



2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2017

Houston • Texas



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

Prepared by the Office of Finance

2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2017

Houston • Texas

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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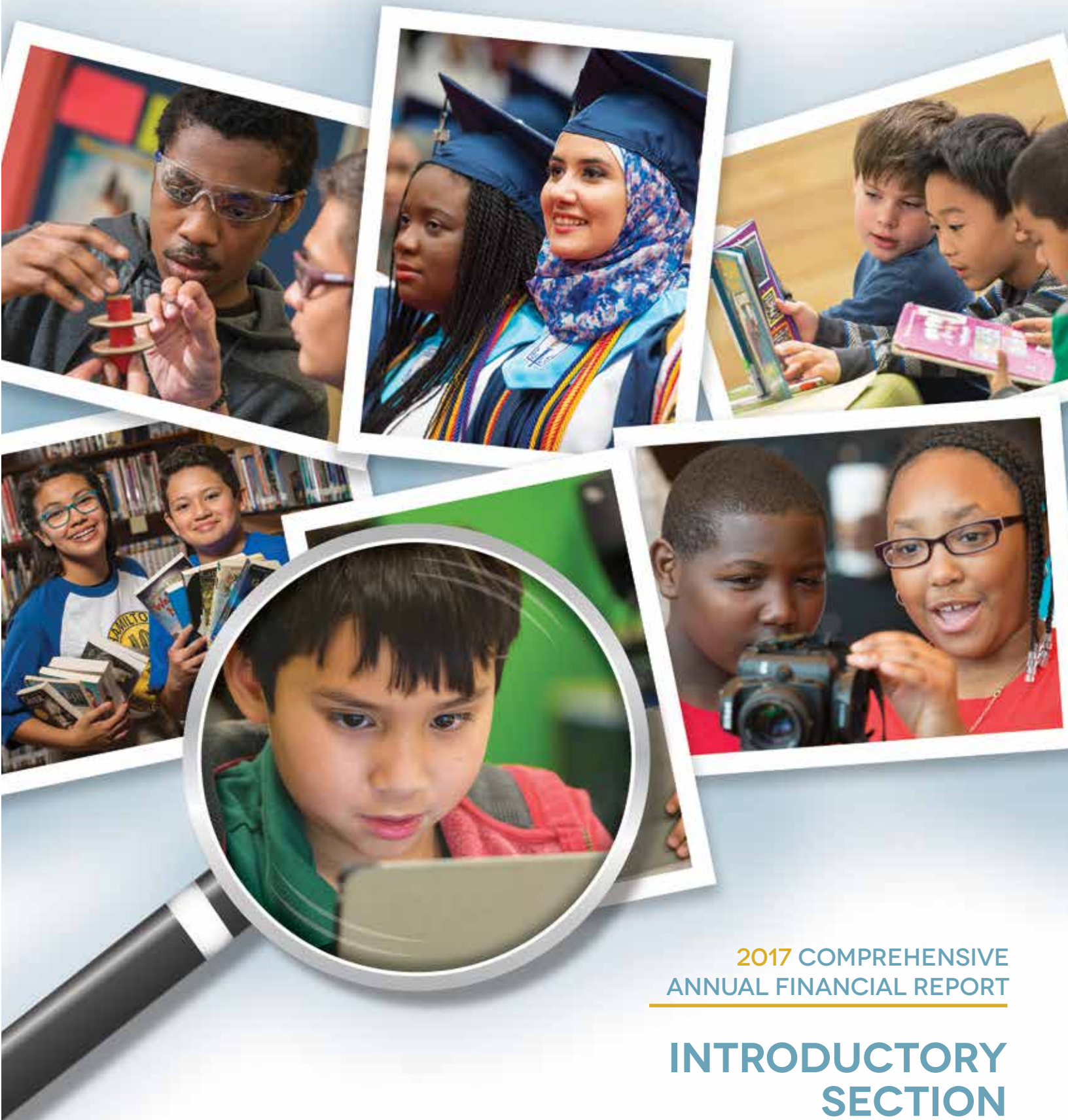
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2017 COMPREHENSIVE
ANNUAL FINANCIAL REPORT

INTRODUCTORY SECTION

CERTIFICATE OF BOARD

Houston Independent School District

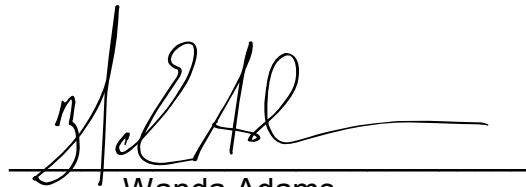
Harris County

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, 2017, at a meeting of the Board of Education of such school district on the 9th day of November 2017.



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



Wanda Adams
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

Richard A. Carranza
Superintendent of Schools

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

November 9, 2017

Members of the Board of Trustees and 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, 2017 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 the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The financial statements of the District have been audited by Deloitte & Touche LLP.

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.



Board of Education
November 9, 2017

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 216,000 students, is the seventh-largest public school system in the nation and the largest in Texas. The District encompasses 332 square miles within Harris County, Texas including 51% of the current geographic area of the City of Houston and all or part of four other cities or villages. HISD is an ethnically diverse district as 62.1 percent of all students are Hispanic, 23.4 percent are African-American, 8.6 percent are White, 3.9 percent are Asian and 2 percent are of other ethnicities. About 100 different languages are spoken by students throughout the District.

Houston Independent School District provides services through 287 schools, of which 10 are early childhood centers (pre-kindergarten for four year old students), 159 elementary schools (grades K-5), 37 middle schools (grades 6-8), 38 high schools (grades 9-12) and 43 combination/alternative sites. The average age of the District's schools is 48 years. 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.



Board of Education
November 9, 2017

ECONOMIC OUTLOOK

Houston is the largest city in Texas and the fourth largest city in the United States with a population of 2.3 million and 6.7 million people in the Houston metro area. Although Energy is still king, the area's economy is now also supported by other industries including the Port of Houston, the Texas Medical Center, and NASA's Johnson Space Center. Employment in the Houston-Woodlands-Sugar Land Metropolitan Statistical Area stood at 3,042,900 in July 2017, per the U.S. Bureau of Labor Statistics. In the Houston metropolitan area, 5 of 11 industry supersectors each added nearly 10,000 jobs or more from July 2016 to July 2017. The Houston Metropolitan Statistical Area is home to 24 Fortune 500 headquarters, ranking third among metro areas. Many other *Fortune 500* companies maintain U.S. administrative headquarters in Houston.

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 Uniform Guidance. 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 Single Audit reports are available in a separately issued document.

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

Board of Education
November 9, 2017

needs of the entire District. Budgetary control is maintained at the function level by organizational unit through the encumbrance of estimated purchase amounts to coincide with 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.



DeBakey High School (Opened June 1st 2017)

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. 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. All but one project is completed or under construction.

Board of Education
November 9, 2017

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, 2017, facilities acquisition and construction expenditures for the Capital Renovation Fund and the PFC amounted to \$602,553,403.



Delmar Fieldhouse (Opened February 10th 2017)

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.

For the first time, the Houston Independent School District became a “Chapter 41” or “Robin Hood” district under the current state finance system, whereby the District is considered property rich and required to equalize its wealth by sending funds back to the state. As of June 30, 2017, the District's “Chapter 41” expense was \$93 million. For the 2017-2018 fiscal year, the District has budgeted \$269 million.

Board of Education
November 9, 2017

INITIATIVES

The HISD Global Graduate Profile

With signature programs and schools with unprecedented connections to corporations in our city, our schools are preparing students to enter the global workforce. The journey from pre-K student to Global Graduate is supported every step of the way. The profile contains qualities to ensure that all students will develop and grow during their time in elementary, middle, and high school.

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. All of the elements of literacy — speaking, listening, reading, writing, and thinking — are supported through a rich curriculum.

Dual Language

HISD has 62 Dual Language programs which allow 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, Arabic, and Spanish.

Technology

High school students in HISD are learning on district-issued laptops they can use at school and at home. As a result, they are developing digital and interpersonal skills for the real world. The District launched the HUB, a K-12 online platform that is the center of collaboration, personalization, curriculum, instruction, and communication for HISD teachers and their students.

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. 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, 2016. This was the 44th 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

Board of Education
November 9, 2017

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, 2016. The District has received this award for 38 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.

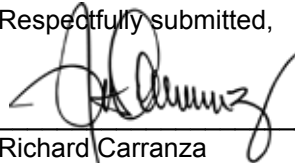
Board of Education
November 9, 2017

Acknowledgments

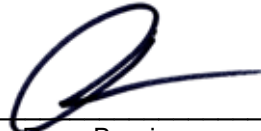
The preparation of this report on a timely basis could not be accomplished without the dedicated services of the entire staff of the District's Office of Finance. Also, we would like to express our appreciation to other departments, schools, and individuals who assisted in its preparation.

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.

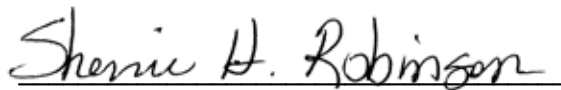
Respectfully submitted,



Richard Carranza
Superintendent of Schools



Dr. Rene Barajas
Chief Financial Officer



Sherrie H. Robinson
Controller



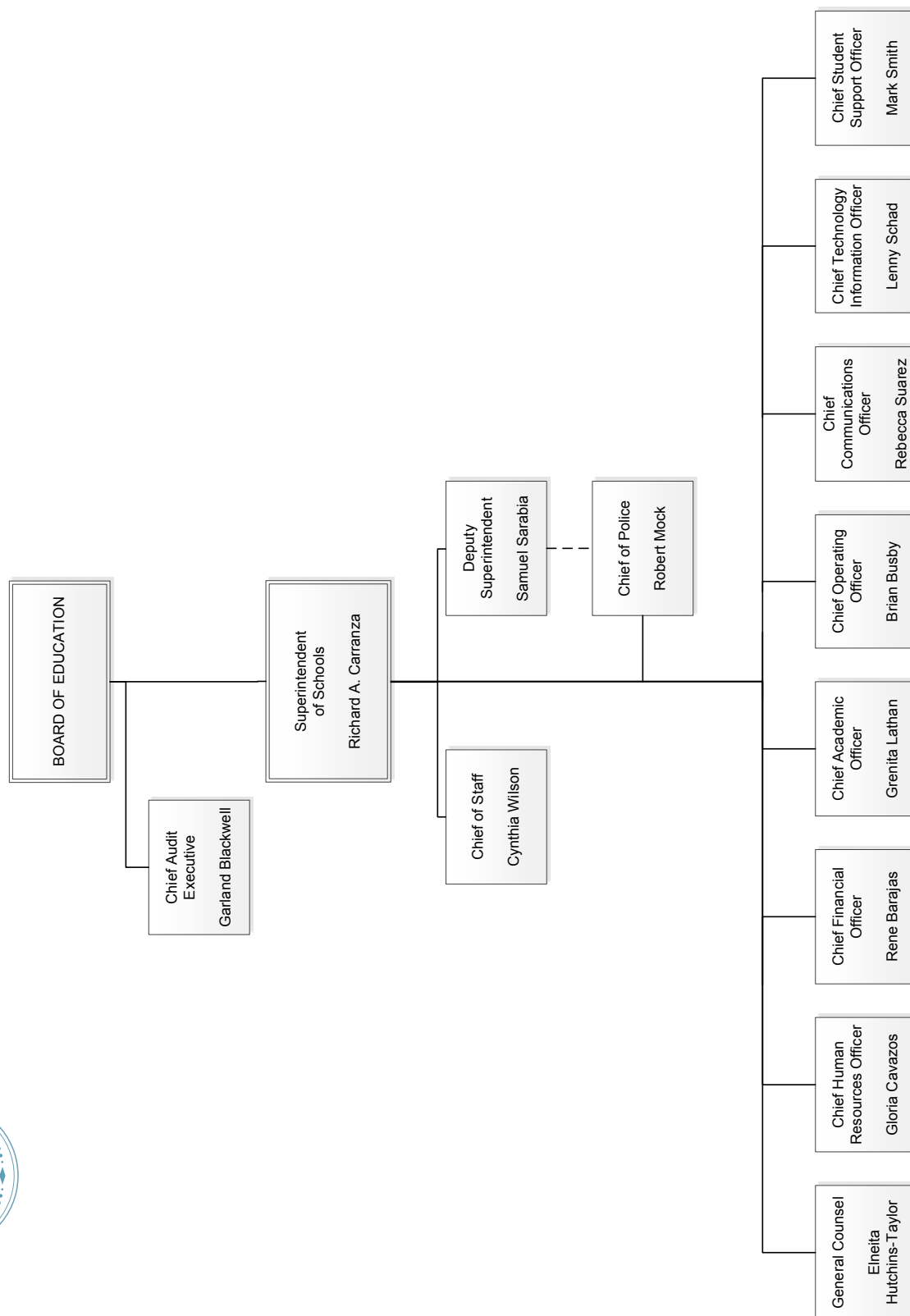
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HOUSTON INDEPENDENT SCHOOL DISTRICT

Organization, June 30, 2017





2017 HISD BOARD OF EDUCATION



Wanda Adams
President



Diana Dávilla
First Vice President



Jolanda Jones
Second Vice President



Rhonda Skillern-Jones
Secretary



Anne Sung
Assistant Secretary



Anna Eastman
Trustee



Manuel Rodriguez Jr.
Trustee



Michael L. Lunceford
Trustee



Holly Maria Flynn Vilaseca
Trustee



HOUSTON INDEPENDENT SCHOOL DISTRICT

Appointed Officials as of June 30, 2017

Richard A. Carranza	Superintendent of Schools
Sam Sarabia	Deputy Superintendent
Cynthia Wilson	Chief of Staff
Rene Barajas	Chief Financial Officer
Gloria Cavazos	Chief Human Resources Officer
Mark Smith	Chief Student Support Officer
Grenita Lathan	Chief Academic Officer
Lenny Schad	Chief Information Technology
Rebecca Suarez	Chief Communications Officer
Brian Busby	Chief Operating Officer
Elneita Hutchins-Taylor	General Counsel
Garland Blackwell	Chief Audit Executive
Matilda Orozco	Chief School Officer – North Area
Julia Dimmitt	Chief School Officer – Northeast Area
Steven Gutierrez	Chief School Officer – Northwest Area
Rolando Trevino	Chief School Officer – East Area
Erik Pruitt	Chief School Officer – South Area
Jorge Arredondo	Chief School Officer – West Area
Jocelyn Mouton	Chief School Officer – Southwest/Charters & Alternative Area



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Houston Independent School District

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.

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 'Anthony N. Dragona'.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso'.

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, 2016

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is fluid and cursive.

Executive Director/CEO



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2017 COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FINANCIAL
SECTION



FINANCIAL SECTION

2017 BASIC FINANCIAL
STATEMENTS



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USA
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Independent Auditor's 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, 2017, 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.

Auditor's 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, 2017, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2017 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.

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 Balance – 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, 77, 78, 79 and 80 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 was 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.

Deloitte & Touche LLP

November 9, 2017



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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, 2017. 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 and deferred outflows of the District exceeded the liabilities and deferred inflows by \$1.988 billion (net position). Of this amount, \$514 million is unrestricted to meet the ongoing obligations of the District.
- Total net position of the District increased from \$1.975 billion in fiscal year 2016 to \$1.988 billion in fiscal year 2017, an increase of approximately \$12 million.
- Total revenues decreased \$7 million from \$2.544 billion in fiscal year 2016 to \$2.537 billion in fiscal year 2017.
- The District's governmental funds financial statements reported a combined ending fund balance in fiscal year 2017 of \$1.878 billion, a decrease of \$39 million from fiscal year 2016.
- The debt obligations of the District that receive credit ratings are rated without regard to credit enhancement and received ratings of "AAA" by Moody's Investor Service Inc. and "AA+" by Standard and Poor's Financial Services LLC. Most general obligation debt receives an enhancement to "AAA" by virtue of a guarantee by the Texas Permanent School Fund Guarantee Program. Lease revenue debt issued by the Houston Independent School District's Public Facility Corporation received ratings of "Aa1" and "AA" by Moody's Investor Service Inc. and Standard and Poor's Financial Services LLC, respectively. Rating information referenced is as of the last rating reviews dated April 18, 2017.

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 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 and the internal service 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

<i>Type of Statements</i>	<i>Government-wide</i>	<i>Governmental Funds</i>	<i>Proprietary Funds</i>	<i>Fiduciary Funds</i>
<i>Scope</i>	All activities of the District (except fiduciary funds) and the District's component unit	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
<i>Required financial statements</i>	<ul style="list-style-type: none"> Statement of Net position Statement of Activities 	<ul style="list-style-type: none"> Balance Sheet Statement of Revenues, Expenditures & Changes in Fund Balances 	<ul style="list-style-type: none"> Statement of Net Position Statement of Revenues, Expenses and Changes in Fund Net Position Statement of cash flows 	<ul style="list-style-type: none"> Statement of Fiduciary Net Position
<i>Accounting basis and measurement focus</i>	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
<i>Type of asset/liability information</i>	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.
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	Not applicable to Agency Funds

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 \$1.988 billion at June 30, 2017. The District's governmental activities net position increased by \$16 million. The District's business-type activities net position decreased by \$4 million.

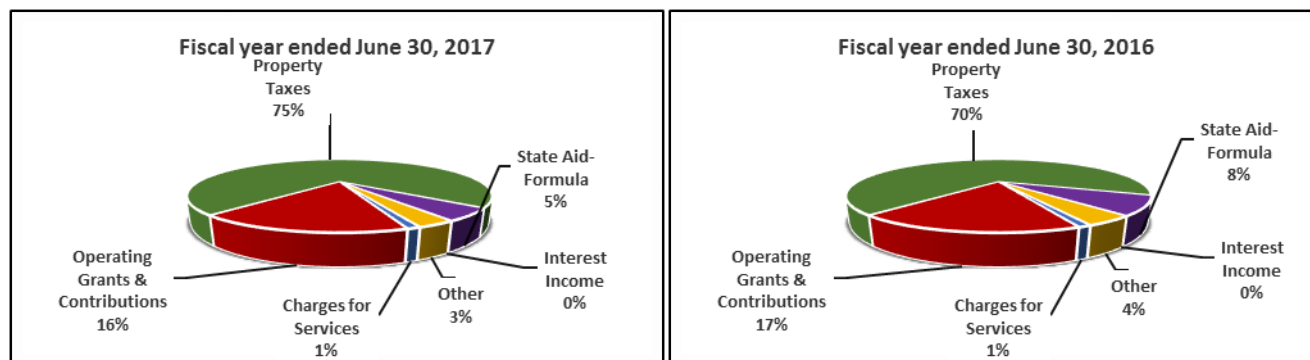
The District's Condensed Statement of Net Position
(in thousands of dollars)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>		<i>Difference</i>
	2017	2016	2017	2016	2017	2016	
Current and other assets	\$ 2,392,153	2,272,499	\$ 61,049	\$ 58,532	\$ 2,453,202	\$ 2,331,031	\$ 122,171
Capital assets	3,884,342	3,486,930	3,377	3,543	3,887,719	3,490,473	397,246
Total assets	6,276,495	5,759,429	64,426	62,075	6,340,921	5,821,504	519,417
Deferred outflows	381,776	154,716	13,158	5,993	394,934	160,709	234,225
Current liabilities	421,782	270,534	5,817	1,866	427,599	272,400	155,199
Long term liabilities	4,211,702	3,576,847	26,929	15,743	4,238,631	3,592,590	646,041
Total liabilities	4,633,484	3,847,381	32,746	17,609	4,666,230	3,864,990	801,240
Deferred Inflows	77,112	135,017	4,885	6,711	81,997	141,728	(59,731)
Net position:							
Net investment in capital assets							
assets	1,365,784	1,248,306	3,377	3,543	1,369,161	1,251,849	117,312
Restricted	97,427	78,989	7,311	5,268	104,738	84,258	20,480
Unrestricted	484,464	604,452	29,265	34,937	513,729	639,388	(125,659)
Total net position	\$ 1,947,675	\$ 1,931,747	\$ 39,953	\$ 43,748	\$ 1,987,628	\$ 1,975,495	\$ 12,133

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 \$1.369 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. The District's restricted net position of \$105 million represents resources that are subject to external restrictions on how they may be used. The remaining net position of \$514 million is unrestricted and may be used to meet the District's ongoing obligations.

Changes in net position. The District's total revenues were \$2.537 billion. A significant portion, approximately 75 percent, of the District's revenue is from property taxes. Operating grants and contributions provided 16 percent of revenue while 5 percent comes from state aid formula grants, and only 1 percent relates to charges for services. (See Figure A-2) The total cost of all programs and services was \$2.525 billion.

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



Governmental Activities

The net position of the District's governmental activities increased by \$16 million due primarily to increases in property tax revenues as a result of increasing property values. Funding for 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 \$2.383 billion.
- Some of the *governmental activities* cost was funded by program revenues directly attributable to specific activities. These program revenues amounted to \$260 million.
- The remaining cost of *governmental activities* not directly funded by program revenues was \$2.123 billion of which \$1.906 billion was funded by property taxes and \$117 million was funded by state aid which is not restricted to specific programs.

Business-type Activities

The net position of the District's business-type activities decreased by \$4 million which is primarily due to a \$5.8 million decrease in the Medicaid fund. This change is primarily the result of transfers to the general fund. Funding for 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 \$142 million.
- The specific program revenue directly attributable to specific activities was \$167 million.

HOUSTON INDEPENDENT SCHOOL DISTRICT

The District's Changes in Net Position

(in thousands of dollars)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>		
Revenues	2017	2016	2017	2016	2017	2016	Difference
Program Revenues							
Charges for services	\$ 2,816	\$ 2,438	\$ 17,214	\$ 15,300	\$ 20,030	\$ 17,738	\$ 2,292
Operating grants and contributions	257,063	284,607	150,103	143,418	407,166	428,025	(20,859)
General Revenues							
Property taxes	1,906,133	1,772,566	-	-	1,906,133	1,772,566	133,567
State aid - not restricted to specific programs	116,880	219,042	-	-	116,880	219,042	(102,162)
Earnings on investments	13,156	6,979	510	147	13,666	7,126	6,540
Other	72,683	96,895	746	3,209	73,429	100,104	(26,675)
Total revenues	<u>2,368,731</u>	<u>2,382,527</u>	<u>168,573</u>	<u>162,074</u>	<u>2,537,304</u>	<u>2,544,601</u>	<u>(7,297)</u>
Expenses							
Instruction	1,354,643	1,321,924	-	-	1,354,643	1,321,924	32,719
Instructional resources and media services	8,606	6,737	-	-	8,606	6,737	1,869
Instructional staff development	56,860	61,690	-	-	56,860	61,690	(4,830)
Curriculum development	-	9,683	-	-	-	9,683	(9,683)
Instructional leadership	41,415	31,045	-	-	41,415	31,045	10,370
School leadership	142,370	144,729	-	-	142,370	144,729	(2,359)
Guidance, counseling, and evaluation services	59,189	56,613	-	-	59,189	56,613	2,576
Social work services	3,680	3,667	-	-	3,680	3,667	13
Health services	21,970	21,657	-	-	21,970	21,657	313
Student transportation	67,016	60,617	-	-	67,016	60,617	6,399
Nutrition service	7	260	-	-	7	260	(253)
Co-curricular/extracurricular activities	20,826	19,065	-	-	20,826	19,065	1,761
General administration	45,509	36,675	-	-	45,509	36,675	8,834
Plant maintenance and operations	188,418	259,432	-	-	188,418	259,432	(71,014)
Security and monitoring services	26,353	26,591	-	-	26,353	26,591	(238)
Data processing services	87,199	93,903	-	-	87,199	93,903	(6,704)
Community services	7,856	7,124	-	-	7,856	7,124	732
Fiscal agent/member districts of shared services	2,912	2,261	-	-	2,912	2,261	651
Interest and fiscal charges	84,889	87,030	-	-	84,889	87,030	(2,141)
Juvenile justice alternative education program	792	792	-	-	792	792	0
Tax reinvestment zone payments	55,617	52,101	-	-	55,617	52,101	3,516
Tax appraisal and collection	13,995	13,356	-	-	13,995	13,356	639
Nutrition service	-	-	129,529	128,435	129,529	128,435	1,094
Other	-	-	12,439	12,732	12,439	12,732	(293)
Chapter 41\Purchase of WADA	93,081	-	-	-	93,081	-	93,081
Total expenses	<u>2,383,203</u>	<u>2,316,952</u>	<u>141,968</u>	<u>141,167</u>	<u>2,525,171</u>	<u>2,458,119</u>	<u>67,052</u>
Change in net position before transfers	(14,472)	65,575	26,605	20,907	12,133	86,482	(74,349)
Transfers	<u>30,400</u>	<u>30,400</u>	<u>(30,400)</u>	<u>(30,400)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	15,928	95,975	(3,795)	(9,493)	12,133	86,482	(74,349)
Beginning net position	<u>1,931,747</u>	<u>1,835,772</u>	<u>43,748</u>	<u>53,241</u>	<u>1,975,495</u>	<u>1,889,013</u>	<u>86,482</u>
Ending net position	<u>\$ 1,947,675</u>	<u>\$ 1,931,747</u>	<u>\$ 39,953</u>	<u>\$ 43,748</u>	<u>\$ 1,987,628</u>	<u>\$ 1,975,495</u>	<u>\$ 12,133</u>

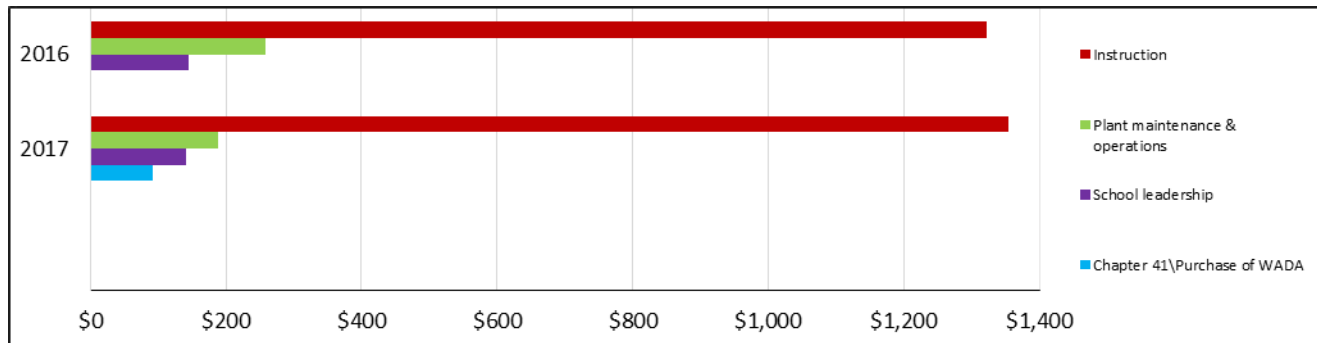
The following table presents the cost of the District's largest governmental functions as well as their related *net cost* (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars, state revenues, and other miscellaneous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

- Plant maintenance and operations decreased \$71 million from fiscal year 2016 due to less minor maintenance services and supplies purchased.
- Fiscal year 2017 was the first year of Chapter 41 payments; thus, an increase of \$93 million over the prior year.

