A originally issued for construction, acquisition and equipment of school buildings
Total Bonds Payable		
11/01/07	Public Property finance Contractual Obligations Series 2007	Acquisition of certain capital items
11/01/09	Public Property finance Contractual Obligations Series 2009	Acquisition of certain capital items
11/01/11	Public Property finance Contractual Obligations Series 2011	Acquisition of certain capital items
Total Contractual Obligations		
05/15/05	Maintenance Notes Refunding Bonds, Series 2005	Refund a portion of the District's outstanding indebtedness
Total Notes Payable		
Total Debt Payable - Principal		

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Type	Interest Rates	Original		Final		CAB		Total Debt	
		Issue Amount		Maturity Date	Debt Principal	Accretion		Payable	
GO	5.2 to 5.375	\$ 31,435,000		8/15/2017	\$ 1,765,000	\$ 12,585,201	\$	14,350,201	
GO	4.25 to 4.46	198,078,577		2/15/2020	11,260,691	22,782,445		34,043,136	
GO	5.0	173,140,000		2/15/2024	167,640,000	-		167,640,000	
GO	5.0	28,100,000		8/15/2017	28,100,000	-		28,100,000	
GO	3.85 to 5.0	279,865,000		2/15/2026	258,200,000	-		258,200,000	
GO	5.0	389,825,000		2/15/2033	345,950,000	-		345,950,000	
GO	4.0 to 5.0	68,920,000		2/15/2018	43,300,000	-		43,300,000	
GO	6.07 to 6.17	148,850,000		2/15/2034	148,850,000	-		148,850,000	
GO	4.76 to 6.13	183,750,000		2/15/2028	183,750,000	-		183,750,000	
LR	4.45 to 5.43	46,246,108		9/15/2022	9,261,063	13,775,036		23,036,099	
LR	4.45 to 5.38	47,999,985		9/15/2022	5,423,300	7,978,428		13,401,728	
LR	4.25 to 5.50	33,600,000		9/15/2030	26,485,000	-		26,485,000	
LR	2.0 to 4.0	16,070,000		9/15/2021	14,485,000	-		14,485,000	
LR	5.24 to 6.22	38,430,000		9/15/2029	38,430,000	-		38,430,000	
GO	0.88 to 1.70	182,080,000		6/1/2030	144,160,000	-		144,160,000	
GO	2.5 to 5.0	209,640,000		2/15/2038	182,430,000	-		182,430,000	
GO	Variable	147,130,000		6/1/2037	147,130,000	-		147,130,000	
GO	0.74 to 1.70	92,905,000		2/15/2032	88,330,000	-		88,330,000	
GO	1.00 to 5.00	365,395,000		2/15/2033	358,340,000	-		358,340,000	
LR	4.00 to 5.00	81,650,000		9/15/2020	81,650,000	-		81,650,000	
GO	3.0	168,040,000		6/1/2039	168,040,000	-		168,040,000	
GO	4.0	168,040,000		6/1/2039	168,040,000	-		168,040,000	
					\$ 2,621,020,054	\$ 57,121,110	\$	2,678,141,164	
CO	3.50 to 4.00	23,500,000		7/15/2015	\$ 1,460,000	\$ -	\$	1,460,000	
CO	2.00 to 4.00	23,500,000		7/15/2017	4,155,000	-		4,155,000	
CO	2.00 to 3.00	23,500,000		7/15/2019	11,700,000	-		11,700,000	
					\$ 17,315,000	\$ -	\$	17,315,000	
NT	3.9 to 5.45	61,245,000		7/15/2020	\$ 45,360,000	\$ -	\$	45,360,000	
					\$ 45,360,000	\$ -	\$	45,360,000	
					\$ 2,683,695,054	\$ 57,121,110	\$	2,740,816,164	

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The following table summarizes by type the annual debt service requirements of the outstanding debt issues at June 30, 2015 to maturity. Capital Appreciation Bond accretions are included in bond interest.

	Bond Principal		Bond Interest		Totals
2016	\$ 54,039,916	\$	156,012,228	\$	210,052,144
2017	125,363,482		116,500,847		241,864,329
2018	129,754,392		106,570,039		236,324,431
2019	142,889,517		100,855,540		243,745,057
2020	137,591,218		94,134,672		231,725,890
2021-2025	711,246,529		366,343,581		1,077,590,110
2026-2030	741,465,000		202,680,495		944,145,495
2031-2035	454,830,000		67,596,855		522,426,855
2036-2039	123,840,000		9,301,750		133,141,750
	<u>\$ 2,621,020,054</u>	<u>\$</u>	<u>1,219,996,007</u>	<u>\$</u>	<u>3,841,016,061</u>

	Contractual Obligations Principal		Contractual Obligations Interest		Totals
2016	\$ 9,005,000	\$	388,313	\$	9,393,313
2017	2,685,000		209,025		2,894,025
2018	2,825,000		126,375		2,951,375
2019	1,400,000		63,000		1,463,000
2020	1,400,000		21,000		1,421,000
	<u>\$ 17,315,000</u>	<u>\$</u>	<u>807,713</u>	<u>\$</u>	<u>18,122,713</u>

	Notes Principal		Notes Interest		Totals
2016	\$ 5,000,000	\$	2,143,000	\$	7,143,000
2017	5,000,000		1,893,000		6,893,000
2018	5,225,000		1,637,375		6,862,375
2019	10,090,000		1,254,500		11,344,500
2020	10,045,000		751,125		10,796,125
2021	10,000,000		250,000		10,250,000
	<u>\$ 45,360,000</u>	<u>\$</u>	<u>7,929,000</u>	<u>\$</u>	<u>53,289,000</u>

	Total Principal Requirements		Total Interest Requirements		Totals
2016	\$ 68,044,916	\$	158,543,541	\$	226,588,457
2017	133,048,482		118,602,872		251,651,354
2018	137,804,392		108,333,789		246,138,181
2019	154,379,517		102,173,040		256,552,557
2020	149,036,218		94,906,797		243,943,015
2021-2025	721,246,529		366,593,581		1,087,840,110
2026-2030	741,465,000		202,680,495		944,145,495
2031-2035	454,830,000		67,596,855		522,426,855
2036-2039	123,840,000		9,301,750		133,141,750
	<u>\$ 2,683,695,054</u>	<u>\$</u>	<u>1,228,732,720</u>	<u>\$</u>	<u>3,912,427,774</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Other long-term debt

Arbitrage -- The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury of investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The U.S. Treasury requires payment for each issue every five years. The District had no arbitrage liability for tax-exempt debt subject to the Tax Reform Act issued through June 30, 2015. The estimated liability is updated annually for any tax-exempt issuances or changes in yields until such time payment of the calculated liability is due. Liabilities resulting from issuances in the General Fund are typically liquidated in the General Fund. Liabilities resulting from issuances in the Capital Renovation Fund are liquidated in the Capital Renovation Fund if unspent proceeds are remaining.

Compensated Absences -- On retirement or death of certain employees who meet eligibility requirements, the District pays any accumulated sick leave as an employer contribution to a 403(b) plan in the employee's name to such employees or the estates of the employees. Individuals employed after October 9, 1972 are not eligible to receive the lump-sum cash payments. Additionally, certain employees are entitled to receive accrued vacation pay in a lump-sum cash payment upon termination of employment with the District. The net increase of \$3,609,931 over the prior fiscal year represents the recorded liability for employees vesting in the accumulated sick leave program adjusted by the amounts paid employees retiring from the District. The General Fund has typically been used in prior years to liquidate compensated Absences

Capital Leases – Leased Equipment -- In 2002, the District entered into capital leases with Apple Lease Financing and HP Lease Financing. Each lease meets the criteria of a capital lease as defined by generally accepted accounting principles, which define a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

Capital assets acquired by lease have been capitalized in an amount equal to the present value of the future minimum lease payments at the time of acquisition. Principal and interest payments in fiscal year 2014 totaled \$4,941,616 and \$2,724, respectively. Principal and interest payments in fiscal year 2015 totaled \$10,789,539 and \$371,886, respectively. The General Fund has typically been used in prior years to liquidate capital lease liabilities.

The future minimum lease obligations and the net present value of these minimum equipment lease payments as of June 30, 2015 were as follows:

Year Ending June 30	Governmental Activities
2016	\$ 11,125,880
2017	11,125,880
2018	8,054,193
2019	2,600,539
	<hr/>
Total minimum lease payments	32,906,492
Amount Representing Interest at 5.7675%	(1,897,879)
Present Value of minimum lease payments	<hr/> <hr/> \$ 31,008,613

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: OPERATING LEASES

The District leases office facilities and instructional educational facilities under noncancellable operating leases. Total cost for such leases was \$4,710,816 for the fiscal year ended June 30, 2015. The future minimum lease payments for these leases are as follows:

Year Ending		
<u>June 30</u>		<u>Amount</u>
2016	\$	391,597
2017		89,943
2018		53,262
2019		<u>45,232</u>
	\$	<u>580,034</u>

On December 15, 2014 the District executed a sale and leaseback of an educational facility located at 4701 Dickson Street, Houston, Texas. The lease period is for five years from the inception of the lease on December 15, 2014. The entire amount of the lease (\$4,050,002) was prepaid at the time of the property sale closing. The District has elected to utilize the purchases method to account for the prepayment of the lease and the entire amount of the lease obligation has been recognized as an expenditure in the year ended June 30, 2015.

NOTE 10: RISK MANAGEMENT

The District is exposed to various risks related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against losses through policies with commercial insurance carriers or through self-insurance.

Workers' Compensation

The District maintains a self-insurance program for workers' compensation. Contributions are paid from all governmental and proprietary funds to the Workers' Compensation Internal Service Fund from which all claims and administrative expenses are paid. Claims administration, loss control, and consultant services are provided by a third party administrator. The District maintains a catastrophic loss insurance policy for catastrophic losses exceeding \$1,250,000 per occurrence up to statutory limit of liability.

An accrual for incurred but not reported claims in the amount of \$11,691,382 (discounted at .5 percent), of which \$6,116,824 is the current portion, has been recorded in the fund as of June 30, 2015. Claims payable, including an estimate of claims incurred but not reported, was actuarially determined based on the District's historical claims experience and an estimate of the remaining liability on known claims.

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

At June 30, 2015, the fund had net position of \$27,823,652. Changes in claims payable for the fiscal years ended June 30, 2014 and 2015 are as follows:

	<u>2015</u>	<u>2014</u>
Claims payable, beginning of fiscal year	\$ 13,221,643	\$ 11,696,669
Adjust for North Forest ISD merger	-	587,916
Adjusted, beginning balance	<u>13,221,643</u>	<u>12,284,585</u>
Incurred claims and claim adjustment expenses for insured events of the current fiscal year	5,913,997	6,457,880
Increase (decrease) in provision for insured events of prior fiscal year	<u>(1,819,397)</u>	<u>4,333,646</u>
Total incurred claims and claim adjustment expenses	<u>4,094,600</u>	<u>10,791,526</u>
<u>Payments:</u>		
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	1,801,571	2,097,031
Claims and claim adjustment expenses attributable to insured events of the prior fiscal year	<u>3,823,290</u>	<u>7,757,437</u>
Total payments	<u>5,624,861</u>	<u>9,854,468</u>
Claims payable, end of fiscal year	<u>\$ 11,691,382</u>	<u>\$ 13,221,643</u>

Health Insurance

Effective January 1, 2002, the District established a self-insurance program for health insurance. Contributions are paid from all governmental and proprietary funds to the Health Insurance Internal Service Fund from which all claims and administrative expenses are paid. Claims administration and consultant services are provided by a third party administrator. The District maintains aggregate stop loss coverage for medical cost.

The District is insured for covered medical paid and incurred during the plan year by Aetna under an annual aggregate insurance contract. The coverage provides that the insurer will reimburse the District for such paid claims that exceed an annual aggregate attachment point that is determined by a monthly amount per covered employee based on the tier of coverage enrolled.

An accrual for incurred but not reported claims in the amount of \$12,701,000, of which \$12,600,800 is the current portion, has been recorded in the fund as of June 30, 2015. Claims payable, including an estimate of claims incurred but not reported, was actuarially determined based on an estimate of the remaining liability on known claims.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

At June 30, 2015, the fund had net position of \$47,637,203. Changes in claims payable for the fiscal years ended June 30, 2014 and 2015 are as follows:

	<u>2015</u>	<u>2014</u>
Claims payable, beginning of fiscal year	\$ 10,968,000	\$ 8,191,000
Incurred claims and claim adjustment expenses for insured events of the current fiscal year	133,386,774	111,977,924
Increase in provision for insured events of prior fiscal year	<u>1,347,341</u>	<u>1,131,090</u>
Total incurred claims and claim adjustment expenses	<u>134,734,115</u>	<u>113,109,014</u>
<u>Payments:</u>		
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	131,671,104	109,228,694
Claims and claim adjustment expenses attributable to insured events of the prior fiscal year	<u>1,330,011</u>	<u>1,103,320</u>
Total payments	<u>133,001,115</u>	<u>110,332,014</u>
Claims payable, end of fiscal year	<u>\$ 12,701,000</u>	<u>\$ 10,968,000</u>

Property, Casualty, General and Professional Liability

The District purchases All-Risk Property Insurance with limits of \$250,000,000. The policies include sublimits of \$75,000,000 per occurrence for flood and quake and \$150,000,000 per occurrence for Named Storms. General and Professional Liability risks are insured with limits of \$9,750,000. Within these policy limits, the District's exposure for covered losses is limited to the policy deductibles and self-insured retentions. Automobile liability exposures are self-insured in Texas and insurance coverage is purchased for out of state risks with a \$1,000,000 limit. The District has not had any claims in excess of its policy limits in the past three years.

NOTE 11: EMPLOYEES' RETIREMENT PLAN

Plan Description

The District's Teacher Retirement System is a defined benefit plan, in which a retired employee receives a specific amount based on salary history and years of services, and in which the employer bears the investment risk. The District's employees are covered by the Teacher Retirement System of Texas ("TRS"). TRS, a public employee retirement system ("PERS"), is a multiple-employer, defined benefit pension plan. It is a cost sharing PERS with one exception: all risks and costs are not shared by the District but are the liability of the State of Texas. By statute, the State of Texas contributes to the retirement system an amount equal to the current authorized rate multiplied by the aggregate annual compensation of all members of the retirement system during that fiscal year. The District's covered payroll and the total payroll for the year ended June 30, 2015 were \$1,153,641,436 and \$1,214,256,472, respectively. For members of the retirement system entitled to the State's statutory minimum salary for school personnel, the District pays the State's contribution on the part of the member's salary that exceeds the statutory minimum.

Pension Plan Fiduciary Net Position

Detailed information about the Teachers Retirement System's Fiduciary Net Position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

information. That report may be obtained by visiting <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to the TRS at 1000 Red River Street, Austin, Texas 78701-2698; or by calling (512) 542-6592. The information provided in the Notes to the Financial Statements in the 2014 Comprehensive Annual Financial Report for TRS provides the following information regarding the Pension Plan fiduciary net position for the year ending August 31, 2014:

<u>Net Pension Liability</u>	<u>Total</u>
Total Pension Liability	\$ 159,496,075,886
Less: Plan Fiduciary Net Position	(132,779,243,085)
Net Pension Liability	<u>\$ 26,716,832,801</u>
Net Position as % of Total Pension Liability	83.25%

Types of Employees Covered

All members of public state-supported educational institutions in Texas who are employed for one-half or more of the standard workload and who are not exempted from membership under the Texas Government Code are covered by the plan.

Benefit Provisions and Service Requirements

TRS administers retirement and disability annuities and death and survivor benefits to employees and beneficiaries of employees of the public school system of Texas. It operates primarily under the provisions of the Texas Constitution Article XVI, Section 67 and the Texas Government Code, Title 8, Subtitle C, Chapter 803 and 805, respectively. Service requirements are as follows:

Normal -- Age 65 with 5 years of credited service, or when the sum of member's age and years of credit equals or exceeds 80.

Reduced -- Age 55 with at least 5 years of credited service, or any age below 50 with 30 or more years of credited service but the sum of member's age and years of credited service total less than 80.

Members are fully vested after five years of creditable service and are entitled to any benefit for which eligibility requirements have been met. For more detail about benefits see the Summary of Benefits section of TRS 2014 Comprehensive Annual Financial Report.

Contributions

Contribution requirements are not actuarially determined, but are legally established each biennium pursuant to the following state funding policy: (1) the state constitution requires the legislature to establish a member contribution rate of not less than 6 percent of the member's annual compensation and a state contribution of not less than 6 percent and not more than 10 percent of the aggregate annual compensation of all members of the system during the fiscal year, (2) a state statute prohibits benefit improvements if, as a result of the particular actions, the time required to amortize TRS's unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or if the amortization period exceeds 31 years, the period would be increased by such action.

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. It also added a 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees effective for fiscal year 2015 as discussed in Note 1 of the TRS 2014 CAFR. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015***

Contribution Rates

	<u>2014</u>	<u>2015</u>
Member	6.4%	6.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
2014 District Contributions	\$	27,333,850
2014 Member Contributions	\$	70,945,634
2014 On-Behalf Contributions	\$	48,309,695

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers including public schools are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding source or a privately sponsored source.

In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The total pension liability in the August 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2014
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	30 years
Asset Valuation Method	5 year Market Value
Discount Rate	8.00%
Long-term expected Investment Rate of Return*	8.00%
Salary Increases*	4.25% to 7.25%
Weighted-Average at Valuation Date	5.55%
Payroll Growth Rate	3.50%
* Includes Inflation of 3%	

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2010 and adopted on April 8, 2011. With the exception of the post-retirement mortality rates for healthy lives and a minor change to the expected retirement age for inactive vested members stemming from the actuarial audit performed in the Summer of 2014, the assumptions and methods are the same as used in the prior valuation. When the mortality assumptions were adopted in 2011 they contained a significant margin

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

for possible future mortality improvement. As of the date of the valuation there has been a significant erosion of this margin to the point that the margin has been eliminated. Therefore, the post-retirement mortality rates for current and future retirees was decreased to add additional margin for future improvement in mortality in accordance with the Actuarial Standards of Practice No. 35.

Discount Rate

The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2014 are summarized below:

Asset Class	Target Allocation	Real Return Geometric Basis	Long-Term Expected Portfolio Real Rate of Return*
Global Equity			
U.S.	18%	4.6%	1.0%
Non-U.S. Developed	13%	5.1%	0.8%
Emerging Markets	9%	5.9%	0.7%
Directional Hedge Funds	4%	3.2%	0.1%
Private Equity	13%	7.0%	1.1%
Stable Value			
U.S. Treasuries	11%	0.7%	0.1%
Absolute Return	0%	1.8%	0.0%
Stable Value Hedge Funds	4%	3.0%	0.1%
Cash	1%	-0.2%	0.0%
Real Return			
Global Inflation Linked Bonds	3%	0.9%	0.0%
Real Assets	16%	5.1%	1.1%
Energy and Natural Resources	3%	6.6%	0.2%
Commodities	0%	1.2%	0.0%
Risk Parity			
Risk Parity	5%	6.7%	0.3%
Inflation Expectation			2.2%
Alpha			1.0%
Total	100%		8.7%

* The Expected Contribution to Returns incorporates the volatility drag resulting from the conversions between Arithmetic and Geometric mean returns.

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8%) in measuring the 2014 Net Pension Liability.

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8%)	1% Increase in Discount Rate (9.0%)
District's proportionate share of the net pension liability:	\$ 514,613,851	\$ 287,986,184	\$ 118,510,899

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the District reported a net pension liability of \$287,986,184 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate share of the collective net pension liability	\$ 287,986,184
State's proportionate share that is associated with the District	510,071,049
Total	<u>\$ 798,057,233</u>

The net pension liability was measured as of August 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2013 thru August 31, 2014.

At August 31, 2014 the employer's proportion of the collective net pension liability was 0.010781403%. Since this is the first year of implementation, the District does not have the proportion measured as of August 31, 2013. The Notes to the Financial Statements for August 31, 2014 for TRS stated that the change in proportion was immaterial and therefore disregarded this year.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

There was a change in employer contribution requirements that occurred after the measurement date of the net pension liability and the employer's reporting date. A 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees went into law effective 09/01/2014. The amount of the expected resultant change in the employer's proportion cannot be determined at this time.

For the year ended August 31, 2014, the District recognized pension expense of \$47,155,121 and revenue of \$47,155,121 for support provided by the State.

At August 31, 2014, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 4,453,799	\$ -
Difference between projected and actual investment earnings	-	88,020,338
Contributions paid to TRS subsequent to the measurement date	-	-
Total	\$ 4,453,799	\$ 88,020,338

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31:	Pension Expense Amount
2015	\$ (18,108,504)
2016	(18,108,504)
2017	(18,108,504)
2018	(18,108,504)
2019	3,896,580
Thereafter	3,614,830

At June 30, 2015 the District reported Deferred Resource Outflows and Deferred Resource Inflows for the TRS pension plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Total net amounts as of August 31, 2014 Measurement Date	\$ 23,173,221	\$ 88,095,827
Changes in actuarial assumptions	18,719,422	-
Contributions made subsequent to the Measurement Date	29,662,686	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	-	75,489
Reported by District as of June 30, 2015	\$ 71,555,329	\$ 88,171,316

Health Care Plan Description (TRS-Care)

The District contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing, multiple-employer, defined benefit, other post-employment benefit (OPEB) plan. TRS-Care Retired Plan provides health care coverage for certain persons (and their dependents) who retired under TRS. The statutory authority for the program is Texas Insurance Code, Chapter 1575.

Types of Employees Covered

All members of TRS public school retirees with more than 10 years of service and their dependents.

Contributions

Employees of the District were required to pay 7.35 percent of their eligible gross earnings to TRS. Of the 7.35 percent, 0.65 percent was a contribution towards TRS-Care retiree health insurance. Effective September 1, 2003, the Texas legislature enacted legislation related to the funding of TRS-Care. House Bill 3459 of the 78th Legislature increased the 0.25 percent active member contribution to 0.5 percent of salary and added a new contribution from school districts for 0.4 percent of salary of each active employee. Effective September 1, 2005,

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

the 79th Legislature enacted changes to increase the 0.5 percent of salary of each active member contribution to TRS-Care to 0.65 percent of salary and increased the 0.4 percent contributions from school districts to 0.55 percent of salary of each active employee. The State of Texas, active public school employee, and the District contribution rates are as follows:

	Contribution Rates
Member	0.65%
Non-Employer Contributing Entity (State)	1.00%
District	0.55%

Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school.

NOTE 12: COMMITMENTS AND CONTINGENCIES

The District received significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursements of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies and the Texas Education Agency. Any disallowed claims resulting from such audits could become a liability of the General Fund.

NOTE 13: SUBSEQUENT EVENT

On July 13, 2015 the District issued Maintenance Tax Refunding Bonds, Series 2015 with a par amount of \$40,360,000 and final maturity of July 15, 2020. Proceeds of the issuance were utilized for a private placement refunding of the previously issued Maintenance Tax Refunding Bonds, Series 2005. The refunded bonds with a total par amount of \$40,360,000 are considered defeased and no longer included in the debt schedules of the District. The District realized a cash flow savings of \$5,843,811 in future debt service expenditures and net present value savings of \$4,575,000 resulting from the transaction.



FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

FINANCIAL SECTION

— 2015 REQUIRED
SUPPLEMENTARY
INFORMATION

**HOUSTON INDEPENDENT SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget Better (Worse)
REVENUES				
Property taxes	\$ 1,376,348,984	\$ 1,393,692,281	\$ 1,389,906,245	\$ (3,786,036)
Earnings on investments	1,315,000	1,700,000	1,570,032	(129,968)
Miscellaneous local sources	9,703,649	11,940,407	12,694,795	754,388
State sources	257,893,223	366,094,189	345,456,076	(20,638,113)
Federal sources	5,752,233	5,923,688	7,255,184	1,331,496
Total revenues	<u>1,651,013,089</u>	<u>1,779,350,565</u>	<u>1,756,882,332</u>	<u>(22,468,233)</u>
EXPENDITURES				
Current				
Instruction	1,045,196,784	1,085,930,646	986,111,818	99,818,828
Instructional resources and media services	8,672,876	8,936,238	7,599,254	1,336,984
Instructional staff development	20,049,551	31,015,775	22,976,770	8,039,005
Curriculum development	5,353,101	5,609,104	5,574,472	34,632
Instructional leadership	18,889,164	20,160,326	18,547,813	1,612,513
School leadership	126,911,552	131,201,531	126,803,708	4,397,823
Guidance, counseling and evaluation services	40,603,127	42,151,673	35,363,920	6,787,753
Social work services	1,980,575	2,113,670	1,755,908	357,762
Health services	18,478,183	18,507,384	16,091,754	2,415,630
Student transportation	53,826,189	55,854,076	51,057,512	4,796,564
Food services	329,687	615,611	526,666	88,945
Co-curricular/extracurricular activities	12,025,660	16,611,420	14,431,423	2,179,997
General administration	34,815,880	40,609,345	31,772,375	8,836,970
Plant maintenance and operations	189,493,720	209,361,621	171,577,843	37,783,778
Security and monitoring services	21,129,297	24,055,469	22,113,411	1,942,058
Data processing services	49,957,564	155,049,507	86,172,215	68,877,292
Community services	2,078,591	2,401,523	2,120,485	281,038
Juvenile justice alternative education programs	1,080,830	792,000	792,000	-
Tax increment reinvestment zone	42,954,874	49,360,390	49,360,389	1
Tax appraisal and collection	12,845,759	12,845,759	12,555,327	290,432
Debt service				
Principal	30,000	34,239	34,157	82
Interest and fiscal charges	10,000	1,392	1,389	3
Capital outlay				
Facilities acquisition and construction	-	58,936,656	571,723	58,364,933
Total expenditures	<u>1,706,712,964</u>	<u>1,972,155,355</u>	<u>1,663,912,332</u>	<u>308,243,023</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(55,699,875)</u>	<u>(192,804,790)</u>	<u>92,970,000</u>	<u>285,774,790</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out	30,400,000	30,400,000	30,400,000	-
Capital Leases	(34,700,125)	(37,110,916)	(37,085,543)	25,373
Issuance of bonds and other debt	-	19,814,339	19,814,339	-
Total other financing uses	<u>(4,300,125)</u>	<u>13,103,423</u>	<u>-</u>	<u>-</u>
Net change in fund balances			<u>13,128,796</u>	<u>25,373</u>
Fund balances--beginning	<u>(60,000,000)</u>	<u>(179,701,367)</u>	<u>106,098,796</u>	<u>285,800,163</u>
Fund balances--ending	<u>\$ 480,067,026</u>	<u>\$ 360,365,659</u>	<u>\$ 646,165,822</u>	<u>\$ 285,800,163</u>

The notes to required supplementary information are an integral part of this schedule.

HOUSTON INDEPENDENT SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	Budgeted Amounts		Actual	Variance with Final Budget Better (Worse)
	Original	Final		
REVENUES				
Local sources	\$ 368,000	\$ 17,217,527	\$ 9,338,939	\$ (7,878,588)
State sources	17,731,823	7,761,091	5,630,394	(2,130,697)
Federal sources	191,032,635	269,866,534	199,368,163	(70,498,371)
Total revenues	<u>209,132,458</u>	<u>294,845,152</u>	<u>214,337,496</u>	<u>(80,507,656)</u>
EXPENDITURES				
Current				
Instruction	105,416,257	146,742,811	118,328,996	28,413,815
Instructional resources and media services	346,969	743,420	353,013	390,407
Instructional staff development	54,299,831	74,899,071	36,131,143	38,767,928
Curriculum development	82,321	157,783	123,150	34,633
Instructional leadership	6,200,706	12,490,800	8,657,035	3,833,765
School leadership	1,687,681	1,808,442	1,807,937	505
Guidance, counseling and evaluation services	7,671,423	12,301,896	9,753,080	2,548,816
Social work services	779,146	1,300,400	1,143,929	156,471
Health services	2,591,917	4,736,694	3,768,402	968,292
Student transportation	2,040,177	4,027,516	3,002,210	1,025,306
Food services	4,446	68,940	64,492	4,448
Co-curricular/extracurricular activities	1,719,548	3,842,251	2,651,823	1,190,428
General administration	3,155,354	3,854,228	3,347,163	507,065
Plant maintenance and operations	448,779	2,356,746	2,247,373	109,373
Security and monitoring services	176,583	531,398	311,717	219,681
Data processing services	16,946,749	27,381,440	3,452,473	23,928,967
Community services	2,944,891	6,958,715	4,346,898	2,611,817
Fiscal agent/member districts of shared services arrangements	1,940,683	5,246,392	2,704,595	2,541,797
Debt service				
Principal	-	10,928,184	10,755,383	172,801
Interest and fiscal charges	-	371,000	370,497	503
Capital outlay				
Facilities acquisition and construction	678,997	1,117,840	95,881	1,021,959
Total expenditures	<u>209,132,458</u>	<u>321,865,967</u>	<u>213,417,190</u>	<u>108,448,777</u>
Excess (deficiency) of revenues over (under) expenditures	-	<u>(27,020,815)</u>	<u>920,306</u>	<u>27,941,121</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Capital leases	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	-	(27,020,815)	920,306	27,941,121
Fund balances--beginning	<u>27,171,222</u>	<u>27,171,222</u>	<u>27,171,222</u>	<u>-</u>
Fund balances--ending	<u>\$ 27,171,222</u>	<u>\$ 150,407</u>	<u>\$ 28,091,528</u>	<u>\$ 27,941,121</u>

The notes to required supplementary information are an integral part of this schedule.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>2015</u>
District's Proportion of the Net Pension Liability (Asset)	0.010781403%
District's Proportion Share of the Net Pension Liability (Asset)	\$ 287,986,184
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	510,071,049
Total	<u>\$ 798,057,233</u>
 District's Covered-Employee Payroll	 1,107,330,812
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its coverd- Employee Payroll	 26.01%
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 83.25%

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>2015</u>
Contractually Required Contribution	\$ 35,477,854
Contribution in Relation to the Contractually Required Contribution	<u>(35,477,854)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>
 District's Covered-Employee Payroll	 1,153,641,436
Contributions as a Percentage of Covered-Employee Payroll	3.08%

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

Note 1: Stewardship, Compliance, and Accountability

The District uses the following procedures in establishing the budgets reflected in the financial statements:

- Prior to June 30th of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain citizens' comments. However, the final priorities and funding of projects are determined by the Board of Education that establishes a tax rate to support the approved budget.
- A meeting of the Board of Education is then called for the purpose of adopting the proposed budget.
- Budgets are approved on a fund-by-fund basis. The District can make amendments to the budget at any time during the year; however, amendments changing functional expenditure categories or revenue object accounts (as defined in the Texas Education Agency's *Financial Accountability System Resource Guide*) must be approved by the Board of Education. Additionally, the Board of Education formally reviews the budget twice during the fiscal year.
- Budgets are considered a management control and planning tool and, as such, are incorporated into the accounting system of the District.
- Annual budgets are legally adopted for the General Fund, the Special Revenue Fund, the Debt Service Fund, the Capital Renovation Fund, and the Food Service Fund. The budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles and are monitored by the Budgeting Office. By state law, expenditures may not legally exceed budgeted appropriations, as amended, at the function level by fund. Unexpended appropriations lapse at the end of the fiscal year.

Note 2: Change of Benefit Terms

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Note 3: Changes of Assumptions

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

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FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

FINANCIAL SECTION

**2015 COMBINING
AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES**

NON-MAJOR ENTERPRISE FUNDS

The **Business Development Fund** is used to account for the financial operations of the District's Marketing Office. The Marketing Office was organized to help develop and coordinate the District's efforts in marketing for the sale of goods and services to other school districts. Primary relationships between HISD and other school districts are through cooperative purchasing programs or inter-local agreements, both of which are statutorily authorized ways for governmental entities to acquire goods or services. Activities involve the marketing and development of products and services developed through vendor/HISD partnerships including benefits programs and an online drivers education program.

The **Medicaid Fund** is used to account for the financial operations of special education reimbursement programs. The District participates in a Medicaid reimbursement program, which is a federal program to provide partial reimbursement for health care services provided to eligible children. The District currently provides Medicaid advisory services to over 500 schools in over 100 Texas school districts.

The **Marketplace and Catering Fund** is used to account for the financial operations of the restaurant-style cafeteria on the first level of the Hattie Mae White (HMW) Educational Support Center. The District established the Marketplace years ago as a benefit to employees working in the HMW building. The Marketplace currently serves approximately 320 employees on a daily basis and provides catering services to departments within and outside of Hattie Mae White. Recently, a full service catering department was added to this fund in an effort to increase revenue to subsidize the Marketplace as well as to promote HISD catering activities.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2015**

	Enterprise Funds			
	Business Development	Medicaid	The Marketplace	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 4,374	\$ 52,171	\$ 12,909	\$ 69,454
Investments	486,334	16,812,349	100,459	17,399,142
Receivables	1,341,776	23,152,397	2,375	24,496,548
Due from other funds	-	-	26,241	26,241
Inventories	-	-	49,947	49,947
Misc assets	-	7,175	-	7,175
Total current assets	<u>1,832,484</u>	<u>40,024,092</u>	<u>191,931</u>	<u>42,048,507</u>
Noncurrent assets:				
Furniture and equipment	-	343,364	-	343,364
Less accumulated depreciation	-	(226,610)	-	(226,610)
Total noncurrent assets	<u>-</u>	<u>116,754</u>	<u>-</u>	<u>116,754</u>
Total assets	<u>1,832,484</u>	<u>40,140,846</u>	<u>191,931</u>	<u>42,165,261</u>
LIABILITIES				
Current liabilities:				
Accounts payable	213,203	141,794	45,376	400,373
Due to other funds	400,000	114,140	-	514,140
Accrued salaries payable	-	71,282	6,336	77,618
Compensated absences payable	-	42,461	2,170	44,631
Total current liabilities	<u>613,203</u>	<u>369,677</u>	<u>53,882</u>	<u>1,036,762</u>
Noncurrent liabilities:				
Compensated absences payable	-	89,141	-	89,141
Total noncurrent liabilities	<u>-</u>	<u>89,141</u>	<u>-</u>	<u>89,141</u>
Total liabilities	<u>613,203</u>	<u>458,818</u>	<u>53,882</u>	<u>1,125,903</u>
NET POSITION				
Invested in capital assets	-	116,754	-	116,754
Unrestricted	1,219,281	39,565,274	138,049	40,922,604
Total net position	<u>\$ 1,219,281</u>	<u>\$ 39,682,028</u>	<u>\$ 138,049</u>	<u>\$ 41,039,358</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Enterprise Funds			
	Business Development	Medicaid	Marketplace	Totals
OPERATING REVENUES:				
Charges for sales and services:				
Sales to customers	\$ -	\$ -	\$ 755,925	\$ 755,925
Consulting services	4,944,367	3,345,480	-	8,289,847
Miscellaneous	-	-	364,103	364,103
Total operating revenues	<u>\$ 4,944,367</u>	<u>\$ 3,345,480</u>	<u>\$ 1,120,028</u>	<u>\$ 9,409,875</u>
OPERATING EXPENSES:				
Payroll costs	-	2,510,528	339,150	2,849,678
Purchased and contracted services	4,489,222	1,207,901	50	5,697,173
Supplies and materials	-	237,101	655,813	892,914
Other operating expenses	1,400	283,192	12,268	296,860
Depreciation	-	48,807	-	48,807
Total operating expenses	<u>4,490,622</u>	<u>4,287,529</u>	<u>1,007,281</u>	<u>9,785,432</u>
Operating income (loss)	<u>453,745</u>	<u>(942,049)</u>	<u>112,747</u>	<u>(375,557)</u>
NONOPERATING REVENUES (EXPENSES)				
Earnings on investments	885	40,839	30	41,754
School health services (SHARS)	-	27,164,887	-	27,164,887
Total nonoperating revenue	<u>885</u>	<u>27,205,726</u>	<u>30</u>	<u>27,206,641</u>
Income before transfers	454,630	26,263,677	112,777	26,831,084
Transfers in	-	-	-	-
Transfers out	<u>(400,000)</u>	<u>(30,000,000)</u>	<u>-</u>	<u>(30,400,000)</u>
Change in net position	54,630	(3,736,323)	112,777	(3,568,916)
Total net position—beginning	1,164,651	43,418,351	25,272	44,608,274
Total net position—ending	<u>\$ 1,219,281</u>	<u>\$ 39,682,028</u>	<u>\$ 138,049</u>	<u>\$ 41,039,358</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Enterprise Funds			
	Business Development	Medicaid	Marketplace	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from user charges	\$ 4,324,284	\$ 1,492,727	\$ 1,092,214	\$ 6,909,225
Payments to suppliers	(5,000,330)	(1,807,312)	(687,319)	(7,494,961)
Payments to employees	-	(2,454,265)	(334,949)	(2,789,214)
Payments to other funds	-	-	(6,901)	(6,901)
Other payments	398,139	(20,860,795)	-	(20,462,656)
Net cash provided used in operating activities	(277,907)	(23,629,645)	63,045	(23,844,507)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Receipts from SHARS program	-	27,164,887	-	27,164,887
Transfers from other funds	-	-	-	-
Operating subsidies and transfers to other funds	(400,000)	(30,000,000)	-	(30,400,000)
Net cash provided used in noncapital financing activities	(400,000)	(2,835,113)	-	(3,235,113)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	-	3,157	-	3,157
Net cash used in capital and related financing activities	-	3,157	-	3,157
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(4,000,885)	(43,950,840)	(110,031)	(48,061,756)
Proceeds from sales and maturities of investments	4,675,000	70,370,550	53,000	75,098,550
Interest and dividends	885	40,839	30	41,754
Net cash provided used in investing activities	675,000	26,460,549	(57,001)	27,078,548
Net increase in cash and cash equivalents	(2,907)	(1,052)	6,044	2,085
Balances—beginning of the year	7,281	53,223	6,865	67,369
Balances—end of the year	\$ 4,374	\$ 52,171	\$ 12,909	\$ 69,454
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income and (loss)	\$ 453,745	\$ (942,049)	\$ 112,747	\$ (375,557)
Adjustments to reconcile operating income to net cash provided used in operating activities:				
Depreciation expense	-	48,807	-	48,807
Change in assets and liabilities:				
Receivables	(620,083)	(1,852,755)	(27,815)	(2,500,653)
Inventories and other assets	-	-	(42,180)	(42,180)
Accounts payables	(509,708)	(79,117)	22,993	(565,832)
Due to other funds	398,139	(20,860,795)	(6,901)	(20,469,557)
Compensated absence payable	-	45,111	2,170	47,281
Accrued salaries payable	-	11,153	2,031	13,184
Net cash provided used in operating activities	\$ (277,907)	\$ (23,629,645)	\$ 63,045	\$ (23,844,507)

INTERNAL SERVICE FUNDS

The **Print Shop Fund** is used to account for all the printing and distribution activities of the District's two print shop facilities. Schools and departments are charged for the costs of printing and distribution requests. During non-peak times, the Print Shop contracts with other governmental agencies requiring assistance during their peak periods. The District also has reciprocal agreements with other governmental agencies in the event a backlog of jobs is experienced by District users.

The **Health Insurance Fund** is used to account for the health insurance plan administered by the District. The plan is a self-insured plan requiring the District and its employees to contribute the cost. The District contributes approximately 71.56 percent of the annual cost of the plan with employees paying for the remaining 28.44 percent. These contributions are paid from all governmental and proprietary funds to the Health Insurance Fund from which all claims and administrative expenses are paid.

The **Workers' Compensation Fund** is used to account for risk financing activities related to the self-insured workers' compensation program. All employees of the District are covered by this plan for injuries occurring on the job. The District contributes 100 percent of the funding for this program.

The **Internal Services Fund** is used to account for the fee-for-services offered by the District to serve the specific needs of schools and departments. The Alternative Certification, Athletics, UIL, Virtual School, and Shared Services programs are accounted for within this fund.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2015**

	Print Shop	Health Insurance	Workers' Compensation	Internal Services	Totals
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 18,590	\$ 41,666	\$ 12,385	\$ 35,884	\$ 108,525
Investments	5,137	52,992,967	39,166,202	8,747,167	100,911,473
Receivables	290,409	-	-	-	290,409
Due from other funds	-	11,485,036	599,809	-	12,084,845
Accrued interest	-	96,182	28,733	-	124,915
Other assets	-	-	77,133	-	77,133
Total current assets	<u>314,136</u>	<u>64,615,851</u>	<u>39,884,262</u>	<u>8,783,051</u>	<u>113,597,300</u>
Noncurrent assets:					
Buildings and improvements	558,545	-	-	1,289,050	1,847,595
Furniture and equipment	772,300	-	94,997	570,378	1,437,675
Vehicles	97,585	-	-	27,464	125,049
Less accumulated depreciation	(1,008,886)	-	(92,763)	(356,082)	(1,457,731)
Total noncurrent assets	<u>419,544</u>	<u>-</u>	<u>2,234</u>	<u>1,530,810</u>	<u>1,952,588</u>
Total assets	<u>733,680</u>	<u>64,615,851</u>	<u>39,886,496</u>	<u>10,313,861</u>	<u>115,549,888</u>
LIABILITIES					
Current liabilities:					
Accounts payable	208,568	4,165,568	280,935	207,338	4,862,409
Due to other funds	58,771	-	-	267,905	326,676
Unearned revenue	-	-	-	18,806	18,806
Accrued salaries payable	43,579	64,961	32,902	202,990	344,432
Compensated absences payable	18,654	4,694	20,077	49,968	93,393
Claims and judgments payable	-	12,600,800	6,116,824	-	18,717,624
Total current liabilities	<u>329,572</u>	<u>16,836,023</u>	<u>6,450,738</u>	<u>747,007</u>	<u>24,363,340</u>
Noncurrent liabilities:					
Compensated absences payable	72,169	42,425	37,548	195,315	347,457
Claims and judgments payable	-	100,200	5,574,558	-	5,674,758
Total noncurrent liabilities	<u>72,169</u>	<u>142,625</u>	<u>5,612,106</u>	<u>195,315</u>	<u>6,022,215</u>
Total liabilities	<u>401,741</u>	<u>16,978,648</u>	<u>12,062,844</u>	<u>942,322</u>	<u>30,385,555</u>
NET POSITION					
Invested in capital assets	419,544	-	2,234	1,530,810	1,952,588
Unrestricted	(87,605)	47,637,203	27,821,418	7,840,729	83,211,745
Total net position	<u>\$ 331,939</u>	<u>\$ 47,637,203</u>	<u>\$ 27,823,652</u>	<u>\$ 9,371,539</u>	<u>\$ 85,164,333</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Print Shop</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Internal Services</u>	<u>Totals</u>
OPERATING REVENUES:					
Charges for sales and services:					
Sales to customers	\$ 4,347,079	\$ -	\$ -	\$ 19,296,745	\$ 23,643,824
Charges to employees and other funds	-	112,007,387	11,700,767	-	123,708,154
Miscellaneous	-	770,205	332,309	123,826	1,226,340
Total operating revenues	<u>4,347,079</u>	<u>112,777,592</u>	<u>12,033,076</u>	<u>19,420,571</u>	<u>148,578,318</u>
OPERATING EXPENSES:					
Payroll costs	1,645,080	2,331,968	1,244,269	9,597,977	14,819,294
Purchased and contracted services	1,296,042	65,402	1,912,964	5,091,909	8,366,317
Supplies and materials	1,432,543	17,801	4,861	1,437,384	2,892,589
Other operating expenses	8,742	13,781	430,913	1,419,246	1,872,682
Claims and judgments	-	133,001,115	5,624,861	-	138,625,976
Depreciation	77,379	-	1,165	102,628	181,172
Total operating expenses	<u>4,459,786</u>	<u>135,430,067</u>	<u>9,219,033</u>	<u>17,649,144</u>	<u>166,758,030</u>
Operating income (loss)	<u>(112,707)</u>	<u>(22,652,475)</u>	<u>2,814,043</u>	<u>1,771,427</u>	<u>(18,179,712)</u>
NONOPERATING REVENUES:					
Earnings on investments	2	332,535	158,664	6,152	497,353
Total nonoperating revenue	<u>2</u>	<u>332,535</u>	<u>158,664</u>	<u>6,152</u>	<u>497,353</u>
Change in net position before transfer	<u>(112,705)</u>	<u>(22,319,940)</u>	<u>2,972,707</u>	<u>1,777,579</u>	<u>(17,682,359)</u>
Transfers In	-	-	-	483,934	483,934
Change in net position	(112,705)	(22,319,940)	2,972,707	2,261,513	(17,198,425)
Total net position—beginning	444,644	69,957,143	24,850,945	7,110,026	102,362,758
Total net position—ending	<u>\$ 331,939</u>	<u>\$ 47,637,203</u>	<u>\$ 27,823,652</u>	<u>\$ 9,371,539</u>	<u>\$ 85,164,333</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Print Shop	Health Insurance	Workers' Compensation	Internal Services	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from user charges	\$ 4,362,117	\$ 107,984,008	\$ 11,699,400	\$ 19,312,397	\$ 143,357,922
Other receipts	-	711,165	307,381	104,026	1,122,572
Payments to suppliers	(2,707,260)	-	(436,757)	(8,136,269)	(11,280,286)
Payments to employees	(1,651,441)	(2,292,545)	1,076,705	(9,615,309)	(12,482,590)
Claims paid	-	(131,268,116)	(11,384,729)	-	(142,652,845)
Other payments	(3,212)	(5,666)	(18,162)	(143,967)	(171,007)
Net cash provided (used) by operating activities	<u>204</u>	<u>(24,871,154)</u>	<u>1,243,838</u>	<u>1,520,878</u>	<u>(22,106,234)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES					
Operating subsidies and transfers from other funds	-	-	-	483,934	483,934
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>483,934</u>	<u>483,934</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	-	-	-	(178,290)	(178,290)
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(178,290)</u>	<u>(178,290)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(2)	(176,125,439)	(87,753,445)	(16,830,086)	(280,708,972)
Proceeds from sales and maturities of investments	-	200,702,000	86,360,522	14,919,000	301,981,522
Interest and dividends	2	332,535	158,664	6,152	497,353
Net cash provided (used) by investing activities	<u>-</u>	<u>24,909,096</u>	<u>(1,234,259)</u>	<u>(1,904,934)</u>	<u>21,769,903</u>
Net increase (decrease) in cash and cash equivalents	<u>204</u>	<u>37,942</u>	<u>9,579</u>	<u>(78,412)</u>	<u>(30,687)</u>
Balances—beginning of the year	18,386	3,724	2,806	114,296	139,212
Balances—end of the year	<u>\$ 18,590</u>	<u>\$ 41,666</u>	<u>\$ 12,385</u>	<u>\$ 35,884</u>	<u>\$ 108,525</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	(112,707)	(22,652,475)	2,814,043	1,771,427	(18,179,712)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	77,379	-	1,165	102,628	181,172
Change in assets and liabilities:					
Receivables, net	83,128	-	-	-	83,128
Accounts payable	26,854	1,174,523	(6,163)	(331,696)	863,518
Due from other funds	-	-	-	15,651	15,651
Due to other funds	(68,089)	(5,106,585)	(1,367)	-	(5,176,041)
Accrued interest	-	(59,040)	(24,928)	-	(83,968)
Accrued salaries payable	3,129	39,775	1,156	(24,537)	19,523
Compensated absences payable	(9,490)	(351)	3,173	7,205	537
Current portion of claims and judgments	-	1,719,019	(995,125)	-	723,894
Other long term claims and judgments	-	13,980	(535,136)	-	(521,156)
Other	-	-	(12,980)	(19,800)	(32,780)
Net cash provided (used) by operating activities	<u>\$ 204</u>	<u>\$ (24,871,154)</u>	<u>\$ 1,243,838</u>	<u>\$ 1,520,878</u>	<u>\$ (22,106,234)</u>

AGENCY FUNDS

The **Centralized Activity Fund** was created in 1977 for the purpose of providing centralized accounting for school activity funds. As of June 30, 2015, eighty-three schools are in the program. The program also includes accounting for activity funds of various administrative departments or groups. Centralized accounting includes deposits to a central depository, funds invested by the Treasury Department for best utilization of cash balances, check writing, ledger maintenance and reporting provided through the district's accounting system. Schools in the district are required to maintain uniform accounting records. The Activity Fund Section of the Internal Audit Department reviews the activity funds of these schools during the fiscal year.

The **Noncentralized Activity Fund** represents the activity fund balances for all elementary schools that maintain the accounting records at their respective campuses. Each school has its own bank account and deposits monies into the various activity fund accounts and disburses funds by check from these accounts. The Activity Fund Section of the Internal Audit Department audits the activity funds of these schools annually.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
JUNE 30, 2015**

	Agency Funds		
	Centralized	Non Centralized	Total
ASSETS			
Cash and cash equivalents	\$ 51,271	\$ 5,616,662	\$ 5,667,933
Investments	<u>7,851,645</u>	<u>439,451</u>	<u>8,291,096</u>
Total assets	<u>\$ 7,902,916</u>	<u>\$ 6,056,113</u>	<u>\$ 13,959,029</u>
LIABILITIES			
Accounts payable	\$ 432,750	\$ 30,164	\$ 462,914
Accrued salaries payable	42,089	-	42,089
Due to student/administrative groups	<u>7,428,077</u>	<u>6,025,949</u>	<u>13,454,026</u>
Total liabilities	<u>\$ 7,902,916</u>	<u>\$ 6,056,113</u>	<u>\$ 13,959,029</u>
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Balance July 1, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2015</u>
CENTRALIZED ACTIVITY FUNDS				
ASSETS				
Cash and cash equivalents	\$ 103,833	\$ 17,791,268	\$ 17,843,830	\$ 51,271
Investments	<u>6,675,683</u>	<u>8,968,962</u>	<u>7,793,000</u>	<u>7,851,645</u>
Total assets	<u>\$ 6,779,516</u>	<u>\$ 26,760,230</u>	<u>\$ 25,636,830</u>	<u>\$ 7,902,916</u>
LIABILITIES				
Accounts payable	\$ 490,210	\$ 432,750	\$ 490,210	\$ 432,750
Accrued salaries payable	4,866	42,089	4,866	42,089
Due to student/administrative groups	<u>6,284,440</u>	<u>9,998,267</u>	<u>8,854,630</u>	<u>7,428,077</u>
Total liabilities	<u>\$ 6,779,516</u>	<u>\$ 10,473,106</u>	<u>\$ 9,349,706</u>	<u>\$ 7,902,916</u>
NONCENTRALIZED ACTIVITY FUNDS				
ASSETS				
Cash and cash equivalents	\$ 5,762,467	\$ 10,913,485	\$ 11,059,290	\$ 5,616,662
Investments	<u>439,642</u>	<u>239</u>	<u>430</u>	<u>439,451</u>
Total assets	<u>\$ 6,202,109</u>	<u>\$ 10,913,724</u>	<u>\$ 11,059,720</u>	<u>\$ 6,056,113</u>
LIABILITIES				
Accounts payable	\$ 22,300	\$ 30,164	\$ 22,300	\$ 30,164
Due to student/administrative groups	<u>6,179,809</u>	<u>10,913,055</u>	<u>11,066,915</u>	<u>6,025,949</u>
Total liabilities	<u>\$ 6,202,109</u>	<u>\$ 10,943,219</u>	<u>\$ 11,089,215</u>	<u>\$ 6,056,113</u>
TOTAL - ALL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	\$ 5,866,300	\$ 28,704,753	\$ 28,903,120	\$ 5,667,933
Investments	<u>7,115,325</u>	<u>8,969,201</u>	<u>7,793,430</u>	<u>8,291,096</u>
Total assets	<u>\$ 12,981,625</u>	<u>\$ 37,673,954</u>	<u>\$ 36,696,550</u>	<u>\$ 13,959,029</u>
LIABILITIES				
Accounts payable	\$ 512,510	\$ 462,914	\$ 512,510	\$ 462,914
Accrued salaries payable	4,866	42,089	4,866	42,089
Due to student/administrative groups	<u>12,464,249</u>	<u>20,911,322</u>	<u>19,921,545</u>	<u>13,454,026</u>
Total liabilities	<u>\$ 12,981,625</u>	<u>\$ 21,416,325</u>	<u>\$ 20,438,921</u>	<u>\$ 13,959,029</u>

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FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

FINANCIAL SECTION

— 2015 OTHER
SUPPLEMENTARY
INFORMATION

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Better (Worse)
	Original	Final		
REVENUES				
Local maintenance taxes	\$ 239,952,874	\$ 229,716,069	\$ 230,862,719	\$ 1,146,650
Earnings on investments	200,000	300,000	308,757	8,757
State sources	-	-	170,925	170,925
Federal sources	7,065,638	7,061,830	7,059,269	(2,561)
Total revenues	<u>247,218,512</u>	<u>237,077,899</u>	<u>238,401,670</u>	<u>1,323,771</u>
EXPENDITURES				
Debt service				
Principal	243,601,937	106,657,347	106,657,346	1
Interest	32,558,290	131,641,631	131,766,631	(125,000)
Fiscal charges	2,000,000	3,100,000	2,728,904	371,096
Payment to escrow agents - current refunding	-	793,509,333	752,140,331	41,369,002
Total expenditures	<u>278,160,227</u>	<u>1,034,908,311</u>	<u>993,293,212</u>	<u>41,615,099</u>
Deficiency of revenues under expenditures	<u>(30,941,715)</u>	<u>(797,830,412)</u>	<u>(754,891,542)</u>	<u>42,938,870</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	31,776,969	31,776,969	31,776,969	-
Issuance of bonds and other debt	-	741,835,000	701,475,000	(40,360,000)
Premium on the sale of bonds	-	52,501,364	52,501,363	(1)
Payments to escrow agents	-	(51,144,651)	(51,072,776)	71,875
Total other financing sources	<u>31,776,969</u>	<u>774,968,682</u>	<u>734,680,556</u>	<u>(40,288,126)</u>
Net change in fund balances	835,254	(22,861,730)	(20,210,986)	2,650,744
Fund balances-beginning	<u>145,910,262</u>	<u>145,910,262</u>	<u>145,910,262</u>	<u>-</u>
Fund balances-ending	<u>\$ 146,745,516</u>	<u>\$ 123,048,532</u>	<u>\$ 125,699,276</u>	<u>\$ 2,650,744</u>

HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL RENOVATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget Better (Worse)
REVENUES				
Earnings on investments	\$ 635,300	\$ 1,401,100	\$ 1,274,378	\$ (126,722)
Miscellaneous local sources	22,300,012	23,544,884	24,355,864	810,980
Total revenues	22,935,312	24,945,984	25,630,242	684,258
EXPENDITURES				
Capital outlay				
Facilities acquisition and construction	150,000,000	992,744,480	234,857,306	757,887,174
Total expenditures	150,000,000	992,744,480	234,857,306	757,887,174
Deficiency of revenues under expenditures	(127,064,688)	(967,798,496)	(209,227,064)	758,571,432
OTHER FINANCING SOURCES (USES)				
Transfers in	15,570,000	17,496,857	17,471,484	(25,373)
Transfers out	(12,646,844)	(12,646,844)	(12,646,844)	-
Issuance of bonds and other debt	-	349,740,000	349,740,000	-
Premium on sale of bonds	-	1,643,778	1,643,778	-
Proceeds from sale of capital assets	-	57,032,745	61,799,149	4,766,404
Total other financing sources	2,923,156	413,266,536	418,007,567	4,741,031
Net change in fund balances	(124,141,532)	(554,531,960)	208,780,503	763,312,463
Fund balances--beginning	549,106,671	549,106,671	549,106,671	-
Fund balances--ending	\$ 424,965,139	\$ (5,425,289)	\$ 757,887,174	\$ 763,312,463

HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL - NUTRITION SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget Better (Worse)
REVENUES				
Food sales	\$ 9,675,482	\$ 8,646,808	\$ 8,374,719	\$ (272,089)
Interest income	4,500	11,205	15,760	4,555
Miscellaneous local sources	540,559	13,433	61,669	48,236
State matching funds	594,191	572,747	572,747	-
Child nutrition programs/Summer food program	102,155,425	107,892,758	108,919,924	1,027,166
Donated commodities	5,491,628	7,225,709	7,677,201	451,492
Total revenues	<u>118,461,785</u>	<u>124,362,660</u>	<u>125,622,020</u>	<u>1,259,360</u>
EXPENSES				
Current				
Food services	110,682,428	116,586,848	115,716,863	869,985
General administration	1,013,926	1,150,622	1,075,289	75,333
Plant maintenance and operations	4,660,034	4,640,039	4,373,902	266,137
Total expenses	<u>116,356,388</u>	<u>122,377,509</u>	<u>121,166,054</u>	<u>1,211,455</u>
Transfers out	-	-	-	-
Change in fund net position	<u>2,105,397</u>	<u>1,985,151</u>	<u>4,455,966</u>	<u>2,470,815</u>
Total net position-beginning	<u>21,234,572</u>	<u>4,743,842 *</u>	<u>4,743,842</u>	<u>-</u>
Total net position-ending	<u>\$ 23,339,969</u>	<u>\$ 6,728,993</u>	<u>\$ 9,199,808</u>	<u>\$ 2,470,815</u>

*Beginning fund balance restated - see Note 1.

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HOUSTON INDEPENDENT SCHOOL DISTRICT



FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

2015 COMPREHENSIVE
ANNUAL FINANCIAL
REPORT

— **STATISTICAL
SECTION**

STATISTICAL SECTION

HOUSTON INDEPENDENT SCHOOL DISTRICT

STATISTICAL INFORMATION

(Unaudited)

The Statistical Section of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

CONTENTS

Financial Trends

These schedules contain information to help the reader understand how the District's financial performance has changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's major revenue sources.

Debt Capacity

These schedules contain information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the District provides and activities it performs.

SOURCES

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement No. 68 in fiscal year 2015.

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FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

STATISTICAL SECTION

2015
FINANCIAL
TRENDS

HOUSTON INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(UNAUDITED)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities										
Net investment in capital assets	\$ 1,251,173,392	\$ 1,107,825,229	\$ 1,017,816,914	\$ 849,051,723	\$ 607,088,046	\$ 683,024,510	\$ 606,423,128	\$ 519,175,036	\$ 457,203,250	\$ 374,202,924
Restricted	47,832,498	84,103,019	56,598,918	84,478,848	115,045,479	84,381,231	91,063,905	84,771,107	83,229,648	119,616,366
Unrestricted	536,765,712	700,219,163	665,555,330	683,841,354	754,037,910	589,054,667	632,251,253	704,719,212	643,682,650	486,330,160
Total governmental activities	\$ 1,835,771,602	\$ 1,892,147,411	\$ 1,739,971,162	\$ 1,617,371,925	\$ 1,476,171,435	\$ 1,356,460,408	\$ 1,329,738,286	\$ 1,308,665,355	\$ 1,184,115,548	\$ 980,149,450
Business-type activities										
Net investment in capital assets	\$ 2,312,189	\$ 1,423,266	\$ 833,369	\$ 386,947	\$ 306,387	\$ 267,578	\$ 21,289,416	\$ 23,315,673	\$ 18,506,309	\$ 6,821,047
Restricted	7,004,373	20,426,635	14,605,458	8,423,522	-	-	-	-	16,171,618	35,179,989
Unrestricted	43,924,804	48,677,085	42,285,257	55,946,769	33,966,335	25,896,844	(6,253,630)	10,069,334	18,070,470	20,622,642
Total business-type activities	\$ 53,241,366	\$ 70,526,986	\$ 57,724,084	\$ 64,757,238	\$ 34,272,722	\$ 26,164,422	\$ 15,035,786	\$ 33,385,007	\$ 52,748,397	\$ 62,623,678
Total										
Net investment in capital assets	\$ 1,253,485,581	\$ 1,109,248,495	\$ 1,018,650,283	\$ 849,438,670	\$ 607,394,433	\$ 683,292,088	\$ 627,712,544	\$ 542,490,709	\$ 475,709,559	\$ 381,023,971
Restricted	54,836,871	104,529,654	71,204,376	92,902,370	115,045,479	84,381,231	91,063,905	84,771,107	99,401,266	154,796,355
Unrestricted	580,690,516	748,896,248	707,840,587	739,788,123	788,004,245	614,951,511	625,997,623	714,788,546	681,753,120	506,952,802
Total net position	\$ 1,889,012,968	\$ 1,962,674,397	\$ 1,797,695,246	\$ 1,682,129,163	\$ 1,510,444,157	\$ 1,382,624,830	\$ 1,344,774,072	\$ 1,342,050,362	\$ 1,236,863,945	\$ 1,042,773,128

HOUSTON INDEPENDENT SCHOOL DISTRICT
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(UNAUDITED)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses										
Governmental activities:										
Instruction	\$ 1,209,883,205	\$ 1,182,118,522	\$ 1,042,458,041	\$ 1,059,621,975	\$ 1,183,179,760	\$ 1,181,805,764	\$ 1,153,304,979	\$ 1,069,343,618	\$ 1,023,779,666	\$ 947,935,194
Instructional resources and media services	7,702,863	9,944,748	9,869,915	9,156,011	16,023,275	17,261,306	21,093,535	14,693,279	14,613,972	14,736,164
Instructional staff development	60,005,763	59,082,951	55,893,549	63,721,103	54,518,931	67,113,124	66,556,702	59,859,578	51,047,354	55,255,485
Curriculum development	5,717,871	6,139,884	5,622,290	4,128,424	4,902,643	4,665,111	5,354,011	4,240,788	3,884,100	3,083,294
Instructional leadership	28,477,630	25,360,441	18,901,501	20,131,226	24,911,226	27,244,755	26,930,049	23,266,595	21,141,738	22,293,466
School leadership	129,485,908	125,593,716	115,221,354	117,065,506	128,978,440	130,773,278	132,667,937	124,181,161	110,863,454	106,405,451
Guidance, counseling, and evaluation services	46,638,994	49,573,307	46,489,885	54,065,013	57,842,064	62,036,198	49,789,308	50,166,310	43,580,525	40,525,569
Social work services	2,920,092	3,201,197	1,708,965	1,815,776	2,198,842	2,269,165	2,285,724	2,173,752	2,249,125	2,138,796
Health services	20,326,190	20,089,065	18,126,396	16,734,818	21,446,184	20,012,485	20,803,330	19,442,983	18,402,273	17,203,501
Student transportation services	56,262,972	54,382,120	49,177,675	47,554,907	51,893,718	49,177,482	49,161,505	47,790,724	41,696,460	43,702,468
Food service	735,266	739,979	1,852,859	3,188,052	3,008,334	4,048,882	2,804,934	1,462,444	332,218	941,755
Co-curricular/extracurricular activities	17,216,086	15,882,667	15,819,706	16,987,312	20,340,457	17,164,043	17,545,394	15,657,329	13,256,875	12,066,951
General administration	35,366,990	36,400,073	32,135,778	31,731,912	34,477,259	34,203,064	33,644,240	37,274,187	33,028,320	32,952,292
Plant maintenance and operations	175,914,882	192,637,508	165,753,820	171,545,597	173,578,807	175,125,622	199,198,108	184,483,175	177,779,835	170,512,035
Security and monitoring services	22,506,620	21,716,890	19,354,386	18,767,276	20,382,003	21,151,657	21,709,881	19,812,880	18,718,386	17,216,209
Data processing services	95,132,817	68,775,556	47,359,605	33,848,438	37,132,523	39,020,554	44,367,319	52,846,792	52,925,158	42,660,593
Community services	6,532,422	4,871,601	4,117,037	4,997,510	5,908,205	4,521,889	5,252,954	5,453,724	5,775,868	6,491,457
Fiscal agent/member districts of shared services	2,704,595	1,956,874	2,405,128	-	-	-	-	-	-	-
Interest and fiscal charges	89,351,058	92,546,879	102,759,843	113,712,948	107,186,397	104,870,409	106,192,056	95,791,571	104,069,875	84,212,243
Juvenile justice alternative education program	792,000	843,660	843,660	984,270	-	551,243	667,494	762,071	329,541	1,759,380
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Tax reinvestment zone payments	49,360,389	53,641,961	51,016,677	52,834,027	49,634,345	54,620,528	35,104,450	32,754,533	32,221,847	30,446,611
Tax appraisal and collection	12,555,327	10,588,700	9,927,290	9,775,757	9,797,218	9,876,688	9,629,776	-	-	-
Total governmental activities expenses	<u>2,075,599,940</u>	<u>2,036,088,299</u>	<u>1,817,815,360</u>	<u>1,852,368,549</u>	<u>2,007,340,631</u>	<u>2,027,515,247</u>	<u>2,002,063,686</u>	<u>1,861,457,492</u>	<u>1,789,696,590</u>	<u>1,652,538,914</u>
Business-type activities:										
Nutrition services	122,401,383	115,781,436	106,852,176	105,832,493	115,099,249	107,858,328	109,347,648	109,520,238	98,727,038	93,755,731
Business development	4,490,622	4,576,179	9,404,905	10,136,636	10,845,529	9,397,281	9,594,698	9,759,385	9,655,656	9,975,550
Medicaid	4,287,529	3,977,731	3,028,196	2,130,061	1,637,317	1,652,331	1,430,670	1,262,940	1,163,888	2,189,490
Marketplace	1,007,281	500,486	528,513	599,041	-	-	-	-	-	-
Total business-type activities expenses	<u>132,186,815</u>	<u>124,835,832</u>	<u>119,813,790</u>	<u>118,698,231</u>	<u>127,582,095</u>	<u>118,307,940</u>	<u>120,373,016</u>	<u>120,542,563</u>	<u>109,546,582</u>	<u>105,920,771</u>
Total expenses	<u>\$ 2,207,786,755</u>	<u>\$ 2,160,924,131</u>	<u>\$ 1,937,629,150</u>	<u>\$ 1,971,066,780</u>	<u>\$ 2,134,922,726</u>	<u>\$ 2,146,423,187</u>	<u>\$ 2,122,436,702</u>	<u>\$ 1,982,000,055</u>	<u>\$ 1,879,243,172</u>	<u>\$ 1,758,459,685</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 1,406,428	\$ 1,492,445	\$ 924,014	\$ 891,197	\$ 840,370	\$ 924,253	\$ 817,212	\$ 863,005	\$ 560,736	\$ 601,248
Nutrition services	-	-	-	-	-	-	-	-	-	-
Co-curricular/extracurricular activities	814,171	1,027,891	991,819	1,003,509	592,192	607,204	611,688	389,723	255,387	799,492
Plant maintenance and operations	326,551	613,334	589,794	620,570	525,656	561,756	456,395	502,987	511,377	431,318
Operating grants and contributions	283,688,955	358,082,926	328,935,582	369,299,966	445,161,872	458,717,421	355,444,861	343,082,215	339,591,240	358,241,315
Total governmental entities program revenues	<u>286,236,105</u>	<u>361,216,596</u>	<u>331,441,209</u>	<u>371,815,242</u>	<u>447,120,090</u>	<u>460,810,634</u>	<u>357,330,156</u>	<u>344,837,930</u>	<u>340,918,740</u>	<u>360,073,373</u>
Business-type activities:										
Charges for services:										
Nutrition services	8,374,719	10,245,808	10,301,716	10,347,193	9,645,209	10,632,279	12,814,355	14,512,444	15,334,128	15,272,481
Business development	4,944,367	5,656,010	9,695,176	11,006,871	11,251,482	10,518,232	10,588,704	10,286,253	10,698,365	10,812,621
Medicaid	3,345,480	2,746,689	2,471,830	2,282,917	2,719,083	1,984,651	1,366,900	1,144,819	2,821,622	1,013,606
Marketplace	755,925	424,008	451,426	100,823	-	-	-	-	-	-
Operating grants and contributions	144,334,759	138,265,205	128,754,038	162,517,103	141,623,302	115,040,272	89,392,353	86,398,461	80,288,177	88,567,119
Total business-type activities program revenues	<u>161,735,290</u>	<u>157,337,720</u>	<u>151,674,186</u>	<u>186,254,907</u>	<u>165,239,076</u>	<u>138,175,434</u>	<u>114,162,312</u>	<u>112,341,937</u>	<u>109,142,282</u>	<u>115,666,821</u>
Total program revenues	<u>\$ 447,991,395</u>	<u>\$ 518,554,316</u>	<u>\$ 483,115,395</u>	<u>\$ 558,070,149</u>	<u>\$ 612,359,166</u>	<u>\$ 598,986,068</u>	<u>\$ 471,492,468</u>	<u>\$ 457,179,907</u>	<u>\$ 450,061,032</u>	<u>\$ 475,739,200</u>
Net (Expense)/Revenue										
Governmental activities	\$ (1,789,363,835)	\$ (1,674,871,703)	\$ (1,486,374,151)	\$ (1,480,553,307)	\$ (1,560,220,541)	\$ (1,566,704,613)	\$ (1,644,733,530)	\$ (1,516,619,562)	\$ (1,428,777,850)	\$ (1,292,465,541)
Business-type activities	29,568,435	32,501,898	31,860,396	67,556,676	37,656,981	19,267,494	(6,210,704)	(8,200,586)	(404,290)	9,745,056
Total net expense	<u>\$ (1,759,795,400)</u>	<u>\$ (1,642,369,805)</u>	<u>\$ (1,454,513,755)</u>	<u>\$ (1,412,996,631)</u>	<u>\$ (1,522,563,560)</u>	<u>\$ (1,547,437,119)</u>	<u>\$ (1,650,944,234)</u>	<u>\$ (1,524,820,148)</u>	<u>\$ (1,429,182,140)</u>	<u>\$ (1,282,720,485)</u>