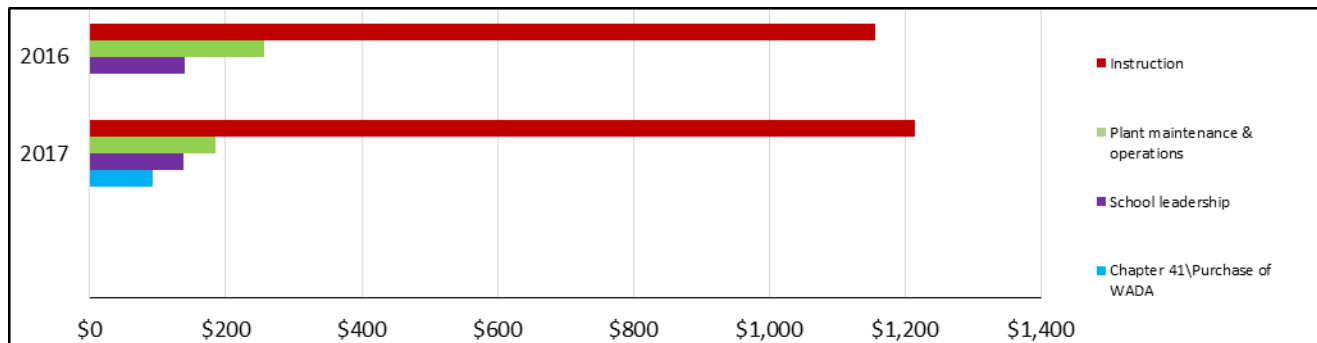
(in millions of dollars)

	Total Cost of Services		Net Cost of Services	
	2017	2016	2017	2016
Instruction	\$ 1,355	\$ 1,322	\$ 1,214	\$ 1,156
Plant maintenance & operations	188	259	185	256
School leadership	142	145	137	139
Chapter 41/Purchase of WADA	93	N/A	93	N/A

Total Cost of Services



Net Cost of Services



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds The District's accounting records for 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 governmental operations include the following major funds: General, Special Revenue, Debt Service, Capital Renovation, and the nonmajor governmental fund, Public Facility Corporation.

Revenues for governmental functions totaled \$2.33 billion (excluding other sources) for the fiscal year ended June 30, 2017, a decrease of .17 percent from the prior fiscal year. Property taxes were the largest source of revenue received by the District at 81.3 percent of total revenues.

Expenditures for governmental operations totaled \$3.55 billion during fiscal year 2017, an increase of 23.3 percent from fiscal year 2016. Increases in expenditures occurred in the functional areas of instructional resources and media services, instructional leadership, guidance, counseling and evaluation services, student transportation, general administration, plant maintenance and operations, community services, shared services arrangements, alternative education program, tax reinvestment zone payments, tax appraisal and collection, Chapter 41 payment, debt service, and capital outlay.

The General Fund is the primary operating fund of the District. The fund balance of the General Fund decreased \$36 million during the fiscal year primarily due to an overall increase in expenditures. At the end of the fiscal year, the unassigned fund balance of \$367 million represented 20 percent of the total General Fund expenditures, while total fund balance of \$702 million 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 fund balance increased \$2 million primarily due to increases in local grants received.

The Debt Service Fund has a total fund balance of \$129 million all of which is restricted for the payment of debt service. The net increase in fund balance during the period in the Debt Service Fund was \$6 million. The increase resulted from revenues, primarily tax related, exceeding debt service expenditures. 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, 2017 included all scheduled payments including payments due within 30 days of year end.

The Capital Renovation Fund has a total fund balance of \$982 million, all of which is restricted for facility construction programs. The fund balance increased by \$24 million due to the issuance of bonds.

The Capital Renovation Fund – Public Facility Corporation has a total fund balance of \$29 million, all of which is restricted for construction of three projects. The fund balance decreased by \$35 million due to expenditures for the construction projects.

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, 2017 was \$10 million. Of this amount, \$3 million represents the investment in capital assets with the remainder restricted for the nutrition service program.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget several times. As a result, actual expenditures were \$224.4 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:

- \$46.6 million budgeted for ERP projects that will continue into 2017-2018 and future years
- \$47.1 million budgeted for Chapter 41/ WADA payments due to formula adjustments
- \$18.7 million unspent funds budgeted to campuses
- \$36.5 million under budget in salaries due to staffing vacancies/adjustments

The 2016-17 final expenditure budget increased \$30.7 million over the prior year budget. This increase was due to \$140.1 million budgeted for Chapter 41/WADA payments which required decreases spread over most departments.

The final budgeted amount for revenues was \$1.817 billion. Actual revenues were under budget by \$24.8 million due to decreases in property taxes and state aid.

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 \$3.888 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 \$397 million over last year.

District's Capital Assets

(net of depreciation, in thousands of dollars)

	Governmental		Business-Type		Total		Total
	Activities		Activities		Total		Percentage
	2017	2016	2017	2016	2017	2016	Change
							2017-2016
Land	\$ 291,265	281,712	\$ -	-	\$ 291,265	281,712	3.39%
Buildings and Improvements	2,821,548	2,424,962	-	-	2,821,548	2,424,962	16.35%
Vehicles	38,056	34,726	1,276	1,349	39,332	36,075	9.03%
Furniture and Equipment	68,626	86,955	2,101	2,194	70,727	89,149	-20.66%
Construction in Progress	664,847	658,575	-	-	664,847	658,575	0.95%
Total	\$ 3,884,342	3,486,930	\$ 3,377	3,543	\$ 3,887,719	3,490,473	11.38%

As of June 30, 2017, the District had fully funded construction commitments of \$656 million. 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, 2017, the District had net bonded debt outstanding of \$3.395 billion. The District debt totals included \$503 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 2.05 percent, as compared to 2.01 percent last year.

On May 23, 2017 the District issued \$848,740,000 of general obligation debt. This debt issuance was comprised of \$360,070,000 in refunding bonds and \$488,670,000 in new bonded debt. The new par debt along with original issuance premium utilized \$360,070,000 of the remaining unissued debt from the 2012 voter authorization. On June 1, 2017 the District issued variable rate refunding bonds with a par value of \$149,955,000 in connection with the remarketing of previously issued variable rate debt. The Houston Independent School District Public Facility Corporation issued \$21,550,000 of lease revenue refunding bonds on June 29, 2017 fully refunding remaining bonds originally issued as lease revenue bonds in 2006.

Outstanding variable rate debt decreased by \$55.4 million compared to prior year ending balances as a result of redemptions through use of available debt service funds. Variable rate debt as a percentage of net bonded debt outstanding as of June 30, 2017 is 14.8 percent.

The District did not issue any maintenance tax notes in the year ended June 30, 2017. Maintenance notes refunded in the previous year have a balance of \$35,360,000 outstanding.

The District did not issue any contractual obligations during the year ended June 30, 2017. Contractual obligations, with a remaining balance of \$5,625,000 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, 2017, 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

The District's General Fund is funded primarily between local property taxes and state revenue. Through the state's funding formula, a school district receives a basic allotment for each student with weights added to that allotment if the student receives additional services such as special education, at-risk (state compensatory education) bilingual, gifted and talented, and career and technology. The District also receives other funds on top of student generated funding, such as the high school allotment, staff allotment, and transportation.

The 2017-2018 general fund budget, adopted in June 2017, included projected increases of \$76.8 million in property tax revenues and \$28.9 million in state funding. The state revenue projections are based on an estimated average daily attendance (ADA) of 194,728.832 or 268,971.603 based on a weighted average daily attendance (WADA). In May 2017, the 85th Legislature increased public education funding by \$307.8 million for the 2018-19 biennium.

Under the current funding system, the District has a hold harmless level called targeted revenue. With this system, the District is guaranteed a minimum amount of revenue per Weighted Average Daily Attendance (WADA), between property taxes and state aid. Chapter 41 of the Texas Education Code (TEC) makes provisions for certain school districts to share their local tax revenue with other school districts. The relative wealth of the school district is measured in terms of the taxable value of property that lies within the school district borders divided by the weighted average daily attendance (WADA). The provisions of Chapter 41 are sometimes referred to as the "share the wealth" or "Robin Hood" plan because districts subject to Chapter 41 of the TEC are required to share their wealth with other school districts. The funds that are distributed by Chapter 41 districts are "recaptured" by the school finance system to assist with the financing of public education for all school districts.

In 2016-2017 the District was considered property wealthy (Chapter 41 or “Robin Hood”) and was required to equalize its wealth by trading Foundation School Program Funding in the amount of \$93 million to equalize its wealth. In 2017-2018, the District will owe the state approximately \$228.9 million, thereby reducing the District’s wealth.

Actions of the 85th Legislature in 2017:

1. The basic allotment remained the same at \$5,140 for 2017-2018 and 2018-2019. This base amount is generated by every student in HISD.
2. The Equalized Wealth Level remained the same at \$514,000 for 2017-2018 and 2018-2019. This is the level at which a district becomes Chapter 41 (“Robin Hood”) and must send a portion of local property taxes to the state.
3. The Tier II (Austin Yield) changed to \$94.85 in 2017-2018 and \$106.37 in 2017-18. 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 upon approval by voters in November 2015.

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) 556-5500.



FINANCIAL EXCELLENCE
SUPPORTING
ACADEMIC SUCCESS

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**HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2017**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 6,577,948	\$ 3,510	\$ 6,581,458
Investments	2,187,350,344	54,773,110	2,242,123,454
Delinquent taxes receivable - net of estimated uncollectible taxes	44,277,437	-	44,277,437
Accounts receivable	117,798,569	26,333,918	144,132,487
Internal balances	24,240,985	(24,240,985)	-
Inventories	3,062,846	3,867,369	6,930,215
Other assets	8,844,753	311,685	9,156,438
Land	291,265,283	-	291,265,283
Construction in progress	664,846,952	-	664,846,952
Buildings and improvements	4,210,432,733	-	4,210,432,733
Furniture and equipment	186,422,409	4,075,445	190,497,854
Vehicles	126,207,856	3,622,691	129,830,547
Accumulated depreciation	(1,594,833,066)	(4,320,802)	(1,599,153,868)
Total assets	<u>6,276,495,049</u>	<u>64,425,941</u>	<u>6,340,920,990</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred losses on debt refundings	32,421,260	-	32,421,260
Deferred outflows related to TRS	349,355,179	13,158,430	362,513,609
	<u>381,776,439</u>	<u>13,158,430</u>	<u>394,934,869</u>
LIABILITIES			
Accounts payable	179,206,279	4,260,026	183,466,305
Accrued salaries and related expenses	104,836,609	931,743	105,768,352
Other liabilities	92,745,219	-	92,745,219
Unearned revenues	7,782,110	625,519	8,407,629
Interest payable	37,211,332	-	37,211,332
Long-term liabilities:			
Portion due or payable within one year:			
Bonds payable	222,891,490	-	222,891,490
Contractual obligations payable	2,825,000	-	2,825,000
Notes payable	5,225,000	-	5,225,000
Lease purchases	10,511,295	-	10,511,295
Accretion payable	2,495,607	-	2,495,607
Compensated absences payable	3,301,358	338,828	3,640,186
Claims payable	15,772,948	-	15,772,948
Portion due or payable after one year:			
Bonds payable	3,228,475,735	-	3,228,475,735
Contractual obligations payable	2,800,000	-	2,800,000
Notes payable	30,135,000	-	30,135,000
Lease purchases	6,231,059	-	6,231,059
Accretion payable	8,579,354	-	8,579,354
Compensated absences payable	31,186,356	108,605	31,294,961
Claims payable	3,459,488	-	3,459,488
Net Pension Liability (District's Share)	637,812,876	26,481,973	664,294,849
Total liabilities	<u>4,633,484,115</u>	<u>32,746,694</u>	<u>4,666,230,809</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to TRS	77,112,623	4,884,686	81,997,309
	<u>77,112,623</u>	<u>4,884,686</u>	<u>81,997,309</u>
NET POSITION			
Net investment in capital assets	1,365,783,744	3,377,334	1,369,161,078
Restricted for:			
Debt service	97,427,017	-	97,427,017
Nutrition services	-	7,310,854	7,310,854
Unrestricted	484,463,989	29,264,803	513,728,792
Total net position	<u>\$ 1,947,674,750</u>	<u>\$ 39,952,991</u>	<u>\$ 1,987,627,741</u>

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



FINANCIAL EXCELLENCE
SUPPORTING
ACADEMIC SUCCESS

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HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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	\$ 1,354,643,323	\$ 2,121,163	\$ 138,349,468	\$ (1,214,172,692)	-	\$ (1,214,172,692)
Instructional resources and media services	8,606,334	-	365,079	(8,241,255)	-	(8,241,255)
Instructional staff development	56,859,881	-	33,457,150	(23,402,731)	-	(23,402,731)
Instructional leadership	41,414,704	-	11,014,025	(30,400,679)	-	(30,400,679)
School leadership	142,369,897	-	5,055,779	(137,314,118)	-	(137,314,118)
Guidance, counseling, and evaluation services	59,189,470	-	15,696,074	(43,493,396)	-	(43,493,396)
Social work services	3,680,254	-	1,483,935	(2,196,319)	-	(2,196,319)
Health services	21,968,601	-	4,528,230	(17,440,371)	-	(17,440,371)
Student transportation	67,016,009	-	21,567,954	(45,448,055)	-	(45,448,055)
Food service	7,594	-	13,090	5,496	-	5,496
Co-curricular/extracurricular activities	20,825,642	400,260	2,540,476	(17,884,906)	-	(17,884,906)
General administration	45,509,427	-	2,705,951	(42,803,476)	-	(42,803,476)
Plant maintenance and operations	188,418,295	294,928	2,796,307	(185,327,060)	-	(185,327,060)
Security and monitoring services	26,353,998	-	981,714	(25,372,284)	-	(25,372,284)
Data processing services	87,198,668	-	8,181,639	(79,017,029)	-	(79,017,029)
Community services	7,855,726	-	5,414,134	(2,441,592)	-	(2,441,592)
Fiscal agent/member districts of shared services	2,911,732	-	2,911,732	-	-	-
Juvenile justice alternative education program	792,117	-	-	(792,117)	-	(792,117)
Tax reinvestment zone payments	55,616,783	-	-	(55,616,783)	-	(55,616,783)
Tax appraisal and collection	13,995,353	-	-	(13,995,353)	-	(13,995,353)
WADA-Chapter 41	93,080,703	-	-	(93,080,703)	-	(93,080,703)
Interest and fiscal charges	84,888,843	-	-	(84,888,843)	-	(84,888,843)
Total governmental activities	2,383,203,354	2,816,351	257,062,737	(2,123,324,266)	-	(2,123,324,266)
Business-type activities:						
Nutrition services	129,529,363	7,816,438	122,658,885	-	\$ 945,960	\$ 945,960
Business development	4,720,556	5,616,323	-	-	895,767	895,767
Medicaid	6,630,716	3,212,201	27,444,421	-	24,025,906	24,025,906
Marketplace	1,088,138	569,122	-	-	(519,016)	(519,016)
Total business-type activities	141,968,773	17,214,084	150,103,306	-	25,348,617	25,348,617
Total activities	\$ 2,525,172,127	\$ 20,030,435	\$ 407,166,043	(2,123,324,266)	25,348,617	(2,097,975,649)
General revenues:						
Taxes:						
Maintenance & operations property taxes				1,616,374,560	-	1,616,374,560
Debt service property taxes				289,758,068	-	289,758,068
State aid - not restricted to specific programs				116,880,152	-	116,880,152
Tax increment reinvestment zone				29,369,236	-	29,369,236
Unrestricted investment earnings				13,156,226	510,543	13,666,769
Miscellaneous				20,277,442	745,611	21,023,053
Gain/(Loss) sale of real or personal property				(10,252,446)	-	(10,252,446)
On-behalf State pension contribution-GASB 68				33,289,135	-	33,289,135
Transfers in (out)				30,400,000	(30,400,000)	-
Total general revenues and transfers				2,139,252,373	(29,143,846)	2,110,108,527
Change in net position				15,928,107	(3,795,229)	12,132,878
Net position—beginning				1,931,746,643	43,748,220	1,975,494,863
Net position—ending				\$ 1,947,674,750	\$ 39,952,991	\$ 1,987,627,741

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

**HOUSTON INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	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	\$ 6,548,962	-	-	-	\$ 28,986	\$ 6,577,948
Investments	530,152,481	119,772,046	133,828,451	1,314,259,052	34,062,855	2,132,074,885
Delinquent taxes receivable - net of estimated uncollectible taxes	38,989,907	-	5,287,530	-	-	44,277,437
Accounts receivable	42,607,205	53,480,534	2,387,859	19,081,161	-	117,556,759
Due from other funds	358,576,834	-	1,181,387	-	-	359,758,221
Inventories	3,062,846	-	-	-	-	3,062,846
Other assets	8,516,809	114,381	9,757	180,464	23,342	8,844,753
Total assets	<u>\$ 988,455,044</u>	<u>\$ 173,366,961</u>	<u>\$ 142,694,984</u>	<u>\$ 1,333,520,677</u>	<u>\$ 34,115,183</u>	<u>\$ 2,672,152,849</u>
LIABILITIES						
Accounts payable	\$ 57,088,589	10,737,440	6,635	109,762,152	\$ 5,605,490	\$ 183,200,306
Debt service payable	-	-	8,388,967	-	-	8,388,967
Accrued salaries and expenditures	104,399,474	354,373	-	81,620	-	104,835,467
Other liabilities	84,356,252	-	-	-	-	84,356,252
Due to other funds	-	117,446,036	-	241,782,790	-	359,228,826
Unearned revenues	-	7,770,662	-	-	-	7,770,662
Total liabilities	<u>245,844,315</u>	<u>136,308,511</u>	<u>8,395,602</u>	<u>351,626,562</u>	<u>5,605,490</u>	<u>747,780,480</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	39,282,578	-	5,262,709	-	-	44,545,287
Other deferred resource inflows	1,479,472	-	-	-	-	1,479,472
Total deferred inflows of resources	<u>40,762,050</u>	<u>-</u>	<u>5,262,709</u>	<u>-</u>	<u>-</u>	<u>46,024,759</u>
FUND BALANCES						
Nonspendable	10,115,337	-	-	-	-	10,115,337
Restricted	-	37,058,450	129,036,673	921,555,203	28,509,693	1,116,160,019
Committed	102,364,840	-	-	7,922,067	-	110,286,907
Assigned	222,413,318	-	-	52,416,845	-	274,830,163
Unassigned	366,955,184	-	-	-	-	366,955,184
Total fund balances	<u>701,848,679</u>	<u>37,058,450</u>	<u>129,036,673</u>	<u>981,894,115</u>	<u>28,509,693</u>	<u>1,878,347,610</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 988,455,044</u>	<u>\$ 173,366,961</u>	<u>\$ 142,694,984</u>	<u>\$ 1,333,520,677</u>	<u>\$ 34,115,183</u>	<u>\$ 2,672,152,849</u>

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, 2017**

Total Fund Balances— Governmental Funds **\$ 1,878,347,610**

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 \$5,479,175,233 and the accumulated depreciation is \$1,594,833,066.	3,884,342,167
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.	46,024,759
Various internal service fund noncurrent assets included in the proprietary funds statement of net position.	(2,273,599)
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.	57,532,068
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	\$ (3,185,651,656)
Accretion of interest payable	(11,074,961)
Contractual obligations payable	(2,800,000)
Notes payable	(30,135,000)
Compensated absences payable	(34,157,290)
Lease purchases payable	(16,742,354)
Premium on bonds payable	(265,715,569)
	(3,546,276,830)
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.	(36,872,365)
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.	32,421,260
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	\$ (637,812,876)
Deferred resource inflow related to TRS	(77,112,623)
Deferred resource outflow related to TRS	349,355,179
Decrease in Net Position	(365,570,320)
Total Net Position of Governmental Activities	\$ <u>1,947,674,750</u>

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, 2017**

	MAJOR			NONMAJOR		Total Governmental Funds
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Renovation Fund - PFC	Capital Renovation Fund - PFC	
REVENUES						
Property taxes	\$ 1,605,550,897	-	287,771,745	-	-	\$ 1,893,322,642
Earnings on investments	5,312,450	-	769,166	239,252	-	12,674,863
Miscellaneous local sources	14,717,701	12,951,715	-	-	-	55,920,082
State sources	159,777,752	19,591,236	2,924,206	-	-	182,293,194
Federal sources	6,988,840	171,296,701	7,089,724	-	-	185,375,265
Total revenues	<u>1,792,347,640</u>	<u>203,839,652</u>	<u>298,554,841</u>	<u>239,252</u>	<u>239,252</u>	<u>2,329,586,046</u>
EXPENDITURES						
Current						
Instruction	985,581,537	113,456,241	-	-	-	1,099,037,778
Instructional resources and media services	8,734,256	228,899	-	-	-	8,963,155
Instructional staff development	21,080,905	33,080,183	-	-	-	54,161,088
Instructional leadership	22,841,523	10,510,608	-	-	-	33,352,131
School leadership	130,464,557	1,609,913	-	-	-	132,074,470
Guidance, counseling and evaluation services	40,486,806	15,069,639	-	-	-	55,556,445
Social work services	1,990,502	1,439,887	-	-	-	3,430,389
Health services	17,186,897	4,101,408	-	-	-	21,288,305
Student transportation	65,865,235	4,831,726	-	-	-	70,696,961
Food services	-	13,090	-	-	-	13,090
Co-curricular/extracurricular activities	16,043,694	2,345,272	-	-	-	18,388,966
General administration	40,722,954	1,884,735	-	-	-	42,607,689
Plant maintenance and operations	181,129,238	813,453	-	-	-	181,942,691
Security and monitoring services	24,459,246	382,545	-	-	-	24,841,791
Data processing services	69,999,727	3,362,448	-	-	-	73,362,175
Community services	2,111,054	5,368,558	-	-	-	7,479,612
Fiscal agent/member districts of shared services arrangements	-	2,911,732	-	-	-	2,911,732
Juvenile justice alternative education program	792,117	-	-	-	-	792,117
Tax reinvestment zone payments	55,616,783	-	-	-	-	55,616,783
Tax appraisal and collection	13,995,353	-	-	-	-	13,995,353
Chapter 41/Purchase of WADA	93,080,703	-	-	-	-	93,080,703
Debt service	-	-	-	-	-	-
Principal	13,236,011	-	201,798,482	-	-	215,034,493
Interest	905,859	-	129,538,154	-	-	130,444,013
Fiscal charges	-	-	2,808,883	-	-	2,808,883
Payments to escrow agents - current refunding	-	-	601,759,534	-	-	601,759,534
Capital outlay	-	-	-	-	-	-
Facilities acquisition and construction	732,839	28,445	-	566,868,571	35,684,832	603,314,687
Total expenditures	<u>1,807,057,796</u>	<u>201,438,582</u>	<u>935,905,053</u>	<u>566,868,571</u>	<u>35,684,832</u>	<u>3,546,954,834</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,710,156)</u>	<u>2,401,070</u>	<u>(637,350,212)</u>	<u>(532,263,910)</u>	<u>(35,445,580)</u>	<u>(1,217,368,788)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	30,400,000	-	39,086,060	28,000,000	-	97,486,060
Transfers out	(52,649,042)	-	-	(14,437,018)	-	(67,086,060)
Issuance of bonds and other debt	-	-	-	488,670,000	-	488,670,000
Issuance of refunding debt	-	-	531,575,000	-	-	531,575,000
Premium on the sale of bonds	-	-	-	53,599,739	-	53,599,739
Premium on the sale of refunding bonds	-	-	72,600,830	-	-	72,600,830
Capital leases	562,012	-	-	-	-	562,012
Proceeds from sale of capital assets	-	-	-	484,960	-	484,960
Total other financing sources (uses)	<u>(21,687,030)</u>	<u>-</u>	<u>643,261,890</u>	<u>556,317,681</u>	<u>-</u>	<u>1,177,892,541</u>
Net change in fund balances	<u>(36,397,186)</u>	<u>2,401,070</u>	<u>5,911,678</u>	<u>24,053,771</u>	<u>(35,445,580)</u>	<u>(39,476,247)</u>
Fund balances--beginning	<u>738,245,865</u>	<u>34,657,380</u>	<u>123,124,995</u>	<u>957,840,344</u>	<u>63,955,273</u>	<u>1,917,823,857</u>
Fund balances--ending	<u>\$ 701,848,679</u>	<u>\$ 37,058,450</u>	<u>\$ 129,036,673</u>	<u>\$ 981,894,115</u>	<u>\$ 28,509,693</u>	<u>\$ 1,878,347,610</u>

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, 2017**

Total Net Change in Fund Balances—Governmental Funds \$ (39,476,247)

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	602,553,403	
Other Acquisitions and disposals	(68,246,926)	
Depreciation expense	<u>(136,894,313)</u>	397,412,164

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	(231,521,519)	
Contractual obligations payable	2,825,000	
Notes payable	5,225,000	
Amortization of premium on bonds payable	(82,204,677)	
Lease purchase payable, net	12,673,999	
Accretion payable, net	<u>5,715,453</u>	(287,286,744)

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.	3,902,066
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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 other deferred revenues decreased by this amount.	12,840,843
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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.	3,803,536
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The net effect of various miscellaneous transactions involving capital assets having the effect of decreasing net assets.	(33,108)
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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 exceeded the compensated absences used.	3,031,365
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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.	(6,059,031)
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GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of 8/31/2016 caused the change in the ending net position to increase in the amount of \$42,585,645. Contributions made before the measurement but during the 2017 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 \$6,627,067. 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 FY2017 was \$72,980,387 and the amount de-expended for the net deferred resource inflow recognized by TRS in the measurement period was \$46,739,722. This caused a net increase in the change in net position of \$119,720,109. Amortization of the deferred resource outflows and inflows in FY 2017 was \$47,090,671 and \$58,903,357, respectively. The contributions difference for measurement period was \$13,566,391. The net of these caused a decrease in \$1,699,340. The impact of these adjustments is to decrease the change in net position by \$72,206,737.