HOUSTON INDEPENDENT SCHOOL DISTRICT
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(*accrual basis of accounting*)
(UNAUDITED)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net (Expense)/Revenue										
Governmental activities	\$ (1,789,363,835)	\$ (1,674,871,703)	\$ (1,486,374,151)	\$ (1,480,553,307)	\$ (1,560,220,541)	\$ (1,566,704,613)	\$ (1,644,733,530)	\$ (1,516,619,562)	\$ (1,428,777,850)	\$ (1,292,465,541)
Business-type activities	29,568,435	32,501,888	31,860,396	67,556,676	37,656,981	19,267,494	(6,210,704)	(8,200,586)	(404,290)	9,745,056
Total net expense	<u>\$ (1,759,795,400)</u>	<u>\$ (1,642,369,815)</u>	<u>\$ (1,454,513,755)</u>	<u>\$ (1,412,996,631)</u>	<u>\$ (1,522,563,560)</u>	<u>\$ (1,547,437,119)</u>	<u>\$ (1,650,944,234)</u>	<u>\$ (1,524,820,148)</u>	<u>\$ (1,429,182,140)</u>	<u>\$ (1,282,720,485)</u>
General Revenues										
Governmental activities:										
Taxes:										
Maintenance & operations property taxes	\$ 1,397,469,254	\$ 1,236,374,779	\$ 1,102,005,554	\$ 992,624,091	\$ 1,027,522,513	\$ 1,065,193,515	\$ 1,058,019,228	\$ 936,378,261	\$ 1,110,688,088	\$ 1,104,517,658
Debt service property taxes	232,266,371	195,804,754	164,908,522	147,135,700	151,859,268	157,268,604	158,048,285	140,629,766	125,130,825	128,983,844
Slate aid - not restricted to specific programs	286,405,460	323,852,977	249,637,884	361,077,829	393,524,768	317,029,674	365,108,678	435,758,303	286,432,562	144,072,792
Tax increment reinvestment zone	25,200,451	23,850,334	28,760,661	31,010,087	43,023,511	21,663,331	20,562,533	18,954,929	21,379,916	16,602,724
Unrestricted investment earnings	3,724,933	3,979,465	2,755,071	3,780,140	4,255,542	7,127,247	26,927,592	48,972,905	56,967,051	38,502,067
Miscellaneous	19,274,951	18,604,624	20,945,146	47,425,950	29,345,976	16,018,276	23,940,145	13,112,562	18,945,507	44,544,686
Gain on sale of real or personal property	53,413,990	-	-	-	-	-	-	-	-	-
Transfers	30,400,000	21,260,550	39,960,550	38,700,000	30,400,000	9,136,088	13,200,000	13,200,000	13,200,000	4,900,000
Total governmental activities	<u>2,048,155,410</u>	<u>1,823,727,483</u>	<u>1,608,973,388</u>	<u>1,621,753,797</u>	<u>1,679,931,568</u>	<u>1,593,426,735</u>	<u>1,665,806,461</u>	<u>1,607,006,726</u>	<u>1,632,743,949</u>	<u>1,482,123,771</u>
Business-type activities:										
Unrestricted investment earnings	57,514	59,550	87,300	109,681	88,424	58,983	219,246	1,055,550	2,510,034	1,679,910
Miscellaneous	425,772	1,055,403	979,700	1,518,159	762,895	938,247	842,237	981,646	1,218,975	639,366
Transfers	(30,400,000)	(21,260,550)	(39,960,550)	(38,700,000)	(30,400,000)	(9,136,088)	(13,200,000)	(13,200,000)	(13,200,000)	(4,900,000)
Total business-type activities	<u>(29,916,714)</u>	<u>(20,145,597)</u>	<u>(38,893,550)</u>	<u>(37,072,160)</u>	<u>(29,548,681)</u>	<u>(8,138,858)</u>	<u>(12,138,517)</u>	<u>(11,162,804)</u>	<u>(9,470,991)</u>	<u>(2,580,724)</u>
Total general revenues	<u>\$ 2,018,238,696</u>	<u>\$ 1,803,581,886</u>	<u>\$ 1,570,079,838</u>	<u>\$ 1,584,681,637</u>	<u>\$ 1,650,382,887</u>	<u>\$ 1,585,287,877</u>	<u>\$ 1,653,667,944</u>	<u>\$ 1,595,843,922</u>	<u>\$ 1,623,272,958</u>	<u>\$ 1,479,543,047</u>
Change in Position										
Governmental activities	\$ 258,791,575	\$ 148,855,780	\$ 122,599,237	\$ 141,200,490	\$ 119,711,027	\$ 26,722,122	\$ 21,072,931	\$ 90,387,164	\$ 203,966,099	\$ 189,658,230
Business-type activities	(348,279)	12,356,291	(7,033,154)	30,484,516	8,108,300	11,128,636	(18,349,221)	(19,363,390)	(9,875,281)	7,164,332
Total change in net position	<u>\$ 258,443,296</u>	<u>\$ 161,212,071</u>	<u>\$ 115,566,083</u>	<u>\$ 171,685,006</u>	<u>\$ 127,819,327</u>	<u>\$ 37,850,758</u>	<u>\$ 2,723,710</u>	<u>\$ 71,023,774</u>	<u>\$ 194,090,818</u>	<u>\$ 196,822,562</u>

HOUSTON INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS FUND BALANCES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(UNAUDITED)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund Balances										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,515,835	\$ 45,001,452	\$ 42,513,114	\$ 26,848,233	\$ 54,911,199
Unreserved	-	-	-	-	-	406,635,723	432,413,584	481,171,886	430,916,041	297,640,942
Nonspendable	11,234,622	10,919,610	10,970,265	11,274,260	8,535,501	-	-	-	-	-
Restricted	5,686,179	10,558,662	23,628,833	25,294,791	23,746,635	-	-	-	-	-
Committed	89,706,733	83,790,695	81,161,009	78,974,229	100,954,015	-	-	-	-	-
Assigned	256,992,372	155,446,311	128,138,692	124,225,921	92,059,275	-	-	-	-	-
Unassigned	282,545,916	279,351,748	276,796,499	312,621,371	257,315,672	-	-	-	-	-
Total general fund	\$ 646,165,822	\$ 540,067,026	\$ 520,695,298	\$ 552,390,572	\$ 482,611,098	\$ 452,151,558	\$ 477,415,036	\$ 523,685,000	\$ 457,764,274	\$ 352,552,141
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 395,538,459	\$ 307,660,468	\$ 223,817,813	\$ 242,325,365	\$ 88,502,799
Unreserved, reported in:										
Special Revenue Fund	-	-	-	-	-	9,237,349	9,342,633	9,451,918	-	-
Capital Renovations Fund	-	-	-	-	-	619,110,517	410,120,800	532,098,368	168,377,147	421,316,266
Public Facility Corporation	-	-	-	-	-	54,519,448	1,321,516	3,291,731	8,953,511	28,981,083
Restricted, reported in:										
Special Revenue Fund	28,091,528	27,171,222	25,304,978	25,445,723	9,703,595	-	-	-	-	-
Debt Service Fund	125,699,276	145,910,262	127,037,935	144,143,368	131,866,758	-	-	-	-	-
Capital Renovations Fund	648,942,505	445,828,592	573,881,680	376,547,064	553,805,808	-	-	-	-	-
Public Facility Corporation	93,235,178	6,129,820	6,837,689	6,817,756	17,857,956	-	-	-	-	-
Committed reported in:										
Capital Renovations Fund	38,462,761	64,916,459	75,469,488	93,542,185	124,962,185	-	-	-	-	-
Assigned reported in:										
Capital Renovations Fund	70,481,908	38,361,620	45,155,473	57,889,113	54,177,283	-	-	-	-	-
Total all other governmental funds	\$ 1,004,913,156	\$ 728,317,975	\$ 853,687,243	\$ 704,385,209	\$ 892,373,585	\$ 1,078,405,773	\$ 728,445,417	\$ 768,659,830	\$ 419,656,023	\$ 538,800,148

NOTES: Governmental Funds Balances include fund balances from the following funds: General, Special Revenue, Debt Service, Capital Renovation, and the nonmajor governmental fund (Public Facility Corporation).

For the fiscal year 2010 and prior, the amounts represent Pre-GASB 54

HOUSTON INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(UNAUDITED)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Local sources:										
Property taxes	\$ 1,620,768,964	\$ 1,439,001,774	\$ 1,267,605,956	\$ 1,199,168,635	\$ 1,188,465,129	\$ 1,223,132,904	\$ 1,210,370,148	\$ 1,091,125,248	\$ 1,245,492,112	\$ 1,226,814,245
Earnings on investments	3,227,580	3,567,672	2,491,504	3,405,057	3,976,620	6,459,794	24,159,405	43,487,742	50,658,097	34,976,787
Miscellaneous local sources	46,389,598	52,031,641	59,749,175	73,964,248	68,656,990	43,483,510	52,811,748	42,747,211	44,189,252	50,131,080
Total local sources	<u>1,670,386,142</u>	<u>1,494,601,087</u>	<u>1,329,846,635</u>	<u>1,276,537,940</u>	<u>1,261,098,739</u>	<u>1,273,076,208</u>	<u>1,287,341,301</u>	<u>1,177,360,201</u>	<u>1,340,339,461</u>	<u>1,311,922,112</u>
State sources:										
Per capita	49,580,221	49,423,912	85,664,101	46,005,198	59,890,994	21,511,001	46,266,828	50,818,130	74,173,561	59,912,227
Foundation school program	247,558,062	285,992,699	175,880,327	327,816,675	369,544,820	318,014,257	353,795,852	446,442,074	246,773,526	108,423,690
On behalf payments	46,763,431	67,095,628	60,285,800	57,774,897	69,305,020	70,403,585	70,039,599	66,124,556	57,370,533	53,119,273
Other state sources	7,355,681	39,304,253	21,289,371	49,854,401	23,520,135	29,475,244	28,708,318	24,064,692	25,265,104	28,980,856
Total state sources	<u>351,257,395</u>	<u>441,816,492</u>	<u>343,119,599</u>	<u>481,451,171</u>	<u>522,260,969</u>	<u>439,404,087</u>	<u>498,810,597</u>	<u>587,449,452</u>	<u>403,582,724</u>	<u>250,436,046</u>
Federal sources	213,682,616	206,949,586	203,715,416	246,425,350	319,183,246	330,383,551	215,127,489	196,167,602	203,612,829	229,693,231
Total revenues	<u>\$ 2,235,326,153</u>	<u>\$ 2,143,367,165</u>	<u>\$ 1,876,681,650</u>	<u>\$ 2,004,414,461</u>	<u>\$ 2,102,542,954</u>	<u>\$ 2,042,863,846</u>	<u>\$ 2,001,279,387</u>	<u>\$ 1,960,977,255</u>	<u>\$ 1,947,535,014</u>	<u>\$ 1,792,051,389</u>

NOTE: Governmental Funds Revenues include those received by the following funds: General, Special Revenue, Debt Service, Capital Renovation, and the nonmajor governmental fund (Public Facility Corporation).

HOUSTON INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(UNAUDITED)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Instruction	\$ 1,104,440,814	\$ 1,088,908,173	\$ 992,163,478	\$ 1,013,494,213	\$ 1,101,162,131	\$ 1,107,406,037	\$ 1,078,428,648	\$ 1,006,125,503	\$ 959,716,749	\$ 907,371,062
Instructional resources and media services	7,952,267	10,278,369	11,118,905	11,555,276	16,381,158	17,801,466	23,903,416	14,576,095	14,646,808	14,559,019
Instructional staff development	59,107,913	58,154,670	54,939,279	63,856,333	54,263,839	66,453,364	65,418,777	58,784,175	53,039,238	55,949,048
Curriculum development	5,697,622	6,127,088	5,687,120	4,201,940	4,890,219	4,614,962	5,277,650	4,223,455	3,944,213	2,882,377
Instructional leadership	27,204,848	24,074,779	22,416,685	21,599,188	24,888,930	27,261,578	26,410,595	22,956,610	21,082,513	22,306,923
School leadership	128,611,645	124,755,647	116,733,825	119,183,528	128,698,374	130,265,164	130,502,940	123,562,633	112,313,652	107,458,174
Guidance, counseling, and evaluation services	45,117,000	49,135,835	48,204,442	56,123,250	57,677,493	61,156,891	48,002,187	49,384,323	45,171,367	40,846,596
Social work services	2,899,837	3,193,461	1,735,345	1,846,464	2,192,944	2,264,505	2,230,353	2,164,007	2,274,594	2,158,785
Health services	19,860,156	19,925,875	18,590,270	17,042,335	21,422,280	19,954,632	20,532,155	19,345,991	18,679,880	17,414,666
Student transportation	54,059,722	53,007,805	54,970,802	47,175,230	48,240,258	52,000,103	52,242,760	42,442,213	47,201,457	40,041,071
Food services	591,158	172,172	583,973	583,260	131,151	10,879,396	1,906,326	212,168	309,294	917,782
Co-curricular/extracurricular activities	17,083,246	15,831,469	16,029,157	17,217,488	20,289,786	16,699,117	16,847,786	14,773,408	14,046,806	12,642,612
General administration	35,119,538	36,289,625	32,554,127	32,363,024	33,915,789	33,095,416	29,752,854	35,564,385	31,768,477	34,895,412
Plant maintenance and operations	173,825,216	191,750,049	166,933,319	172,762,187	175,450,003	173,340,380	198,821,677	183,181,887	178,436,705	169,987,554
Security and monitoring services	22,425,128	22,059,980	19,739,550	18,835,057	20,264,492	20,748,092	21,125,694	19,551,020	19,335,915	17,990,324
Data processing services	89,624,688	61,605,594	45,275,495	27,338,836	26,180,383	24,825,952	30,531,146	33,692,358	35,621,196	32,536,397
Community services	6,467,383	4,840,611	4,167,845	5,087,450	5,890,353	4,506,100	5,166,207	5,431,534	5,828,886	6,569,262
Fiscal agent/member districts of shared services arrangements	2,704,595	1,956,874	2,405,128	-	-	-	-	-	-	-
Juvenile justice alternative education program	792,000	843,660	843,660	984,270	-	551,243	667,494	762,071	329,541	1,759,380
Tax reinvestment zone payments	49,360,389	53,641,961	51,016,677	52,834,027	49,634,345	54,620,528	35,104,450	32,754,533	32,221,847	30,446,611
Tax appraisal and collection	12,555,327	10,588,700	9,927,290	9,775,757	9,797,218	9,876,688	9,629,776	-	-	-
Debt service										
Principal	117,446,886	129,080,391	96,045,369	74,639,997	71,034,340	90,918,150	101,872,999	96,190,448	71,385,689	53,862,694
Interest	132,138,517	153,493,148	160,202,075	142,211,510	141,891,751	114,632,129	113,535,871	98,297,459	99,841,543	91,404,009
Fiscal charges	2,728,904	243,134	-	-	-	-	-	-	-	-
Payments to escrow agent- current refunding	752,140,331	-	-	186,455,000	-	-	-	-	-	-
Capital outlay										
Facilities acquisition and construction	241,104,027	181,127,977	211,984,053	287,682,245	294,750,604	175,974,734	97,697,019	127,692,090	235,137,735	306,600,491
Total expenditures	<u>\$ 3,111,059,157</u>	<u>2,301,087,027</u>	<u>\$ 2,144,267,869</u>	<u>\$ 2,384,847,865</u>	<u>\$ 2,309,047,841</u>	<u>\$ 2,219,846,627</u>	<u>\$ 2,115,408,780</u>	<u>\$ 1,991,668,166</u>	<u>\$ 2,002,334,105</u>	<u>\$ 1,970,000,249</u>
Debt service as a percentage of non-capital expenditures	11.88%	13.62%	13.71%	11.48%	10.55%	10.14%	10.81%	10.64%	10.00%	8.96%

NOTES: Governmental Funds Expenditures include those made by the following funds: General, Special Revenue, Debt Service, Capital Renovation, and the nonmajor governmental fund (Public Facility Corporation).

The debt service ratio is calculated by dividing total debt service (principal and interest) by the difference of total expenditures less capital expenditures as noted in the reconciliation of governmental funds to governmental activities.

The current refundings in fiscal years 2012 and 2015 have been deducted from non-capital expenditures in order to insure comparability between years.

Prior to FY2014 Interest and Fiscal charges were reported in aggregate.

HOUSTON INDEPENDENT SCHOOL DISTRICT
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(UNAUDITED)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Excess of revenues under expenditures	\$ (875,733,004)	\$ (157,719,862)	(267,586,219)	\$ (380,433,404)	\$ (206,504,887)	\$ (175,867,683)	\$ (114,129,393)	\$ (30,690,911)	\$ (54,799,091)	\$ (177,948,861)
Other Financing Sources (Uses)										
Capital leases	19,814,339	15,732,872	66,979	-	55,772	-	62,307	93,514	47,521	97,233
Issuance of bonds and other debt	1,132,865,000	-	449,675,000	205,580,000	14,500,000	479,520,000	28,660,000	413,325,000	320,964,999	594,975,000
Payments to escrow agents	(51,072,776)	-	(158,136,613)	-	-	-	(30,958,706)	-	(329,420,511)	(457,745,910)
Premium on sale of bonds	65,105,203	-	50,189,281	6,371,654	727,960	7,332,903	17,340,279	12,074,080	23,422,005	28,065,527
Discount on sale of bonds	-	-	-	-	-	(115,214)	-	-	-	-
Proceeds from sale of capital assets	61,799,149	1,259,647	3,437,781	11,572,848	4,748,507	4,871,945	91,136	1,204,181	14,096,012	44,715,874
Transfers in	79,648,453	120,753,258	122,337,002	144,071,182	150,794,392	112,085,429	103,858,212	100,241,208	120,880,779	61,323,872
Transfers out	(49,732,387)	(99,492,708)	(82,376,451)	(105,371,182)	(119,894,392)	(102,015,404)	(91,408,212)	(88,484,735)	(109,123,706)	(58,208,048)
Total other financing sources	1,258,426,981	38,253,069	385,192,979	262,224,502	50,932,239	501,679,659	27,645,016	438,453,248	40,867,099	213,223,548
Net change in fund balances	\$ 382,693,977	\$ (119,466,793)	117,606,760	\$ (118,208,902)	\$ (155,572,648)	\$ 325,811,976	\$ (86,484,377)	\$ 407,762,337	\$ (13,931,992)	\$ 35,274,687

NOTE: Governmental Funds include the following: General, Special Revenue, Debt Service, Capital Renovation, and the nonmajor governmental fund (Public Facility Corporation).

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FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

STATISTICAL SECTION

2015
REVENUE
CAPACITY

HOUSTON INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Real Property	Personal Property	Less Exemptions	Assessed Value	Total Direct Rate	Actual Value
2006	\$ 75,597,802,444	\$ 24,343,574,718	\$ 22,311,689,107	\$ 77,629,688,055	1.620000	\$ 101,680,400,781
2007	83,285,173,149	25,588,015,541	23,692,707,260	85,180,481,430	1.475700	110,419,741,124
2008	93,961,302,124	28,315,796,050	25,702,472,754	96,574,625,420	1.156700	124,486,331,244
2009	105,657,356,884	32,425,515,427	29,974,212,713	108,108,659,598	1.156700	140,724,820,111
2010	106,785,580,557	34,085,106,917	31,806,317,766	109,064,369,708	1.156700	142,508,918,121
2011	103,475,205,925	32,721,545,410	31,757,721,688	104,439,029,647	1.156700	136,968,429,462
2012	104,819,348,791	33,583,123,258	32,507,383,892	105,895,088,157	1.156700	138,915,121,643
2013	109,332,409,911	37,212,465,190	34,976,103,329	111,568,771,772	1.156700	147,084,283,042
2014	121,883,221,417	40,189,161,984	36,959,867,237	125,112,516,134	1.186700	163,016,705,430
2015	137,640,731,747	41,268,373,303	39,328,697,496	139,580,407,554	1.196700	183,562,093,146

SOURCE: Harris County Appraisal District (HCAD)

NOTES: The real property numbers were derived by using the tax roll for the corresponding year and adding the totals for all items designated as "real" in the category description.
Personal property represents items not identified as "real" in the category description.
Actual value is the market value as reported by HCAD.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX EXEMPTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Classification of Exemption or Exclusion	2015 Fiscal Year		2014 Fiscal Year		2013 Fiscal Year		2012 Fiscal Year		2011 Fiscal Year	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Local Option and State-Mandated Homestead Exemption	\$ 14,564,042,575	37.03%	\$ 13,441,842,882	36.37%	\$ 12,806,116,133	36.61%	\$ 12,883,366,847	39.63%	\$ 12,894,170,714	40.60%
Local Option and State-Mandated Homestead Exemption Over 65 years of age or older (up to \$10,000 AV)	930,079,467	2.36%	913,697,777	2.47%	856,136,308	2.45%	864,938,181	2.66%	864,784,473	2.72%
Disabled Veterans, Surviving Spouses and/or Children and Certain Other										
Disabled Persons	283,067,126	0.72%	270,328,598	0.73%	246,378,759	0.70%	237,097,058	0.73%	229,161,105	0.72%
Tax Exempt (i.e., Church)	21,929,143,755	55.76%	20,610,459,907	55.76%	19,534,688,907	55.85%	17,299,253,783	53.22%	16,522,229,073	52.03%
Pollution Control	307,945,565	0.78%	311,426,503	0.84%	320,196,159	0.92%	294,242,289	0.91%	256,699,345	0.81%
Foreign Trade	370,778,596	0.94%	422,087,984	1.14%	358,450,852	1.02%	121,857,525	0.37%	282,810,548	0.89%
Other	943,640,412	2.40%	990,023,586	2.68%	854,136,211	2.44%	806,628,209	2.48%	707,866,430	2.23%
Total Exemptions from Assessed Value	\$ 39,328,697,496	100.00%	\$ 36,959,867,237	100.00%	\$ 34,976,103,329	100.00%	\$ 32,507,383,892	100.00%	\$ 31,757,721,688	100.00%

Classification of Exemption or Exclusion	2010 Fiscal Year		2009 Fiscal Year		2008 Fiscal Year		2007 Fiscal Year		2006 Fiscal Year	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Local Option and State-Mandated Homestead Exemption	\$ 12,817,857,122	40.30%	\$ 12,427,615,266	41.46%	\$ 11,637,424,031	45.28%	\$ 10,978,334,985	46.34%	\$ 10,405,700,181	46.64%
Local Option and State-Mandated Homestead Exemption Over 65 years of age or older (up to \$10,000 AV)	859,822,423	2.70%	856,046,142	2.86%	843,213,626	3.28%	834,793,821	3.52%	815,676,733	3.66%
Disabled Veterans, Surviving Spouses and/or Children and Certain Other										
Disabled Persons	217,141,908	0.68%	180,117,801	0.60%	165,456,194	0.64%	157,644,827	0.67%	147,582,724	0.66%
Tax Exempt (i.e., Church)	16,528,390,421	51.97%	15,211,360,090	50.75%	11,941,517,771	46.46%	10,533,350,522	44.46%	10,092,908,050	45.24%
Pollution Control	318,183,561	1.00%	284,915,920	0.95%	299,408,051	1.16%	198,315,349	0.84%	147,905,660	0.66%
Foreign Trade	472,745,651	1.49%	358,754,981	1.20%	317,874,857	1.24%	452,181,324	1.91%	124,884,000	0.56%
Other	592,176,680	1.86%	655,402,513	2.19%	497,578,224	1.94%	538,086,432	2.27%	577,031,759	2.59%
Total Exemptions from Assessed Value	\$ 31,806,317,766	100.00%	\$ 29,974,212,713	100.00%	\$ 25,702,472,754	100.00%	\$ 23,692,707,260	100.00%	\$ 22,311,689,107	100.00%

SOURCE: Harris County Appraisal District

HOUSTON INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)
(UNAUDITED)

Fiscal Year	District Direct Rates			Overlapping Rates									
	General Fund	Debt Service Fund	Total	Harris County	City of Houston	City of Bellaire	Jacinto City	Missouri City	Southside Place	City of West University Place	Houston Community College	Harris County MUD'S	Various
2006	\$ 1.450000	\$ 0.170000	\$ 1.620000	\$ 0.646270	\$ 0.647500	\$ 0.470000	\$ 0.831570	\$ 0.498000	\$ 0.230000	\$ 0.430000	\$ 0.095770	\$ 0.143500	- 1.460000
2007	1.325700	0.150000	1.475700	0.646270	0.645000	0.440000	0.708800	0.494500	0.230000	0.402000	0.095180	0.143500	- 1.430000
2008	1.006700	0.150000	1.156700	0.635833	0.643750	0.400000	0.671745	0.499260	0.251360	0.366000	0.092433	0.143500	- 1.380000
2009	1.006700	0.150000	1.156700	0.635820	0.638750	0.377500	0.661470	0.517240	0.347833	0.359000	0.092430	0.143500	- 1.360000
2010	1.006700	0.150000	1.156700	0.636030	0.638750	0.375900	0.721076	0.528400	0.347833	0.358750	0.092220	0.143500	- 1.360000
2011	1.006700	0.150000	1.156700	0.636561	0.638750	0.399900	0.801526	0.528400	0.347833	0.374110	0.092220	0.143500	- 1.360000
2012	1.006700	0.150000	1.156700	0.636561	0.638750	0.399900	0.795926	0.528400	0.347833	0.374110	0.092222	0.143500	- 1.360000
2013	1.006700	0.150000	1.156700	0.636597	0.638750	0.399900	0.766120	0.544800	0.367833	0.374110	0.097173	0.143500	- 1.440000
2014	1.026700	0.160000	1.186700	0.636338	0.638750	0.399900	0.799907	0.573750	0.367833	0.374000	0.097173	0.143450	- 1.470000
2015	1.026700	0.170000	1.196700	0.417310	0.631080	0.393600	0.799907	0.565000	0.337159	0.361790	0.106890	0.143450	- 1.400000

SOURCE: Harris County Appraisal District and Missouri City.