(72,206,737)

Change in Net Position of Governmental Activities \$ 15,928,107

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, 2017**

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Nutrition Services Fund	Nonmajor Enterprise Funds	Totals	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,760	\$ 750	\$ 3,510	\$ -
Investments	42,799,359	11,973,751	54,773,110	55,275,459
Receivables	3,679,743	22,654,175	26,333,918	225,161
Due from other funds	-	348,450	348,450	34,327,794
Accrued interest	-	-	-	16,649
Inventories	3,816,789	50,580	3,867,369	-
Other assets	311,685	-	311,685	-
Total current assets	<u>50,610,336</u>	<u>35,027,706</u>	<u>85,638,042</u>	<u>89,845,063</u>
Noncurrent assets:				
Buildings and improvements	-	-	-	2,146,578
Furniture and equipment	3,624,773	450,672	4,075,445	679,580
Vehicles	3,622,691	-	3,622,691	198,846
Less accumulated depreciation	<u>(4,056,342)</u>	<u>(264,460)</u>	<u>(4,320,802)</u>	<u>(751,405)</u>
Total noncurrent assets	<u>3,191,122</u>	<u>186,212</u>	<u>3,377,334</u>	<u>2,273,599</u>
Total assets	<u>53,801,458</u>	<u>35,213,918</u>	<u>89,015,376</u>	<u>92,118,662</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to TRS	13,158,430	-	13,158,430	-
	<u>13,158,430</u>	<u>-</u>	<u>13,158,430</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	3,222,204	1,037,822	4,260,026	4,394,940
Due to other funds	19,974,720	5,727,137	25,701,857	9,503,782
Accrued salaries payable	929,634	2,109	931,743	1,142
Compensated absences payable	282,828	56,000	338,828	82,606
Claims and judgments payable	-	-	-	15,772,948
Unearned Revenues	625,519	-	625,519	11,448
Total current liabilities	<u>25,034,905</u>	<u>6,823,068</u>	<u>31,857,973</u>	<u>29,766,866</u>
Noncurrent liabilities:				
Compensated absences payable	56,348	52,257	108,605	247,818
Claims and judgments payable	-	-	-	3,459,488
Net Pension Liability (District's Share)	26,481,973	-	26,481,973	-
Total noncurrent liabilities	<u>26,538,321</u>	<u>52,257</u>	<u>26,590,578</u>	<u>3,707,306</u>
Total liabilities	<u>51,573,226</u>	<u>6,875,325</u>	<u>58,448,551</u>	<u>33,474,172</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to TRS	4,884,686	-	4,884,686	-
	<u>4,884,686</u>	<u>-</u>	<u>4,884,686</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	3,191,122	186,212	3,377,334	2,273,599
Restricted for:				
Nutrition Service	7,310,854	-	7,310,854	-
Unrestricted	-	28,152,381	28,152,381	56,370,891
Total net position	<u>\$ 10,501,976</u>	<u>\$ 28,338,593</u>	<u>\$ 38,840,569</u>	<u>\$ 58,644,490</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.

1,112,422

Net position of business-type activities

\$ 39,952,991

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, 2017**

	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	\$ 7,816,438	\$ 569,122	\$ 8,385,560	\$ 23,433,803
Consulting Services	-	8,828,524	8,828,524	-
Charges to employees and other funds	-	-	-	136,610,820
Miscellaneous	63,319	682,292	745,611	7,062,025
Total operating revenues	<u>7,879,757</u>	<u>10,079,938</u>	<u>17,959,695</u>	<u>167,106,648</u>
OPERATING EXPENSES:				
Payroll costs	53,282,093	2,453,217	55,735,310	13,603,961
Purchased and contracted services	10,121,662	8,442,778	18,564,440	8,038,578
Supplies and materials	59,835,158	972,704	60,807,862	2,181,386
Other operating expenses	4,721,596	489,721	5,211,317	1,829,057
Claims and judgments	-	-	-	147,983,254
Depreciation	1,052,721	80,990	1,133,711	194,385
Total operating expenses	<u>129,013,230</u>	<u>12,439,410</u>	<u>141,452,640</u>	<u>173,830,621</u>
Operating income (loss)	<u>(121,133,473)</u>	<u>(2,359,472)</u>	<u>(123,492,945)</u>	<u>(6,723,973)</u>
NONOPERATING REVENUES (EXPENSES):				
Earnings on investments	312,024	198,519	510,543	450,508
Gain (Loss) on sale of assets	-	-	-	(301,700)
Grants from federal agencies:				
Child nutrition program	107,814,878	-	107,814,878	-
Donated commodities	7,399,764	-	7,399,764	-
Child and Adult Care Program	2,174,821	-	2,174,821	-
Summer food program	3,629,092	-	3,629,092	-
School health services (SHARS)	-	27,444,421	27,444,421	-
State matching and other	1,640,330	-	1,640,330	-
Total nonoperating revenue	<u>122,970,909</u>	<u>27,642,940</u>	<u>150,613,849</u>	<u>148,808</u>
Income (loss) before transfers	1,837,436	25,283,468	27,120,904	(6,575,165)
Transfers out	<u>-</u>	<u>(30,400,000)</u>	<u>(30,400,000)</u>	<u>-</u>
Change in net position	1,837,436	(5,116,532)	(3,279,096)	(6,575,165)
Total net position—beginning	8,664,540	33,455,125	-	65,219,655
Total net position—ending	<u>\$ 10,501,976</u>	<u>\$ 28,338,593</u>	<u>-</u>	<u>\$ 58,644,490</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.

(516,133)

Change in net position of business-type activities

\$ (3,795,229)

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, 2017**

	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	\$ 7,653,061	\$ 8,754,051	\$ 16,407,112	\$ 130,209,455
Receipts from other funds	301,607	-	301,607	-
Other receipts	9,672,228	-	9,672,228	7,113,495
Payments to suppliers	(63,964,159)	(3,310,424)	(67,274,583)	(12,284,815)
Payments to employees	(39,107,941)	(2,571,687)	(41,679,628)	(14,247,767)
Payments to other funds	-	-	-	9,503,782
Claims paid	-	-	-	(150,875,502)
Other payments	-	-	-	(301,700)
Net cash (used in) provided by operating activities	<u>(85,445,204)</u>	<u>2,871,940</u>	<u>(82,573,264)</u>	<u>(30,883,052)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Child nutrition program	107,814,878	-	107,814,878	-
State matching and other	575,351	-	575,351	-
Summer food program	3,629,092	-	3,629,092	-
Receipts from SHARS	-	27,444,421	27,444,421	-
Transfers to other funds	-	(30,400,000)	(30,400,000)	-
Net cash (used in) provided by noncapital financing activities	<u>112,019,321</u>	<u>(2,955,579)</u>	<u>109,063,742</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(847,598)	(120,082)	(967,680)	(227,493)
Net cash used in capital and related financing activities	<u>(847,598)</u>	<u>(120,082)</u>	<u>(967,680)</u>	<u>(227,493)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(139,529,135)	(35,678,522)	(175,207,657)	(165,066,350)
Proceeds from sales and maturities of investments	113,382,269	34,991,527	148,373,796	195,468,701
Interest and dividends	312,024	198,519	510,543	450,508
Net cash (used in) provided by investing activities	<u>(25,834,842)</u>	<u>(488,476)</u>	<u>(26,323,318)</u>	<u>30,852,859</u>
Net (decrease) in cash and cash equivalents	(108,323)	(692,197)	(800,520)	(257,686)
Balances—beginning of the year	111,083	692,947	804,030	257,686
Balances—end of the year	<u>\$ 2,760</u>	<u>\$ 750</u>	<u>\$ 3,510</u>	<u>\$ -</u>
Reconciliation of operating loss to net cash used in operating activities:				
Operating loss	\$ (121,133,473)	\$ (2,359,472)	\$ (123,492,945)	\$ (6,723,973)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation expense	1,052,721	80,990	1,133,711	194,385
Donated commodities	7,399,764	-	7,399,764	-
CACFP	2,174,821	-	2,174,821	-
Change in assets and liabilities:				
Allowances - fair value of investments	-	-	-	14,914
Receivables	(163,376)	(1,325,887)	(1,489,263)	(43,799)
Inventories and other assets	442,374	(21,419)	420,955	-
Accounts payables	271,882	666,463	938,345	(694,891)
Due from other funds	301,607	229,986	531,593	(29,377,186)
Accrued interest	-	-	-	36,557
Due to other funds	19,974,720	5,719,747	25,694,467	9,503,781
Accrued salaries payable	918,926	(97,571)	821,355	(485,492)
Compensated absences payable	(94,492)	(20,897)	(115,389)	(183,713)
Current portion of claims and judgments	-	-	-	(1,746,423)
Other long term claims and judgments	-	-	-	(1,145,825)
Pension expense	3,374,998	-	3,374,998	-
Deferred outflows related to TRS	(7,165,691)	-	(7,165,691)	-
Deferred inflows related to TRS	(1,826,004)	-	(1,826,004)	-
Change in net pension liabilities	8,991,695	-	8,991,695	-
Other	34,324	-	34,324	(231,387)
Net cash (used) provided by operating activities	<u>\$ (85,445,204)</u>	<u>\$ 2,871,940</u>	<u>\$ (82,573,264)</u>	<u>\$ (30,883,052)</u>

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



FINANCIAL EXCELLENCE
SUPPORTING
ACADEMIC SUCCESS

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**HOUSTON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017**

	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 4,050
Investments	6,562,940	27,285,938
Accounts receivable	-	4,491
Total assets	<u>6,562,940</u>	<u>\$ 27,294,479</u>
LIABILITIES		
Accounts payable	804,716	11,919,911
Accrued salaries payable	-	14,412
Due to student/administrative groups	-	15,360,156
Total liabilities	<u>804,716</u>	<u>\$ 27,294,479</u>
NET POSITION		
Held in trust for scholarships	<u>5,758,224</u>	
Total net position	<u>\$ 5,758,224</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, 2017**

	Private-Purpose Trust Funds
ADDITIONS	
Gifts and contributions	\$ 306,800
Earnings on investments	36,353
Total additions	<u>343,153</u>
DEDUCTIONS	
Scholarships awarded	801,739
Transfer out	192,166
Total deductions	<u>993,905</u>
Change in net position	(650,752)
Net position—beginning of the year	<u>6,408,976</u>
Net position—end of the year	<u>\$ 5,758,224</u>

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



FINANCIAL EXCELLENCE
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***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

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, 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, 2017***

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 2017, the District adopted *GASB Statement 82, Pension Issues: An Amendment of GASB Statements 67, 68, and, 73* which addresses the measure of payroll in the required supplementary information, assumptions, and classification of employer-paid member contributions.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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 Services Fund is considered a major proprietary fund as defined by GASB Statement No. 34. The Nutrition Services 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

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

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.

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 where applicable under GASB, 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 57.6 percent of outstanding property taxes at June 30, 2017.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

Inventories and Prepaids

Under the moving average method of accounting for inventories, the average cost of each inventory item in stock is recalculated after every inventory purchase. This method tends to yield inventory valuations and cost of goods sold that are in-between those derived under the first in, first out (FIFO) method and the last in, last out (LIFO) method. These materials and supplies 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. Inventories and prepaids are offset at year end by non-spendable fund balance in the governmental fund financial statements.

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.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

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

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

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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, 2017, the District had no material liability for compensatory time.

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.”

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The details of this \$397,412,164 difference are as follows:

Facilities acquisition and construction	\$ 602,553,403
Acquisitions	252,177,807
Disposals	(320,424,733)
Depreciation expense	<u>(136,894,313)</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>\$ 397,412,164</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.

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 Services 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 a self-funded reserves program). Non-spendable fund balance reserves may include inventories, prepaid items, deferred expenditures, and long-term receivables.

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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, and judgments.

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 encumbrances which are purchase orders, contracts, and other commitments for the expenditure of funds that are carried forward, insurance deductibles, specific program 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.

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FUND BALANCES	General Fund	Special Revenue Fund	Debt Service Fund	Capital Renovation Fund	Capital Renovation Fund - PFC	Total Governmental Funds
Nonspendable						
Inventories and Prepaids	\$ 10,115,337	\$ -	\$ -	\$ -	\$ -	\$ 10,115,337
Restricted						
Capital Acquisition Program	-	-	-	-	-	-
Special Revenue/Grants	-	37,058,450	-	-	-	37,058,450
Debt Service	-	-	129,036,673	-	-	129,036,673
Bond and TIRZ Capital Projects	-	-	-	921,555,203	-	921,555,203
PFC Capital Projects	-	-	-	-	28,509,693	28,509,693
Committed						
Contingency Operating Reserve	102,364,840	-	-	-	-	102,364,840
Pay-As-You-Go Capital Program	-	-	-	7,922,067	-	7,922,067
Assigned						
Auto/General Liability	2,961,380	-	-	-	-	2,961,380
Incentive Pay Program	4,010,218	-	-	-	-	4,010,218
Insurance Programs	28,441,506	-	-	-	-	28,441,506
ERP Projects	19,417,765	-	-	-	-	19,417,765
Encumbrances	75,170,963	-	-	-	-	75,170,963
School Carryforward	18,667,736	-	-	-	-	18,667,736
PFC Debt Service/Capital Projects	73,743,750	-	-	52,416,845	-	126,160,595
Unassigned	366,955,184	-	-	-	-	366,955,184
Total fund balances	\$ 701,848,679	\$ 37,058,450	\$ 129,036,673	\$ 981,894,115	\$ 28,509,693	\$ 1,878,347,610

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 Services 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.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
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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 (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 2015.

The Public Facility Corporation issued refunding bonds in fiscal year 2017 for the purpose of decreasing debt service costs in future years. Further explanation of the transaction can be found in this section under Note 8.

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 investments are held separately in each of the funds. With the exception of the HISD Public Facility Corporation all Bank DDA accounts are held within the General fund.

Funds held at the depository bank were properly secured at all times with the exception of June 2, 2017. The following disclosure pertains to the date of highest deposit:

- a. Name of depository bank: JP Morgan Chase Bank
- b. Amount of bond or security pledged as of the date of the highest balance on deposit was \$29,034,807.
- c. Highest cash (DDA) deposit account balances amounted to \$24,412,468 and occurred on June 30, 2017. The collateral requirement that applied to total deposits that day was \$24,162,468.
- d. Total amount of Federal Deposit Insurance Corporation ("FDIC") coverage at the time of highest balance was \$250,000 for all accounts.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
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Cash, Demand and Time Deposits

As of June 30, 2017, the carrying amount of the District's demand deposits and cash on hand was \$6,556,522. The \$24,412,468 bank balance was fully covered on June 30, 2017 by federal deposit insurance through the FDIC and collateralization 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 \$28,986 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, Independent Bank, and Unity Bank, of \$90,000,000, \$20,000,000, and \$240,000, respectively, as of June 30, 2017, for a total of \$100,240,000, or 4.84 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. The collateral for the Independent Bank certificate of deposit is comprised of Federal Home Loan Bank Letter of Credits in the amount of \$30,000,000 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.

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, 2017, 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, LLC, a Texas limited liability company. Investment advisory services are provided by American Beacon Advisors and Standish Mellon Asset Management Company. The custodial account is managed by State Street Bank and Trust while CAPTRUST Financial Advisors provides investment consulting services.

The Lone Star Government Overnight Fund is a stable net asset value fund rated AAAM by Standard & Poor's rating service, Corporate Overnight Fund is a stable net asset value fund rated AAAM by Standard & Poor's, 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 AAAs/S1+ by Standard & Poor's.

The District's investment in LSIP's Government Overnight Fund, Corporate Overnight Fund, and the Corporate Overnight Plus Fund, as of June 30, 2017 was \$357,234,304, \$90,251,785 and \$332,947,995, respectively, for a total of \$780,434,084 representing 34.29 percent of the total portfolio.

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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. TexPool and TexPool Prime funds are rated AAAM by Standard & Poor's.

As of June 30, 2017, the District's investment in TexPool and TexPool Prime was \$183,553,953 and \$441,357,577, respectively, for a total of \$624,911,530 representing 27.46 percent of the total portfolio.

TexSTAR was created in April 2003, also under the Interlocal Cooperation Act. Hilltop Securities, Inc. and J.P. Morgan Investment Management Inc. are co-administrators. JPMorgan Investment Management, Inc. provides investment management services while FirstSouthWest, a division of Hilltop Securities, provides participant services and marketing. The fund is rated AAAM by Standard & Poor's.

As of June 30, 2017, the District's investment in TexSTAR was \$377,555,331, or 16.59 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 \$28,204,195 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 ("FHLMC"), Federal National Mortgage Association ("FNMA"). Investments in these securities total \$258,269,348 and represent 11.34 percent of the value of the total portfolio.

The District has invested in Treasury Bonds and Treasury Notes, issued by the United States government. Investments in these U.S. Treasury securities total \$90,276,680 and represent 3.97 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 \$34,285,359 and represent 1.51 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*.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
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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 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.

HOUSTON INDEPENDENT SCHOOL DISTRICT
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At June 30, 2017, the District's exposure to interest rate risk as measured by segmented time distribution by investment type is summarized below:

	6/30/2017 Fair Value	Issuer Concentration	Investment Maturities in Years	
			Less than 1	1-5
Municipal Bonds	\$ 34,285,359	1.51%	\$ 23,267,711	\$ 11,017,648
U.S. Treasury Bonds/Notes	90,276,680	3.97%	59,954,960	30,321,720
FFCB	22,617,213	0.99%	22,617,213	-
FHLB	169,888,430	7.46%	169,888,430	-
FHLMC	65,763,705	2.89%	44,912,080	20,851,625
Total US Agency Investments	258,269,348	11.34%	237,417,723	20,851,625
Lone Star Investment Pool	780,434,084	34.29%	780,434,084	-
TexPool	624,911,530	27.46%	624,911,530	-
TexStar	377,555,331	16.59%	377,555,331	-
Total Investment Pools	1,782,900,945	78.34%	1,782,900,945	-
Certificates of Deposit	110,240,000	4.84%	110,240,000	-
Total Investments	\$ 2,275,972,332	100.00%	\$ 2,213,781,339	\$ 62,190,993

As of June 30, 2017, the dollar weighted average maturity of the total portfolio, assuming investments are held to final maturity date and not call dates, was 46 days. The modified duration as of June 30, 2017 was 0.1249 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.

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As of June 30, 2017, the District did not have any investments in commercial paper. The District's exposure to credit risk at June 30, 2017 is presented below by investment category as rated by Standard & Poor's along with the District's level of input hierarchy utilized to measure fair values:

	6/30/2017 Fair Value	Fair Value Measurement Input Level	Rating
Municipal Bonds	\$ 34,285,359	Level 2	AA+-AAA
U.S. Treasury Bonds/Notes	90,276,680	Level 2	AA+
FFCB	22,617,213	Level 2	AA+
FHLB	169,888,430	Level 2	AA+
FHLMC	65,763,705	Level 2	AA+
Total U.S. Agency Investments	258,269,348		
Lone Star Investment Pool	780,434,084	N/A	AAAm, AAAs/S1+
TexPool	624,911,530	N/A	AAAm
TexSTAR	377,555,331	N/A	AAAm
Total Investment Pools	1,782,900,945		
Certificates of Deposit	110,240,000	N/A	Not rated
Total Investments	\$ 2,275,972,332		

GASB Statement Number 72 established a hierarchy that prioritizes the inputs used to measure fair value. Certain investment types utilized by the District are not required to be fair valued. Debt securities classified as Level 2 have used a number of pricing methodologies including matrix pricing, Bloomberg Valuation and Interactive Data Corporation inputs. The District additionally chooses to utilize the average of three price inputs from separate providers. Since these are not prices quoted for identical securities quoted in active markets they are not classified as Level 1 inputs.

The District has investments in TexPool, including both TexPool and TexPool Prime, which maintain stable net asset values of \$1 per share and utilize the amortized cost method as allowed by GASB 79. The District has investments in TexSTAR which maintains a stable net asset value of \$1 and has chosen to utilize fair value reporting per GASB 72. The District invests in the Lone Star Government Fund and Corporate Overnight Fund which both maintain a stable net asset value of \$1 and are reported at amortized cost per GASB 79. The District invests in the Lone Star Corporate Overnight Plus Fund which maintains a stable net asset value of \$0.50 and utilizes fair value reporting per GASB 72. The District has no unfunded commitments to these pools and may redeem investments at any time.

Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), and Federal Home Loan Mortgage Corporation (FHLMC) 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. These instrumentalities frequently do not have individual debt offerings rated therefore the credit rating disclosed is the overall long term rating of the entity.

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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.

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, 2017 no single investment security (FFCB, FHLB, FHLMC, Municipal Bonds or U.S. Treasury) comprised more than 2.63% of the total investment portfolio. Investments with the FHLB constituted a concentration greater than 5.00% of the total portfolio by issuer

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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, 2017, the following was the composition of the District's investment portfolio:

Lone Star Investment Pool	34.29%
TexPool	27.46%
TexSTAR	16.59%
U.S. Agency Securities	11.34%
Certificates of Deposit	4.84%
U.S. Treasury Bonds/Notes	3.97%
Municipal Bonds	1.51%
Total	100.00%

Foreign Currency Risk

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

**HOUSTON INDEPENDENT SCHOOL DISTRICT
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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 \$1.67 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 \$1.2067 per \$100 of assessed valuation. The maintenance and debt service portions of such rate are \$1.0267 and \$0.18 respectively. The 2016 tax year assessed valuation was \$165,861,644,665 which resulted in a gross tax levy of \$2,001,452,466 for the current fiscal year. The 2016 tax year net tax levy of \$1,938,101,993 reflects an adjustment of \$63,350,473 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 increased the allowance for uncollectible property taxes in the government-wide and fund financial statements by \$7,765,297.

Delinquent taxes receivable and the related allowance for uncollectible taxes in the governmental fund financial statements as of June 30, 2017 are as follows:

	<u>Delinquent Taxes Receivables, Gross</u>	<u>Allowance for Uncollectible Taxes</u>	<u>Delinquent Taxes Receivable, Net</u>
General Fund	\$ 91,294,722	\$ 52,304,815	\$ 38,989,907
Debt Service Fund	<u>13,121,996</u>	<u>7,834,466</u>	<u>5,287,530</u>
Total	<u>\$ 104,416,718</u>	<u>\$ 60,139,281</u>	<u>\$ 44,277,437</u>

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

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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:

Revenues	General Fund	Special Revenue Fund	Debt Service Fund	Total
Per Capita Revenues	\$ 76,341,323	\$ -	\$ -	\$ 76,341,323
Foundation Fund Revenues	49,276,541	20,000	-	49,296,541
Other State	1,245,334	17,831,749	2,924,206	22,001,289
TRS On-Behalf	32,914,554	-	-	32,914,554
Shared Services Arrangement	-	1,739,487	-	1,739,487
Total State Aid	\$ 159,777,752	\$ 19,591,236	\$ 2,924,206	\$ 182,293,194

As of June 30, 2017, the District also received state matching funds of \$575,352 in the Nutrition Service Fund.

NOTE 5: RECEIVABLES/PAYABLES

Receivables as of June 30, 2017 for the District's individual major funds and nonmajor enterprise funds and internal service funds in the aggregate are as follows:

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Renovation Fund	Food Service Fund	Nonmajor and Other Funds	Total
Due from the State of Texas	\$ -	\$ 49,013,462	\$ -	\$ -	\$ 3,482,728	\$ -	\$ 52,496,190
Due from the Federal government	151,034	2,800,089	2,385,401	-	-	-	5,336,524
Due from Other Funding Agencies	-	1,666,983	-	-	-	22,654,175	24,321,158
Other	42,456,171	-	2,458	19,081,161	197,015	225,161	61,961,966
Gross Receivables	42,607,205	53,480,534	2,387,859	19,081,161	3,679,743	22,879,336	144,115,838
Less Allowance for Uncollectibles	-	-	-	-	-	-	-
Total Net Receivables	\$ 42,607,205	\$ 53,480,534	\$ 2,387,859	\$ 19,081,161	\$ 3,679,743	\$ 22,879,336	\$ 144,115,838

HOUSTON INDEPENDENT SCHOOL DISTRICT
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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, 2017, 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:

Liabilities

Grant advances (unearned), Special Revenue Fund	\$ 7,770,662
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Deferred inflows of resources

Deferred property taxes, General Fund	39,282,578
Deferred property taxes, Debt Service Fund	5,262,709
Deferred Revenues, General fund	<u>1,479,472</u>
Total deferred inflows	46,024,759

Total Deferred & Unearned Revenues	<u>\$ 53,795,421</u>
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Payables as of June 30, 2017 for the District's individual major funds and nonmajor enterprise funds and internal service funds in the aggregate are as follows:

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Capital</u> <u>Renovation</u> <u>Fund</u>	<u>Food</u> <u>Service</u> <u>Fund</u>	<u>Nonmajor</u> <u>and Other</u> <u>Funds</u>	<u>Total</u>
Vendors Payable	\$ 57,081,251	\$ 10,737,440	\$ 6,635	\$ 73,112,358	\$ 3,222,204	\$ 7,393,046	\$ 151,552,934
Retainage Payable	<u>7,338</u>	<u>-</u>	<u>-</u>	<u>36,649,794</u>	<u>-</u>	<u>3,645,207</u>	<u>40,302,339</u>
Total Payables	<u>\$ 57,088,589</u>	<u>\$ 10,737,440</u>	<u>\$ 6,635</u>	<u>\$ 109,762,152</u>	<u>\$ 3,222,204</u>	<u>\$ 11,038,253</u>	<u>\$ 191,855,273</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
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NOTE 6: CAPITAL ASSETS

A summary of capital asset activity during the fiscal year ended June 30, 2017 follows:

<u>Governmental activities:</u>	<u>Balance July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2017</u>
Capital assets not being depreciated:				
Land	\$ 281,712,465	\$ 9,921,064	\$ (368,246)	\$ 291,265,283
Construction in progress	658,574,575	449,400,135	(443,127,758)	664,846,952
Total capital assets not being depreciated	<u>940,287,040</u>	<u>459,321,199</u>	<u>(443,496,004)</u>	<u>956,112,235</u>
Capital assets being depreciated:				
Buildings and improvements	3,724,706,534	507,475,363	(21,749,164)	4,210,432,733
Furniture and equipment	175,789,370	14,887,408	(4,254,369)	186,422,409
Vehicles	121,174,832	9,941,552	(4,908,528)	126,207,856
Total capital assets being depreciated	<u>4,021,670,736</u>	<u>532,304,323</u>	<u>(30,912,061)</u>	<u>4,523,062,998</u>
Less accumulated depreciation for:				
Buildings and improvements	1,299,744,596	100,709,120	(11,568,545)	1,388,885,171
Furniture and equipment	88,834,366	29,630,358	(668,322)	117,796,402
Vehicles	86,448,811	6,554,835	(4,852,153)	88,151,493
Total accumulated depreciation	<u>1,475,027,773</u>	<u>136,894,313</u>	<u>(17,089,020)</u>	<u>1,594,833,066</u>
Governmental activities capital assets, net	<u>\$ 3,486,930,003</u>	<u>\$ 854,731,209</u>	<u>\$ (457,319,045)</u>	<u>\$ 3,884,342,167</u>
 <u>Business-type activities:</u>				
Capital assets being depreciated:				
Furniture and equipment	\$ 3,635,824	\$ 643,744	\$ (204,123)	\$ 4,075,445
Vehicles	3,329,223	353,269	(59,801)	3,622,691
Total capital assets being depreciated	<u>6,965,047</u>	<u>997,013</u>	<u>(263,924)</u>	<u>7,698,136</u>
Less accumulated depreciation for:				
Furniture and equipment	1,441,903	751,606	(219,086)	1,974,423
Vehicles	1,979,779	382,106	(15,506)	2,346,379
Total accumulated depreciation	<u>3,421,682</u>	<u>1,133,712</u>	<u>(234,592)</u>	<u>4,320,802</u>
Business-type activities capital assets, net	<u>\$ 3,543,365</u>	<u>\$ (136,699)</u>	<u>\$ (29,332)</u>	<u>\$ 3,377,334</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 \$186,212 net capital assets of the non-major Medicaid and Marketplace Funds.

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

Governmental activities:

Instructional	\$ 104,898,299
Resources	23,562
Staff Development	297,772
Instructional Development	7,048,851
School Administration	7,342
Guidance & Counseling Services	4,601
Health Services	1,127
Student Transportation	5,246,188
Extracurricular Activities	186,245
General Administration	95,249
Plant Maintenance & Operation	1,519,948
Security & Monitoring Services	248,450
Data Processing Services	<u>17,316,679</u>
Total depreciation expense, governmental activities	<u><u>\$ 136,894,313</u></u>

Business-type activities:

Food Service	\$ 1,054,748
Other nonmajor business business-type activities	<u>78,964</u>
Total depreciation expense, business-type activities	<u><u>\$ 1,133,712</u></u>

Construction Commitments

The District has active construction projects as of June 30, 2017. These projects include new school construction, renovation of existing schools, safety and security projects, non-school facilities, early colleges, middle school restrooms, technology upgrades, and safety and security projects. At June 30, 2017, the District had fully funded commitments for the following categories:

<u>Project</u>	<u>Spent-To-Date</u>	<u>Remaining Commitment</u>
New Schools	\$ 431,019,826	\$ 589,373,776
Renovated Schools	82,779,296	55,570,251
Non-school Facilities	6,724,414	677,188
Early Colleges	1,519,780	1,005,850
Middle School Restrooms	12,416,765	4,870,606
Technology Upgrades	10,111,677	3,380,049
Safety and Security	<u>7,682,889</u>	<u>1,612,617</u>
Total	<u><u>\$ 552,254,647</u></u>	<u><u>\$ 656,490,337</u></u>

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

NOTE 7: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances in the fund financial statements as of June 30, 2017 was as follows.

<u>GENERAL FUND</u>	Capital Renovation Funds	\$	241,782,790
	Debt Service Fund		(1,181,387)
	Special Revenue Fund		117,446,036
	Nutrition Services Fund		19,974,720
	Business Development Fund		3,374,589
	Medicaid Fund		2,352,548
	Marketplace Fund		(348,450)
	Print Shop Fund		(1,099,066)
	Insurance Fund		(27,826,696)
	Workers' Compensation		(5,402,032)
	Internal Service Funds		9,503,782
	DUE FROM OTHER FUNDS	\$	<u><u>358,576,834</u></u>
<u>CAPITAL RENOVATION FUNDS</u>	General Fund	\$	<u>(241,782,790)</u>
	DUE TO OTHER FUNDS	\$	<u><u>(241,782,790)</u></u>
<u>DEBT SERVICE FUND</u>	General Fund	\$	<u>1,181,387</u>
	DUE FROM OTHER FUNDS	\$	<u><u>1,181,387</u></u>
<u>SPECIAL REVENUE FUND</u>	General Fund	\$	<u>(117,446,036)</u>
	DUE TO OTHER FUNDS	\$	<u><u>(117,446,036)</u></u>
<u>NUTRITION SERVICES FUND</u>	General Fund	\$	<u>(19,974,720)</u>
	DUE TO OTHER FUNDS	\$	<u><u>(19,974,720)</u></u>
<u>BUSINESS DEVELOPMENT FUND</u>	General Fund	\$	<u>(3,374,589)</u>
	DUE TO OTHER FUNDS	\$	<u><u>(3,374,589)</u></u>
<u>MEDICAID FUND</u>	General Fund	\$	<u>(2,352,548)</u>
	DUE TO OTHER FUNDS	\$	<u><u>(2,352,548)</u></u>
<u>MARKETPLACE FUND</u>	General Fund	\$	<u>348,450</u>
	DUE FROM OTHER FUNDS	\$	<u><u>348,450</u></u>
<u>PRINT SHOP FUND</u>	General Fund	\$	<u>1,099,066</u>
	DUE FROM OTHER FUNDS	\$	<u><u>1,099,066</u></u>
<u>INSURANCE FUND</u>	General Fund	\$	<u>27,826,696</u>
	DUE FROM OTHER FUNDS	\$	<u><u>27,826,696</u></u>
<u>WORKERS' COMPENSATION FUND</u>	General Fund	\$	<u>5,402,032</u>
	DUE FROM OTHER FUNDS	\$	<u><u>5,402,032</u></u>
<u>OTHER INTERNAL SERVICE FUNDS</u>	General Fund	\$	<u>(9,503,782)</u>
	DUE TO OTHER FUNDS	\$	<u><u>(9,503,782)</u></u>

***HOUSTON INDEPENDENT SCHOOL DISTRICT
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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 Capital Projects Funds to the General Fund for remittances made by General Fund.

The following is a summary of the District's transfers for the fiscal year ended June 30, 2017:

\$ 24,649,042	From the General Fund to the Debt Service Fund for interest and principal debt payments
28,000,000	From the General Fund to the Capital Renovation Fund for the District's contribution to the PFC North Forest construction projects.
14,437,018	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
\$ 97,486,060	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
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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, 2017:

	Balance			Balance	Payable
	July 1, 2016	Increases	Decreases	June 30, 2017	Within
Governmental activities:					One year
Bonds payable	\$ 2,954,130,138	\$ 1,020,245,000	\$ (788,723,482)	\$ 3,185,651,656	\$ 173,144,393
Contractual obligations	8,310,000	-	(2,685,000)	5,625,000	2,825,000
Notes payable	40,360,000	-	(5,000,000)	35,360,000	5,225,000
Total debt payable - principal	<u>3,002,800,138</u>	<u>1,020,245,000</u>	<u>(796,408,482)</u>	<u>3,226,636,656</u>	<u>181,194,393</u>
Premium/discount	183,510,892	126,200,569	(43,995,892)	265,715,569	49,747,097
Accretion on capital appreciation bonds	16,790,414	1,021,065	(6,736,518)	11,074,961	2,495,607
Total amortizations and accretions	<u>200,301,306</u>	<u>127,221,634</u>	<u>(50,732,410)</u>	<u>276,790,530</u>	<u>52,242,704</u>
Total debt payable	<u>3,203,101,444</u>	<u>1,147,466,634</u>	<u>(847,140,892)</u>	<u>3,503,427,186</u>	<u>233,437,097</u>
Capital leases payable	29,416,353	562,012	(13,236,011)	16,742,354	10,511,295
Compensated absences payable	37,661,323	939,867	(4,113,476)	34,487,714	3,301,358
Claims payable	22,124,684	143,758,368	(146,650,616)	19,232,436	15,772,948
Total other long-term liabilities payable	<u>89,202,360</u>	<u>145,260,247</u>	<u>(164,000,103)</u>	<u>70,462,504</u>	<u>29,585,601</u>
Total governmental activities long-term liabilities	<u>\$ 3,292,303,804</u>	<u>\$ 1,292,726,881</u>	<u>\$ (1,011,140,995)</u>	<u>\$ 3,573,889,690</u>	<u>\$ 263,022,698</u>
Business-type activities:					
Compensated absences payable	\$ 562,821	\$ 243,138	\$ (358,526)	\$ 447,433	\$ 338,828
Total business-type activities long-term liabilities	<u>\$ 562,821</u>	<u>\$ 243,138</u>	<u>\$ (358,526)</u>	<u>\$ 447,433</u>	<u>\$ 338,828</u>
Deferred outflows of resources:					
Deferred loss on debt refundings	\$ (29,346,538)	\$ (7,963,972)	\$ 4,889,250	\$ (32,421,260)	\$ (3,686,054)
Deferred inflows of resources:					
Deferred gains on debt refundings	\$ 827,344	\$ -	\$ (827,344)	\$ -	\$ -

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, \$304,539 of Internal Service Funds' compensated absences payable and \$19,232,436 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 \$108,257 of compensated absences payable from nonmajor enterprise funds.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Debt Payable-Governmental Activities

At June 30, 2017, the District had outstanding \$3,503,427,186 of general obligation and lease revenue bonds, public property finance contractual obligations, and maintenance tax notes. Of the \$3,503,427,186 debt payable, \$11,074,961 was attributable to the accretion on capital appreciation bonds. These debt obligations, whose original issuance value was \$3,873,806,108, were issued at various dates from May 1, 1998 through June 29, 2017, with interest rates ranging from 1.0 percent to 6.22 percent for the purpose of new construction and maintenance of facilities. All debt obligations fully mature at various dates through February 15, 2042.

Of the District's \$3,503,427,186 total debt payable outstanding at June 30, 2017, \$145,956,656 of bonds payable and \$11,074,961 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. On April 12, 2016 the District sold debt utilizing \$560,000,000 of the remaining authorization as part of a combined refunding and new issuance sale in the amount of \$757,195,000. On May 23, 2017 the District sold debt utilizing \$540,000,000 of the remaining authorization as part of a combined refunding and new issuance sale in the amount of \$848,740,000. A total of \$100,000,000 of authorized but unissued debt remains as of June 30, 2017.

Limited Tax Schoolhouse and Refunding Bonds, Series 2017 were issued on May 23, 2017 in the amount of \$848,740,000. Proceeds of the new money portion of the debt issuance will be utilized for the construction, acquisition and equipment of school buildings in the District and to pay for the cost of issuing the bonds. Proceeds of the refunding portion will be utilized in order to reduce the overall debt service requirements of the District and to pay for the cost of issuing the bonds. The new debt issuance utilized \$540,000,000 of the 2012 voter authorization with a par amount of \$488,670,000 and an original issuance premium of \$53,599,739. The sale also included a partial current refunding of Limited Tax Refunding Bonds, Series 2007 and a complete current refunding of Limited Tax Refunding Bonds, Series 2005 bonds with the par amount of refunding bonds totaling \$360,070,000 and a premium of \$63,857,842. Combined costs of issuance and underwriter's discount for the sale were \$3,940,923.

The refunding resulted in aggregate debt service cash flow savings of \$70,574,953 over the life of the refunding bond debt service compared to the refunded bond debt service. The economic gain on the refunding was \$60,850,808 with a net present value savings of 14.63%. The accounting loss on the transaction of (\$7,872,090) will be deferred and amortized over the life of the refunding bonds.

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Refunded debt: Limited Tax Refunding Bonds, Series 2007

Maturity Dates Refunded	Principal Refunded
2/15/2021	\$ 52,000,000
2/15/2022	63,000,000
2/15/2025	65,600,000
2/15/2026	67,600,000
	<u>\$ 248,200,000</u>

Refunded debt: Limited Tax Refunding Bonds, Series 2005B

Maturity Dates Refunded	Principal Refunded
2/15/2020	\$ 39,695,000
2/15/2023	65,055,000
2/15/2024	62,890,000
	<u>\$ 167,640,000</u>

As part of the refunding bond transaction for the Series 2017 issuance, the District placed \$422,254,200 into an irrevocable escrow account with the paying agent to be utilized for the redemption of the refunded bonds on the redemption date of June 12, 2017. The par value of the refunded debt was \$415,840,000.

Lease Revenue Refunding Bonds, Series 2017 were issued on June 29, 2017 by the Houston Independent School District Public Facility Corporation in the amount of \$21,550,000 in order to lower the overall annual debt service costs of the Corporation and to pay for the issuance of the bonds. The issuance currently refunded Public Facility Corporation Lease Revenue Bonds, Series 2006.

Proceeds from the sale of the refunding bonds were utilized in order to refund \$24,130,000 in par value of Lease Revenue Bonds, Series 2006. As part of the refunding transaction \$24,500,334 was placed into an irrevocable escrow account until the redemption date of the bonds. Combined costs of issuance and underwriter's discount for the sale were \$383,777. 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 \$3,524,898 over the life of the refunding bond debt service compared to the refunded bond debt service. The economic gain on the refunding was \$2,974,804 with a net present value savings of 12.33%. The accounting loss on the transaction of (\$91,882) will be deferred and amortized over the life of the refunding bonds as a deferred outflow of resources.

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Refunded debt: Lease Revenue Bonds, Series 2006

Maturity Dates Refunded	Principal Refunded
9/15/2017	\$ 1,260,000
9/15/2018	1,325,000
9/15/2019	1,385,000
9/15/2020	1,450,000
9/15/2021	1,515,000
9/15/2022	1,585,000
9/15/2023	1,660,000
9/15/2024	1,735,000
9/15/2025	1,815,000
9/15/2026	1,900,000
9/15/2027	1,985,000
9/15/2028	2,075,000
9/15/2029	2,170,000
9/15/2030	2,270,000
	<u>\$ 24,130,000</u>

Variable Rate Limited Tax Refunding Bonds, Series 2014A-1A for a par amount of \$37,295,000 were scheduled to be remarketed on June 1, 2017. The bonds were originally issued in 2014 and had been currently refunded creating two sub-series on June 1, 2016. Bonds with a maturity date of June 1, 2039 were subject to remarketing. The District utilized available debt service funds to redeem the \$37,295,000 subject to remarketing.

Variable Rate Limited Tax Bonds, Series 2014A-1A (Redeemed)

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2039	2017	\$ Redeemed		
		<u>\$ -</u>		

Variable Rate Limited Tax Bonds, Series 2014A-1B

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2039	2018	\$ 100,000,000	3.00%	1.06%
		<u>\$ 100,000,000</u>		

On June 1, 2017, the District remarketed \$48,030,000 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 and have all been subsequently remarketed with the same three year tranche schedule. Bonds with a maturity date of June 1, 2035, yield of 0.95%, and principal amount of \$48,030,000 were subject to remarketing. The term expiration date of the remarketed bonds is June 1, 2020 with a yield of 1.45%. Combined costs of issuance and underwriter's discount for the remarketing were \$182,024.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
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Variable Rate Limited Tax Schoolhouse Bonds, Series 2013B

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2035	2020	\$ 48,030,000	1.45%	1.45%
2036	2018	49,050,000	1.70%	1.70%
2037	2019	50,050,000	1.38%	1.38%
		<u>\$ 147,130,000</u>		

On June 1, 2017, the District remarketed \$40,420,000 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 and were subsequently remarketed with the same three year tranche schedule. On June 1, 2016 \$38,675,000 of bonds comprising the 2028 maturity tranche were redeemed. Bonds with a maturity date of June 1, 2029, yield of 0.95%, and principal amount of \$40,420,000 were subject to remarketing. The term expiration date of the remarketed bonds is June 1, 2020 with a yield of 1.45%. Combined costs of issuance and underwriter's discount for the remarketing were \$166,114.

Variable Rate Limited Tax Schoolhouse Bonds, Series 2012

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2028	2016	\$ Redeemed	0.00%	0.00%
2029	2020	40,420,000	1.45%	1.45%
2030	2018	65,065,000	1.70%	1.70%
		<u>\$ 105,485,000</u>		

On June 1, 2017, the District currently refunded Variable Rate Limited Tax Schoolhouse Bonds, Series 2014A-2 which were subject to be remarketed on that date and immediately remarketed the bonds in a single series with a new term rate period of two years. The \$168,040,000 in bonds scheduled to be remarketed was reduced by the District utilizing \$13,035,000 in available debt service funds to redeem bonds and the use of a portion of the issuance premium of \$5,408,877 in order to extinguish an additional \$5,050,000 in bonds.

The \$149,955,000 of bonds was issued as a single series with a coupon rate of 3.00% and yield of 1.17%. The final stated maturity of the bonds remained the same at June 1, 2039. Costs of issuance and underwriter's discount for the remarketing/refunding was \$362,989.

Variable Rate Limited Tax Bonds, Series 2014A-2

Maturity June 1st	Rate Period Ending June 1st	Principal	Rate	Yield
2039	2019	\$ 149,955,000	3.00%	1.17%
		<u>\$ 149,955,000</u>		

All outstanding bonds of the \$168,040,000 Variable Rate Limited Tax Schoolhouse Bonds, Series 2014A-2 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.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The maximum rate of the Series 2014A-2 Bonds 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.

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, 2017.

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 new maintenance tax notes in the fiscal year ended June 30, 2017.

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>					
Sch Ref Series 2017	\$ 848,740,000	\$ 117,457,581	\$ 966,197,581	\$ 2,719,115	\$ 1,221,808
Ref/Rem Series 2014A-2	149,955,000	5,408,877	155,363,877	292,229	70,760
LR Ref Series 2017	21,550,000	3,334,111	24,884,111	97,621	286,156
Total	<u>\$ 1,020,245,000</u>	<u>\$ 126,200,569</u>	<u>\$ 1,146,445,569</u>	<u>\$ 3,108,965</u>	<u>\$ 1,578,724</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 2013B	\$ 48,030,000	\$ -	\$ 48,030,000	\$ 116,264	\$ 65,760
Rem Series 2012	40,420,000	-	40,420,000	100,354	65,760
Total	<u>\$ 88,450,000</u>	<u>\$ -</u>	<u>\$ 88,450,000</u>	<u>\$ 216,618</u>	<u>\$ 131,520</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, 2017. Accreted values as of June 30, 2017 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
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FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

Date of Issue	Description	Purpose
11/21/06	Limited Tax Refunding bonds, Series 2006A	Refund a portion of the District's outstanding indebtedness
3/22/07	Limited Tax Sch Refunding Bonds, Series 2007	Refund a portion of the District's outstanding indebtedness
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
5/01/98	Public Facility Corp Lease Revenue Series 1998A	Construction of certain shared educational high school facilities
4/26/10	Public Facility Corp Lease Revenue Series 2010A	Construction of public school facilities
4/26/10	Public Facility Corp Lease Revenue Series 2010B (BABS)	Construction of public school facilities
5/15/12	Variable Rate Limited Tax Refunding Bonds, Series 2012	Refund a portion of the District's outstanding indebtedness
2/14/13	Limited Tax Refunding Bonds, Series 2013C	Refund a portion of the District's outstanding indebtedness
2/14/13	Limited Tax Sch and Refunding Bonds, Series 2013A	Construction of school buildings and refund indebtedness
2/14/13	Variable Rate Limited Tax Sch Bonds, Series 2013B	Construction, acquisition and equipment of school buildings
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
4/12/16	Limited Tax Sch and Ref Bonds, Series 2016A	Construction of school buildings and refund indebtedness
4/19/16	Limited Tax Refunding Bonds, Series 2016B	Refund a portion of the District's outstanding indebtedness
6/01/16	Variable Rate Limited Tax Sch Bonds, Series 2014A-1B	Refund and remarket a portion of the District's outstanding variable rate debt
5/23/17	Limited Tax Sch and Ref Bonds, Series 2017	Construction of school buildings and refund indebtedness
6/01/17	Variable Rate Limited Tax Sch Bonds, Series 2014A-2	Refund and remarket a portion of the District's outstanding variable rate debt
6/29/17	Public Facility Corp Lease Rev Ref Bonds, Series 2017	Refund all of the Corporation's Lease Revenue Series 2006 outstanding debt
Bonds Payable		
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
Contractual Obligations		
7/13/15	Maintenance Notes Refunding, Series 2015	Refund a portion of the District's outstanding indebtedness
Notes Payable		
Total Debt Payable - Principal		

HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Type	Interest Rates	Original Issue Amount	Final Maturity Date	Debt Principal	CAB Accretion	Total Debt Payable
GO	5.00	\$ 28,100,000	8/15/2017	\$ 14,390,000	\$ -	\$ 14,390,000
GO	3.85 to 5.00	279,865,000	2/15/2026	10,000,000	-	10,000,000
GO	4.00 to 5.00	68,920,000	2/15/2018	15,050,000	-	15,050,000
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	9/15/2021	6,231,656	11,074,961	17,306,617
LR	2.00 to 4.00	16,070,000	9/15/2021	12,895,000	-	12,895,000
LR	5.24 to 6.22	38,430,000	9/15/2029	38,430,000	-	38,430,000
GO	1.50 to 2.50	182,080,000	6/01/30	105,485,000	-	105,485,000
GO	2.50 to 5.00	92,905,000	2/15/2032	81,435,000	-	81,435,000
GO	2.50 to 5.00	209,640,000	2/15/2038	161,425,000	-	161,425,000
GO	1.00 to 2.00	147,130,000	6/01/37	147,130,000	-	147,130,000
GO	1.00 to 5.00	365,395,000	2/15/2033	314,370,000	-	314,370,000
LR	4.00 to 5.00	81,650,000	9/15/2020	66,850,000	-	66,850,000
GO	4.00 to 5.00	757,195,000	2/15/2041	739,140,000	-	739,140,000
GO	3.50	19,975,000	2/15/2033	19,975,000	-	19,975,000
GO	2.00 to 3.00	100,000,000	6/01/39	100,000,000	-	100,000,000
GO	2.25 to 5.00	848,740,000	2/15/2042	848,740,000	-	848,740,000
GO	3.00	149,955,000	6/01/39	149,955,000	-	149,955,000
LR	2.00 to 5.00	21,550,000	9/15/2030	21,550,000	-	21,550,000
		<u>3,786,446,108</u>		<u>3,185,651,656</u>	<u>11,074,961</u>	<u>3,196,726,617</u>
CO	2.00 to 4.00	23,500,000	7/15/2017	1,425,000	-	1,425,000
CO	2.00 to 3.00	23,500,000	7/15/2019	4,200,000	-	4,200,000
		<u>47,000,000</u>		<u>5,625,000</u>	-	<u>5,625,000</u>
NT	1.44	40,360,000	7/15/2020	35,360,000	-	35,360,000
		<u>40,360,000</u>		<u>35,360,000</u>	-	<u>35,360,000</u>
		<u>\$ 3,873,806,108</u>		<u>\$ 3,226,636,656</u>	<u>\$ 11,074,961</u>	<u>\$ 3,237,711,617</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

The following table summarizes by type the annual debt service requirements of the outstanding debt issues at June 30, 2017 to maturity. Capital Appreciation Bond accretions are included in bond interest.

		Bond Principal		Bond Interest		Totals
2018	\$	173,144,393	\$	129,365,770	\$	302,510,163
2019		153,164,516		133,176,437		286,340,953
2020		152,136,218		125,698,013		277,834,231
2021		174,646,456		118,431,500		293,077,956
2022		152,645,073		111,078,485		263,723,558
2023-2027		805,035,000		430,978,018		1,236,013,018
2028-2032		790,635,000		254,129,105		1,044,764,105
2033-2037		495,550,000		108,733,065		604,283,065
2038-2042		288,695,000		31,441,200		320,136,200
	\$	<u>3,185,651,656</u>	\$	<u>1,443,031,593</u>	\$	<u>4,628,683,249</u>

		Contractual Obligations Principal		Contractual Obligations Interest		Totals
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>5,625,000</u>	\$	<u>210,375</u>	\$	<u>5,835,375</u>

		Notes Principal		Notes Interest		Totals
2018	\$	5,225,000	\$	471,564	\$	5,696,564
2019		10,090,000		361,296		10,451,296
2020		10,045,000		216,324		10,261,324
2021		10,000,000		72,000		10,072,000
	\$	<u>35,360,000</u>	\$	<u>1,121,184</u>	\$	<u>36,481,184</u>

		Total Principal Requirements		Total Interest Requirements		Totals
2018	\$	181,194,393	\$	129,963,709	\$	311,158,102
2019		164,654,516		133,600,732		298,255,248
2020		163,581,218		125,935,337		289,516,555
2021		184,646,456		118,503,500		303,149,956
2022		152,645,073		111,078,485		263,723,558
2023-2027		805,035,000		430,978,018		1,236,013,018
2028-2032		790,635,000		254,129,105		1,044,764,105
2033-2037		495,550,000		108,733,065		604,283,065
2038-2042		288,695,000		31,441,200		320,136,200
	\$	<u>3,226,636,656</u>	\$	<u>1,444,363,151</u>	\$	<u>4,670,999,807</u>

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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, 2017. 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 decrease of \$3,173,609 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 – Computer 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 2016 totaled \$13,053,260 and \$893,522, respectively. Principal and interest payments in fiscal year 2017 totaled \$13,218,698 and \$904,673, respectively. Capital assets acquired by lease have a net book value of \$21,055,010. 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, 2017 were as follows:

Year Ending June 30	Governmental Activities
2018	\$ 11,051,684
2019	5,598,030
2020	1,012,148
2021	<u>73,121</u>
Total minimum lease payments (Gross Amt.)	17,734,983
Amount Representing Interest at 5.5970%	<u>(992,629)</u>
Present Value of minimum lease payments	<u><u>\$ 16,742,354</u></u>

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

NOTE 9: OPERATING LEASES

The District leases parking lots, an instructional educational facility, and communication towers under noncancellable operating leases. Total cost for such leases was \$472,448 for the fiscal year ended June 30, 2017. The future minimum lease payments for these leases were as follows:

Year Ending June 30	Amount
2018	\$ 379,545
2019	336,680
2020	129,380
	\$ 845,605

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 \$1,000,000 per occurrence up to statutory limit of liability.