NOTE: The rate reported for Harris County consists of the rates for Harris County, Harris County Flood Control District, Harris County Department of Education, Harris County Port Authority and the Harris County Hospital District.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Taxpayer	Fiscal Year Ending 2015			Fiscal Year Ending 2006		
	Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank	Percentage of Total Assessed Value
Centerpoint Energy Inc	\$ 1,246,875,808	1	0.8933 %	\$ 1,031,341,633	1	1.2108 %
Chevron Chemical CO	1,047,703,331	2	0.7506	343,365,607	7	0.4031
Crescent Real Estate Equities	917,216,307	3	0.6571	880,336,507	2	1.0335
TPG	900,839,125	4	0.6454	-	-	-
Texas Tower	562,735,621	5	0.4032	-	-	-
Busycon Properties Inc.	536,989,676	6	0.3847	-	-	-
1000 Louisiana LP	504,063,645	7	0.3611	-	-	-
AT&T/Southwestern Bell	476,242,744	8	0.3412	554,904,933	4	0.6514
HG Galleria I II III LP	475,503,575	9	0.3407	292,756,445	10	0.3437
Four Oaks Place Operating LP	464,133,747	10	0.3325	-	-	-
Anheuser Busch Inc	-	-	-	470,539,317	6	0.5524
Hines Interests LTD PTNRSP	-	-	-	574,840,017	3	0.6748
Trizechahn	-	-	-	494,993,746	5	0.5811
Teachers Insurance	-	-	-	300,049,967	8	0.3523
Lyondell Chemical CO	-	-	-	295,571,464	9	0.3470
	<u>\$ 7,132,303,579</u>		<u>5.1098 %</u>	<u>\$ 5,238,699,636</u>		<u>6.1501 %</u>

SOURCE: Harris County Appraisal District

**HOUSTON INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the		Collections in Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy			Amount	Percentage of Levy
		Amount	Percentage of Levy			
2006	\$ 1,212,486,814	\$ 1,153,120,067	95.10%	\$ 50,457,141	\$ 1,203,577,208	99.16%
2007	1,217,856,993	1,166,203,551	95.76%	38,554,446	1,204,757,997	98.81%
2008	1,080,025,653	1,037,984,301	96.11%	25,919,892	1,063,904,193	98.28%
2009	1,209,859,983	1,166,266,392	96.40%	21,519,829	1,187,786,221	97.83%
2010	1,220,831,835	1,181,471,318	96.78%	20,822,589	1,202,293,907	98.01%
2011	1,169,639,727	1,137,633,695	97.26%	20,199,512	1,157,833,207	98.30%
2012	1,189,044,360	1,161,106,348	97.65%	15,629,711	1,176,736,059	98.96%
2013	1,257,650,819	1,230,398,073	97.83%	13,081,787	1,243,479,860	98.87%
2014	1,448,983,295	1,420,969,869	98.07%	6,540,538	1,427,510,407	98.52%
2015	1,626,867,734	1,593,140,114	97.93%	-	1,593,140,114	97.93%

SOURCE: Harris County Tax Assessor

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

Last Ten Years Ended	TAX RATE		Assessed Valuation	Fiscal Year Beginning	Current Year Levy	Collection	Debt Service Collection	Adjustments	Fiscal Year Ending
	Maintenance	Debt Service							
2006 and prior	various	various	various	\$ 17,454,905	\$ -	\$ (1,527,962)	\$ (151,117)	1,534,893	\$ 17,310,718
2007	1.325700	0.150000	85,180,481,430	5,905,412	-	(391,200)	(44,263)	249,917	5,719,865
2008	1.006700	0.150000	96,574,625,420	5,096,589	-	(501,842)	(74,775)	318,551	4,838,523
2009	1.006700	0.150000	108,108,659,598	6,141,551	-	(812,460)	(121,058)	333,549	5,541,582
2010	1.006700	0.150000	109,064,369,708	6,510,061	-	(1,161,955)	(173,133)	699,825	5,874,799
2011	1.006700	0.150000	104,439,029,647	7,035,648	-	(1,534,328)	(228,617)	879,702	6,152,405
2012	1.006700	0.150000	105,895,088,157	13,044,977	-	(2,130,899)	(317,507)	(3,773,240)	6,823,331
2013	1.006700	0.150000	111,568,771,772	15,467,305	-	(3,613,915)	(538,479)	(2,948,225)	8,366,685
2014	1.026700	0.160000	125,112,516,134	38,011,178	-	(5,658,693)	(881,846)	(19,919,241)	11,551,398
2015	1.026700	0.170000	139,580,407,554	-	1,626,867,734	(1,366,822,892)	(226,317,222)	4,457,173	38,184,793
TOTAL			\$ 114,667,626	\$ 1,626,867,734	\$ (1,384,156,147)	\$ (228,848,018)	\$ (18,167,096)		\$ 110,364,099
1000									
9000									
	Portion of Row 1000 for Taxes Paid into Tax Increment Zone		\$ -	\$ -	\$ -	(38,637,602)	(3,106,100)	-	\$ (41,743,702)
	Under Chapter 311, Tax Code								

Notes: The frozen homestead exemption for fiscal year 2015 is \$43,491,003
The June 30, 2015 delinquent taxes receivable balance of \$110,364,099.53 represents gross taxes receivable and is not reduced by estimated uncollectible taxes of \$66,452,774



FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

STATISTICAL SECTION

2015
DEBT
CAPACITY

**HOUSTON INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 11,376,593,266	\$ 10,197,378,224	\$ 9,093,486,399	\$ 8,631,049,053	8,512,372,059	\$ 8,889,363,460	\$ 8,811,467,672	\$ 7,871,378,600	\$ 7,308,096,183	\$ 6,660,272,605
Total Net Debt Applicable to Limit	2,674,555,713	2,394,535,582	2,476,907,334	2,295,333,491	2,372,615,315	2,465,000,969	2,087,126,981	2,191,952,584	1,871,194,655	1,975,707,600
Legal Debt Margin	<u>\$ 8,702,037,553</u>	<u>\$ 7,802,842,642</u>	<u>\$ 6,616,579,065</u>	<u>\$ 6,335,715,562</u>	<u>\$ 6,139,756,744</u>	<u>\$ 6,424,362,491</u>	<u>\$ 6,724,340,691</u>	<u>\$ 5,679,426,016</u>	<u>\$ 5,436,901,528</u>	<u>\$ 4,684,565,005</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	23.51%	23.48%	27.24%	26.59%	27.87%	27.73%	23.69%	27.85%	25.60%	29.66%

Legal Debt Margin Calculation for Fiscal Year 2015:

Assessed Value	\$139,580,407,554
Maximum Tax Rate (1)	\$0.50
Number of Years (2)	40
Maximum Principal	\$ -
Outstanding Principal (3)	\$ 2,674,555,713

Notes:

- (1) Per Section 45.0031 of the Texas Education Code, the District has to have a projected ability to pay the principal and interest on the bonds from a tax at a rate not to exceed \$0.50 per \$100 of valuation.
- (2) Per Section 45.001, the Bonds must mature serially or otherwise not more than 40 years from their date.
- (3) Outstanding principal includes bonded debt, contractual obligations, notes payable, and capital leases, net of reserves for retirement of bonded debt. Net debt applicable to the legal debt margin is equal to net bonded debt.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
TO ASSESSED VALUE AND NET BONDED DEBT PER STUDENT
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended	Gross Bonded Debt (1)	Less Restricted For Debt Service	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value (2)	Net Bonded Debt Per Student (3)	Ratio of Debt to Personal Income (4)	Net Bonded Debt Per Capita (5)
2006	\$ 2,029,108,977	\$ 53,401,377	\$ 1,975,707,600	2.55	\$ 9,414	3.82	\$ 1,530
2007	1,934,143,734	62,949,079	1,871,194,655	2.20	9,221	3.41	1,443
2008	2,251,676,435	59,723,851	2,191,952,584	2.27	10,985	3.80	1,684
2009	2,151,759,067	64,632,086	2,087,126,981	1.93	10,461	3.64	1,597
2010	2,520,469,494	55,468,525	2,465,000,969	2.26	12,267	4.23	1,878
2011	2,453,286,391	80,671,076	2,372,615,315	2.27	11,671	4.01	1,800
2012	2,375,354,550	80,021,059	2,295,333,491	2.17	11,386	3.86	1,734
2013	2,588,759,849	114,852,515	2,473,907,334	2.22	12,212	4.15	1,861
2014	2,508,442,969	113,907,387	2,394,535,582	1.91	11,364	3.76	1,688
2015	2,771,510,713	96,955,000	2,674,555,713	1.92	12,427	4.12	1,851

Notes: (1) Includes general obligation bonds as well as lease revenue bonds issued by the Houston Independent School District Public Facility Corporation, a component unit of the District. See Note 2 of the financial statements for additional detail.

(2) See assessed value and actual value of taxable property schedule.

(3) See student information schedule.

(4) See personal income of demographic information schedule.

(5) See population of demographic information.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(UNAUDITED)**

<u>Taxing Authority</u>	<u>Gross Debt Outstanding</u>	<u>Outstanding as of</u>	<u>Percent Overlapping</u>	<u>Amount Applicable to the District</u>
<u>Overlapping :</u>				
Bellaire, City of	\$ 73,655,000	06/30/15	100.00%	\$ 73,655,000
Harris County	2,396,117,860	06/30/15	38.64%	925,859,941
Harris County Dept of Ed	7,210,000	06/30/15	38.64%	2,785,944
Harris County Flood Control	87,400,000	06/30/15	38.64%	33,771,360
Harris County ID #1	8,505,000	06/30/15	100.00%	8,505,000
Harris County ID #3	2,400,000	06/30/15	100.00%	2,400,000
Harris County MUD #122	2,145,000	06/30/15	100.00%	2,145,000
Harris County MUD #148	11,550,000	06/30/15	1.70%	196,350
Harris County MUD #355	9,500,000	06/30/15	99.77%	9,478,150
Harris County MUD #382	9,915,000	06/30/15	0.81%	80,312
Harris County MUD #390	24,635,000	06/30/15	100.00%	24,635,000
Harris County MUD #393	10,915,000	06/30/15	99.17%	10,824,406
Harris County MUD #404	1,740,000	06/30/15	100.00%	1,740,000
Harris County MUD #407	5,030,000	06/30/15	100.00%	5,030,000
Harris County MUD #410	13,180,000	06/30/15	18.58%	2,448,844
Harris County MUD #411	5,335,000	06/30/15	100.00%	5,335,000
Harris County MUD #420	5,635,000	06/30/15	100.00%	5,635,000
Harris County MUD #451	3,550,000	06/30/15	100.00%	3,550,000
Harris County MUD #460	2,170,000	06/30/15	79.87%	1,733,179
Harris County WC&ID #89	40,130,000	06/30/15	100.00%	40,130,000
Harris County WC&ID (Fondren Road)	1,870,000	06/30/15	100.00%	1,870,000
Houston, Community College	645,860,000	06/30/15	93.40%	603,233,240
Houston, City of	3,058,340,000	06/30/15	64.87%	1,983,945,158
Jacinto City, City of	3,045,000	06/30/15	47.48%	1,445,766
Missouri City, City of	146,205,000	06/30/15	4.60%	6,725,430
Pinve Village PUD	1,070,000	06/30/15	4.57%	48,899
Port of Houston Authority	702,379,397	06/30/15	38.64%	271,399,399
Southside Place, City of	6,375,000	06/30/15	100.00%	6,375,000
Southwest Harris Co. MUD #1	1,970,000	06/30/15	100.00%	1,970,000
West University Place, City of	57,105,000	06/30/15	100.00%	57,105,000
SUBTOTAL OVERLAPPING DEBT				4,094,056,378
<u>Direct :</u>				
Houston Independent School District				2,865,347,726
TOTAL DIRECT AND OVERLAPPING DEBT				\$ 6,959,404,104

Notes: Information furnished by Texas Municipal Advisory Council, except for the net debt of the Houston Independent School District.

The percentage of overlapping debt is estimated using property market values. Percentages were estimated by determining the portion of the overlapping taxing authority's market value contained within the District's boundaries and dividing it by the overlapping taxing authority's total market value.

Net debt for the Houston Independent School District includes the following:

Bonds	\$ 2,445,285,691
Notes	45,360,000
Contractual Obligations	17,315,000
PFC debt	175,734,363
Accretion of HISD CABS	35,367,646
Accretion of PFC CABS	21,753,464
Premium/discount on debt	93,522,949
Capital leases payable	31,008,613
	<u>\$ 2,865,347,726</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended	General Obligation Bonds	Lease Revenue Bonds	Contractual Obligations	Notes Payable	Capital Leases	Total Primary Government	Ratio of Debt to Assessed Value (2)	Debt Per Student (3)	Percentage of Total Personal Income (4)	Total Debt Per Capita (5)
2006	\$ 1,901,666,475	\$ 127,442,502	\$ 64,258,384	\$ 36,911,256	\$ 174,955	2,130,453,572	2.74	10,151	4.12%	1,650
2007	1,810,939,857	123,203,877	55,519,302	89,711,953	103,719	2,079,478,708	2.44	10,247	3.78%	1,604
2008	2,134,890,037	116,786,398	63,523,450	80,253,178	126,044	2,395,579,107	2.48	12,006	4.15%	1,840
2009	2,040,502,487	111,256,580	63,987,119	75,729,125	119,435	2,291,594,746	2.12	11,485	4.00%	1,753
2010	2,361,218,650	159,250,844	77,102,226	70,465,950	32,070	2,668,069,740	2.45	13,278	4.58%	2,033
2011	2,300,865,182	152,421,209	75,390,744	65,072,753	55,772	2,593,805,660	2.48	12,759	4.39%	1,968
2012	2,230,594,347	144,760,203	76,525,910	59,448,724	28,268	2,511,357,452	2.37	12,458	4.23%	1,897
2013	2,452,198,822	136,561,027	53,188,101	54,170,251	66,678	2,696,184,879	2.42	13,309	4.52%	2,029
2014	2,382,594,863	125,848,106	31,378,525	50,811,081	15,766,729	2,606,399,304	2.08	12,369	4.09%	1,837
2015	2,564,919,056	206,591,656	17,468,401	45,360,000	31,008,613	2,865,347,726	2.05	13,313	4.41%	1,983

Notes: (1) The deduction for the portion of the debt service fund balance attributable to debt service has been removed for fiscal year 2015 and all prior years.

(2) See assessed value and actual value of taxable property schedule

(3) See student information schedule

(4) See personal income of demographic information schedule.

(5) See population of demographic information schedule.



FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

STATISTICAL SECTION

**2015
DEMOGRAPHIC
AND ECONOMIC
CAPACITY**

**HOUSTON INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC INFORMATION
LAST TEN CALENDAR YEARS
(UNAUDITED)**

Calendar Year	Population	Personal Income	Per Capita Income	Average Daily Attendance	Unemployment Rate	Residential Units	Total Assessed Value of Residential Units	Average Assessed Value of Residential Units
2006	1,291,203	\$ 51,654,789,256	\$ 40,005	192,231	5.00 %	292,644	\$ 34,076,047,005	\$ 116,442
2007	1,296,540	54,949,285,982	42,381	181,493	4.30	298,599	37,232,538,665	124,691
2008	1,301,899	57,725,574,006	44,340	179,329	4.70	302,998	41,506,428,522	136,986
2009	1,307,281	57,320,784,805	43,847	179,830	6.40	307,756	45,467,649,666	147,739
2010	1,312,685	58,300,219,505	44,413	181,125	8.40	309,986	46,752,215,763	150,820
2011	1,318,111	59,126,620,208	44,857	184,022	8.80	311,812	46,554,622,525	149,303
2012	1,323,559	59,388,836,130	44,871	182,376	7.50	313,110	46,864,855,862	149,675
2013	1,329,030	59,652,214,933	44,884	182,589	7.80	313,971	47,432,413,118	151,073
2014	1,418,820	63,714,178,514	44,906	191,150	5.10	315,004	49,776,901,061	158,020
2015	1,445,277	64,928,229,539	44,924	188,957	4.20	332,960	56,700,980,749	170,294

NOTES:

Population estimates have been restated from 2006 through 2013. Previous financial statements have utilized the Houston-Sugarland-Baytown MSA obtained from the US Bureau of Economic Analysis via DATAbook Houston (June 2006) using an estimate average annual increase from 2006 forward.

Per capita income figures for the fiscal years 2006 - 2010 are estimates based on the increase reported by the US Bureau of Economic Analysis via DATAbook Houston

Per capita income figure for the fiscal year 2011 is an estimate based on the increase reported by Tradingeconomics.com

Per capita income figure for the fiscal year 2012 is an estimate based on the increase reported by the US Department of Commerce

Average Daily Attendance obtained from the Academic Excellence Indicator System

Unemployment rate for the City of Houston, as reported by the US Bureau of Labor Statistics

Information obtained from the Harris County Appraisal District - Certified Values Only
(Single Family and Mobile Homes)

**HOUSTON INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

<u>Employer</u>	<u>Fiscal Year Ending 2015</u>			<u>Fiscal Year Ending 2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Wal-Mart Stores	32,000	1	1.0770 %	29,554	1	1.2141 %
H-E-B	21,471	2	0.7226	-		-
UT MD Anderson Cancer Center	20,357	3	0.6851	15,293	6	0.6282
Memorial Hermann Health System	20,055	4	0.6750	16,248	5	0.6675
The Methodist Hospital System	16,961	5	0.5708	-		-
Kroger Co.	15,216	6	0.5121	12,803	7	0.5259
United Airlines	15,108	7	0.5085	-		-
Exxon Mobil Corp.	12,814	8	0.4313	16,732	4	0.6873
Schlumberger	12,207	9	0.4108	-		-
Shell Oil Co.	12,050	10	0.4056	11,780	9	0.4839
Continental Airlines	-		-	19,661	3	0.8077
Administaff	-		-	19,851	2	0.8155
Halliburton	-		-	11,868	8	0.4875
Shell Oil Co.	-		-	11,780	9	0.4839
UT Medical Branch at Galveston	-		-	10,199	10	0.4190
Total	<u>178,239</u>		<u>5.9990 %</u>	<u>175,769</u>		<u>7.2205 %</u>

Notes: Employment numbers were obtained from the Houston Chronicle

Percentage of total employment was calculated using total non-agricultural employment for the Houston-Sugarland-Baytown MSA and was obtained directly from the U.S. Bureau of Economic Statistics and via DATAbook Houston.

These lists exclude employment numbers for Houston ISD and the City of Houston

HOUSTON INDEPENDENT SCHOOL DISTRICT



FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

STATISTICAL SECTION

**2015
OPERATING
INFORMATION**

**HOUSTON INDEPENDENT SCHOOL DISTRICT
DISTRICT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Employees as of June 30									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Instruction	13,502	12,679	12,561	12,627	13,461	15,075	14,965	14,782	15,018	14,927
Instructional resources and media services	78	87	122	131	174	222	244	197	216	233
Instructional staff development	360	333	324	307	257	224	414	379	297	278
Curriculum development	73	67	65	56	61	55	48	48	49	34
Instructional leadership	238	222	198	197	221	293	285	268	263	267
School leadership	2,391	2,276	2,201	2,188	2,291	2,462	2,478	2,512	2,391	2,366
Guidance, counseling, and evaluation services	472	437	432	442	509	523	526	546	520	520
Social work services	53	41	30	30	31	40	38	39	38	45
Health services	295	281	280	262	279	299	319	314	320	326
Student transportation services	1,294	1,307	1,287	1,184	1,252	1,282	1,280	1,195	1,203	1,194
Food service	1,909	1,834	1,828	1,846	1,788	1,775	1,672	1,732	1,747	1,599
Co-curricular/extracurricular activities	73	73	73	80	81	87	146	140	144	139
General administration	422	422	396	421	406	462	445	428	405	385
Plant maintenance and operations	2,031	2,013	2,024	1,986	1,972	2,105	2,124	2,060	2,022	1,926
Security and monitoring services	826	814	783	749	790	828	828	897	823	835
Data processing services	296	260	244	234	213	222	216	215	199	193
Community services	111	108	68	71	79	79	85	92	96	121
Facilities acquisition and construction	74	73	67	52	53	51	43	40	37	133
Total	24,496	23,327	22,984	22,864	23,918	26,084	26,156	25,884	25,788	25,521

NOTE: Count includes both FTE and hourly employees (excluding hourly employees where the position is not their primary job) and excludes substitutes.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
STUDENT INFORMATION - GENERAL
LAST TEN CALENDAR YEARS
(UNAUDITED)**

Calendar Year	Enrollment	Teacher Count	Student / Teacher Ratio	State Student / Teacher Ratio	Operating Expenditures	Cost Per Pupil	Percentage of Students Eligible for Free or Reduced-Price Meals
2006	209,879	12,081.6	17.4	14.9	1,475,607,698	7,031	81.8
2007	202,936	12,057.4	16.8	14.7	1,540,473,027	7,591	78.1
2008	199,534	11,970.7	16.7	14.5	1,633,244,460	8,185	79.3
2009	199,524	11,993.8	16.7	14.4	1,735,076,675	8,696	80.5
2010	200,944	12,029.9	16.7	14.5	1,800,176,524	8,959	79.1
2011	203,294	11,818.1	17.3	14.7	1,869,338,031	9,195	78.3
2012	201,594	11,340.5	17.8	15.4	1,655,450,631	8,212	81.2
2013	202,586	11,266.9	18.0	15.5	1,622,981,707	8,011	80.7
2014	210,716	11,739.2	18.0	15.4	1,776,791,156	8,432	81.5
2015	215,225	11,678.5	18.4	N/A	1,794,759,572	8,339	77.6

NOTES: PEIMS - Fall Collection, Resubmission

Information obtained from AEIS (Academic Excellence Indicator System)

N/A - State Student/Teacher Ratio was not available at time of printing

Operating Expenditures are total governmental expenditures less debt service and capital outlays.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
GIFTED AND TALENTED/SPECIAL EDUCATION STUDENT DATA
LAST TEN CALENDAR YEARS
(UNAUDITED)**

Calendar Year	Gifted and Talented Enrollment	Gifted and Talented % of Total Enrollment	State Gifted and Talented %	Special Education Enrollment	Special Education % of Total Enrollment	State Special Education %
2006	23,440	11.2	7.6	20,223	9.6	11.1
2007	24,376	12.0	7.5	20,030	9.9	10.6
2008	23,860	12.0	7.5	17,961	9.0	10.0
2009	24,979	12.5	7.5	16,657	8.3	9.4
2010	27,069	13.5	7.6	16,182	8.1	9.0
2011	29,003	14.2	7.7	16,402	8.6	8.8
2012	30,587	15.2	7.7	15,506	7.7	8.6
2013	31,689	15.6	7.7	15,604	7.7	8.5
2014	32,906	15.6	7.6	15,906	7.5	8.5
2015	33,067	15.4	N/A	16,302	7.6	N/A

NOTES: Information obtained from AEIS 2006-2013 (Academic Excellence Indicator System)
2014 TAPR (Texas Academic Performance Report)
2015 PEIMS (Public Education Information Management System)

State Gifted and Talented/Special Education percentages for 2015 have not been prepared by the Texas Education Agency.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
LEP/ECONOMICALLY DISADVANTAGED STUDENT DATA
LAST TEN CALENDAR YEARS
(UNAUDITED)**

Calendar Year	Limited English Proficiency Enrollment	Limited English Proficiency % of Total Enrollment	State Limited English Proficiency %	Economically Disadvantaged Enrollment	Economically Disadvantaged % of Total Enrollment	State Economically Disadvantaged %
2006	58,713	28.0	15.8	171,693	81.8	55.6
2007	55,407	27.4	16.0	158,095	78.1	55.5
2008	59,055	29.7	16.7	157,995	79.5	55.3
2009	61,755	31.0	16.9	161,591	81.0	56.7
2010	62,178	30.9	16.9	160,524	79.9	59.0
2011	62,050	30.4	16.9	164,247	80.4	59.2
2012	60,546	30.0	16.8	162,699	80.7	60.4
2013	60,501	29.9	17.1	161,834	79.9	60.4
2014	62,413	29.6	17.5	169,856	80.6	60.2
2015	64,595	30.0	N/A	162,340	75.4	N/A

NOTES: Information obtained from AEIS 2006-2013 (Academic Excellence Indicator System)
2014 TAPR (Texas Academic Performance Reports)
2015 PEIMS (Public Education Information Management System)

State LEP/Economically Disadvantaged percentages for 2015 have not been prepared by the Texas Education Agency.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
TEACHER INFORMATION - GENERAL
LAST TEN CALENDAR YEARS
(UNAUDITED)**