An accrual for incurred but not reported claims in the amount of \$7,379,436 (discounted at .5 percent), of which \$4,017,228 is the current portion, has been recorded in the fund as of June 30, 2017. 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, 2017**

At June 30, 2017, the fund had net position of \$32,809,277. Changes in claims payable for the fiscal years ended June 30, 2016 and 2017 are as follows:

	<u>2017</u>	<u>2016</u>
Claims payable, beginning of fiscal year	\$ 9,528,684	\$ 11,691,382
Incurred claims and claim adjustment expenses for insured events of the current fiscal year	3,529,611	4,857,843
Increase (decrease) in provision for insured events of prior fiscal year	<u>(298,296)</u>	<u>(2,165,858)</u>
Total incurred claims and claim adjustment expenses	<u>3,231,315</u>	<u>2,691,985</u>
<u>Payments:</u>		
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	1,729,969	2,013,422
Claims and claim adjustment expenses attributable to insured events of the prior fiscal year	<u>3,650,594</u>	<u>2,841,261</u>
Total payments	<u>5,380,563</u>	<u>4,854,683</u>
Claims payable, end of fiscal year	<u>\$ 7,379,436</u>	<u>\$ 9,528,684</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 \$11,853,000, of which \$11,755,720 is the current portion, has been recorded in the fund as of June 30, 2017. 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, 2017**

At June 30, 2017, the fund had net position of \$17,360,858. Changes in claims payable for the fiscal years ended June 30, 2016 and 2017 are as follows:

	<u>2017</u>	<u>2016</u>
Claims payable, beginning of fiscal year	\$ 12,596,000	\$ 12,701,000
Incurred claims and claim adjustment expenses for insured events of the current fiscal year	139,121,782	139,753,402
Increase in provision for insured events of prior fiscal year	<u>1,405,271</u>	<u>1,411,651</u>
Total incurred claims and claim adjustment expenses	<u>140,527,053</u>	<u>141,165,053</u>
<u>Payments:</u>		
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	139,857,352	139,857,352
Claims and claim adjustment expenses attributable to insured events of the prior fiscal year	<u>1,412,701</u>	<u>1,412,701</u>
Total payments	<u>141,270,053</u>	<u>141,270,053</u>
Claims payable, end of fiscal year	<u>\$ 11,853,000</u>	<u>\$ 12,596,000</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 service, 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, 2017 were \$1,173,667,245 and \$1,232,225,729 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.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

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 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 2016 Comprehensive Annual Financial Report for TRS provides the following information regarding the Pension Plan fiduciary net position for the year ending August 31, 2016:

<u>Net Pension Liability</u>	<u>Total</u>
Total Pension Liability	\$ 171,797,150,487
Less: Plan Fiduciary Net Position	(134,008,637,473)
Net Pension Liability	<u>\$ 37,788,513,014</u>
Net Position as % of Total Pension Liability	78.00%

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 2016 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

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

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. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015. The 84th Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2016 and 2017.

Contribution Rates

	<u>2016</u>	<u>2017</u>
Member	7.2%	7.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
District's 2017 District Contributions	\$	50,787,112
District's 2017 Member Contributions	\$	89,525,596
District's 2016 NECE On-Behalf Contributions	\$	54,609,775

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, there are two additional surcharges an employer is subject to.

- 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.
- When a school district does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Actuarial Assumptions

The total pension liability in the August 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2016
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Single Discount Rate	8.00%
Long-term expected Investment Rate of Return	8.00%
Municipal Bond Rate*	N/A*
Last year ending August 31 in the 2016 to 2115 projection period (100 years)	2115
Inflation	2.50%
Salary Increases Including Inflation	3.50% to 9.50% including inflation
Payroll Growth Rate	2.50%
Benefit Changes During the Year	None
Ad hoc Post Employment Benefit Changes	None

**If a municipal bond rate was to be used, the rate would be 2.84% as of August 2016 (i.e. the weekly rate closest to but not later than the Measurement Date.) The source for the rate is the Federal Reserve Statistical Release H.15, citing the Bond Buyer Index of general obligation bonds with 20 years to maturity and an average AA credit rating.*

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2014 and adopted on September 24, 2015.

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, 2016 are summarized below:

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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%
Hedge Funds (Stable Value)	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.

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 2015 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:	\$ 1,028,104,651	\$ 664,294,849	\$ 355,710,594

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

At June 30, 2017, the District reported a net pension liability of \$ 664,294,849 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:

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

District's Proportionate share of the collective net pension liability	\$ 664,294,849
State's proportionate share that is associated with the District	<u>648,209,392</u>
Total	<u>\$ 1,312,504,241</u>

The net pension liability was measured as of August 31, 2016 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, 2015 thru August 31, 2016.

At August 31, 2016 the employer's proportion of the collective net pension liability was 0.017579279950 which was an increase of 0.00910022195 from its proportion measured as of August 31, 2015.

Changes since the Prior Actuarial Valuation

The following are changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period:

Economic Assumptions

1. The inflation assumption was decreased from 3.00% to 2.50%.
2. The ultimate merit assumption for long-service employees was decreased from 1.25% to 1.00%.
3. In accordance with the observed experience, there were small adjustments in the service-based promotional/longevity components of the salary scale.
4. The payroll growth assumption was lowered from 3.50% to 2.50%.

Mortality Assumptions

5. The post-retirement mortality tables for non-disabled retirees were updated to reflect recent TRS member experience. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.
6. The post-retirement mortality tables for disabled retirees were updated to reflect recent TRS member experience. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.
7. The pre-retirement mortality tables for active employees were updated to use 90% of the recently published RP-2014 mortality table for active employees. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.

Other Demographic Assumptions

8. Previously, it was assumed 10% of all members who had contributed in the past 5 years to be an active member. This was an implicit rehire assumption because teachers have historically had a high incidence of terminating employment for a time and then returning to the workforce at a later date. This methodology was modified to add a more explicit valuation of the rehire incidence in the termination liabilities, and therefore, these 10% are no longer being counted as active members.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

9. There were adjustments to the termination patterns for members consistent with experience and future expectations. The termination patterns were adjusted to reflect the rehire assumption. The timing of the termination decrement was also changed from the middle of the year to the beginning to match the actual pattern in the data.
10. Small adjustments were made to the retirement patterns for members consistent with experience and future expectations.
11. Small adjustments to the disability patterns were made for members consistent with experience and future expectations. Two separate patterns were created based on whether the member has 10 years of service or more.
12. For members that become disabled in the future, it is assumed 20% of them will choose a 100% joint and survivor annuity option.

Actuarial Methods and Policies

13. The method of using celled data in the valuation process was changed to now using individual data records to allow for better reporting of some items such as actuarial gains and losses by source.

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

For the measurement period August 31, 2016, the District recognized pension expense of \$67,268,667 and revenue of \$67,268,667 for support provided by the State in the Government Wide Statement of Activities.

At June 30, 2017, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual Actuarial experience	\$ 10,416,016	\$ 19,835,458
Changes in Actuarial Assumptions	20,246,515	18,413,370
Difference between projected and actual investment earnings	56,251,117	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	231,651,927	43,748,481
Contributions paid to TRS subsequent to the measurement date	43,948,034	-
Total	\$ 362,513,609	\$ 81,997,309

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.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

Contributions

Employees of the District were required to pay 7.85 percent of their eligible gross earnings to TRS. Of the 7.85 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, 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.

Medicare Part D

The Medicare Modernization Act of 2003 (MMA) created an outpatient prescription drug benefit program known as Medicare Part D. The Texas Public School Retired Employee Group Insurance Program (TRS-Care) is offering a Medicare Part D Plan and is participating in the Retiree Drug Subsidy plan for eligible TRS-Care participants. For the years ended August 30, 2017 & August 31, 2016 the subsidy payments received by TRS-Care on behalf of the District were \$5,016,365 and \$4,330,923, respectively. TRS issues a publicly available financial report. That report may be found by visiting the TRS Web site at www.trs.state.tx.us.

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.

***HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017***

NOTE 13: SUBSEQUENT EVENT

Hurricane Harvey arrived on August 25, 2017 leaving substantial damage to the Texas gulf coast region including Houston Independent School District. The hurricane was reduced to tropical storm status and caused significant flooding in the Houston area as the front stalled and released unprecedented amounts of rainfall in the area. The District delayed the start of school for all students by a week. Several schools had later start dates requiring additional make up time. As of October 25, 2017 seven elementary schools remain closed with the impacted students being assigned to other campuses. Four of the closed schools may remain closed throughout the academic year pending decisions to renovate or entirely rebuild.

There are financial impacts of the hurricane to the District but they are expected to be mitigated to a substantial degree by insurance recoveries, FEMA assistance, and potentially allowable offsets to Chapter 41 recapture liabilities due by the District to the Texas Education Agency. The estimated range of remediation costs are from \$80 million to \$150 million depending in part on the determination of how to approach the four most heavily damaged elementary schools. The remediation costs are gross and not net of any insurance, FEMA, or other types of reimbursements.

For information concerning insurance coverage please refer to **NOTE 10: RISK MANAGEMENT**, subsection **Property, Casualty, General and Professional Liability**.



FINANCIAL SECTION

2017 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, 2017
(UNAUDITED)**

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES				
Property taxes	\$ 1,631,425,620	\$ 1,610,432,800	\$ 1,605,550,897	\$ (4,881,903)
Earnings on investments	1,315,000	3,200,000	5,312,450	2,112,450
Miscellaneous local sources	9,593,000	11,073,996	14,717,701	3,643,705
State sources	156,065,246	186,224,947	159,777,752	(26,447,195)
Federal sources	6,250,624	6,250,624	6,988,840	738,216
Total revenues	<u>1,804,649,490</u>	<u>1,817,182,367</u>	<u>1,792,347,640</u>	<u>(24,834,727)</u>
EXPENDITURES				
Current				
Instruction	1,010,583,212	1,055,398,983	985,581,537	69,817,446
Instructional resources and media services	5,913,342	8,744,088	8,734,256	9,832
Curriculum & Instructional staff development	22,666,635	25,789,680	21,080,905	4,708,775
Instructional leadership	20,660,986	25,559,813	22,841,523	2,718,290
School leadership	132,374,848	134,128,326	130,464,557	3,663,769
Guidance, counseling and evaluation services	38,985,741	42,489,988	40,486,806	2,003,182
Social work services	1,937,746	2,058,157	1,990,502	67,655
Health services	17,541,300	17,739,694	17,186,897	552,797
Student transportation	47,508,407	65,895,769	65,865,235	30,534
Co-curricular/extracurricular activities	11,697,384	16,119,741	16,043,694	76,047
General administration	34,410,745	48,073,237	40,722,954	7,350,283
Plant maintenance and operations	183,600,623	203,015,928	181,129,238	21,886,690
Security and monitoring services	22,787,885	24,974,918	24,459,246	515,672
Data processing services	50,694,317	131,777,971	69,999,727	61,778,244
Community services	2,043,495	2,292,497	2,111,054	181,443
Juvenile justice alternative education programs	752,954	792,152	792,117	35
Tax increment reinvestment zone	53,818,896	56,277,638	55,616,783	660,855
Contracted Instructional Services Between Public Schools (Chapter 41 Payments)	161,797,408	140,134,990	93,080,703	47,054,287
Tax appraisal and collection	14,227,206	14,711,468	13,995,353	716,115
Debt service				
Principal	13,553,097	13,732,352	13,236,011	496,341
Interest and fiscal charges	1,007,842	1,008,566	905,859	102,707
Capital outlay				
Facilities acquisition and construction	43,495	764,074	732,839	31,235
Total expenditures	<u>1,848,607,564</u>	<u>2,031,480,029</u>	<u>1,807,057,796</u>	<u>224,422,233</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(43,958,074)</u>	<u>(214,297,662)</u>	<u>(14,710,156)</u>	<u>199,587,506</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	30,400,000	30,400,000	30,400,000	-
Transfers out	(30,049,734)	(53,219,042)	(52,649,042)	570,000
Capital Leases	-	-	562,012	562,012
Total other financing uses	<u>350,266</u>	<u>(22,819,042)</u>	<u>(21,687,030)</u>	<u>1,132,012</u>
Net change in fund balances				200,719,518
Fund balances-beginning	<u>(43,607,808)</u>	<u>(237,116,704)</u>	<u>(36,397,186)</u>	-
Fund balances-ending	<u>694,638,057</u>	<u>501,129,161</u>	<u>701,848,679</u>	<u>200,719,518</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, 2017
(UNAUDITED)**

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget Better (Worse)
REVENUES				
Local sources	\$ 3,240,850	\$ 23,572,381	\$ 12,951,715	\$ (10,620,666)
State sources	14,505,661	26,230,415	19,591,236	(6,639,179)
Federal sources	166,871,765	224,604,344	171,296,701	(53,307,643)
Total revenues	<u>184,618,276</u>	<u>274,407,140</u>	<u>203,839,652</u>	<u>(70,567,488)</u>
EXPENDITURES				
Instruction	95,851,950	153,848,019	113,456,241	40,391,778
Instructional resources and media services	602,583	501,439	228,899	272,540
Instructional staff development	42,902,298	50,422,387	33,080,183	17,342,204
Instructional leadership	5,958,443	13,535,978	10,510,608	3,025,370
School leadership	1,061,177	1,625,009	1,609,913	15,096
Guidance, counseling and evaluation services	7,801,660	16,835,017	15,069,639	1,765,378
Social work services	898,860	1,760,217	1,439,687	320,530
Health services	2,727,854	4,777,955	4,101,408	676,547
Student transportation	3,110,765	4,975,817	4,831,726	144,091
Food services	5,220	15,963	13,090	2,873
Co-curricular/extracurricular activities	1,640,535	2,575,190	2,345,272	229,918
General administration	1,449,752	14,144,684	1,884,735	12,259,949
Plant maintenance and operations	1,066,783	2,801,432	813,453	1,987,979
Security and monitoring services	411,116	639,673	382,545	257,128
Data processing services	12,766,792	30,705,146	3,362,448	27,342,698
Community services	4,080,896	6,892,632	5,368,558	1,524,074
Fiscal agent/member districts of shared services arrangements	2,033,392	2,911,732	2,911,732	-
Debt service				
Principal	95,755	-	-	-
Capital outlay				
Facilities acquisition and construction	152,445	217,651	28,445	189,206
Total expenditures	<u>184,618,276</u>	<u>309,185,941</u>	<u>201,438,582</u>	<u>107,747,359</u>
Excess (deficiency) of revenues over (under) expenditures	-	<u>(34,778,801)</u>	<u>2,401,070</u>	<u>37,179,871</u>
Fund balances--beginning	<u>34,657,380</u>	<u>34,657,380</u>	<u>34,657,380</u>	-
Fund balances--ending	<u>\$ 34,657,380</u>	<u>\$ (121,421)</u>	<u>\$ 37,058,450</u>	<u>\$ 37,179,871</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, 2017
(UNAUDITED)

	2017	2016	2015
District's proportion of the net pension liability	0.01757928	0.008479058	0.010781403
District's proportionate share of the net pension liability	\$ 664,294,849	\$ 299,723,414	\$ 287,986,184
State's proportionate share of the net pension liability associated with the District	648,209,392	645,866,011	510,071,049
Total	<u>\$ 1,312,504,241</u>	<u>\$ 945,589,425</u>	<u>\$ 798,057,233</u>
District's covered payroll	1,173,667,245	1,159,791,606	1,107,330,812
District's proportionate share of the net pension liability as a percentage of its Covered Payroll	56.60%	25.84%	26.01%
Plan fiduciary net position as a percentage of the total pension liability	78.00%	78.43%	83.25%

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 50,787,112	\$ 44,318,451	\$ 35,477,854
Contribution in Relation to the Contractually Required Contribution	<u>(50,787,112)</u>	<u>(44,318,451)</u>	<u>(35,477,854)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	1,173,667,245	1,221,845,231	1,153,641,436
Contributions as a Percentage of Covered Payroll	4.33%	3.63%	3.08%

**HOUSTON INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(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 Nutrition Services Fund. For reporting purposes, the Nutrition Services Fund reports actual results as an enterprise 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 in the actuarial assumptions or other inputs that affected the measurement of the total pension liability since the prior measurement period.



FINANCIAL EXCELLENCE
SUPPORTING
ACADEMIC SUCCESS

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FINANCIAL SECTION

**2017 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 driver's 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. In addition, 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. The 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, 2017**

	Enterprise Funds			
	Business Development	Medicaid	The Marketplace	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$	\$	\$ 750	\$ 750
Investments	4,568,156	7,394,914	10,681	11,973,751
Receivables	1,275,578	21,374,546	4,051	22,654,175
Due from other funds	-	-	348,450	348,450
Inventories	-	-	50,580	50,580
Total current assets	<u>5,843,734</u>	<u>28,769,460</u>	<u>414,512</u>	<u>35,027,706</u>
Noncurrent assets:				
Furniture and equipment	-	435,470	15,202	450,672
Less accumulated depreciation	-	(262,433)	(2,027)	(264,460)
Total noncurrent assets	<u>-</u>	<u>173,037</u>	<u>13,175</u>	<u>186,212</u>
Total assets	<u>5,843,734</u>	<u>28,942,497</u>	<u>427,687</u>	<u>35,213,918</u>
LIABILITIES				
Current liabilities:				
Accounts payable	646,365	210,228	181,229	1,037,822
Due to other funds	3,374,589	2,352,548	-	5,727,137
Accrued salaries payable	-	541	1,568	2,109
Compensated absences payable	-	47,292	8,708	56,000
Total current liabilities	<u>4,020,954</u>	<u>2,610,609</u>	<u>191,505</u>	<u>6,823,068</u>
Noncurrent liabilities:				
Compensated absences payable	-	52,257	-	52,257
Total noncurrent liabilities	<u>-</u>	<u>52,257</u>	<u>-</u>	<u>52,257</u>
Total liabilities	<u>4,020,954</u>	<u>2,662,866</u>	<u>191,505</u>	<u>6,875,325</u>
NET POSITION				
Invested in capital assets	-	173,037	13,175	186,212
Unrestricted	1,822,780	26,106,594	223,007	28,152,381
Total net position	<u>\$ 1,822,780</u>	<u>\$ 26,279,631</u>	<u>\$ 236,182</u>	<u>\$ 28,338,593</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, 2017**

	Enterprise Funds			
	Business Development	Medicaid	Marketplace	Totals
OPERATING REVENUES				
Charges for sales and services:				
Sales to customers	\$ -	\$ -	\$ 569,122	\$ 569,122
Consulting services	5,616,323	3,212,201	-	8,828,524
Miscellaneous	13,975	-	668,317	682,292
Total operating revenues	\$ 5,630,298	\$ 3,212,201	\$ 1,237,439	\$ 10,079,938
OPERATING EXPENSES				
Payroll costs	-	2,159,002	294,215	2,453,217
Purchased and contracted services	4,720,556	3,722,222	-	8,442,778
Supplies and materials	-	197,428	775,276	972,704
Other operating expenses	-	473,101	16,620	489,721
Depreciation	-	78,963	2,027	80,990
Total operating expenses	4,720,556	6,630,716	1,088,138	12,439,410
Operating income (loss)	909,742	(3,418,515)	149,301	(2,359,472)
NONOPERATING REVENUES (EXPENSES)				
Earnings on investments	21,255	177,177	87	198,519
School health services (SHARS)	-	27,444,421	-	27,444,421
Total nonoperating revenue	21,255	27,621,598	87	27,642,940
Income before transfers	930,997	24,203,083	149,388	25,283,468
Transfers out	(400,000)	(30,000,000)	-	(30,400,000)
Change in net position	530,997	(5,796,917)	149,388	(5,116,532)
Total net position—beginning	1,291,783	32,076,548	86,794	33,455,125
Total net position—ending	\$ 1,822,780	\$ 26,279,631	\$ 236,182	\$ 28,338,593

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Enterprise Funds			
	Business Development	Medicaid	Marketplace	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from user charges	\$ 5,196,820	\$ 2,653,666	\$ 903,565	\$ 8,754,051
Payments to suppliers	(691,958)	(1,910,970)	(707,496)	(3,310,424)
Payments to employees	-	(2,263,888)	(307,799)	(2,571,687)
Net cash provided (used) in operating activities	<u>4,504,862</u>	<u>(1,521,192)</u>	<u>(111,730)</u>	<u>2,871,940</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Receipts from SHARS program	-	27,444,421	-	27,444,421
Transfers to other funds	(400,000)	(30,000,000)	-	(30,400,000)
Net cash provided (used) in noncapital financing activities	<u>(400,000)</u>	<u>(2,555,579)</u>	<u>-</u>	<u>(2,955,579)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	-	(104,880)	(15,202)	(120,082)
Net cash used in capital and related financing activities	<u>-</u>	<u>(104,880)</u>	<u>(15,202)</u>	<u>(120,082)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(5,671,257)	(30,007,178)	(87)	(35,678,522)
Proceeds from sales and maturities of investments	1,110,000	33,881,527	-	34,991,527
Interest and dividends	21,255	177,177	87	198,519
Net cash provided (used) in investing activities	<u>(4,540,002)</u>	<u>4,051,526</u>	<u>-</u>	<u>(488,476)</u>
Net increase in cash and cash equivalents	(435,140)	(130,125)	(126,932)	(692,197)
Balances—beginning of the year	<u>435,140</u>	<u>130,125</u>	<u>127,682</u>	<u>692,947</u>
Balances—end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 750</u>	<u>\$ 750</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 909,742	\$ (3,418,515)	\$ 149,301	\$ (2,359,472)
Adjustments to reconcile operating income to net cash provided used in operating activities:				
Depreciation expense	-	78,963	2,027	80,990
Change in assets and liabilities:				
Receivables	(433,477)	(558,536)	(333,874)	(1,325,887)
Due from other funds	229,986	-	-	229,986
Inventories and other assets	-	-	(21,419)	(21,419)
Accounts payables	424,022	136,623	105,818	666,463
Due to other funds	3,374,589	2,345,158	-	5,719,747
Compensated absence payable	-	(20,059)	(838)	(20,897)
Accrued salaries payable	-	(84,826)	(12,745)	(97,571)
Net cash provided (used) in operating activities	<u>\$ 4,504,862</u>	<u>\$ (1,521,192)</u>	<u>\$ (111,730)</u>	<u>\$ 2,871,940</u>

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. In addition, the Print Shop handles the districtwide copier contract/services for all schools and departments. Accounting for copier services moved from Internal Services to Print Shop during the current year.

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 70.63 percent of the annual cost of the plan with employees paying for the remaining 29.37 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, 2017**

	Print Shop	Health Insurance	Workers' Compensation	Internal Services	Totals
ASSETS					
Current assets:					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	923,261	4,593,525	34,847,331	14,911,342	55,275,459
Receivables	225,161	-	-	-	225,161
Due from other funds	1,099,066	27,826,696	5,402,032	-	34,327,794
Accrued interest	-	-	16,649	-	16,649
Other assets	-	-	-	-	-
Total current assets	<u>2,247,488</u>	<u>32,420,221</u>	<u>40,266,012</u>	<u>14,911,342</u>	<u>89,845,063</u>
Noncurrent assets:					
Buildings and improvements	555,828	-	-	1,590,750	2,146,578
Furniture and equipment	-	-	5,827	673,753	679,580
Vehicles	97,585	-	-	101,261	198,846
Less accumulated depreciation	(264,333)	-	(5,827)	(481,245)	(751,405)
Total noncurrent assets	<u>389,080</u>	<u>-</u>	<u>-</u>	<u>1,884,519</u>	<u>2,273,599</u>
Total assets	<u>2,636,568</u>	<u>32,420,221</u>	<u>40,266,012</u>	<u>16,795,861</u>	<u>92,118,662</u>
LIABILITIES					
Current liabilities:					
Accounts payable	440,314	3,172,643	51,257	730,726	4,394,940
Due to other funds	-	-	-	9,503,782	9,503,782
Unearned revenue	-	-	-	11,448	11,448
Accrued salaries payable	984	-	158	-	1,142
Compensated absences payable	14,519	8,430	6,471	53,186	82,606
Claims and judgments payable	-	11,755,720	4,017,228	-	15,772,948
Total current liabilities	<u>455,817</u>	<u>14,936,793</u>	<u>4,075,114</u>	<u>10,299,142</u>	<u>29,766,866</u>
Noncurrent liabilities:					
Compensated absences payable	43,558	25,290	19,413	159,557	247,818
Claims and judgments payable	-	97,280	3,362,208	-	3,459,488
Total noncurrent liabilities	<u>43,558</u>	<u>122,570</u>	<u>3,381,621</u>	<u>159,557</u>	<u>3,707,306</u>
Total liabilities	<u>499,375</u>	<u>15,059,363</u>	<u>7,456,735</u>	<u>10,458,699</u>	<u>33,474,172</u>
NET POSITION					
Invested in capital assets	389,080	-	-	1,884,519	2,273,599
Unrestricted	1,748,113	17,360,858	32,809,277	4,452,643	56,370,891
Total net position	<u>\$ 2,137,193</u>	<u>\$ 17,360,858</u>	<u>\$ 32,809,277</u>	<u>\$ 6,337,162</u>	<u>\$ 58,644,490</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, 2017**

	Print Shop	Health Insurance	Workers' Compensation	Internal Services	Totals
OPERATING REVENUES:					
Charges for sales and services:					
Sales to customers	\$ 8,031,464	\$ -	\$ -	\$ 15,402,339	\$ 23,433,803
Charges to employees and other funds	-	129,300,850	7,309,970	-	136,610,820
Miscellaneous	-	6,060,736	860,011	141,278	7,062,025
Total operating revenues	<u>8,031,464</u>	<u>135,361,586</u>	<u>8,169,981</u>	<u>15,543,617</u>	<u>167,106,648</u>
OPERATING EXPENSES:					
Payroll costs	1,402,206	843,421	872,783	10,485,551	13,603,961
Purchased and contracted services	5,858,072	126,979	11,939	2,041,588	8,038,578
Supplies and materials	859,351	9,861	2,120	1,310,054	2,181,386
Other operating expenses	1,996	2,344	32,599	1,792,118	1,829,057
Claims and judgments	-	142,412,341	5,570,913	-	147,983,254
Depreciation	13,896	1,767	1,068	177,654	194,385
Total operating expenses	<u>8,135,521</u>	<u>143,396,713</u>	<u>6,491,422</u>	<u>15,806,965</u>	<u>173,830,621</u>
Operating income (loss)	<u>(104,057)</u>	<u>(8,035,127)</u>	<u>1,678,559</u>	<u>(263,348)</u>	<u>(6,723,973)</u>
NONOPERATING REVENUES:					
Earnings on investments	33,850	84,871	290,387	41,400	450,508
Gain (Loss) on sale of assets	-	-	-	(301,700)	(301,700)
Total nonoperating revenue	<u>33,850</u>	<u>84,871</u>	<u>290,387</u>	<u>(260,300)</u>	<u>148,808</u>
Change in net position	<u>(70,207)</u>	<u>(7,950,256)</u>	<u>1,968,946</u>	<u>(523,648)</u>	<u>(6,575,165)</u>
Total net position—beginning	1,077,624	25,311,114	30,840,331	7,990,586	65,219,655
Adjustment for Copier Services*	1,129,776	-	-	(1,129,776)	-
Total net position—beginning (restated)*	<u>2,207,400</u>	<u>25,311,114</u>	<u>30,840,331</u>	<u>6,860,810</u>	<u>65,219,655</u>
Total net position—ending	<u>\$ 2,137,193</u>	<u>\$ 17,360,858</u>	<u>\$ 32,809,277</u>	<u>\$ 6,337,162</u>	<u>\$ 58,644,490</u>

* Beginning net position restated due to moving Copier Services from Internal Services to Print Shop

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Print Shop	Health Insurance	Workers' Compensation	Internal Services	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from user charges	\$ 7,099,175	\$ 104,930,409	\$ 1,884,028	\$ 16,295,843	\$ 130,209,455
Other receipts	-	6,092,801	879,416	141,278	7,113,495
Payments to suppliers	(6,411,709)	-	(227,468)	(5,645,638)	(12,284,815)
Payments to employees	(1,494,040)	(910,167)	(914,252)	(10,929,308)	(14,247,767)
Payments to other funds	-	-	-	9,503,782	9,503,782
Claims paid	-	(143,155,341)	(7,720,161)	-	(150,875,502)
Copier Services activities transferred*	1,129,776	-	-	(1,129,776)	-
Other payments	-	-	-	(301,700)	(301,700)
Net cash provided (used) by operating activities	<u>323,202</u>	<u>(33,042,298)</u>	<u>(6,098,437)</u>	<u>7,934,481</u>	<u>(30,883,052)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	-	(1,767)	-	(225,726)	(227,493)
Net cash used by capital and related financing activities	<u>-</u>	<u>(1,767)</u>	<u>-</u>	<u>(225,726)</u>	<u>(227,493)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(1,457,443)	(125,419,887)	(25,956,214)	(12,232,806)	(165,066,350)
Proceeds from sales and maturities of investments	929,949	158,369,378	31,755,340	4,414,034	195,468,701
Interest and dividends	33,850	84,871	290,387	41,400	450,508
Net cash provided (used) by investing activities	<u>(493,644)</u>	<u>33,034,362</u>	<u>6,089,513</u>	<u>(7,777,372)</u>	<u>30,852,859</u>
Net decrease in cash and cash equivalents	<u>(170,442)</u>	<u>(9,703)</u>	<u>(8,924)</u>	<u>(68,617)</u>	<u>(257,686)</u>
Balances—beginning of the year	170,442	9,703	8,924	68,617	257,686
Balances—end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (104,057)	\$ (8,035,127)	\$ 1,678,559	\$ (263,348)	\$ (6,723,973)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	13,896	1,767	1,068	177,654	194,385
Change in assets and liabilities:					
Allowances - Fair Value of Investments	-	(10,218)	25,132	-	14,914
Receivables, net	(43,799)	-	-	-	(43,799)
Due from other funds	(888,490)	(23,993,597)	(5,388,604)	893,505	(29,377,186)
Accounts payable	307,711	(237,662)	(263,062)	(501,878)	(694,891)
Due to other funds	-	-	-	9,503,781	9,503,781
Accrued interest	-	42,283	(5,726)	-	36,557
Accrued salaries payable	(57,993)	(54,659)	-	(372,840)	(485,492)
Compensated absences payable	(33,842)	(12,085)	(66,869)	(70,917)	(183,713)
Current portion of claims and judgments	-	(735,820)	(1,010,603)	-	(1,746,423)
Other long term claims and judgments	-	(7,180)	(1,138,645)	-	(1,145,825)
Copier Services activities transferred*	1,129,776	-	-	(1,129,776)	-
Other	-	-	70,313	(301,700)	(231,387)
Net cash provided (used) by operating activities	<u>\$ 323,202</u>	<u>\$ (33,042,298)</u>	<u>\$ (6,098,437)</u>	<u>\$ 7,934,481</u>	<u>\$ (30,883,052)</u>

* Moved Copier Services from Internal Services to Print Shop

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, 2017, two hundred sixty-two 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, payments, ledger maintenance and reporting provided through the District's accounting system. Schools in the district are required to maintain uniform accounting records.

**HOUSTON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Balance</u> <u>July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2017</u>
Student/Administrative Activity Funds				
ASSETS				
Cash and cash equivalents	\$ 94,221	\$ 48,911,036	\$ 49,001,207	\$ 4,050
Investments	14,083,795	13,410,605	208,462	27,285,938
Accounts receivable	14,321	32,407	35,165	4,491
Total assets	<u>\$ 14,192,337</u>	<u>\$ 62,354,048</u>	<u>\$ 49,244,834</u>	<u>\$ 27,294,479</u>
LIABILITIES				
Accounts payable	\$ 426,470	\$ 30,701,165	\$ 19,207,724	\$ 11,919,911
Accrued salaries payable	19	24,120	9,727	14,412
Other liabilities	40,283	128,426	168,709	-
Due to student/administrative groups	13,725,565	21,329,099	19,694,508	15,360,156
Total liabilities	<u>\$ 14,192,337</u>	<u>\$ 52,182,810</u>	<u>\$ 39,080,668</u>	<u>\$ 27,294,479</u>



FINANCIAL SECTION

**2017 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, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Better (Worse)
	Original	Final		
REVENUES				
Local maintenance taxes	\$ 285,302,436	\$ 283,904,971	\$ 287,771,745	\$ 3,866,774
Earnings on investments	471,000	850,000	769,166	(80,834)
State sources	2,016,320	2,934,389	2,924,206	(10,183)
Federal sources	7,065,638	7,096,093	7,089,724	(6,369)
Total revenues	<u>294,855,394</u>	<u>294,785,453</u>	<u>298,554,841</u>	<u>3,769,388</u>
EXPENDITURES				
Debt service				
Principal	199,468,482	202,468,482	201,798,482	670,000
Interest	132,841,519	129,538,155	129,538,154	1
Fiscal charges	-	3,798,468	2,808,883	989,585
Payment to escrow agents - current refunding	-	602,199,803	601,759,534	440,269
Total expenditures	<u>332,310,001</u>	<u>938,004,908</u>	<u>935,905,053</u>	<u>2,099,855</u>
Deficiency of revenues under expenditures	<u>(37,454,607)</u>	<u>(643,219,455)</u>	<u>(637,350,212)</u>	<u>5,869,243</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	39,112,845	39,086,060	39,086,060	-
Issuance of bonds and other debt	-	532,380,000	531,575,000	(805,000)
Premium on the sale of bonds	-	72,263,428	72,600,830	337,402
Payments to escrow agents	-	-	-	-
Total other financing sources	<u>39,112,845</u>	<u>643,729,488</u>	<u>643,261,890</u>	<u>(467,598)</u>
Net change in fund balances	1,658,238	510,033	5,911,678	5,401,645
Fund balances-beginning	123,124,995	123,124,995	123,124,995	-
Fund balances-ending	<u>\$ 124,783,233</u>	<u>\$ 123,635,028</u>	<u>\$ 129,036,673</u>	<u>\$ 5,401,645</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, 2017**

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget Better (Worse)
REVENUES				
Earnings on investments	\$ 5,665,000	\$ 5,665,000	\$ 6,353,995	\$ 688,995
Miscellaneous local sources	26,000,000	26,068,614	28,250,666	2,182,052
Total revenues	31,665,000	31,733,614	34,604,661	2,871,047
EXPENDITURES				
Capital outlay				
Facilities acquisition and construction	500,000,000	1,548,816,286	566,868,571	981,947,715
Total expenditures	500,000,000	1,548,816,286	566,868,571	981,947,715
Deficiency of revenues under expenditures	(468,335,000)	(1,517,082,672)	(532,263,910)	984,818,762
OTHER FINANCING SOURCES (USES)				
Transfers in	570,000	28,570,000	28,000,000	(570,000)
Transfers out	(14,437,018)	(14,437,018)	(14,437,018)	-
Issuance of bonds and other debt	640,000,000	540,000,000	488,670,000	(51,330,000)
Premium on sale of bonds	-	-	53,599,739	53,599,739
Proceeds from sale of capital assets	-	447,060	484,960	37,900
Total other financing sources	626,132,982	554,580,042	556,317,681	1,737,639
Net change in fund balances	157,797,982	(962,502,630)	24,053,771	986,556,401
Fund balances--beginning	957,840,344	957,840,344	957,840,344	-
Fund balances--ending	\$ 1,115,638,326	\$ (4,662,286)	\$ 981,894,115	\$ 986,556,401

**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, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Better (Worse)
	Original	Final		
REVENUES				
Food sales	\$ 8,287,910	\$ 7,615,553	\$ 7,816,438	\$ 200,885
Interest income	58,800	208,101	312,024	103,923
Miscellaneous local sources	75,000	22,777	63,319	40,542
State matching funds and others	584,000	3,165,628	1,640,330	(1,525,298)
Child nutrition programs/Summer food program	108,850,142	113,952,577	113,618,791	(333,786)
Donated commodities	7,000,000	8,381,474	7,399,764	(981,710)
Total revenues	124,855,852	133,346,110	130,850,666	(2,495,444)
EXPENSES				
Current				
Food services	123,385,802	130,305,058	127,600,842	2,704,216
General administration	1,146,948	1,058,494	882,156	176,338
Plant maintenance and operations	1,902,972	845,370	530,232	315,138
Total expenses	126,435,722	132,208,922	129,013,230	3,195,692
Change in fund net position	(1,579,870)	1,137,188	1,837,436	700,248
Total net position-beginning	8,664,540	8,664,540	8,664,540	-
Total net position-ending	\$ 7,084,670	\$ 9,801,728	\$ 10,501,976	\$ 700,248



FINANCIAL EXCELLENCE
SUPPORTING
ACADEMIC SUCCESS

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2017 COMPREHENSIVE
ANNUAL FINANCIAL REPORT

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.



FINANCIAL EXCELLENCE
SUPPORTING
ACADEMIC SUCCESS

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STATISTICAL SECTION

2017 FINANCIAL
TRENDS

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

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental activities										
Net investment in capital assets										
Restricted	\$ 1,365,783,744	\$ 1,248,306,026	\$ 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
Unrestricted	97,427,017	78,988,962	47,832,498	84,103,019	56,598,918	84,478,848	115,045,479	84,381,231	91,063,905	84,771,107
Total governmental activities	<u>\$ 1,463,210,761</u>	<u>\$ 1,327,294,988</u>	<u>\$ 1,300,005,890</u>	<u>\$ 1,191,928,248</u>	<u>\$ 1,074,415,832</u>	<u>\$ 933,530,571</u>	<u>\$ 722,133,525</u>	<u>\$ 767,405,741</u>	<u>\$ 697,487,033</u>	<u>\$ 603,946,143</u>
Business-type activities										
Net investment in capital assets										
Restricted	\$ 3,377,334	\$ 3,543,365	\$ 2,312,189	\$ 1,423,266	\$ 833,369	\$ 386,947	\$ 306,387	\$ 267,578	\$ 21,289,416	\$ 23,315,673
Unrestricted	7,310,854	5,268,295	7,004,373	20,426,635	14,605,458	8,423,522	-	-	-	-
Total business-type activities	<u>\$ 10,688,188</u>	<u>\$ 8,811,660</u>	<u>\$ 9,316,562</u>	<u>\$ 14,850,901</u>	<u>\$ 15,438,827</u>	<u>\$ 395,469</u>	<u>\$ 306,387</u>	<u>\$ 267,578</u>	<u>\$ 21,289,416</u>	<u>\$ 23,315,673</u>
Total										
Net investment in capital assets	\$ 1,369,161,078	\$ 1,251,849,391	\$ 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
Restricted	104,737,871	84,257,257	54,836,871	104,529,654	71,204,376	92,902,370	115,045,479	84,381,231	91,063,905	84,771,107
Unrestricted	513,728,792	639,388,215	580,690,516	748,896,248	707,840,587	739,788,123	788,004,245	614,951,511	625,997,623	714,788,546
Total net position	<u>\$ 1,987,627,741</u>	<u>\$ 1,975,494,863</u>	<u>\$ 1,889,012,968</u>	<u>\$ 1,962,674,397</u>	<u>\$ 1,797,695,246</u>	<u>\$ 1,682,129,163</u>	<u>\$ 1,510,444,157</u>	<u>\$ 1,382,624,830</u>	<u>\$ 1,344,774,072</u>	<u>\$ 1,342,050,362</u>

HOUSTON INDEPENDENT SCHOOL DISTRICT

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

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses										
Governmental activities:										
Instruction	\$ 1,354,643,323	\$ 1,321,923,485	\$ 1,209,883,205	\$ 1,182,118,522	\$ 1,042,458,041	\$ 1,059,821,975	\$ 1,183,179,760	\$ 1,181,805,764	\$ 1,153,304,979	\$ 1,089,343,618
Instructional resources and media servi	8,606,334	6,736,868	7,702,863	9,944,748	10,869,915	9,156,011	16,023,275	17,261,306	21,093,535	14,693,279
Instructional staff development	56,859,881	61,690,290	60,005,763	59,082,961	55,893,549	63,721,103	54,518,931	67,113,124	66,556,702	59,859,578
Curriculum development	-	9,683,262	5,717,871	6,133,884	5,622,290	4,128,424	4,902,643	4,665,111	5,354,011	4,240,788
Instructional leadership	41,414,704	31,044,536	28,477,630	25,360,441	18,901,501	20,131,917	24,911,226	27,244,755	26,930,049	23,266,596
School leadership	142,369,897	144,729,380	129,495,908	125,593,716	115,221,354	117,065,506	128,978,440	130,773,278	132,687,937	124,181,161
Guidance, counseling, and evaluation s	59,189,470	56,613,106	46,638,994	49,573,307	46,489,885	54,065,013	57,842,064	62,038,198	49,789,308	50,166,310
Social work services	3,680,254	3,667,034	2,920,092	3,201,197	1,708,965	1,815,776	2,198,842	2,269,165	2,285,724	2,173,752
Health services	21,988,601	21,657,215	20,326,190	20,089,065	18,126,396	16,734,818	21,446,184	20,012,485	20,803,330	19,442,983
Student transportation services	67,016,009	60,617,212	56,262,972	54,382,120	49,177,675	47,554,907	51,893,718	49,177,482	49,161,505	47,790,724
Food service	7,594	260,243	735,266	739,979	1,852,859	3,188,052	3,008,334	2,804,934	2,804,934	1,462,442
Co-curricular/extracurricular activities	20,825,642	19,065,366	17,216,086	15,882,667	15,819,706	16,987,312	20,340,457	17,164,043	17,545,394	15,657,329
General administration	45,509,427	36,675,151	35,366,990	36,400,073	32,135,778	31,731,912	34,477,259	34,203,064	31,644,240	37,274,187
Plant maintenance and operations	188,418,295	259,431,697	175,914,882	192,637,508	165,753,820	171,545,597	173,578,807	175,125,622	199,198,108	184,483,175
Security and monitoring services	26,353,998	28,590,964	22,506,620	21,716,890	19,354,386	18,761,276	20,382,003	21,151,657	21,709,881	19,812,880
Data processing services	87,198,668	93,903,264	95,132,817	68,775,556	47,846,438	33,846,438	37,132,523	39,020,554	44,367,319	52,846,792
Community services	7,855,726	7,124,283	6,532,422	4,871,601	4,117,037	4,997,510	5,908,205	4,521,889	5,252,954	5,453,724
Fiscal agent/member districts of shared	2,911,732	2,260,646	2,704,595	1,956,874	2,405,128	-	-	-	-	-
Interest and fiscal charges	84,888,843	87,029,681	89,351,058	92,546,879	102,759,843	113,712,948	107,186,397	104,870,409	106,192,056	95,791,571
Juvenile justice alternative education pr	792,117	792,000	792,000	843,660	984,270	984,270	-	551,243	687,494	762,071
Tax reinvestment zone payments	55,616,783	52,100,723	49,360,389	53,641,961	51,016,677	52,834,027	49,634,345	54,620,528	35,104,450	32,754,533
Tax appraisal and collection	13,995,353	13,555,890	12,555,327	10,588,700	9,927,290	9,775,757	9,797,218	9,876,688	9,629,776	-
WADA-Chapter 41	93,080,703	-	-	-	-	-	-	-	-	-
Total governmental activities expen	\$ 2,383,203,354	\$ 2,316,952,276	\$ 2,075,599,940	\$ 2,036,086,299	\$ 1,817,815,360	\$ 1,852,368,549	\$ 2,007,340,631	\$ 2,027,515,247	\$ 2,002,063,686	\$ 1,861,457,492
Business-type activities:										
Nutrition services	129,529,363	128,435,220	122,401,383	115,781,436	106,852,176	105,832,493	115,099,249	107,858,328	109,347,648	109,520,238
Business development	4,720,556	4,576,260	4,490,622	4,576,179	9,404,905	10,136,636	10,845,529	9,397,281	9,594,698	9,759,385
Medicaid	6,630,716	6,992,294	4,287,529	3,977,731	3,028,196	2,130,061	1,637,317	1,652,331	1,430,670	1,262,940
Marketplace	1,088,138	1,163,580	1,007,281	500,486	528,513	599,041	-	-	-	-
Total business-type activities exper	\$ 141,968,773	\$ 141,167,354	\$ 132,186,815	\$ 124,835,832	\$ 119,813,790	\$ 118,698,231	\$ 127,582,095	\$ 118,907,940	\$ 120,373,016	\$ 120,542,563
Total expenses	\$ 2,525,172,127	\$ 2,458,119,630	\$ 2,207,786,755	\$ 2,160,924,131	\$ 1,937,629,150	\$ 1,971,066,780	\$ 2,134,922,726	\$ 2,146,423,187	\$ 2,122,436,702	\$ 1,982,000,055
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 2,121,163	\$ 1,615,963	\$ 1,406,428	\$ 1,492,445	\$ 924,014	\$ 891,197	\$ 840,370	\$ 924,253	\$ 817,212	\$ 863,005
Co-curricular/extracurricular activities	400,260	369,886	4,490,622	1,027,891	991,819	1,003,509	592,192	607,204	611,688	389,723
Plant maintenance and operations	294,928	2,366,643	326,551	613,334	589,794	620,570	525,656	561,756	456,395	502,987
Operating grants and contributions	257,062,737	284,606,909	283,668,955	358,082,926	328,935,582	369,299,966	445,161,872	458,717,421	355,444,861	343,082,215
Total governmental entities program	\$ 259,879,088	\$ 287,044,456	\$ 286,236,105	\$ 361,216,596	\$ 331,441,209	\$ 371,815,242	\$ 447,120,090	\$ 460,810,634	\$ 357,330,156	\$ 344,837,930
Business-type activities:										
Charges for services:										
Nutrition services	7,816,438	7,287,832	8,374,719	10,245,808	10,301,716	10,347,193	9,645,209	10,632,279	12,814,355	14,512,444
Business development	5,616,323	5,047,196	4,944,367	5,656,010	9,695,176	11,006,871	11,251,482	10,518,232	10,588,704	10,286,253
Medicaid	3,212,201	2,366,643	3,345,480	2,746,689	2,471,830	2,282,917	2,719,083	1,984,651	1,386,900	1,144,819
Marketplace	569,122	598,726	755,925	424,008	451,426	100,823	-	-	-	-
Operating grants and contributions	150,103,306	143,417,677	144,334,759	138,265,205	128,754,038	162,517,103	141,623,302	115,040,272	89,392,353	86,398,461
Total business-type activities progr	\$ 167,317,390	\$ 158,718,074	\$ 181,755,250	\$ 157,337,720	\$ 151,674,186	\$ 186,254,907	\$ 165,239,076	\$ 138,175,334	\$ 114,182,312	\$ 112,341,977
Total program revenues	\$ 427,196,478	\$ 445,762,530	\$ 467,991,355	\$ 518,554,316	\$ 483,115,395	\$ 558,070,149	\$ 612,359,166	\$ 598,986,068	\$ 471,492,468	\$ 457,179,907
Net (Expense)/Revenue										
Governmental activities	\$ (2,123,324,266)	\$ (2,029,907,820)	\$ (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)
Business-type activities	\$ 25,348,617	\$ 17,550,720	\$ 29,568,435	\$ 32,501,888	\$ 31,860,396	\$ 67,558,676	\$ 37,656,961	\$ 19,267,494	\$ (6,210,704)	\$ (8,200,586)
Total net expense	\$ (2,097,975,649)	\$ (2,012,357,100)	\$ (1,759,795,400)	\$ (1,642,369,815)	\$ (1,454,513,755)	\$ (1,412,994,631)	\$ (1,522,563,580)	\$ (1,547,437,119)	\$ (1,650,944,234)	\$ (1,524,820,148)

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

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net (Expense)/Revenue										
Governmental activities	\$ (2,123,324,266)	\$ (2,029,907,820)	\$ (1,788,912,045)	\$ (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)
Business-type activities	25,348,617	17,550,720	29,116,645	32,501,888	31,860,396	67,556,676	37,656,981	19,267,494	(6,210,704)	(8,200,586)
Total net expense	<u>\$ (2,097,975,649)</u>	<u>\$ (2,012,357,100)</u>	<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>
General Revenues										
Governmental activities:										
Taxes:										
Maintenance & operations property taxes	\$ 1,616,374,560	\$ 1,524,975,889	\$ 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	\$ 936,379,261
Debt service property taxes	289,758,068	247,590,294	232,266,371	195,804,754	164,908,522	147,135,700	151,859,268	157,268,604	158,048,285	140,629,766
State aid - not restricted to specific programs	116,880,152	219,041,630	286,405,460	323,852,977	249,637,884	361,077,829	393,524,758	317,029,674	365,108,678	435,756,303
Tax increment reinvestment zone	29,369,236	28,256,492	25,200,451	23,850,334	28,760,661	31,010,087	43,023,511	21,653,331	20,562,533	18,954,929
Unrestricted investment earnings	13,156,226	6,979,458	3,724,932	3,979,465	2,755,071	3,780,140	4,255,542	7,127,247	26,927,592	48,972,905
Miscellaneous	20,277,442	17,286,979	19,274,951	18,604,624	20,945,146	47,425,950	29,345,976	16,018,276	23,940,145	13,112,562
Gain/(Loss) on sale of real or personal property	(10,252,446)	(7,730,853)	53,413,990	-	-	-	-	-	-	-
On-behalf contribution relating to pension-GASB 68	33,289,135	59,082,962	-	-	-	-	-	-	-	-
Transfers	30,400,000	30,400,000	30,400,000	21,260,550	39,960,550	38,700,000	30,400,000	9,136,088	13,200,000	13,200,000
Total governmental activities	<u>2,139,252,373</u>	<u>2,125,882,861</u>	<u>2,048,155,409</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>
Business-type activities:										
Unrestricted investment earnings	510,543	146,707	57,514	59,550	87,300	109,681	88,424	58,983	219,246	1,055,550
Miscellaneous	745,611	619,151	425,772	1,055,403	979,700	1,518,159	762,895	938,247	842,237	981,646
On-behalf contribution relating to pension-GASB 68	-	2,590,276	-	-	-	-	-	-	-	-
Transfers	(30,400,000)	(30,400,000)	(30,400,000)	(21,260,550)	(39,960,550)	(38,700,000)	(30,400,000)	(9,136,088)	(13,200,000)	(13,200,000)
Total business-type activities	<u>(29,143,846)</u>	<u>(27,043,866)</u>	<u>(29,916,714)</u>	<u>(20,145,597)</u>	<u>(38,893,550)</u>	<u>(37,072,160)</u>	<u>(29,548,881)</u>	<u>(8,138,858)</u>	<u>(12,138,517)</u>	<u>(11,162,804)</u>
Total general revenues	<u>\$ 2,110,108,527</u>	<u>\$ 2,098,838,995</u>	<u>\$ 2,018,238,695</u>	<u>\$ 1,803,581,886</u>	<u>\$ 1,570,079,838</u>	<u>\$ 1,584,681,637</u>	<u>\$ 1,650,382,687</u>	<u>\$ 1,585,287,877</u>	<u>\$ 1,653,667,944</u>	<u>\$ 1,595,843,922</u>
Change in Position										
Governmental activities	\$ 15,928,107	\$ 95,975,041	\$ 259,243,364	\$ 148,855,780	\$ 122,599,237	\$ 141,200,490	\$ 119,711,027	\$ 26,722,122	\$ 21,072,931	\$ 90,387,164
Business-type activities	(3,795,229)	(9,493,146)	(800,069)	12,355,291	(7,033,154)	30,484,516	8,108,300	11,128,636	(18,349,221)	(19,363,390)
Total change in net position	<u>\$ 12,132,878</u>	<u>\$ 86,481,895</u>	<u>\$ 258,443,295</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>