Calendar Year	Beginning Salary			Average Salary		
	HISD	Region	State	HISD	Region	State
2006	36,114	36,154	34,055	44,950	43,852	41,744
2007	39,530	39,454	38,095	48,008	46,675	44,897
2008	42,681	41,296	39,372	50,230	48,053	46,179
2009	44,119	42,418	40,372	51,580	49,186	47,159
2010	45,072	43,350	41,165	52,523	50,129	48,263
2011	44,952	43,029	41,272	52,387	50,616	48,638
2012	44,107	42,716	40,911	51,866	50,383	48,375
2013	45,425	44,365	41,878	51,922	50,968	48,821
2014	46,506	45,902	43,480	52,186	52,222	49,692
2015	46,879	N/A	N/A	52,516	N/A	N/A

NOTES: Information obtained from AEIS 2006-2013 (Academic Excellence Indicator System)
2014 TAPR (Texas Academic Performance Report)
2015 PEIMS (Public Education Information Management System)

Regional and State information for fiscal year 2015 was not available at time of printing

**HOUSTON INDEPENDENT SCHOOL DISTRICT
TEACHER INFORMATION - EDUCATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Bachelor's Degree			Master's Degree			Doctorate		
	Minimum	Maximum	Teacher Count	Minimum	Maximum	Teacher Count	Minimum	Maximum	Teacher Count
2006	36,050	58,369	8,483.0	37,080	61,512	3,371.3	38,110	64,657	227.4
2007	40,269	61,478	8,482.0	41,277	64,652	3,289.0	42,289	67,829	231.6
2008	42,745	63,222	8,398.6	43,745	66,592	3,278.1	44,745	69,864	230.0
2009	44,027	65,222	8,462.0	45,057	68,590	3,246.2	46,087	71,960	223.6
2010	44,987	66,182	8,454.5	46,017	69,550	3,291.3	47,047	72,920	219.6
2011	44,987	66,182	8,200.4	46,017	69,550	3,331.8	47,047	72,920	224.4
2012	44,987	66,182	7,749.2	46,017	69,550	3,283.2	47,047	72,920	221.4
2013	45,887	67,506	8,288.0	46,937	70,941	3,402.0	47,988	74,378	218.0
2014	46,805	68,856	8,244.0	47,876	72,360	3,314.0	48,948	75,866	201.0
2015	49,100	69,956	8,241.0	49,100	69,956	3,250.0	49,100	69,956	187.0

Sources: Teacher Count information obtained from PEIMS (Public Education Information Management System)
Teacher Salary information obtained from HISD Compensation Manual 2014-2015

Note: Bachelor's degree teacher count includes a small number of non-degreed teachers

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Elementary										
Alcott (1953)										
Square feet	60,497	60,497	60,497	60,497	60,497	60,497	60,497	60,497	60,497	65,336
Capacity	774	774	774	774	632	632	632	632	632	774
Enrollment	322	399	425	491	492	467	488	487	532	592
Almeda (2011)										
Square feet	86,073	86,073	86,073	86,073	86,073	46,367	46,367	46,367	46,367	42,823
Capacity	752	716	716	716	750	663	663	663	663	549
Enrollment	857	795	762	835	812	747	757	717	670	598
Anderson (1959)										
Square feet	76,110	76,110	76,110	76,110	76,110	76,110	76,110	76,110	76,110	76,110
Capacity	1,039	1,149	1,149	1,149	959	959	959	959	959	959
Enrollment	672	640	640	680	663	667	695	696	711	801
Ashford (1971)										
Square feet	83,294	83,294	83,294	83,294	83,294	83,294	83,294	83,294	83,294	78,766
Capacity	690	690	690	690	621	621	621	621	621	756
Enrollment	539	542	531	508	519	522	443	433	524	559
Askew (1977)										
Square feet	67,383	67,383	67,383	67,383	67,383	67,383	67,383	67,383	67,383	70,791
Capacity	856	856	856	856	900	900	900	900	900	833
Enrollment	968	899	886	818	847	872	884	855	870	914
Atherton (1927/2013)										
Square feet	85,900	85,900	N/A	48,562	48,562	48,562	48,562	48,562	48,562	48,131
Capacity	669	669	N/A	669	411	411	411	411	411	468
Enrollment	568	535	N/A	367	342	357	387	347	378	373
Barrick (1949)										
Square feet	57,857	57,857	57,857	57,857	57,857	57,857	57,857	57,857	57,857	54,431
Capacity	806	982	982	982	704	704	704	704	704	679
Enrollment	695	718	678	694	718	709	681	706	735	729
Bastian (2005)										
Square feet	105,276	105,276	105,276	105,276	105,276	105,276	105,276	105,276	105,276	108,000
Capacity	962	962	962	962	942	942	942	942	942	824
Enrollment	688	701	732	747	797	761	765	709	491	543
Bell (1978)										
Square feet	70,639	70,639	70,639	70,639	70,639	70,639	70,639	70,639	70,639	71,041
Capacity	773	773	773	773	799	799	799	799	799	850
Enrollment	819	813	779	762	778	801	772	796	733	736
Bellfort ECC (1960)										
Square feet	43,583	43,583	43,583	43,583	43,583	43,583	43,583	43,583	43,583	44,383

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Capacity	376	376	376	376	427	427	427	427	427	342
Enrollment	374	362	395	392	355	336	297	287	271	297
Benavidez (1962)										
Square feet	93,786	93,786	93,786	93,786	93,786	93,786	93,786	93,786	93,786	91,419
Capacity	1,182	1,182	1,182	1,182	1,204	1,204	1,204	1,204	1,204	1,033
Enrollment	1,072	905	839	878	996	989	954	1,021	1,010	982
Benbrook (1968)										
Square feet	44,595	44,595	44,595	44,595	44,595	44,595	44,595	44,595	44,595	43,730
Capacity	573	606	606	606	576	576	576	576	576	479
Enrollment	613	551	523	524	536	546	507	508	507	577
Berry (2012)										
Square feet	85,988	85,988	85,988	85,988	51,732	51,732	51,732	51,732	51,732	54,529
Capacity	806	716	716	716	614	614	614	614	614	747
Enrollment	809	740	736	708	643	630	630	632	580	571
Blackshear (1916)										
Square feet	96,976	96,976	96,976	96,976	96,976	96,976	96,976	96,976	96,976	71,987
Capacity	711	711	711	711	541	541	541	541	541	660
Enrollment	531	343	378	406	425	427	323	345	387	388
Bonham (1962)										
Square feet	83,201	83,201	83,201	83,201	83,201	83,201	83,201	83,201	83,201	70,240
Capacity	1,236	1,358	1,358	1,358	1,495	1,495	1,495	1,495	1,495	1,089
Enrollment	1,091	1,054	952	928	1,054	877	928	971	1,065	1,149
Bonner (1948)										
Square feet	102,316	102,316	102,316	102,316	102,316	102,316	102,316	102,316	102,316	61,813
Capacity	982	982	982	982	1,214	1,214	1,214	1,214	1,214	862
Enrollment	989	986	992	977	997	950	839	854	864	877
Braeburn (1956)										
Square feet	84,218	84,218	84,218	84,218	84,218	84,218	84,218	84,218	84,218	85,945
Capacity	1,075	1,075	1,075	1,075	943	943	943	943	943	1,096
Enrollment	870	934	916	912	950	966	965	931	911	923
Briargrove (2008)										
Square feet	103,585	103,585	103,585	103,585	103,585	103,585	103,585	103,585	N/A	N/A
Capacity	815	815	815	815	817	817	817	817	N/A	N/A
Enrollment	838	918	896	885	877	851	837	792	N/A	N/A
Briarmeadow (2001)										
Square feet	136,689	136,689	136,689	130,189	122,759	122,759	122,759	122,759	122,759	83,000
Capacity	606	606	606	606	546	546	546	546	546	432
Enrollment	595	603	595	590	549	541	543	390	515	400
Briscoe (1928)										

HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Square feet	53,829	53,829	53,829	53,829	53,829	53,829	53,829	53,829	53,829	55,453
Capacity	690	690	690	690	691	691	691	691	691	612
Enrollment	381	420	433	491	490	528	539	505	525	513
Brookline (1952)										
Square feet	121,979	121,979	121,979	121,979	121,979	121,979	121,979	121,979	121,979	89,349
Capacity	1,290	1,290	1,290	1,290	1,168	1,168	1,168	1,168	1,168	1,150
Enrollment	955	1,002	1,039	996	1,023	1,031	1,019	1,041	988	980
Browning (1927)										
Square feet	52,570	52,570	52,570	52,570	52,570	52,570	52,570	52,570	52,570	46,161
Capacity	585	585	585	585	711	711	711	711	711	549
Enrollment	556	612	634	600	600	577	562	522	531	509
Bruce (2005)										
Square feet	80,916	80,916	80,916	80,916	80,916	80,916	80,916	80,916	80,916	56,757
Capacity	732	732	732	732	671	671	671	671	671	504
Enrollment	627	597	571	593	600	593	587	513	409	380
Burbank (1927)										
Square feet	81,647	81,647	81,647	81,647	81,647	81,647	81,647	81,647	81,647	86,032
Capacity	985	1,087	1,087	1,087	868	868	868	868	868	893
Enrollment	860	920	891	835	829	858	827	829	777	792
Burnet (1926)										
Square feet	76,801	76,801	76,801	76,801	76,801	76,801	76,801	76,801	76,801	81,266
Capacity	836	836	836	836	928	928	928	928	928	846
Enrollment	521	509	524	593	630	621	652	646	659	713
Burrus (1926)										
Square feet	71,372	71,372	71,372	71,188	71,188	71,188	71,188	71,188	71,188	76,679
Capacity	690	690	690	690	517	517	517	517	517	540
Enrollment	506	420	453	514	390	378	360	363	369	373
Bush (1992)										
Square feet	87,803	87,803	87,803	87,803	87,803	87,803	87,803	87,803	87,803	79,320
Capacity	878	920	920	920	978	978	978	978	978	800
Enrollment	860	771	733	724	698	673	658	627	1,011	1,053
Cage (1907) / Chrysalis MS										
Square feet	60,205	60,205	60,205	60,205	60,205	60,205	60,205	60,205	60,205	61,934
Capacity	1,128	1,128	1,128	1,328	906	906	906	906	906	706
Enrollment	617	798	808	819	826	847	820	680	706	726
Carrillo (1993)										
Square feet	80,281	80,281	80,281	80,281	80,281	80,281	80,281	80,281	80,281	76,474
Capacity	857	857	857	857	830	830	830	830	830	717
Enrollment	613	608	623	690	670	670	645	707	714	725

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Codwell (1977)										
Square feet	58,946	58,946	58,946	58,946	58,946	58,946	58,946	58,946	58,946	59,572
Capacity	555	836	836	836	750	750	750	750	750	535
Enrollment	501	555	570	599	599	608	648	661	670	702
Concord (1967)										
Square feet	N/A	42,230	42,230	42,230	42,230	42,230	42,230	42,230	42,230	54,692
Capacity	N/A	N/A	669	200	42	42	42	42	42	358
Enrollment	N/A	N/A	367	228	46	66	65	44	41	191
Condit (1929)										
Square feet	46,502	46,502	46,502	46,502	46,502	46,502	46,502	46,502	46,502	41,011
Capacity	731	731	731	731	579	579	579	579	579	498
Enrollment	707	683	652	646	663	649	609	611	585	615
Cook (2007)										
Square feet	89,049	89,049	89,049	89,049	89,049	89,049	89,049	89,049	89,049	N/A
Capacity	815	815	815	815	657	657	657	657	657	N/A
Enrollment	712	756	693	712	702	718	714	716	677	N/A
Coop (2005)										
Square feet	83,409	83,409	83,409	83,409	83,409	83,409	83,409	83,409	83,409	58,139
Capacity	690	690	690	690	712	712	712	712	712	781
Enrollment	745	755	745	738	772	745	779	733	723	738
Cornelius (1960)										
Square feet	76,904	76,904	76,904	76,904	76,904	76,904	76,904	76,904	76,904	65,926
Capacity	1057	1,236	1,236	1,236	920	920	920	920	920	890
Enrollment	983	920	913	918	976	961	964	946	927	858
Crespo (1991)										
Square feet	85,508	85,508	85,508	85,508	85,508	85,508	85,508	85,508	85,508	77,109
Capacity	1170	1,170	1,170	1,170	900	900	900	900	900	766
Enrollment	946	958	933	930	878	885	868	935	863	890
Crockett (1980/2011)										
Square feet	63,783	63,783	63,783	63,783	63,783	39,603	39,603	39,603	39,603	37,678
Capacity	573	711	711	711	557	325	325	325	325	322
Enrollment	486	474	500	456	402	412	414	426	533	540
Cunningham (2012)										
Square feet	84,500	84,500	84,500	84,500	56,747	56,747	56,747	56,747	56,747	71,346
Capacity	716	716	716	716	719	719	719	719	719	963
Enrollment	755	755	707	696	713	708	673	685	704	694
Daily (2007)										
Square feet	82,572	82,572	82,572	82,572	82,572	82,572	82,572	82,572	82,572	N/A
Capacity	699	711	711	711	697	697	697	697	697	N/A

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Enrollment	700	744	741	737	794	717	652	656	343	N/A
Davila (1990)										
Square feet	80,396	80,396	80,396	80,396	80,396	80,396	80,396	80,396	80,396	78,546
Capacity	878	878	878	878	837	837	837	837	837	720
Enrollment	460	478	531	540	641	662	695	722	731	836
DeChaumes (1956)										
Square feet	84,650	84,500	84,500	84,500	53,559	53,559	53,559	53,559	53,559	48,014
Capacity	716	716	716	716	676	676	676	676	676	585
Enrollment	826	820	791	739	691	686	662	615	660	670
DeZavala (1928)										
Square feet	64,141	64,141	64,141	64,141	64,141	64,141	64,141	64,141	64,141	67,437
Capacity	898	898	898	898	747	747	747	747	747	682
Enrollment	547	553	588	586	612	640	618	615	624	681
DeAnda (2011)										
Square feet	85,450	84,500	84,500	84,500	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	857	857	857	857	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	781	763	691	536	N/A	N/A	N/A	N/A	N/A	N/A
Energy Institute/(formerly Dodson (1921))										
Square feet	82,976	82,976	82,976	82,976	82,976	82,976	82,976	82,976	82,976	82,951
Capacity	0	941	941	941	748	748	748	748	748	810
Enrollment	336	644	487	506	563	437	422	443	503	512
Dogan (1949)										
Square feet	87,500	87,000	43,380	43,380	50,637	50,637	50,637	50,637	50,637	54,519
Capacity	732	732	732	732	396	396	396	396	396	450
Enrollment	649	617	592	625	321	329	334	330	375	358
Durham (1967)										
Square feet	70,003	70,003	70,003	70,003	70,003	70,003	70,003	70,003	70,003	70,003
Capacity	609	609	772	772	543	543	543	543	543	395
Enrollment	555	547	517	523	490	450	457	461	480	499
Durkee (1954)										
Square feet	72,334	72,334	72,334	72,334	72,334	72,334	72,334	72,334	72,334	62,206
Capacity	931	1,045	1,045	1,045	764	764	764	764	764	894
Enrollment	714	739	683	679	679	665	648	665	682	695
Eliot (1926) / EL DAEP										
Square feet	86,834	86,834	86,834	86,834	86,834	86,834	86,834	86,834	86,834	86,830
Capacity	734	1,066	1,066	1,066	983	983	983	983	983	894
Enrollment	597	571	571	545	550	577	542	563	569	634
Elmore (2000)										
Square feet	124,800	124,800	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Capacity	788	788	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	713	769	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Elrod (1964)										
Square feet	66,456	66,456	66,456	66,456	66,456	66,456	66,456	66,456	66,456	74,096
Capacity	842	1,400	1,400	1,400	731	731	731	731	731	925
Enrollment	697	658	623	589	489	490	474	541	544	564
Emerson (1963)										
Square feet	65,364	65,364	65,364	65,364	65,364	65,364	65,364	65,364	65,364	60,451
Capacity	774	774	774	774	773	773	773	773	773	762
Enrollment	955	917	883	869	874	831	812	804	720	790
Farias ECC (2005)										
Square feet	39,885	39,885	39,885	39,885	39,885	39,885	39,885	39,885	39,885	40,000
Capacity	418	418	418	418	418	418	418	418	418	350
Enrollment	368	418	421	418	420	418	418	418	377	371
Field (1928)										
Square feet	54,809	54,809	54,809	54,809	54,809	54,809	54,809	54,809	54,809	55,224
Capacity	732	732	732	732	483	483	483	483	483	627
Enrollment	476	455	463	472	488	451	367	378	384	388
Foerster (1969)										
Square feet	67,013	67,013	67,013	67,013	67,013	67,013	67,013	67,013	67,013	66,918
Capacity	898	898	898	898	824	824	824	824	824	817
Enrollment	758	672	717	705	641	643	685	713	695	784
Fondren (1960)										
Square feet	40,001	40,001	40,001	40,001	40,001	40,001	40,001	40,001	40,001	38,404
Capacity	647	647	647	647	579	579	579	579	579	594
Enrollment	423	464	433	430	408	425	408	430	410	444
Fonwood ECC (1964)										
Square feet	75,900	75,900	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	609	609	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	419	494	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Foster (1949)										
Square feet	79,998	79,998	79,998	79,998	79,998	79,998	79,998	79,998	79,998	61,658
Capacity	753	753	753	753	692	692	692	692	692	663
Enrollment	435	438	426	454	525	520	492	504	548	457
Franklin (1948)										
Square feet	64,274	64,274	64,274	64,274	64,274	64,274	64,274	64,274	64,274	74,640
Capacity	982	982	982	982	864	864	864	864	864	764
Enrollment	445	479	530	502	562	577	591	607	618	691
Frost (2012)										

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Square feet	89,277	89,277	89,277	89,277	59,465	59,465	59,465	59,465	59,465	60,320
Capacity	716	716	716	716	566	566	566	566	566	530
Enrollment	647	597	576	580	443	467	552	527	544	619
Gallegos (1992)										
Square feet	73,925	73,925	73,925	73,925	73,925	73,925	73,925	73,925	73,925	73,176
Capacity	836	836	836	836	697	697	697	697	697	647
Enrollment	502	529	524	524	542	542	589	571	603	599
Garcia (1992)										
Square feet	111,056	111,056	111,056	111,056	111,056	111,056	111,056	111,056	111,056	75,293
Capacity	836	836	836	836	816	816	816	816	816	754
Enrollment	747	744	771	789	805	801	789	773	780	799
Garden Oaks Montessori (1949)										
Square feet	41,306	41,306	41,306	41,306	41,306	41,306	41,306	41,306	41,306	54,617
Capacity	645	645	645	584	586	586	586	586	586	533
Enrollment	693	670	637	635	601	563	498	479	550	542
Garden Villas (1931)										
Square feet	93,762	93,762	93,762	93,762	93,762	93,762	93,762	93,762	93,762	83,332
Capacity	899	899	899	899	879	879	879	879	879	636
Enrollment	847	825	866	925	938	974	991	980	1,013	976
Golfcrest (1949)										
Square feet	71,475	71,475	71,475	71,475	71,475	71,475	71,475	71,475	71,475	73,322
Capacity	877	877	877	877	769	769	769	769	769	872
Enrollment	766	790	763	786	762	735	715	695	750	749
Gregg (2012)										
Square feet	84,704	84,704	84,704	84,704	47,713	47,713	47,713	47,713	47,713	42,512
Capacity	716	716	716	716	704	704	704	704	704	495
Enrollment	575	531	542	562	553	543	568	606	650	636
Gregory-Lincoln (2007)										
Square feet	158,561	158,561	158,561	158,561	158,561	158,561	158,561	158,561	158,561	165,312
Capacity	938	938	938	938	896	896	896	896	896	1,137
Enrollment	646	660	638	599	704	689	570	516	546	367
Energized for STEM/Grimes (1959)										
Square feet	42,432	42,432	42,432	42,432	42,432	42,432	42,432	42,432	42,432	43,702
Capacity	200	800	N/A	N/A	398	398	398	398	398	485
Enrollment	26	412	N/A	N/A	380	351	371	369	360	385
Grisson (1966)										
Square feet	68,683	68,683	68,683	68,683	68,683	68,683	68,683	68,683	68,683	69,170
Capacity	877	877	877	877	871	871	871	871	871	848
Enrollment	586	569	629	787	791	806	812	787	748	763

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Gross, (2001)										
Square feet	73,277	73,277	73,277	73,277	73,277	73,277	73,277	73,277	73,277	69,752
Capacity	806	565	565	565	802	802	802	802	802	749
Enrollment	737	673	663	681	813	789	822	828	801	838
Halpin ECC (1929)										
Square feet	41,873	41,873	41,873	41,873	41,873	41,873	41,873	41,873	41,873	37,792
Capacity	731	731	731	731	482	482	482	482	482	378
Enrollment	476	482	491	440	461	486	493	487	415	413
Harris J.R. (1949)										
Square feet	66,082	66,082	66,082	66,082	66,082	66,082	66,082	66,082	66,082	62,257
Capacity	815	815	815	815	892	892	892	892	892	970
Enrollment	625	637	697	692	684	688	692	703	831	831
Harris R.P. (1958)										
Square feet	61,425	61,425	61,425	61,425	61,425	61,425	61,425	61,425	61,425	66,453
Capacity	918	918	918	918	718	718	718	718	718	866
Enrollment	634	624	642	615	624	643	588	563	588	605
Hartsfield (1954)										
Square feet	42,767	42,767	42,767	42,767	42,767	42,767	42,767	42,767	42,767	48,277
Capacity	543	543	543	543	411	411	411	411	411	414
Enrollment	362	374	403	435	414	413	355	357	358	357
Harvard (1930)										
Square feet	56,930	56,930	56,930	56,930	56,930	56,930	56,930	56,930	56,930	58,558
Capacity	690	690	690	690	606	606	606	606	606	558
Enrollment	708	716	700	710	689	663	627	615	591	627
Helms (1919)										
Square feet	44,444	44,444	44,444	44,444	44,444	44,444	44,444	44,444	44,444	39,352
Capacity	543	543	543	543	558	558	558	558	558	336
Enrollment	500	530	532	540	533	540	547	556	535	489
Henderson J.P. (1929)										
Square feet	57,524	57,524	57,524	57,524	57,524	57,524	57,524	57,524	57,524	57,205
Capacity	878	878	878	878	794	794	794	794	794	861
Enrollment	784	795	789	816	773	785	749	745	762	740
Henderson N.Q. (1956)										
Square feet	46,894	46,846	46,846	46,846	46,846	46,846	46,846	46,846	46,846	45,445
Capacity	710	710	710	710	503	503	503	503	503	445
Enrollment	323	370	376	394	349	355	323	351	406	432
Herod (2012)										
Square feet	86,000	86,000	86,000	86,000	58,230	58,230	58,230	58,230	58,230	63,146
Capacity	716	716	716	716	871	871	871	871	871	763

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Enrollment	784	828	770	778	746	729	708	696	697	720
Herrera (1993)										
Square feet	115,302	115,302	115,302	115,302	115,302	115,302	115,302	115,302	115,302	76,822
Capacity	920	920	920	920	901	901	901	901	901	680
Enrollment	891	901	906	919	959	951	952	967	941	905
Highland Heights (2007)										
Square feet	85,405	85,405	85,405	85,405	85,405	85,405	85,405	85,405	85,405	N/A
Capacity	681	815	815	815	725	725	725	725	725	N/A
Enrollment	553	617	628	635	643	655	321	316	333	N/A
Hilliard (2000)										
Square feet	45,500	45,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	878	878	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	712	861	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hines-Caldwell (2005)										
Square feet	85,829	85,829	85,829	85,829	85,829	85,829	85,829	85,829	85,829	87,000
Capacity	711	711	711	711	752	752	752	752	752	750
Enrollment	810	788	756	798	791	766	731	889	898	771
Hobby (1965)										
Square feet	66,680	66,680	66,680	66,680	66,680	66,680	66,680	66,680	66,680	68,072
Capacity	1,065	1,065	1,065	1,065	920	920	920	920	920	853
Enrollment	835	767	830	829	851	817	801	706	711	686
Horn (2012)										
Square feet	84,500	84,500	84,500	84,500	43,504	43,504	43,504	43,504	43,504	51,715
Capacity	716	716	716	716	502	502	502	502	502	535
Enrollment	875	829	765	701	610	577	554	530	536	584
Isaacs (1962)										
Square feet	43,883	43,883	43,883	43,883	43,883	43,883	43,883	43,883	43,883	42,587
Capacity	751	751	751	751	599	599	599	599	599	538
Enrollment	390	379	410	459	482	468	484	459	561	386
Janowski (1955)										
Square feet	77,958	77,958	77,958	77,958	77,958	77,958	77,958	77,958	77,958	54,524
Capacity	770	815	815	815	1,097	1,097	1,097	1,097	1,097	761
Enrollment	625	644	653	686	657	658	597	602	594	643
Jefferson (1950)										
Square feet	58,657	58,657	58,657	58,657	58,657	58,657	58,657	58,657	58,657	53,168
Capacity	877	877	877	877	694	694	694	694	694	722
Enrollment	465	485	482	509	527	532	535	575	603	635
Kandy Stripe / Fairchild (1960)										
Square feet	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571	45,427