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

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund Balances										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,515,835	\$ 45,001,452	\$ 42,513,114
Unreserved	-	-	-	-	-	-	-	406,635,723	432,413,584	481,171,886
Nonspendable	10,115,337	10,166,319	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	102,364,840	91,482,865	89,706,733	83,790,695	81,161,009	78,974,229	100,954,015	-	-	-
Assigned	222,413,318	250,970,779	256,992,372	155,446,311	128,138,692	124,225,921	92,059,275	-	-	-
Unassigned	366,955,184	385,625,902	282,545,916	279,351,748	276,796,499	312,621,371	257,315,672	-	-	-
Total general fund	\$ 701,848,679	\$ 738,245,865	\$ 646,165,822	\$ 540,067,026	\$ 520,695,298	\$ 552,390,572	\$ 482,611,098	\$ 452,151,558	\$ 477,415,036	\$ 523,685,000
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 395,538,459	\$ 307,660,468	\$ 223,817,813
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
Public Facility Corporation	-	-	-	-	-	-	-	54,519,448	1,321,516	3,291,731
Restricted, reported in:										
Special Revenue Fund	37,058,450	34,657,380	28,091,528	27,171,222	25,304,978	25,445,723	9,703,595	-	-	-
Debt Service Fund	129,036,673	123,124,995	125,699,276	145,910,262	127,037,935	144,143,368	131,866,758	-	-	-
Capital Renovations Fund	921,555,203	876,943,939	648,942,505	445,828,592	573,881,680	376,547,064	553,805,808	-	-	-
Public Facility Corporation	28,509,693	63,955,273	93,235,178	6,129,820	6,837,689	6,817,756	17,857,956	-	-	-
Committed, reported in:										
Capital Renovations Fund	7,922,067	21,000,196	38,462,761	64,916,459	75,469,488	93,542,185	124,962,185	-	-	-
Assigned, reported in:										
Capital Renovations Fund	52,416,845	59,896,209	70,481,908	38,361,620	45,155,473	57,889,113	54,177,283	-	-	-
Total all other governmental funds	\$ 1,176,498,931	\$ 1,179,577,992	\$ 1,004,913,156	\$ 728,317,975	\$ 853,687,243	\$ 704,385,209	\$ 892,373,585	\$ 1,078,408,773	\$ 728,445,417	\$ 768,659,830

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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Local sources:										
Property taxes	\$ 1,893,322,642	\$ 1,777,993,410	\$ 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
Earnings on investments	12,674,863	6,537,913	3,227,580	3,567,672	2,491,504	3,405,057	3,976,620	6,459,794	24,159,405	43,487,742
Miscellaneous local sources	55,920,082	53,679,466	46,389,598	52,031,641	59,749,175	73,964,248	68,656,990	43,483,510	52,811,748	42,747,211
Total local sources	1,961,917,587	1,838,210,789	1,670,386,142	1,494,601,087	1,329,846,635	1,276,537,940	1,261,098,739	1,273,076,208	1,287,341,301	1,177,360,201
State sources:										
Per capita	76,341,323	35,116,457	49,580,221	49,423,912	85,664,101	46,005,198	59,890,994	21,511,001	46,266,828	50,818,130
Foundation school program	49,296,541	193,435,639	247,558,062	285,992,699	175,880,327	327,816,675	369,544,820	318,014,257	353,795,852	446,442,074
On behalf payments	32,914,554	42,570,730	46,763,431	67,095,628	60,285,800	57,774,897	69,305,020	70,403,585	70,039,599	66,124,556
Other state sources	23,740,776	39,394,909	7,355,681	39,304,253	21,289,371	49,854,401	23,520,135	29,475,244	28,708,318	24,064,692
Total state sources	182,293,194	310,517,735	351,257,395	441,816,492	343,119,599	481,451,171	522,260,969	439,404,087	498,810,597	587,449,452
Federal sources	185,375,265	185,158,431	213,682,616	206,949,586	203,715,416	246,425,350	319,183,246	330,383,551	215,127,489	196,167,602
Total revenues	\$ 2,329,586,046	\$ 2,333,886,955	\$ 2,235,326,153	\$ 2,143,367,165	\$ 1,876,681,650	\$ 2,004,414,461	\$ 2,102,542,954	\$ 2,042,863,846	\$ 2,001,279,387	\$ 1,960,977,255

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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Instruction	\$ 1,099,037,778	\$ 1,156,049,711	\$ 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
Instructional resources and media services	8,963,155	6,593,406	7,952,267	10,278,369	11,118,905	11,555,276	16,381,158	17,801,466	23,903,416	14,576,095
Instructional staff development	54,161,088	60,270,149	59,107,913	58,154,078	54,939,279	63,856,333	54,263,839	66,453,364	65,418,777	58,784,175
Curriculum development	-	9,394,342	5,687,622	6,127,080	5,687,120	4,201,940	4,890,219	4,614,962	5,277,650	4,223,455
Instructional leadership	33,352,131	29,042,244	27,204,848	24,074,779	22,416,685	24,074,779	24,888,930	27,261,578	26,410,595	22,956,610
School leadership	132,074,470	138,095,849	128,611,645	124,755,647	116,733,825	119,183,528	128,698,374	130,265,164	130,502,940	123,562,633
Guidance, counseling, and evaluation services	55,556,445	53,831,166	45,117,000	49,135,835	48,204,442	56,123,250	57,677,493	61,156,891	48,002,187	49,384,323
Social work services	3,430,189	3,549,028	2,899,837	3,193,461	1,735,345	1,846,464	2,192,944	2,264,505	2,230,353	2,164,007
Health services	21,288,305	20,779,347	19,860,156	19,925,875	18,590,270	17,042,335	21,422,280	19,954,632	20,532,155	19,345,991
Student transportation	70,696,961	58,910,024	54,059,722	53,007,805	54,970,802	47,175,230	48,240,258	52,000,103	52,242,760	42,442,213
Food services	13,090	253,641	591,158	172,172	583,973	583,260	131,151	10,879,396	1,906,326	212,168
Co-curricular/extracurricular activities	18,388,966	18,942,687	17,083,246	15,831,469	16,029,157	17,217,488	20,289,786	16,699,117	16,647,786	14,773,408
General administration	42,607,689	35,182,633	35,119,538	36,289,625	32,554,127	32,363,024	33,915,789	33,095,416	29,752,854	35,564,385
Plant maintenance and operations	181,942,691	165,977,640	173,825,216	191,750,049	166,933,319	172,762,187	175,450,003	173,340,380	198,821,677	183,181,687
Security and monitoring services	24,841,791	25,332,111	22,425,128	22,059,980	19,739,550	18,835,057	20,264,492	20,748,092	21,125,694	19,551,020
Data processing services	73,362,175	85,484,194	89,624,688	61,605,594	45,275,495	27,338,836	26,180,383	24,825,952	30,531,146	33,692,358
Community services	7,479,612	6,963,614	6,467,383	4,840,611	4,167,845	5,087,450	5,890,353	4,506,100	5,166,207	5,431,534
Fiscal agent/member districts of shared services arrangements	2,911,732	2,260,646	2,704,595	1,956,874	2,405,128	-	-	-	-	-
Juvenile justice alternative education program	792,117	792,000	792,000	843,660	843,660	984,270	-	551,243	667,494	762,071
Tax reinvestment zone payments	55,616,783	52,100,723	49,360,389	53,641,961	51,016,677	52,834,027	49,634,345	54,620,528	35,104,450	32,754,533
Tax appraisal and collection	13,995,353	13,355,890	12,555,327	10,588,700	9,927,290	9,775,757	9,797,218	9,876,688	9,629,776	-
Chapter 41/ Purchase of WADA	93,080,703	-	-	-	-	-	-	-	-	-
Debt service	215,034,493	140,278,176	117,446,886	129,080,391	96,045,369	74,639,997	71,034,340	90,918,150	101,872,999	96,190,448
Principal	130,444,013	157,739,465	132,138,517	153,493,148	160,202,075	142,211,510	141,891,751	114,632,129	113,535,871	98,297,459
Fiscal charges	2,808,883	1,959,956	2,728,904	243,134	-	-	-	-	-	-
Payments to escrow agent- current refunding	601,759,534	203,287,228	752,140,331	-	-	186,455,000	-	-	-	-
Capital outlay	603,314,687	429,290,307	241,104,027	181,127,977	211,984,053	287,682,245	294,750,604	175,974,734	97,697,019	127,692,090
Facilities acquisition and construction	\$ 3,546,954,834	\$ 2,875,716,177	\$ 3,111,059,157	\$ 2,301,087,027	\$ 2,144,267,869	\$ 2,384,847,865	\$ 2,309,047,841	\$ 2,219,846,627	\$ 2,115,408,780	\$ 1,991,688,166
Total expenditures										
Debt service as a percentage of non-capital expenditures	14.75%	13.21%	11.88%	13.62%	13.71%	11.48%	10.55%	10.14%	10.81%	10.64%

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 debt service ratio is calculated by dividing total debt service (principal and interest) by total noncapital expenditures. Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditure categories. The calculation for the debt service ratio in the year reported is as follows: (215,034,493 + 130,444,013) / (3,546,954,834 - 602,553,403 - 601,759,534) where 602,553,403 is the portion of capital outlay capitalized in the government-wide statements.

The current refundings in fiscal years 2012, 2015, 2016 and 2017 have been deducted from non-capital expenditures in order to insure comparability between years.

Prior to fiscal year 2014, interest and fiscal charges were reported in aggregate.

Curriculum development (local code) has been eliminated as a category of expenditures in fiscal year 2017.

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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Excess of revenues under expenditures	\$ (1,217,368,788)	\$ (541,829,222)	\$ (875,733,004)	\$ (157,719,862)	\$ (267,586,219)	\$ (380,433,404)	\$ (206,504,887)	\$ (175,867,683)	\$ (114,129,393)	\$ (30,690,911)
Other Financing Sources (Uses)										
Capital leases	562,012	8,640,097	19,814,339	15,732,872	66,979	-	55,772	-	62,307	93,514
Issuance of bonds and other debt	488,670,000	492,880,000	1,132,865,000	-	449,675,000	205,580,000	14,500,000	479,520,000	28,660,000	413,325,000
Issuance of refunding debt	531,575,000	461,945,000	-	-	-	-	-	-	-	-
Payments to escrow agents	-	(313,982,644)	(51,072,776)	-	(158,136,613)	-	-	-	(30,958,706)	-
Premium on sale of bonds	53,599,739	69,665,118	65,105,203	-	50,189,281	6,371,654	727,960	7,332,903	17,340,279	12,074,080
Premium on sale of refunding bonds	72,600,830	55,976,555	-	-	-	-	-	-	-	-
Discount on sale of bonds	-	-	-	-	-	-	-	(115,214)	-	-
Proceeds from sale of capital assets	484,960	3,049,975	61,799,149	1,259,647	3,437,781	11,572,848	4,748,507	4,871,945	91,136	1,204,181
Transfers in	97,486,060	69,663,964	79,648,453	120,753,258	122,337,002	144,071,182	150,794,392	112,085,429	103,858,212	100,241,208
Transfers out	(67,086,060)	(39,263,964)	(49,732,387)	(99,492,708)	(82,376,451)	(105,371,182)	(119,894,392)	(102,015,404)	(91,408,212)	(88,484,735)
Total other financing sources	1,177,892,541	808,574,101	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
Net change in fund balances	\$ (39,476,247)	\$ 266,744,879	\$ 382,693,977	\$ (119,466,793)	\$ 117,606,760	\$ (118,208,902)	\$ (155,572,648)	\$ 325,811,976	\$ (86,484,377)	\$ 407,762,337

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



FINANCIAL EXCELLENCE
SUPPORTING
ACADEMIC SUCCESS

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STATISTICAL SECTION

2017 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
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
2016	153,367,413,252	44,404,146,318	44,911,076,773	152,860,482,797	1.196700	206,223,497,079
2017	168,120,296,681	44,977,402,521	47,236,054,537	165,861,644,665	1.206700	218,146,974,374

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	2017		2016		2015		2014		2013	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Local Option and State-Mandated Homestead Exemption	\$ 19,425,189,768	41.12%	\$ 18,223,216,591	40.58%	\$ 14,564,042,575	37.03%	\$ 13,441,842,882	36.37%	\$ 12,806,116,133	36.61%
Local Option and State-Mandated Homestead Exemption Over 65 years of age or older (up to \$10,000 AV)	938,082,355	1.99%	894,636,337	1.99%	930,079,467	2.36%	913,697,777	2.47%	856,136,308	2.45%
Disabled Veterans, Surviving Spouses and/or Children and Certain Other Disabled Persons	294,923,836	0.62%	272,968,718	0.61%	283,067,126	0.72%	270,328,598	0.73%	246,378,759	0.70%
Tax Exempt (i.e., Church)	25,123,729,903	53.19%	23,862,120,885	53.13%	21,929,143,755	55.76%	20,610,459,907	55.76%	19,534,688,907	55.85%
Pollution Control	328,871,032	0.70%	312,294,880	0.70%	307,945,565	0.78%	311,426,503	0.84%	320,196,159	0.92%
Foreign Trade	192,057,213	0.41%	299,554,557	0.67%	370,778,596	0.94%	422,087,984	1.14%	358,450,852	1.02%
Other	933,200,430	1.98%	1,046,284,805	2.33%	943,640,412	2.40%	990,023,586	2.68%	854,136,211	2.44%
Total Exemptions from Assessed Value	\$ 47,236,054,537	100.00%	\$ 44,911,076,773	100.00%	\$ 39,328,697,496	100.00%	\$ 36,959,867,237	100.00%	\$ 34,976,103,329	100.00%

Classification of Exemption or Exclusion	2012		2011		2010		2009		2008	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Local Option and State-Mandated Homestead Exemption	\$ 12,883,366,847	39.63%	\$ 12,894,170,714	40.60%	\$ 12,817,857,122	40.30%	\$ 12,427,615,266	41.46%	\$ 11,637,424,031	45.28%
Local Option and State-Mandated Homestead Exemption Over 65 years of age or older (up to \$10,000 AV)	864,938,181	2.66%	864,784,473	2.72%	859,822,423	2.70%	856,046,142	2.86%	843,213,626	3.28%
Disabled Veterans, Surviving Spouses and/or Children and Certain Other Disabled Persons	237,097,058	0.73%	229,161,105	0.72%	217,141,908	0.68%	180,117,801	0.60%	165,456,194	0.64%
Tax Exempt (i.e., Church)	17,299,253,783	53.22%	16,522,229,073	52.03%	16,528,390,421	51.97%	15,211,360,090	50.75%	11,941,517,771	46.46%
Pollution Control	294,242,289	0.91%	256,699,345	0.81%	318,183,561	1.00%	284,915,920	0.95%	299,408,051	1.16%
Foreign Trade	121,857,525	0.37%	282,810,548	0.89%	472,745,651	1.49%	358,754,981	1.20%	317,874,857	1.24%
Other	806,628,209	2.48%	707,866,430	2.23%	592,176,680	1.86%	655,402,513	2.19%	497,578,224	1.94%
Total Exemptions from Assessed Value	\$ 32,507,383,892	100.00%	\$ 31,757,721,688	100.00%	\$ 31,806,317,766	100.00%	\$ 29,974,212,713	100.00%	\$ 25,702,472,754	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
2008	\$ 1,006,700	\$ 0,150,000	\$ 1,156,700	\$ 0,635,833	\$ 0,643,750	\$ 0,400,000	\$ 0,671,745	\$ 0,499,260	\$ 0,251,360	\$ 0,366,000	\$ 0,092,433	\$ 0,143,500	\$ 1,380,000
2009	1,006,700	0,150,000	1,156,700	0,635,820	0,638,750	0,377,500	0,661,470	0,517,240	0,347,833	0,359,000	0,092,430	0,143,500	1,360,000
2010	1,006,700	0,150,000	1,156,700	0,636,030	0,638,750	0,375,900	0,721,076	0,528,400	0,347,833	0,358,750	0,092,220	0,143,500	1,360,000
2011	1,006,700	0,150,000	1,156,700	0,636,561	0,638,750	0,399,900	0,801,526	0,528,400	0,347,833	0,374,110	0,092,220	0,143,500	1,360,000
2012	1,006,700	0,150,000	1,156,700	0,636,561	0,638,750	0,399,900	0,795,926	0,528,400	0,347,833	0,374,110	0,092,222	0,143,500	1,360,000
2013	1,006,700	0,150,000	1,156,700	0,636,597	0,638,750	0,399,900	0,766,120	0,544,800	0,367,833	0,374,110	0,097,173	0,143,500	1,440,000
2014	1,026,700	0,160,000	1,186,700	0,636,338	0,638,750	0,399,900	0,799,907	0,573,750	0,367,833	0,374,000	0,097,173	0,143,450	1,470,000
2015	1,026,700	0,170,000	1,196,700	0,417,310	0,631,080	0,393,600	0,799,907	0,565,000	0,337,159	0,361,790	0,106,890	0,143,450	1,400,000
2016	1,026,700	0,170,000	1,196,700	0,419,230	0,601,120	0,380,500	0,783,554	0,544,680	0,324,000	0,331,790	0,101,942	0,143,450	1,290,000
2017	1,026,700	0,180,000	1,206,700	0,416,560	0,586,420	0,387,400	0,783,554	0,560,100	0,324,000	0,316,800	0,100,263	0,143,450	1,250,000

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)**

	Fiscal Year Ending 2017				Fiscal Year Ending 2008			
	Assessed Value	Rank	Percentage of Total Assessed Value		Assessed Value	Rank	Percentage of Total Assessed Value	
<u>Taxpayer</u>								
Centerpoint Energy, Inc.	\$ 1,509,806,153	1	0.9103 %	\$ 1,020,250,109	2	1.0564 %		
Cousins Greenway and Post Oak Central	1,188,888,678	2	0.7168	-	-	-		
Chevron Chemical Company	1,143,107,886	3	0.6892	407,061,688	8	0.4215		
Crescent Real Estate Equities	986,583,880	4	0.5948	1,213,068,497	1	1.2561		
One, Two, and Three Allen Center	924,339,870	5	0.5573	-	-	-		
HG Galleria I II III LP	687,114,648	6	0.4143	324,487,276	9	0.3360		
Texas Tower	614,515,281	7	0.3705	-	-	-		
Valero Energy	591,364,414	8	0.3565	309,533,763	10	0.3205		
1000 Louisiana LP	551,072,650	9	0.3322	-	-	-		
Busycon Properties	545,399,865	10	0.3288	-	-	-		
Anheuser Busch, Inc.	-		-	461,994,178	7	0.4784		
Hines Interests LTD Partnership	-		-	982,519,591	3	1.0174		
Cullen Allen Holding	-		-	597,559,584	4	0.6188		
SBC	-		-	584,084,670	5	0.6048		
Teachers Insurance	-		-	512,401,996	6	0.5306		
	<u>\$ 8,742,193,325</u>		<u>5.2707 %</u>	<u>\$ 6,412,961,352</u>		<u>6.6405 %</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 Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	1,080,025,653	1,037,984,301	96.11%	26,760,572	1,064,744,873	98.28%
2009	1,209,859,983	1,166,266,392	96.40%	22,605,450	1,188,871,842	97.83%
2010	1,220,831,835	1,181,471,318	96.78%	22,133,930	1,203,605,248	98.01%
2011	1,169,639,727	1,137,633,695	97.26%	21,893,749	1,159,527,444	98.30%
2012	1,189,044,360	1,161,106,348	97.65%	17,873,874	1,178,980,222	99.15%
2013	1,257,650,819	1,230,398,073	97.83%	16,439,838	1,246,837,911	99.14%
2014	1,448,983,295	1,420,969,869	98.07%	1,853,032	1,422,822,901	98.19%
2015	1,626,867,734	1,593,140,114	97.93%	(5,350,323)	1,587,789,791	97.60%
2016	1,776,902,751	1,738,512,893	97.84%	6,809,990	1,745,322,884	98.22%
2017	1,938,101,993	1,904,734,976	98.28%	-	1,904,734,976	98.28%

SOURCE: Harris County Tax Assessor

**HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

Last Ten Years Ended	TAX RATE		Assessed Valuation	Fiscal Year Beginning	Current Year Levy	General Fund Collection	Debt Service Collection	Adjustments	Fiscal Year Ending
	Maintenance	Debt Service							
2008 and prior	various	various	various	20,754,249	-	(1,903,209)	(188,229)	(4,074,514)	14,588,297
2009	1.006700	0.150000	108,108,659,598	4,810,457	-	(442,725)	(65,967)	(126,523)	4,175,242
2010	1.006700	0.150000	109,064,369,708	4,977,814	-	(516,296)	(76,929)	(222,989)	4,161,600
2011	1.006700	0.150000	104,439,029,647	5,035,727	-	(621,047)	(92,537)	(158,844)	4,163,298
2012	1.006700	0.150000	105,895,088,157	5,397,705	-	(767,527)	(114,363)	(127,860)	4,387,955
2013	1.006700	0.150000	111,568,771,772	6,243,688	-	(1,321,952)	(196,973)	(40,348)	4,684,415
2014	1.026700	0.160000	125,112,516,134	7,311,415	-	(1,481,921)	(230,941)	(516,652)	5,081,901
2015	1.026700	0.170000	139,580,407,554	11,602,490	-	(1,757,911)	(291,073)	(2,885,243)	6,668,262
2016	1.026700	0.170000	152,860,482,797	42,954,053	-	(5,842,581)	(967,409)	(25,155,047)	10,989,016
2017	1.026700	0.180000	165,861,644,665	-	1,938,101,993	(1,620,611,088)	(284,123,888)	12,149,715	45,516,732
1000 TOTAL				\$ 109,087,598	\$ 1,938,101,993	\$ (1,635,266,259)	\$ (286,348,310)	\$ (21,156,304)	\$ 104,416,718
9000 Portion of Row 1000 for Taxes Paid into Tax Increment Zone under Chapter 311, Tax Code				\$ -	\$ -	\$ (42,884,850)	\$ (3,729,871)	\$ -	\$ (46,614,721)

NOTES: The frozen homestead exemption for fiscal year 2017 is \$63,350,473

The June 30, 2017 delinquent taxes receivable balance of \$104,416,718 represents gross taxes receivable and is not reduced by estimated uncollectible taxes of \$60,139,281



STATISTICAL SECTION

**2017 DEBT
CAPACITY**

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt Limit	\$ 13,518,662,850	\$ 12,458,994,566	\$ 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
Total Net Debt Applicable to Limit	3,394,612,558	3,075,365,261	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
Legal Debt Margin	\$ 10,124,050,292	\$ 9,383,629,305	\$ 8,702,037,553	\$ 7,802,842,642	\$ 6,616,579,065	\$ 6,335,715,562	\$ 6,139,756,744	\$ 6,424,362,491	\$ 6,724,340,691	\$ 5,679,426,016
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25.11%	24.68%	23.51%	23.48%	27.24%	26.59%	27.87%	27.73%	23.69%	27.85%

Legal Debt Margin Calculation for Fiscal Year 2017:

Assessed Value	\$165,861,644,665
Maximum Tax Rate (1)	\$0.50
Number of Years (2)	40
Maximum Principal	\$ -
Outstanding Principal (3)	\$ 3,394,612,558

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 valuation.
- (2) Per Section 45.001, the Bonds must mature serially or otherwise not more than 40 years from their date.
- (3) Outstanding principal of General Obligation and Lease Revenue Bonds net of premiums, accretions for capital appreciation bonds, and funds restricted for payment of principal on the related 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)
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
2016	3,154,354,223	78,988,962	3,075,365,261	2.01	14,262	4.62	2,078
2017	3,462,409,946	67,797,388	3,394,612,558	2.05	15,708	5.00	2,245

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. Ratio is per \$100 of assessed value.

(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>
Overlapping :				
Bellaire, City of	\$ 106,790,000	06/30/17	100.00%	\$ 106,790,000
Harris County	2,303,812,874	06/30/17	39.79%	916,687,143
Harris County Dept of Ed	6,780,000	06/30/17	39.79%	2,697,762
Harris County Flood Control	83,075,000	06/30/17	39.79%	33,055,543
Harris County Hospital District	61,595,000	06/30/17	39.79%	24,508,651
Harris County ID #1	34,060,000	06/30/17	100.00%	34,060,000
Harris County ID #3	2,300,000	06/30/17	100.00%	2,300,000
Harris County MUD #122	1,365,000	06/30/17	100.00%	1,365,000
Harris County MUD #148	10,100,000	06/30/17	3.97%	400,970
Harris County MUD #355	8,150,000	06/30/17	100.00%	8,150,000
Harris County MUD #382	12,345,000	06/30/17	1.50%	185,175
Harris County MUD #390	30,480,000	06/30/17	100.00%	30,480,000
Harris County MUD #393	10,550,000	06/30/17	99.69%	10,517,295
Harris County MUD #404	5,125,000	06/30/17	100.00%	5,125,000
Harris County MUD #407	4,945,000	06/30/17	100.00%	4,945,000
Harris County MUD #410	13,290,000	06/30/17	19.12%	2,541,048
Harris County MUD #411	5,250,000	06/30/17	100.00%	5,250,000
Harris County MUD #420	5,400,000	06/30/17	100.00%	5,400,000
Harris County MUD #451	3,470,000	06/30/17	100.00%	3,470,000
Harris County MUD #460	4,140,000	06/30/17	100.00%	4,140,000
Harris County MUD #480	4,300,000	06/30/17	100.00%	4,300,000
Harris County MUD #529	11,000,000	06/30/17	100.00%	11,000,000
Harris County MUD #537	4,220,000	06/30/17	100.00%	4,220,000
Harris County WC&ID #89	39,820,000	06/30/17	100.00%	39,820,000
Harris County WC&ID (Fondren Road)	3,010,000	06/30/17	100.00%	3,010,000
Houston, Community College	599,540,000	06/30/17	87.92%	527,115,568
Houston, City of	2,731,150,000	06/30/17	64.87%	1,771,697,005
Jacinto City, City of	2,230,000	06/30/17	66.82%	1,490,086
Lower Kirby Pearland Mgmt District	10,025,000	06/30/17	100.00%	10,025,000
Missouri City, City of	146,620,000	06/30/17	4.21%	6,172,702
Pine Village PUD	690,000	06/30/17	4.13%	28,497
Port of Houston Authority	657,994,397	06/30/17	39.79%	261,815,971
Southside Place, City of	8,105,000	06/30/17	100.00%	8,105,000
Southwest Harris Co. MUD #1	1,725,000	06/30/17	100.00%	1,725,000
West University Place, City of	45,420,000	06/30/17	100.00%	45,420,000
SUBTOTAL OVERLAPPING DEBT				3,898,013,416
Direct :				
Houston Independent School District				3,520,169,540
TOTAL DIRECT AND OVERLAPPING DEBT				\$ 7,418,182,956

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	\$ 3,039,695,000
Notes	35,360,000
Contractual Obligations	5,625,000
PFC debt	145,956,656
Accretion of PFC CABS	11,074,961
Premium/discount on debt	265,715,569
Capital leases payable	16,742,354
	<u>\$ 3,520,169,540</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 (1)	Debt Per Student (2)	Percentage of Total Personal Income (3)	Total Debt Per Capita (4)
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
2016	2,961,137,471	193,216,752	8,387,221	40,360,000	29,416,353	3,232,517,797	2.11	14,991	4.86%	2,184
2017	3,298,533,887	163,876,059	5,657,240	35,360,000	16,742,354	3,520,169,540	2.12	16,289	5.18%	2,328

Notes: (1) See assessed value and actual value of taxable property schedule. Ratio is per \$100 of assessed value.