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Capacity	480	480	480	480	536	536	536	536	536	536
Enrollment	297	356	398	427	435	430	N/A	N/A	299	338
Kashmere Gardens (1949)										
Square feet	49,213	49,213	49,213	49,213	49,213	49,213	49,213	49,213	49,213	46,451
Capacity	710	710	710	710	579	579	579	579	579	570
Enrollment	439	430	410	408	416	421	460	413	482	451
Kelso										
Square feet	46,826	46,826	46,826	46,826	46,826	46,826	46,826	46,826	46,826	58,688
Capacity	689	689	689	689	648	648	648	648	648	641
Enrollment	449	445	448	454	515	514	521	528	560	569
Kennedy (1964/2012)										
Square feet	86,041	86,041	86,041	86,041	42,648	42,648	42,648	42,648	42,648	52,853
Capacity	732	732	732	732	531	531	531	531	531	519
Enrollment	794	784	761	737	743	736	516	521	534	537
Ketelsen (2002)										
Square feet	84,503	84,503	84,503	84,503	84,503	84,503	84,503	84,503	84,503	87,387
Capacity	732	732	732	732	632	632	632	632	632	648
Enrollment	623	655	650	647	718	693	683	677	679	675
King, M.L. ECC (2004)										
Square feet	38,707	38,707	38,707	38,707	38,707	38,707	38,707	38,707	38,707	40,000
Capacity	418	418	418	418	418	418	418	418	418	350
Enrollment	411	411	405	413	417	417	413	404	380	376
Kolter (1960)										
Square feet	49,345	49,345	49,345	49,345	49,345	49,345	49,345	49,345	49,345	44,475
Capacity	668	668	668	668	548	548	548	548	548	500
Enrollment	659	614	617	580	594	580	572	541	531	541
Lantrip (2005)										
Square feet	99,529	99,529	99,529	99,529	99,529	99,529	99,529	99,529	99,529	62,062
Capacity	920	920	920	920	1,110	1,110	1,110	1,110	1,110	838
Enrollment	756	765	715	706	717	696	700	716	701	751
Laurenzo ECC (2004)										
Square feet	38,399	38,399	38,399	38,399	38,399	38,399	38,399	38,399	38,399	86,000
Capacity	376	376	376	376	346	346	346	346	346	350
Enrollment	324	334	329	310	311	299	298	299	270	268
Law (1966)										
Square feet	53,310	53,310	53,310	53,310	53,310	53,310	53,310	53,310	53,310	74,192
Capacity	731	731	731	731	650	650	650	650	650	501
Enrollment	776	754	710	741	737	719	653	575	516	475
Lewis (2012)										

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Square feet	105,595	98,444	98,444	98,444	63,548	63,548	63,548	63,548	63,548	63,262
Capacity	904	904	904	904	878	878	878	878	878	905
Enrollment	906	961	963	905	878	830	834	752	780	828
Lockhart (1950/2012)										
Square feet	86,960	86,960	86,960	86,960	74,507	74,507	74,507	74,507	74,507	77,221
Capacity	716	913	913	913	558	558	558	558	558	521
Enrollment	747	697	685	675	708	711	533	475	480	478
Longfellow (2007)										
Square feet	99,790	99,790	99,790	99,790	99,790	99,790	99,790	99,790	99,790	52,181
Capacity	774	774	774	774	1,172	1,172	1,172	1,172	1,172	672
Enrollment	726	764	743	732	732	713	706	702	635	640
Looscan (1936)										
Square feet	45,343	45,343	45,343	45,343	45,343	45,343	45,343	45,343	45,343	48,201
Capacity	606	606	606	606	516	516	516	516	516	709
Enrollment	473	482	498	510	481	491	490	491	479	515
Love (1926)										
Square feet	56,312	56,312	56,312	56,312	56,312	56,312	56,312	56,312	56,312	47,765
Capacity	543	543	543	543	513	513	513	513	513	509
Enrollment	433	492	503	493	426	419	405	412	468	460
Lovett (2012)										
Square feet	86,000	86,000	86,000	86,000	52,746	52,746	52,746	52,746	52,746	50,447
Capacity	716	716	716	648	648	648	648	648	648	656
Enrollment	705	723	706	675	681	674	653	661	659	674
Lyons (1993)										
Square feet	82,716	82,716	82,716	82,716	82,716	82,716	82,716	82,716	82,716	75,085
Capacity	878	878	878	878	901	901	901	901	901	626
Enrollment	1,022	1,013	995	943	925	905	899	900	882	N/A
MacGregor (1966)										
Square feet	45,795	45,795	45,795	45,795	45,795	45,795	45,795	45,795	45,795	59,696
Capacity	699	699	710	710	397	397	397	397	397	448
Enrollment	510	505	514	511	483	489	444	420	381	387
Mading (1959/2006)										
Square feet	94,478	94,478	94,478	94,478	94,478	94,478	94,478	94,478	94,478	85,100
Capacity	690	690	690	690	616	616	616	616	616	278
Enrollment	616	591	590	612	545	582	577	559	598	464
Mandarin (2012) / Gordon (1955)										
Square feet	37,425	37,425	37,425	37,425	37,425	37,425	37,425	37,425	37,425	40,226
Capacity	543	543	543	543	432	432	432	432	432	441
Enrollment	389	333	251	399	355	405	379	364	408	453

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Marshall, T. (2000)										
Square feet	46,400	46,400	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	878	878	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,021	802	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Martinez C. (1994)										
Square feet	77,883	77,883	77,883	77,883	77,883	77,883	77,883	77,883	77,883	76,481
Capacity	795	795	795	795	697	697	697	697	697	792
Enrollment	587	572	577	601	614	588	591	612	652	637
Martinez R. (1991)										
Square feet	75,674	75,674	75,674	75,674	75,674	75,674	75,674	75,674	75,674	76,502
Capacity	732	732	732	732	684	684	684	684	684	828
Enrollment	546	526	571	578	612	658	652	607	630	648
McGowen / Houston Gardens (1998)										
Square feet	67,708	67,708	67,708	67,708	67,708	67,708	67,708	67,708	67,708	42,375
Capacity	459	459	459	459	488	488	488	488	488	449
Enrollment	433	437	432	439	362	358	350	359	392	460
McNamara (1958)										
Square feet	54,973	54,973	54,973	54,973	54,973	54,973	54,973	54,973	54,973	53,358
Capacity	814	814	814	814	948	948	948	948	948	709
Enrollment	903	826	788	816	763	687	695	721	767	797
Memorial (1926)										
Square feet	51,276	51,276	51,276	51,276	51,276	51,276	51,276	51,276	51,276	51,288
Capacity	543	543	543	543	462	462	462	462	462	414
Enrollment	410	390	390	405	338	336	343	354	376	399
Milne (1960)										
Square feet	91,611	91,611	91,611	91,611	91,611	91,611	91,611	91,611	91,611	95,339
Capacity	857	857	857	857	834	834	834	834	834	774
Enrollment	698	747	703	667	568	654	601	629	708	757
Mistral ECC (2005)										
Square feet	38,899	38,899	38,899	38,899	38,899	38,899	38,899	38,899	38,899	40,000
Capacity	418	418	418	418	418	418	418	418	418	350
Enrollment	312	368	366	394	411	412	395	395	394	366
Mitchell (1968)										
Square feet	62,617	62,617	62,617	61,686	61,686	61,686	61,686	61,686	61,686	50,523
Capacity	591	1,484	1,484	1,484	982	982	982	982	982	653
Enrollment	597	518	486	513	1,011	1,052	1,070	1,075	1,136	1,071
Montgomery (1960)										
Square feet	63,393	63,393	63,393	63,393	63,393	63,393	63,393	63,393	63,393	65,226
Capacity	961	961	961	961	743	743	743	743	743	709

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Enrollment	740	632	678	785	738	759	737	726	732	745
Moreno (2005)										
Square feet	82,810	82,810	82,810	82,810	82,810	82,810	82,810	82,810	82,810	86,000
Capacity	753	753	753	753	712	712	712	712	712	750
Enrollment	812	807	814	788	777	757	756	743	745	707
Neff ES (1964) / Neff ELC										
Square feet	86,000	86,000	86,000	66,007	66,007	66,007	66,007	66,007	66,007	73,211
Capacity	609	1,984	1,984	1,234	1,255	1,255	1,255	1,255	1,255	653
Enrollment	687	1,347	1,245	1,090	1,035	1,017	996	1,072	1,102	1,085
Northline (1963)										
Square feet	60,102	60,102	60,102	60,102	60,102	60,102	60,102	60,102	60,102	62,830
Capacity	949	1,128	1,128	1,128	869	869	869	869	869	632
Enrollment	639	615	652	686	694	666	641	682	702	752
Oak Forest (2004)										
Square feet	84,120	84,120	84,120	84,120	84,120	84,120	84,120	84,120	84,120	90,000
Capacity	795	795	795	795	754	754	754	754	754	600
Enrollment	809	815	782	761	760	774	757	734	769	798
Oates (1929)										
Square feet	60,417	60,417	60,417	60,417	60,417	60,417	60,417	60,417	60,417	63,347
Capacity	732	732	732	732	662	662	662	662	662	735
Enrollment	366	397	391	446	440	444	442	441	432	417
Osborne (1960)										
Square feet	55,514	55,514	55,514	54,648	54,648	54,648	54,648	54,648	54,648	50,342
Capacity	573	626	626	626	559	559	559	559	559	500
Enrollment	397	410	400	430	464	457	450	437	426	390
Paige / Bowie (1950)										
Square feet	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000
Capacity	543	543	543	543	503	503	503	503	503	501
Enrollment	457	356	376	392	349	344	375	338	362	365
Park Place (2005)										
Square feet	109,866	109,866	109,866	109,866	109,866	109,866	109,866	109,866	109,866	86,000
Capacity	1,003	836	836	836	1,059	1,059	1,059	1,059	1,059	908
Enrollment	1,002	1,034	1,063	1,028	1,041	1,064	1,092	1,028	994	1,000
Parker (1959)										
Square feet	72,167	72,167	72,167	72,167	72,167	72,167	72,167	72,167	72,167	70,258
Capacity	857	857	857	857	871	871	871	871	871	823
Enrollment	839	824	844	846	844	817	826	785	779	807
Patterson (2012)										
Square feet	98,444	98,444	98,444	98,444	62,986	62,986	62,986	62,986	62,986	59,284

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Capacity	931	931	931	931	961	961	961	961	961	828
Enrollment	951	969	965	950	824	809	850	842	801	820
Peck (2012)										
Square feet	89,365	89,365	89,365	89,365	34,277	34,277	34,277	34,277	34,277	38,155
Capacity	711	711	711	711	418	418	418	418	418	387
Enrollment	589	563	506	497	506	549	338	320	390	341
Petersen (1966)										
Square feet	52,335	52,335	52,335	52,335	52,335	52,335	52,335	52,335	52,335	74,380
Capacity	877	877	877	877	753	753	753	753	753	653
Enrollment	627	641	587	630	672	683	681	641	758	761
Pilgrim (2007)										
Square feet	110,392	110,392	110,392	110,392	110,392	110,392	110,392	110,392	110,392	50,270
Capacity	997	997	997	997	1,136	1,136	1,136	1,136	1,136	635
Enrollment	1,155	1,109	1,136	1,100	1,071	1,016	932	836	730	753
Piney Point (2011)										
Square feet	114,185	114,185	114,185	114,185	114,185	72,864	72,864	72,864	72,864	71,167
Capacity	1,000	1,000	1,000	1,000	1,000	817	817	817	817	897
Enrollment	1,212	1,203	1,141	1,119	1,004	974	929	932	892	996
Pleasantville (1955)										
Square feet	59,032	59,032	59,032	59,032	59,032	59,032	59,032	59,032	59,032	59,768
Capacity	753	753	753	753	551	551	551	551	551	504
Enrollment	331	317	340	365	356	375	357	404	466	460
Poe (1928)										
Square feet	70,067	70,067	70,067	70,067	70,067	70,067	70,067	70,067	70,067	62,966
Capacity	815	815	815	815	743	743	743	743	743	788
Enrollment	794	771	762	748	730	730	706	697	724	723
Port Houston (1960)										
Square feet	36,309	36,309	36,309	36,309	36,309	36,309	36,309	36,309	36,309	39,412
Capacity	502	502	502	502	363	363	363	363	363	500
Enrollment	794	343	339	342	352	342	333	326	317	324
Pugh (1952)										
Square feet	40,053	40,053	40,053	40,053	40,053	40,053	40,053	40,053	40,053	44,100
Capacity	627	627	627	627	606	606	606	606	606	410
Enrollment	436	434	443	501	522	564	517	477	537	539
Reagan, B. (2012)										
Square feet	143,000	143,000	143,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	900	900	900	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,044	1,194	938	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Red (1957)										

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Square feet	58,830	58,830	58,830	58,830	58,830	58,830	58,830	58,830	58,830	62,895
Capacity	732	732	732	732	667	667	667	667	667	604
Enrollment	663	645	597	588	601	567	539	524	479	416
Reynolds (1959)										
Square feet	83,711	83,711	83,711	83,711	83,711	83,711	83,711	83,711	83,711	58,524
Capacity	795	795	795	795	642	642	642	642	642	700
Enrollment	543	468	519	556	551	513	471	462	434	349
Rice, The School (1994)										
Square feet	202,704	202,704	202,704	202,704	202,704	202,704	202,704	202,704	202,704	175,550
Capacity	1,056	1,056	1,056	1,056	1,101	1,101	1,101	1,101	1,101	931
Enrollment	1,138	1,151	1,157	1,228	1,145	1,140	1,135	1,145	1,121	456
River Oaks (1928)										
Square feet	60,632	60,632	60,632	60,632	60,632	60,632	60,632	60,632	60,632	47,108
Capacity	648	648	648	648	627	627	627	627	627	550
Enrollment	681	704	714	717	680	664	674	650	661	632
Roberts (1936)										
Square feet	62,685	62,685	62,685	62,685	62,685	62,685	62,685	62,685	62,685	60,683
Capacity	773	773	773	773	606	606	606	606	606	464
Enrollment	804	756	740	755	746	683	698	669	641	674
Robinson (2002)										
Square feet	84,928	84,928	84,928	84,928	84,928	84,928	84,928	84,928	84,928	85,000
Capacity	753	753	753	753	796	796	796	796	796	750
Enrollment	708	737	684	712	726	747	743	755	757	720
Rodriguez (2002)										
Square feet	111,716	111,716	111,716	111,716	111,716	111,716	111,716	111,716	111,716	109,882
Capacity	962	962	962	962	942	942	942	942	942	1,000
Enrollment	1,067	1,023	944	935	931	964	938	937	943	1,004
Rogers, T. H. (1962)										
Square feet	187,570	187,570	187,570	187,570	187,570	187,570	187,570	187,570	187,570	183,418
Capacity	1,368	1,368	1,368	1,368	1,227	1,227	1,227	1,227	1,227	1,025
Enrollment	789	794	815	820	846	857	825	810	764	458
Roosevelt (2012)										
Square feet	84,500	84,500	84,500	84,500	49,583	49,583	49,583	49,583	49,583	48,626
Capacity	732	732	732	732	593	593	593	593	593	582
Enrollment	721	710	709	669	612	634	593	560	532	540
Ross (1948)										
Square feet	51,820	51,820	51,820	51,820	51,820	51,820	51,820	51,820	51,820	59,270
Capacity	627	627	627	627	474	474	474	474	474	535
Enrollment	447	423	432	457	462	471	441	421	389	394

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Rucker (1953)										
Square feet	70,722	70,722	70,722	70,722	70,722	70,722	70,722	70,722	70,722	86,000
Capacity	961	961	961	961	956	956	956	956	956	620
Enrollment	609	611	614	662	677	681	684	722	737	749
Rusk (1960)										
Square feet	39,671	39,671	39,671	39,671	39,671	39,671	39,671	39,671	39,671	40,157
Capacity	699	502	502	502	405	405	405	405	405	572
Enrollment	576	534	535	558	534	501	434	351	323	285
Saint George Place (2007)										
Square feet	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	N/A
Capacity	732	732	732	732	961	961	961	961	961	N/A
Enrollment	795	753	764	723	699	614	598	508	952	N/A
Sanchez (1952)										
Square feet	69,397	69,397	69,397	69,397	69,397	69,397	69,397	69,397	69,397	84,246
Capacity	899	899	899	899	704	704	704	704	704	444
Enrollment	606	623	592	562	596	609	634	635	625	644
Scarborough (1959)										
Square feet	64,412	64,412	64,412	64,412	64,412	64,412	64,412	64,412	64,412	59,366
Capacity	824	898	898	898	788	788	788	788	788	727
Enrollment	773	761	737	741	780	757	769	789	783	800
Scroggins (1966)										
Square feet	53,126	53,126	53,126	53,126	53,126	53,126	53,126	53,126	53,126	51,066
Capacity	663	459	459	459	641	641	641	641	641	741
Enrollment	621	631	597	576	606	588	590	599	578	587
Seguin (2002)										
Square feet	85,427	85,427	85,427	85,427	85,427	85,427	85,427	85,427	85,427	87,195
Capacity	732	732	732	732	670	670	670	670	670	750
Enrollment	689	667	613	621	643	638	625	631	648	706
Shadowbriar (1992)										
Square feet	74,382	74,382	74,382	74,382	74,382	74,382	74,382	74,382	74,382	75,057
Capacity	732	732	732	732	524	524	524	524	524	522
Enrollment	393	392	365	398	434	449	437	401	518	N/A
Shadydale (2000)										
Square feet	102,400	102,400	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	1,003	1,003	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	897	806	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Shearn (1954)										
Square feet	43,132	43,132	43,132	43,132	43,132	43,132	43,132	43,132	43,132	39,729
Capacity	584	584	584	584	543	543	543	543	543	486

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Enrollment Sherman (1964)	610	564	551	518	502	485	467	466	449	462
Square feet	87,020	87,020	55,289	55,289	55,289	55,289	55,289	55,289	55,289	59,788
Capacity	836	836	836	836	747	747	747	747	747	716
Enrollment	664	570	555	587	369	495	486	542	507	584
Sinclair (1959)										
Square feet	54,308	54,308	54,308	54,308	54,308	54,308	54,308	54,308	54,308	48,362
Capacity	716	835	835	835	774	774	774	774	774	564
Enrollment	525	536	513	546	532	510	476	461	527	607
Smith, K. (1954)										
Square feet	56,294	56,294	56,294	56,294	56,294	56,294	56,294	56,294	56,294	63,754
Capacity	860	1,218	1,218	1,218	1,345	1,345	1,345	1,345	1,345	884
Enrollment	890	760	748	742	793	861	858	1,001	834	933
Southmayd (1936)										
Square feet	67,258	67,258	67,258	67,258	67,258	67,258	67,258	67,258	67,258	65,908
Capacity	773	773	773	773	701	701	701	701	701	937
Enrollment	711	698	739	764	728	700	649	661	636	689
Stevens (1952)										
Square feet	68,822	68,822	68,822	68,822	68,822	68,822	68,822	68,822	68,822	62,694
Capacity	815	815	815	815	682	682	682	682	682	727
Enrollment	776	655	627	656	646	642	693	656	648	665
Sutton (1958)										
Square feet	88,701	88,701	88,701	88,701	88,701	88,701	88,701	88,701	88,701	91,002
Capacity	1,233	1,233	1,233	1,233	1,370	1,370	1,370	1,370	1,370	902
Enrollment	1,148	1,060	1,029	1,047	1,126	1,133	1,053	1,049	1,007	1,028
Thompson (2006)										
Square feet	96,252	96,252	96,252	96,252	96,252	96,252	96,252	96,252	96,252	58,860
Capacity	816	816	816	816	1,047	1,047	1,047	1,047	1,047	568
Enrollment	552	561	619	620	659	618	640	624	615	700
Tijerina (1979)										
Square feet	35,771	35,771	35,771	35,771	35,771	35,771	35,771	35,771	35,771	61,360
Capacity	857	857	857	857	858	858	858	858	858	783
Enrollment	458	491	502	620	624	613	647	664	712	716
Tinsley (2001)										
Square feet	90,415	90,415	90,415	90,415	90,415	90,415	90,415	90,415	90,415	90,000
Capacity	815	815	815	815	757	757	757	757	757	815
Enrollment	780	812	700	705	739	761	741	675	691	742
Travis (2007)										
Square feet	86,530	86,530	86,530	86,530	86,530	86,530	86,530	86,530	86,530	43,135

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Capacity	734	734	669	669	674	674	674	674	674	557
Enrollment	723	755	733	729	734	724	726	690	654	610
Twain (2007)										
Square feet	83,634	83,634	83,634	83,634	83,634	83,634	83,634	83,634	83,634	86,000
Capacity	815	815	815	815	781	781	781	781	781	750
Enrollment	953	924	873	810	787	793	775	743	778	736
Valley West (1994)										
Square feet	84,763	84,763	84,763	84,763	84,763	46,763	46,763	46,763	46,763	32,165
Capacity	1,023	1,023	1,023	1,023	726	676	676	676	676	698
Enrollment	845	830	748	705	623	604	580	601	598	619
Wainwright (1962)										
Square feet	56,531	56,531	56,531	56,531	56,531	56,531	56,531	56,531	56,531	53,040
Capacity	824	824	824	824	699	699	699	699	699	599
Enrollment	722	751	835	760	794	760	701	689	649	652
Walnut Bend (2005)										
Square feet	114,707	114,707	114,707	114,707	114,707	114,707	114,707	114,707	114,707	37,204
Capacity	753	753	753	753	1,590	1,590	1,590	1,590	1,590	788
Enrollment	743	750	678	647	694	625	608	674	342	796
Wesley (1949)										
Square feet	73,580	73,580	73,580	73,580	73,580	73,580	73,580	73,580	73,580	79,720
Capacity	681	1,045	1,045	1,045	639	639	639	639	639	1,031
Enrollment	418	438	448	436	464	480	458	443	549	688
West University (1928)										
Square feet	99,423	99,423	99,423	99,423	99,423	99,423	99,423	99,423	99,423	87,337
Capacity	1,108	1,108	1,108	1,108	1,067	1,067	1,067	1,067	1,067	1,006
Enrollment	1,300	1,245	1,210	1,202	1,197	1,068	1,071	1,002	1,015	981
Wharton (1959) / Dual Language										
Square feet	32,310	32,310	32,310	32,310	32,310	32,310	32,310	32,310	32,310	32,986
Capacity	469	469	469	469	397	397	397	397	397	442
Enrollment	486	474	436	439	425	428	396	376	376	372
Whidby (1959)										
Square feet	46,870	46,870	46,870	46,870	49,942	49,942	49,942	49,942	49,942	49,519
Capacity	609	710	710	710	572	572	572	572	572	607
Enrollment	577	536	483	518	482	614	577	580	566	605
White (1966)										
Square feet	65,599	65,599	65,599	65,599	65,599	65,599	65,599	65,599	65,599	62,835
Capacity	806	522	522	522	920	920	920	920	920	742
Enrollment	871	851	824	811	813	795	746	726	761	808
Whittier (1959)										

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Square feet	46,154	46,154	46,154	46,154	46,154	46,154	46,154	46,154	46,154	45,590
Capacity	606	606	606	606	659	659	659	659	659	514
Enrollment	589	582	578	526	530	537	547	517	514	513
Wilson (1924) / Montessori										
Square feet	41,579	41,579	41,579	41,579	41,579	41,579	41,579	41,579	41,579	44,481
Capacity	539	539	508	508	471	471	471	471	471	499
Enrollment	520	501	502	500	489	459	447	417	430	413
Windsor Village (1960)										
Square feet	59,414	59,414	59,414	59,414	59,414	59,414	59,414	59,414	59,414	57,048
Capacity	913	967	967	967	892	892	892	892	892	762
Enrollment	781	748	745	755	750	790	800	770	767	742
Woodson (1966) / Middle										
Square feet	164,732	164,732	164,732	164,732	164,732	164,732	164,732	164,732	164,732	143,251
Capacity	1,310	1,870	1,870	1,870	2,258	2,258	2,258	2,258	2,258	1,498
Enrollment	904	891	798	772	686	792	847	996	1,231	1,031
Young, Ethel Mosley (1960)										
Square feet	45,447	45,447	45,447	45,447	45,447	45,447	45,447	45,447	45,447	47,248
Capacity	501	501	501	501	390	390	390	390	390	424
Enrollment	414	388	414	456	421	431	460	407	311	308
Middle										
Attucks (1953)										
Square feet	176,123	173,819	173,819	173,819	173,819	173,819	173,819	173,819	173,819	182,375
Capacity	1,144	1,144	1,144	1,144	898	898	898	898	898	857
Enrollment	483	459	445	446	506	581	650	735	865	879
Black (1957)										
Square feet	166,511	165,662	165,662	165,662	165,662	165,662	165,662	165,662	165,662	166,511
Capacity	1,238	1,238	1,238	1,238	935	935	935	935	935	1,000
Enrollment	932	840	714	536	490	547	559	577	682	708
Burbank (1950)										
Square feet	196,811	162,511	162,511	162,511	162,511	162,511	162,511	162,511	162,511	175,200
Capacity	1,988	1,988	1,988	1,988	1,406	1,406	1,406	1,406	1,406	1,547
Enrollment	1,424	1,422	1,418	1,417	1,261	1,214	1,170	1,198	1,240	1,302
Clifton (1979)										
Square feet	156,742	156,742	156,742	156,742	156,742	156,742	156,742	156,742	156,742	141,046
Capacity	1,163	1,163	1,163	1,163	992	992	992	992	992	996
Enrollment	919	919	987	1,009	1,001	1,044	1,075	1,070	1,119	1,169
Cullen (1955)										

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Square feet	158,851	158,581	158,581	158,581	158,581	158,581	158,581	158,581	158,581	158,838
Capacity	1,106	1,106	1,106	1,106	898	898	898	898	898	740
Enrollment	623	656	494	510	580	639	692	656	758	745
Deady (1929)										
Square feet	183,653	183,653	183,653	183,653	183,653	183,653	183,653	183,653	183,653	185,684
Capacity	1,388	1,388	1,388	1,388	1,267	1,267	1,267	1,267	1,267	1,200
Enrollment	775	861	898	880	872	975	1,015	1,018	1,160	1,159
Dowling (1968)										
Square feet	207,029	199,121	199,121	199,121	199,121	199,121	199,121	199,121	199,121	180,257
Capacity	1,800	1,800	1,800	1,800	1,824	1,824	1,824	1,824	1,824	1,187
Enrollment	1,208	1,129	1,188	1,335	1,301	1,432	1,534	1,661	1,845	1,911
Edison (1925)										
Square feet	143,758	143,758	143,758	143,758	143,758	143,758	143,758	143,758	143,758	146,844
Capacity	1,144	1,144	1,144	1,144	1,042	1,042	1,042	1,042	1,042	880
Enrollment	750	744	720	706	791	843	910	930	986	945
Fleming (1968)										
Square feet	179,515	179,515	179,515	179,515	179,515	179,515	179,515	179,515	179,515	161,888
Capacity	1,031	1,031	1,031	1,031	785	785	785	785	785	580
Enrollment	525	492	539	644	528	528	544	532	534	587
Fondren (1966)										
Square feet	161,421	158,349	158,349	158,349	158,349	158,349	158,349	158,349	158,349	172,923
Capacity	1,369	1,369	1,369	1,369	1,136	1,136	1,136	1,136	1,136	1,187
Enrollment	870	780	750	679	723	880	737	749	833	982
Fonville (1951)										
Square feet	162,228	162,228	162,228	162,228	162,228	162,228	162,228	162,228	162,228	149,355
Capacity	1,444	1,444	1,444	1,444	1,085	1,085	1,085	1,085	1,085	896
Enrollment	1047	1,111	1,088	1,045	1,080	1,081	1,119	1,124	1,177	1,158
Forest Brook (1972)										
Square feet	226,770	226,770	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	1,256	1,256	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	937	990	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Grady (1949)										
Square feet	94,746	94,746	94,746	94,746	64,902	64,902	64,902	64,902	64,902	56,680
Capacity	713	488	488	488	690	690	690	690	690	620
Enrollment	604	558	527	518	482	471	463	485	544	583
Hamilton (1919)										
Square feet	140,674	137,710	137,710	137,710	137,710	137,710	137,710	137,710	137,710	136,066
Capacity	1,125	1,125	1,125	1,125	1,020	1,020	1,020	1,020	1,020	957
Enrollment	1,223	1,253	1,269	1,307	1,390	1,378	1,346	1,324	1,287	1,288

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Hartman (2005)										
Square feet	222,606	222,606	222,606	222,606	222,606	222,606	222,606	222,606	222,606	214,755
Capacity	1,444	1,444	1,444	1,444	1,349	1,349	1,349	1,349	1,349	1,078
Enrollment	1,424	1,421	1,448	1,436	1,527	1,597	1,632	1,587	1,527	1,518
Henry (1965)										
Square feet	182,031	181,623	181,623	181,623	181,623	181,623	181,623	181,623	181,623	187,784
Capacity	1,200	1,200	1,200	1,200	1,179	1,179	1,179	1,179	1,179	780
Enrollment	896	939	975	983	1,004	1,026	1,065	1,075	1,098	1,147
HS Ahead / Hohl (1920)										
Square feet	54,936	54,888	54,888	54,888	54,888	54,888	54,888	54,888	54,888	44,523
Capacity	617	617	617	617	599	599	599	599	599	623
Enrollment	208	297	301	368	386	219	483	489	510	531
Hogg (1926)										
Square feet	177,148	177,148	176,380	176,380	176,380	176,380	176,380	176,380	176,380	134,163
Capacity	1,069	1,069	1,069	1,069	926	926	926	926	926	978
Enrollment	735	722	733	668	732	816	813	840	849	919
Holland (1980)										
Square feet	135,130	135,130	131,290	131,290	131,290	131,290	131,290	131,290	131,290	131,289
Capacity	994	994	994	994	875	875	875	875	875	799
Enrollment	719	675	698	696	749	771	797	808	809	836
Jackson (1925)										
Square feet	211,186	211,186	211,186	211,186	211,186	211,186	211,186	211,186	211,186	194,544
Capacity	1,632	1,632	1,632	1,632	1,235	1,235	1,235	1,235	1,235	1,079
Enrollment	901	931	1,015	985	912	893	957	995	1,068	1,150
Johnston (1959)										
Square feet	189,637	174,981	174,981	174,981	174,981	174,981	174,981	174,981	174,981	177,767
Capacity	2,063	2,063	2,063	2,063	1,294	1,294	1,294	1,294	1,294	1,171
Enrollment	1,744	1,676	1,619	1,501	1,486	1,426	1,357	1,362	1,351	1,407
Key (1957)										
Square feet	185,923	185,923	185,923	185,923	185,923	185,923	185,923	185,923	185,923	184,337
Capacity	1,294	1,294	1,294	1,294	1,033	1,033	1,033	1,033	1,033	779
Enrollment	705	654	483	518	485	543	585	602	722	818
Lanier (1926)										
Square feet	159,574	159,574	159,574	159,574	159,574	159,574	159,574	159,574	159,574	153,525
Capacity	1,276	1,276	1,276	1,276	1,155	1,155	1,155	1,155	1,155	1,117
Enrollment	1,348	1,396	1,391	1,341	1,347	1,336	1,319	1,297	1,328	1,300
Marshall, J. (1981)										
Square feet	212,645	212,645	212,645	212,645	212,645	212,645	212,645	212,645	212,645	192,596
Capacity	1,331	1,538	1,538	1,538	1,153	1,153	1,153	1,153	1,153	1,080

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Enrollment	889	960	952	950	1,013	964	941	908	1,027	1,102
McReynolds (1956)										
Square feet	133,056	130,392	130,392	130,392	130,392	130,392	130,392	130,392	130,392	125,719
Capacity	1,163	1,163	1,163	1,163	863	863	863	863	863	793
Enrollment	602	637	651	712	646	602	580	626	611	687
Ortiz (2002)										
Square feet	178,481	178,481	178,481	178,481	178,481	178,481	178,481	178,481	178,481	175,000
Capacity	1,313	1,313	1,313	1,313	1,126	1,126	1,126	1,126	1,126	1,200
Enrollment	1028	1,010	1,014	1,035	1,032	979	998	1,046	1,078	1,064
Pershing (2007)										
Square feet	226,410	240,234	240,234	240,234	240,234	240,234	240,234	240,234	240,234	208,512
Capacity	1,631	1,631	1,631	1,631	1,478	1,478	1,478	1,478	1,478	1,430
Enrollment	1,594	1,653	1,751	1,748	1,816	1,748	1,795	1,747	1,732	1,749
Pin Oak (2002)										
Square feet	233,081	233,081	233,081	233,081	233,081	233,081	233,081	233,081	233,081	174,500
Capacity	1,200	1,200	1,200	1,200	1,077	1,077	1,077	1,077	1,077	1,200
Enrollment	1,208	1,205	1,195	1,157	1,161	1,153	1,140	1,138	1,160	1,194
Revere (1980)										
Square feet	194,079	194,031	194,031	194,031	194,031	194,031	194,031	194,031	194,031	190,536
Capacity	1,294	1,294	1,294	1,294	1,295	1,295	1,295	1,295	1,295	953
Enrollment	1,264	1,221	1,108	940	883	873	834	1,015	1,115	1,360
Baylor College of Medicine / Ryan (1925)										
Square feet	133,488	113,447	113,447	113,447	113,447	113,447	113,447	113,447	113,447	116,780
Capacity	941	956	956	956	899	899	899	899	899	778
Enrollment	471	236	272	305	329	364	389	498	633	581
Stevenson (1994)										
Square feet	173,685	173,685	173,685	173,685	173,685	173,685	173,685	173,685	173,685	172,318
Capacity	1,388	1,388	1,388	1,388	1,156	1,156	1,156	1,156	1,156	1,172
Enrollment	1,319	1,386	1,420	1,374	1,396	1,386	1,329	1,232	1,215	1,213
Sugar Grove Academy (2009)										
Square feet	88,108	88,108	88,108	88,108	88,108	88,108	88,108	88,108	88,108	54,463
Capacity	902	902	902	902	796	796	796	796	796	378
Enrollment	839	739	717	920	429	443	213	420	444	508
Thomas (1968)										
Square feet	151,508	151,508	151,508	151,508	174,596	174,596	174,596	174,596	174,596	175,385
Capacity	956	1,294	1,294	1,294	869	869	869	869	869	840
Enrollment	504	492	531	531	545	570	651	621	730	829
Welch (1979)										
Square feet	156,530	156,530	156,530	156,530	156,530	156,530	156,530	156,530	156,530	160,681

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Capacity	1,726	1,726	1,726	1,726	1,331	1,331	1,331	1,331	1,331	1,240
Enrollment	884	919	926	995	1,099	1,159	1,176	1,286	1,369	1,338
West Briar (2002)										
Square feet	170,614	169,062	169,062	169,062	169,062	169,062	169,062	169,062	169,062	175,000
Capacity	1,181	1,181	1,181	1,181	1,106	1,106	1,106	1,106	1,106	1,499
Enrollment	1,022	1,158	1,257	1,359	1,347	1,310	1,316	1,383	1,306	1,369
Williams (1962)										
Square feet	163,107	163,107	163,107	163,107	163,107	163,107	163,107	163,107	163,107	136,192
Capacity	975	975	975	975	1,299	1,299	1,299	1,299	1,299	700
Enrollment	529	490	468	443	441	438	449	457	527	626
High										
Austin (1953)										
Square feet	314,157	314,157	314,157	314,157	314,157	314,157	314,157	314,157	314,157	302,429
Capacity	1,900	1,900	2,156	2,156	2,079	2,079	2,079	2,079	2,079	1,781
Enrollment	1,719	1,696	1,830	1,859	1,864	1,944	1,936	1,927	1,865	1,825
Bellaire (1955)										
Square feet	474,451	474,451	474,451	418,451	362,451	362,451	362,451	362,451	362,451	379,308
Capacity	2,906	2,906	2,906	2,906	2,801	2,801	2,801	2,801	2,801	2,433
Enrollment	3,550	3,604	3,520	3,476	3,466	3,377	3,447	3,361	3,392	3,456
Carnegie Vanguard (2002)										
Square feet	99,208	99,000	99,000	42,504	42,504	42,504	42,504	42,504	42,504	42,504
Capacity	600	600	600	656	525	525	525	525	525	525
Enrollment	598	608	590	523	458	426	399	371	349	310
Chavez (2000)										
Square feet	519,307	519,307	519,307	519,307	519,307	519,307	519,307	519,307	519,307	450,000
Capacity	2,213	2,213	2,213	2,213	2,082	2,082	2,082	2,082	2,082	2,600
Enrollment	3,103	2,988	2,831	2,856	2,757	2,770	2,612	2,375	2,480	2,361
Community Services / Chatham (1964)										
Square feet	47,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379
Capacity	0	N/A	N/A	N/A	429	429	429	429	429	429
Enrollment	93	114	N/A	N/A	2	11	N/A	N/A	N/A	198
Davis (1925)										
Square feet	267,110	264,038	264,038	264,038	264,038	264,038	264,038	264,038	264,038	199,909
Capacity	1,613	1,613	1,613	1,613	1,558	1,558	1,558	1,558	1,558	988
Enrollment	1,650	1,652	1,613	1,603	1,674	1,655	1,677	1,630	1,577	1,580
DeBailey (1980)										
Square feet	161,426	161,426	161,426	161,426	161,426	161,426	161,426	161,426	161,426	114,118

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Capacity	825	825	825	825	851	851	851	851	851	704
Enrollment	832	823	864	871	865	887	797	740	728	710
Eastwood Academy (1985)										
Square feet	40,391	28,823	28,823	28,823	28,823	28,823	28,823	28,823	28,823	23,500
Capacity	525	525	525	525	293	293	293	293	293	264
Enrollment	415	415	407	407	359	320	292	255	244	257
Furr (1961) / Reach										
Square feet	170,589	168,285	168,285	168,285	168,285	168,285	168,285	168,285	168,285	169,159
Capacity	1,407	1,407	1,407	1,407	1,384	1,384	1,384	1,384	1,384	1,239
Enrollment	964	1,274	1,194	1,160	1,167	1,278	1,224	893	940	1,025
Harper School / Kay-On-Going (1951)										
Square feet	53,605	42,826	42,826	42,826	42,826	42,826	42,826	42,826	42,826	42,826
Capacity	75	75	75	75	150	150	150	150	150	150
Enrollment	70	45	64	71	N/A	N/A	N/A	N/A	N/A	106
HS Performing Visual Arts (1980)										
Square feet	104,124	104,092	104,092	104,092	104,092	104,092	104,092	104,092	104,092	116,657
Capacity	751	751	751	751	863	863	863	863	863	460
Enrollment	707	699	690	687	655	638	651	647	664	678
HS Law Enforcement (1925)										
Square feet	102,862	102,694	102,694	102,694	102,694	102,694	102,694	102,694	102,694	98,329
Capacity	900	900	900	900	926	926	926	926	926	659
Enrollment	434	504	548	547	570	562	606	641	674	710
Houston Academy International / Jones, J.W. (1966)										
Square feet	53,761	52,255	52,255	52,255	52,255	52,255	52,255	52,255	52,255	52,571
Capacity	665	665	665	665	423	423	423	423	423	485
Enrollment	430	432	426	414	385	323	298	297	321	349
Houston, Sam MST (1955)										
Square feet	355,049	355,049	355,049	325,181	325,181	325,181	325,181	325,181	325,181	317,681
Capacity	3,412	3,412	3,412	3,412	3,047	3,047	3,047	3,047	3,047	2,442
Enrollment	2,346	2,614	2,533	2,653	2,613	2,599	2,384	2,507	2,540	2,678
Jones, J.H. (1958)										
Square feet	212,457	198,401	198,401	198,401	198,401	198,401	198,401	198,401	198,401	202,088
Capacity	1,425	1,425	1,425	1,425	1,278	1,278	1,278	1,278	1,278	540
Enrollment	175	512	594	653	663	788	829	846	902	1,011
Jordan, Barbara (1979)										
Square feet	287,903	287,615	287,615	287,615	287,615	287,615	287,615	287,615	287,615	248,092
Capacity	1,988	1,988	1,988	1,988	1,661	1,661	1,661	1,661	1,661	943
Enrollment	779	883	952	925	1,109	1,155	1,160	1,158	1,227	1,175
Kashmere (1968)										

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	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Square feet	204,032	202,496	202,496	202,496	202,496	202,496	202,496	202,496	202,496	179,458
Capacity	1,238	1,238	1,238	1,238	1,088	1,088	1,088	1,088	1,088	1,008
Enrollment	502	501	497	535	600	593	589	531	583	1,013
Lamar (1937)										
Square feet	279,700	279,700	279,700	279,700	279,700	279,700	279,700	279,700	279,700	285,765
Capacity	3,306	3,306	3,306	2,194	2,229	2,229	2,229	2,229	2,229	1,738
Enrollment	3,236	3,225	3,270	3,371	3,268	3,003	3,013	3,289	3,324	3,539
Lee (1962)										
Square feet	332,694	332,694	332,694	332,694	332,694	332,694	332,694	332,694	332,694	332,484
Capacity	2,981	2,981	2,981	2,981	2,523	2,523	2,523	2,523	2,523	1,818
Enrollment	1,464	1,362	1,418	1,609	1,691	1,891	1,928	1,924	2,000	2,179
Long Academy (1957)										
Square feet	178,671	177,135	177,135	177,135	177,135	177,135	177,135	177,135	177,135	174,414
Capacity	1,200	1,463	1,463	1,463	1,577	1,577	1,577	1,577	1,577	1,482
Enrollment	1,021	1,133	1,028	946	934	1,004	1,154	1,163	1,327	1,440
Las Americas (Sq. ft. Housed at Long Academy)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	413	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	305	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Madison (1965)										
Square feet	259,405	225,541	225,541	225,541	225,541	225,541	225,541	225,541	225,541	220,241
Capacity	2,044	2,044	2,044	2,044	1,875	1,875	1,875	1,875	1,875	1,529
Enrollment	1,723	2,005	2,033	2,027	2,213	2,289	2,373	2,349	2,492	2,403
Milby (1925)										
Square feet	389,342	389,342	389,342	389,342	389,342	389,342	389,342	389,342	389,342	387,603
Capacity	3,075	3,075	3,075	3,075	2,868	2,868	2,868	2,868	2,868	2,352
Enrollment	1,570	2,092	2,032	2,009	2,190	2,187	2,246	2,189	2,156	2,242
North Forest (1953)										
Square feet	307,050	307,050	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	1,725	1,725	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	954	1,044	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reagan, J.H. (1926)										
Square feet	360,372	360,372	360,372	360,372	360,372	360,372	360,372	360,372	360,372	231,857
Capacity	1,781	1,781	1,781	1,781	2,306	2,306	2,306	2,306	2,306	1,477
Enrollment	2,192	2,190	2,135	2,047	2,001	1,861	1,756	1,582	1,715	1,720
Scarborough (1968)										
Square feet	183,119	183,119	183,119	182,593	182,593	182,593	182,593	182,593	182,593	108,720
Capacity	1,482	1,482	1,482	1,482	1,032	1,032	1,032	1,032	1,032	984
Enrollment	673	670	1,065	1,028	753	828	736	788	869	948

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	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Sharpstown HS (1971) / Advanced Virtual Academy										
Square feet	201,355	195,195	195,195	195,195	195,195	195,195	195,195	195,195	195,195	239,747
Capacity	2,062	2,062	2,062	2,062	1,781	1,781	1,781	1,781	1,781	1,716
Enrollment	1,439	1,683	1,335	1,276	1,280	1,254	1,455	1,528	1,685	1,834
Sharpstown International School / MS (1969)										
Square feet	168,247	168,247	168,247	168,247	168,247	168,247	168,247	168,247	168,247	180,977
Capacity	1,350	1,350	1,350	1,350	1,406	1,406	1,406	1,406	1,406	1,253
Enrollment	1,010	1,068	1,008	973	973	1,000	927	1,074	1,125	1,211
Sterling (1965)										
Square feet	219,683	219,667	219,667	219,667	219,667	219,667	219,667	219,667	219,667	220,407
Capacity	1,537	1,537	1,537	1,537	1,397	1,397	1,397	1,397	1,397	1,247
Enrollment	973	830	938	939	1,090	1,086	1,081	1,141	1,118	1,114
Waltrip (1960)										
Square feet	264,979	264,659	264,659	264,659	264,659	264,659	264,659	264,659	264,659	282,264
Capacity	1,932	1,932	1,932	1,932	1,805	1,805	1,805	1,805	1,805	1,643
Enrollment	1,612	1,631	1,668	1,701	1,762	1,777	1,808	1,777	1,769	1,849
Washington (1959)										
Square feet	248,775	244,527	244,527	244,527	244,527	244,527	244,527	244,527	244,527	243,826
Capacity	1,931	1,931	1,931	1,931	1,652	1,652	1,652	1,652	1,652	1,362
Enrollment	653	773	831	823	907	960	903	966	1,075	1,155
Westbury (1961)										
Square feet	324,292	324,292	324,292	324,292	324,292	324,292	324,292	324,292	324,292	319,658
Capacity	2,644	2,644	2,644	2,644	2,263	2,263	2,263	2,263	2,263	1,438
Enrollment	2,026	2,083	2,101	2,219	2,160	2,116	2,010	1,955	2,099	2,445
Westside (2000)										
Square feet	448,776	448,776	448,776	448,776	448,776	448,776	448,776	448,776	448,776	450,500
Capacity	2,381	2,381	2,381	2,381	2,171	2,171	2,171	2,171	2,171	3,000
Enrollment	2,728	2,755	2,736	2,996	3,143	2,960	2,950	2,943	2,830	3,047
Wheatley (1950)										
Square feet	268,485	268,485	268,485	268,485	268,485	268,485	268,485	268,485	268,485	193,415
Capacity	1,144	1,144	1,144	1,144	976	976	976	976	976	1,036
Enrollment	715	860	902	1,007	1,080	1,086	1,166	1,248	1,168	902
Worthing (1962)										
Square feet	220,983	220,983	220,983	220,983	220,983	220,983	220,983	220,983	220,983	188,807
Capacity	1,707	1,707	1,707	1,707	1,470	1,470	1,470	1,470	1,470	1,288
Enrollment	631	641	728	812	935	1,023	1,024	1,023	1,030	1,088
Yates (1958)										
Square feet	289,881	289,881	289,881	289,881	289,881	289,881	289,881	289,881	289,881	291,221
Capacity	2,644	2,644	2,644	2,644	2,120	2,120	2,120	2,120	2,120	1,361

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Enrollment	935	935	972	966	1,329	1,320	1,337	1,333	1,339	1,359
Young Men's College Preparatory (Mickey Leland College Prep) / Crawford (1917)										
Square feet	66,092	134,926	134,926	134,926	134,926	134,926	134,926	134,926	134,926	145,022
Capacity	999	999	999	999	850	850	850	850	850	616
Enrollment	435	384	258	148	406	442	496	417	617	N/A
Young Women's College Preparatory / Contemporary LC (1925)										
Square feet	168,125	112,742	112,742	112,742	112,742	112,742	112,742	112,742	112,742	113,709
Capacity	1,257	1,257	1,257	1,257	926	926	926	926	926	635
Enrollment	497	497	354	211	581	755	691	522	687	504

NOTE: Information obtained from District records

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