(2) See student information schedule.

(3) See personal income of demographic information schedule.

(4) See population of demographic information schedule.

Increase in capital leases starting in 2014 is due to the District's "Power Up" program which provides a lap top to each high school student for use at school and at home.



STATISTICAL SECTION

2017 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
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
2016	1,480,107	66,512,894,937	44,938	193,965	5.80	335,533	63,143,658,828	188,189
2017	1,512,221	67,956,030,540	44,938	194,935	5.30	338,185	69,142,683,603	204,452

NOTES: Population estimates have been restated from 2008 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.

Population estimates have been revised utilizing population figures for the Houston Independent School District geographic area only as reported by the National Center for Education Statistics for US census years 2000 and 2010. Intervening years are estimated based upon average annual percentage increases.

Per capita income figures for the fiscal years 2008 - 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 capital income figure for the fiscal year 2012-2017 is an estimate based on the increase reported by the US Department of Commerce

Average Daily Attendance obtained from the Academic Excellence Indicator System, Texas Academic Performance Reports and TEA Summary of Finances

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

Residential Unit data 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 2017</u>			<u>Fiscal Year Ending 2008</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	33,500	1	1.1010 %	29,400	1	1.1279 %
Memorial Hermann Health System	26,062	2	0.8565	19,986	3	0.7667
H-E-B	24,437	3	0.8031	10,538	10	0.4043
Houston Methodist	21,195	4	0.6966	11,320	9	0.4343
UT MD Anderson Cancer Center	20,778	5	0.6829	17,116	5	0.6566
Kroger	16,643	6	0.5470	14,549	7	0.5582
McDonald's Corporation	16,545	7	0.5437	-	-	-
United Airlines	14,200	8	0.4667	-	-	-
Exxon Mobil Corporation	14,000	9	0.4601	15,340	6	0.5885
Texas Children's Hospital	12,545	10	0.4123	-	-	-
Schumberger	-	-	-	-	-	-
Shell Oil Company	-	-	-	12,507	8	0.4798
Continental Airlines	-	-	-	18,467	4	0.7085
Administaff	-	-	-	22,475	2	0.8622
Total	<u>199,905</u>		<u>6.5698 %</u>	<u>171,698</u>		<u>6.5870 %</u>

Sources: Employment numbers were obtained from the Houston Chronicle.

Notes: 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 via DATAbook Houston.

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



STATISTICAL SECTION

2017 OPERATING
INFORMATION

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

	Employees as of June 30									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Instruction	13,564	13,763	13,502	12,679	12,561	12,627	13,461	15,075	14,965	14,782
Instructional resources and media services	74	68	78	87	122	131	174	222	244	197
Instructional staff development	351	390	360	333	324	307	257	224	414	379
Curriculum development	-	65	73	67	65	56	61	55	48	48
Instructional leadership	242	236	238	222	198	197	221	293	285	268
School leadership	2,347	2,520	2,391	2,276	2,201	2,188	2,291	2,462	2,478	2,512
Guidance, counseling, and evaluation services	560	550	472	437	432	442	509	523	526	546
Social work services	51	57	53	41	30	30	31	40	38	39
Health services	293	285	295	281	280	262	279	299	319	314
Student transportation services	1,332	1,383	1,294	1,307	1,287	1,184	1,252	1,282	1,280	1,195
Nutrition service	1,964	1,861	1,909	1,834	1,828	1,846	1,788	1,775	1,672	1,732
Co-curricular/extracurricular activities	253	80	73	73	73	80	81	87	146	140
General administration	384	426	422	422	396	421	406	462	445	428
Plant maintenance and operations	1,975	1,954	2,031	2,013	2,024	1,986	1,972	2,105	2,124	2,060
Security and monitoring services	883	842	826	814	783	749	790	828	828	897
Data processing services	328	328	296	260	244	234	213	222	216	215
Community services	107	134	111	108	68	71	79	79	85	92
Facilities acquisition and construction	67	60	74	73	67	52	53	51	43	40
Total	<u>24,775</u>	<u>25,001</u>	<u>24,496</u>	<u>23,327</u>	<u>22,984</u>	<u>22,864</u>	<u>23,918</u>	<u>26,084</u>	<u>26,156</u>	<u>25,884</u>

Source: District records

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 FISCAL YEARS
(UNAUDITED)**

Fiscal 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
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	15.2	1,794,759,572	8,339	77.6
2016	215,627	12,009.8	18.0	15.2	1,909,369,634	8,855	75.4
2017	216,106	12,061.7	17.9	N/A	1,993,593,224	9,225	81.2

Sources: 2007-2012 AEIS (Academic Excellence Indicator System)
2013-2015 TAPR (Texas Academic Performance Report)
2016-2017 PEIMS (Public Education Information Management System)

Notes: Operating Expenditures are total governmental expenditures less debt service and capital outlay.
State Student/Teacher Ratio was not available at time of printing.

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

Fiscal 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 %
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	33,061	15.4	7.6	15,884	7.4	8.5
2016	32,200	15.0	7.7	15,545	7.2	8.6
2017	32,543	15.6	N/A	15,487	7.2	N/A

Sources: 2008-2012 AEIS (Academic Excellence Indicator System)
2013-2015 TAPR (Texas Academic Performance Report)
2016-2017 PEIMS (Public Education Information Management System)

Note: State Gifted and Talented/Special Education percentages for 2017 were not available at time of printing.

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

Fiscal 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 %
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	64,524	30.1	18.2	162,116	75.6	58.8
2016	65,216	30.3	18.5	164,412	76.5	59.0
2017	68,659	31.8	N/A	166,370	77.0	N/A

Sources: 2008-2012 AEIS (Academic Excellence Indicator System)
2013-2016 TAPR (Texas Academic Performance Reports)
2016-2017 PEIMS (Public Education Information Management System)

Note: State LEP/Economically Disadvantaged percentages for 2017 were not available at time of printing.

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

Fiscal Year	Beginning Salary			Average Salary		
	HISD	Region	State	HISD	Region	State
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	48,949	48,275	44,540	53,698	54,157	50,715
2016	51,051	49,117	45,507	55,431	55,580	51,891
2017	48,482	N/A	N/A	51,185	N/A	N/A

Sources: 2008-2012 AEIS (Academic Excellence Indicator System)
2013-2015 TAPR (Texas Academic Performance Report)
2016-2017 PEIMS (Public Education Information Management System)

Note: Region and State information for 2017 was not available at time of printing.

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

Fiscal Year	Bachelor's Degree			Master's Degree			Doctorate		
	Minimum	Maximum	Teacher Count	Minimum	Maximum	Teacher Count	Minimum	Maximum	Teacher Count
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
2016	51,500	71,500	8,612.4	51,500	71,500	3,190.8	51,500	71,500	206.7
2017	51,500	71,500	8,821.0	51,500	71,500	3,058.8	51,500	71,500	181.9

Sources: Teacher Count information obtained from PEIMS (Public Education Information Management System)
Teacher Salary information obtained from HISD Compensation Manual 2016-2017

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

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Elementary										
Alcott (1953)										
Square feet	60,497	60,497	60,497	60,497	60,497	60,497	60,497	60,497	60,497	60,497
Capacity	771	774	774	774	774	774	632	632	632	632
Enrollment	299	326	322	399	425	491	492	467	488	487
Alameda (2011)										
Square feet	86,073	86,073	86,073	86,073	86,073	86,073	86,073	46,367	46,367	46,367
Capacity	783	752	752	716	716	716	750	663	663	663
Enrollment	845	827	857	795	762	835	812	747	757	717
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	1,039	1,039	1,149	1,149	1,149	959	959	959	959
Enrollment	833	812	672	640	640	680	663	667	695	696
Arabic Immersion (2015)										
Square feet	36,632	34,570	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	364	358	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	190	127	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ashford (1971)										
Square feet	86,083	83,294	83,294	83,294	83,294	83,294	83,294	83,294	83,294	83,294
Capacity	691	690	690	690	690	690	621	621	621	621
Enrollment	659	546	539	542	531	508	519	522	443	433
Askew (1977)										
Square feet	48,951	48,951	67,383	67,383	67,383	67,383	67,383	67,383	67,383	67,383
Capacity	991	856	856	856	856	856	900	900	900	900
Enrollment	911	908	968	899	886	818	847	872	884	855
Atherton (1927/2013)										
Square feet	85,900	85,900	85,900	85,900	N/A	48,562	48,562	48,562	48,562	48,562
Capacity	615	669	669	669	N/A	669	411	411	411	411
Enrollment	577	589	568	535	N/A	367	342	357	387	347
Barrick (1949)										
Square feet	57,857	57,857	57,857	57,857	57,857	57,857	57,857	57,857	57,857	57,857
Capacity	817	806	806	982	982	982	704	704	704	704
Enrollment	705	715	695	718	678	694	718	709	681	706
Bastian (2005)										
Square feet	107,952	105,276	105,276	105,276	105,276	105,276	105,276	105,276	105,276	105,276
Capacity	972	962	962	962	962	962	942	942	942	942
Enrollment	643	635	688	701	732	747	797	761	765	709

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Bell (1978)										
Square feet	56,373	55,279	70,639	70,639	70,639	70,639	70,639	70,639	70,639	70,639
Capacity	967	773	773	773	773	773	799	799	799	799
Enrollment	759	763	819	813	779	762	778	801	772	796
Bellfort ECC (1960)										
Square feet	44,560	43,583	43,583	43,583	43,583	43,583	43,583	43,583	43,583	43,583
Capacity	373	376	376	376	376	376	427	427	427	427
Enrollment	343	372	374	362	395	392	355	336	297	287
Benavidez (1962)										
Square feet	93,786	93,786	93,786	93,786	93,786	93,786	93,786	93,786	93,786	93,786
Capacity	1,181	1,182	1,182	1,182	1,182	1,182	1,204	1,204	1,204	1,204
Enrollment	1,127	1,128	1,072	905	839	878	996	989	954	1,021
Benbrook (1968)										
Square feet	44,595	44,595	44,595	44,595	44,595	44,595	44,595	44,595	44,595	44,595
Capacity	598	573	573	606	606	606	576	576	576	576
Enrollment	620	600	613	551	523	524	536	546	507	508
Berry (2012)										
Square feet	87,137	85,988	85,988	85,988	85,988	85,988	51,732	51,732	51,732	51,732
Capacity	819	806	806	716	716	716	614	614	614	614
Enrollment	836	808	809	740	736	708	643	630	630	632
Blackshear (1916)										
Square feet	96,976	96,976	96,976	96,976	96,976	96,976	96,976	96,976	96,976	96,976
Capacity	778	711	711	711	711	711	541	541	541	541
Enrollment	520	519	531	343	378	406	425	427	323	345
Bonham (1962)										
Square feet	83,201	83,201	83,201	83,201	83,201	83,201	83,201	83,201	83,201	83,201
Capacity	1,297	1,236	1,236	1,358	1,358	1,358	1,495	1,495	1,495	1,495
Enrollment	1,049	1,140	1,091	1,054	952	928	1,054	877	928	971
Bonner (1948)										
Square feet	102,316	102,316	102,316	102,316	102,316	102,316	102,316	102,316	102,316	102,316
Capacity	1,040	982	982	982	982	982	1,214	1,214	1,214	1,214
Enrollment	955	1,001	989	986	992	977	997	950	839	854
Braeburn (1956)										
Square feet	84,218	84,218	84,218	84,218	84,218	84,218	84,218	84,218	84,218	84,218
Capacity	1,116	1,075	1,075	1,075	1,075	1,075	943	943	943	943
Enrollment	930	902	870	934	916	912	950	966	965	931

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Briargrove (2008)										
Square feet	103,585	103,585	103,585	103,585	103,585	103,585	103,585	103,585	103,585	103,585
Capacity	823	788	815	815	815	815	817	817	817	817
Enrollment	837	869	838	918	896	885	877	851	837	792
Briarmeadow (2001)										
Square feet	136,689	136,689	136,689	136,689	136,689	130,189	122,759	122,759	122,759	122,759
Capacity	621	606	606	606	606	606	546	546	546	546
Enrollment	595	594	595	603	595	590	549	541	543	390
Briscoe (1928)										
Square feet	56,305	53,829	53,829	53,829	53,829	53,829	53,829	53,829	53,829	53,829
Capacity	655	690	690	690	690	690	691	691	691	691
Enrollment	381	385	381	420	433	491	490	528	539	505
Brookline (1952)										
Square feet	121,979	121,979	121,979	121,979	121,979	121,979	121,979	121,979	121,979	121,979
Capacity	1,340	1,290	1,290	1,290	1,290	1,290	1,168	1,168	1,168	1,168
Enrollment	962	962	955	1,002	1,039	996	1,023	1,031	1,019	1,041
Browning (1927)										
Square feet	52,570	52,570	52,570	52,570	52,570	52,570	52,570	52,570	52,570	52,570
Capacity	653	585	585	585	585	585	711	711	711	711
Enrollment	557	559	556	612	634	600	600	577	562	522
Bruce (2005)										
Square feet	82,648	80,916	80,916	80,916	80,916	80,916	80,916	80,916	80,916	80,916
Capacity	739	732	732	732	732	732	671	671	671	671
Enrollment	571	601	627	597	571	593	600	593	587	513
Burbank (1927)										
Square feet	81,647	81,647	81,647	81,647	81,647	81,647	81,647	81,647	81,647	81,647
Capacity	1,040	985	985	1,087	1,087	1,087	868	868	868	868
Enrollment	943	856	860	920	891	835	829	858	827	829
Burnet (1926)										
Square feet	77,339	76,801	76,801	76,801	76,801	76,801	76,801	76,801	76,801	76,801
Capacity	780	788	836	836	836	836	928	928	928	928
Enrollment	511	501	521	509	524	593	630	621	652	646
Burrus (1926)										
Square feet	72,128	71,372	71,372	71,372	71,372	71,188	71,188	71,188	71,188	71,188
Capacity	678	690	690	690	690	690	517	517	517	517
Enrollment	436	484	506	420	453	514	390	378	360	363

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Bush (1992)										
Square feet	87,803	87,803	87,803	87,803	87,803	87,803	87,803	87,803	87,803	87,803
Capacity	892	878	878	920	920	920	978	978	978	978
Enrollment	837	833	860	771	733	724	698	673	658	627
Cage (1907) / Chrysalis MS										
Square feet	60,205	60,205	60,205	60,205	60,205	60,205	60,205	60,205	60,205	60,205
Capacity	783	806	1,128	1,128	1,128	1,328	906	906	906	906
Enrollment	538	575	617	798	808	819	826	847	820	680
Carrillo (1993)										
Square feet	80,281	80,281	80,281	80,281	80,281	80,281	80,281	80,281	80,281	80,281
Capacity	853	857	857	857	857	857	830	830	830	830
Enrollment	585	610	613	608	623	690	670	670	645	707
Codwell (1977)										
Square feet	58,946	58,946	58,946	58,946	58,946	58,946	58,946	58,946	58,946	58,946
Capacity	577	555	555	836	836	836	750	750	750	750
Enrollment	417	451	501	555	570	599	599	608	648	661
Concord (1967)										
Square feet	N/A	42,230	42,230	42,230	42,230	42,230	42,230	42,230	42,230	42,230
Capacity	N/A	N/A	N/A	N/A	669	200	42	42	42	42
Enrollment	N/A	N/A	N/A	N/A	367	228	46	66	65	44
Condit (1929)										
Square feet	82,698	46,502	46,502	46,502	46,502	46,502	46,502	46,502	46,502	46,502
Capacity	692	731	731	731	731	731	579	579	579	579
Enrollment	725	667	707	683	652	646	663	649	609	611
Cook (2007)										
Square feet	121,370	89,049	89,049	89,049	89,049	89,049	89,049	89,049	89,049	89,049
Capacity	853	815	815	815	815	815	657	657	657	657
Enrollment	654	712	712	756	693	712	702	718	714	716
Coop (2005)										
Square feet	84,504	83,409	83,409	83,409	83,409	83,409	83,409	83,409	83,409	83,409
Capacity	746	690	690	690	690	690	712	712	712	712
Enrollment	712	759	745	755	745	738	772	745	779	733
Cornelius (1960)										
Square feet	76,904	76,904	76,904	76,904	76,904	76,904	76,904	76,904	76,904	76,904
Capacity	1,098	1,057	1,057	1,236	1,236	1,236	920	920	920	920
Enrollment	911	942	983	920	913	918	976	961	964	946

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Crespo (1991)										
Square feet	85,508	85,508	85,508	85,508	85,508	85,508	85,508	85,508	85,508	85,508
Capacity	1,062	1,170	1,170	1,170	1,170	1,170	900	900	900	900
Enrollment	908	979	946	958	933	930	878	885	868	935
Crockett (1980/2011)										
Square feet	63,783	63,783	63,783	63,783	63,783	63,783	63,783	39,603	39,603	39,603
Capacity	582	573	573	711	711	711	557	325	325	325
Enrollment	543	500	486	474	500	456	402	412	414	426
Cunningham (2012)										
Square feet	88,687	84,500	84,500	84,500	84,500	84,500	56,747	56,747	56,747	56,747
Capacity	783	716	716	716	716	716	719	719	719	719
Enrollment	732	724	755	755	707	696	713	708	673	685
Daily (2007)										
Square feet	82,572	82,572	82,572	82,572	82,572	82,572	82,572	82,572	82,572	82,572
Capacity	729	699	699	711	711	711	697	697	697	697
Enrollment	751	733	700	744	741	737	794	717	652	656
Davila (1990)										
Square feet	80,396	80,396	80,396	80,396	80,396	80,396	80,396	80,396	80,396	80,396
Capacity	866	878	878	878	878	878	837	837	837	837
Enrollment	417	454	460	478	531	540	641	662	695	722
DeChaumes (1956)										
Square feet	86,847	84,650	84,650	84,500	84,500	84,500	53,559	53,559	53,559	53,559
Capacity	765	752	716	716	716	716	676	676	676	676
Enrollment	841	834	826	820	791	739	691	686	662	615
DeZavala (1928)										
Square feet	64,141	64,141	64,141	64,141	64,141	64,141	64,141	64,141	64,141	64,141
Capacity	857	898	898	898	898	898	747	747	747	747
Enrollment	605	564	547	553	588	586	612	640	618	615
DeAnda (2011)										
Square feet	90,904	85,450	85,450	84,500	84,500	84,500	N/A	N/A	N/A	N/A
Capacity	767	734	857	857	857	857	N/A	N/A	N/A	N/A
Enrollment	724	719	781	763	691	536	N/A	N/A	N/A	N/A
Dogan (1949)										
Square feet	93,136	87,500	87,500	87,000	43,380	43,380	50,637	50,637	50,637	50,637
Capacity	725	732	732	732	732	732	396	396	396	396
Enrollment	630	681	649	617	592	625	321	329	334	330

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
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	616	609	609	609	772	772	543	543	543	543
Enrollment	590	591	555	547	517	523	490	450	457	461
Durkee (1954)										
Square feet	72,334	72,334	72,334	72,334	72,334	72,334	72,334	72,334	72,334	72,334
Capacity	959	931	931	1,045	1,045	1,045	764	764	764	764
Enrollment	653	713	714	739	683	679	679	665	648	665
Eliot (1926) / EL DAEP										
Square feet	86,834	86,834	86,834	86,834	86,834	86,834	86,834	86,834	86,834	86,834
Capacity	735	734	734	1,066	1,066	1,066	983	983	983	983
Enrollment	608	627	597	571	571	545	550	577	542	563
Elmore (2000)*										
Square feet	124,800	124,800	124,800	124,800	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	718	681	788	788	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	656	671	713	769	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	66,456
Capacity	914	842	842	1,400	1,400	1,400	731	731	731	731
Enrollment	742	695	697	658	623	589	489	490	474	541
Emerson (1963)										
Square feet	79,754	65,364	65,364	65,364	65,364	65,364	65,364	65,364	65,364	65,364
Capacity	856	860	774	774	774	774	773	773	773	773
Enrollment	919	919	955	917	883	869	874	831	812	804
Farias ECC (2005)										
Square feet	39,885	39,885	39,885	39,885	39,885	39,885	39,885	39,885	39,885	39,885
Capacity	374	418	418	418	418	418	418	418	418	418
Enrollment	408	368	368	418	421	418	420	418	418	418
Field (1928)										
Square feet	54,809	54,809	54,809	54,809	54,809	54,809	54,809	54,809	54,809	54,809
Capacity	710	732	732	732	732	732	483	483	483	483
Enrollment	508	516	476	455	463	472	488	451	367	378
Foerster (1969)										
Square feet	67,013	67,013	67,013	67,013	67,013	67,013	67,013	67,013	67,013	67,013
Capacity	932	898	898	898	898	898	824	824	824	824
Enrollment	672	669	758	672	717	705	641	643	685	713

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Fondren (1960)										
Square feet	40,001	40,001	40,001	40,001	40,001	40,001	40,001	40,001	40,001	40,001
Capacity	573	647	647	647	647	647	579	579	579	579
Enrollment	402	420	423	464	433	430	408	425	408	430
Fonwood ECC (1964)*										
Square feet	89,147	75,900	75,900	75,900	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	617	609	609	609	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	520	465	419	494	N/A	N/A	N/A	N/A	N/A	N/A
Foster (1949)										
Square feet	87,704	79,998	79,998	79,998	79,998	79,998	79,998	79,998	79,998	79,998
Capacity	729	753	753	753	753	753	692	692	692	692
Enrollment	419	432	435	438	426	454	525	520	492	504
Franklin (1948)										
Square feet	64,274	64,274	64,274	64,274	64,274	64,274	64,274	64,274	64,274	64,274
Capacity	724	770	982	982	982	982	864	864	864	864
Enrollment	441	440	445	479	530	502	562	577	591	607
Frost (2012)										
Square feet	87,054	89,277	89,277	89,277	89,277	89,277	59,465	59,465	59,465	59,465
Capacity	766	716	716	716	716	716	566	566	566	566
Enrollment	630	623	647	597	576	580	443	467	552	527
Gallegos (1992)										
Square feet	73,958	73,925	73,925	73,925	73,925	73,925	73,925	73,925	73,925	73,925
Capacity	798	836	836	836	836	836	697	697	697	697
Enrollment	422	481	502	529	524	524	542	542	589	571
Garcia (1992)										
Square feet	111,056	111,056	111,056	111,056	111,056	111,056	111,056	111,056	111,056	111,056
Capacity	872	836	836	836	836	836	816	816	816	816
Enrollment	643	745	747	744	771	789	805	801	789	773
Garden Oaks Montessori (1949)										
Square feet	41,306	41,306	41,306	41,306	41,306	41,306	41,306	41,306	41,306	41,306
Capacity	638	645	645	645	645	584	586	586	586	586
Enrollment	799	768	693	670	637	635	601	563	498	479
Garden Villas (1931)										
Square feet	93,762	93,762	93,762	93,762	93,762	93,762	93,762	93,762	93,762	93,762
Capacity	1,068	899	899	899	899	899	879	879	879	879
Enrollment	833	892	847	825	866	925	938	974	991	980

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Golfcrest (1949)										
Square feet	71,475	71,475	71,475	71,475	71,475	71,475	71,475	71,475	71,475	71,475
Capacity	838	877	877	877	877	877	769	769	769	769
Enrollment	730	787	766	790	763	786	762	735	715	695
Gregg (2012)										
Square feet	84,908	84,704	84,704	84,704	84,704	84,704	47,713	47,713	47,713	47,713
Capacity	748	716	716	716	716	716	704	704	704	704
Enrollment	577	606	575	531	542	562	553	543	568	606
Gregory-Lincoln (2007)										
Square feet	158,561	158,561	158,561	158,561	158,561	158,561	158,561	158,561	158,561	158,561
Capacity	947	938	938	938	938	938	896	896	896	896
Enrollment	687	732	646	660	638	599	704	689	570	516
Energized for STEM/Grimes (1959)										
Square feet	43,702	42,432	42,432	42,432	42,432	42,432	42,432	42,432	42,432	42,432
Capacity	200	200	200	800	N/A	N/A	398	398	398	398
Enrollment	139	188	26	412	N/A	N/A	380	351	371	369
Grissom (1966)										
Square feet	68,683	68,683	68,683	68,683	68,683	68,683	68,683	68,683	68,683	68,683
Capacity	930	877	877	877	877	877	871	871	871	871
Enrollment	535	563	586	569	629	787	791	806	812	787
Gross, (2001)										
Square feet	73,277	73,277	73,277	73,277	73,277	73,277	73,277	73,277	73,277	73,277
Capacity	832	806	806	565	565	565	802	802	802	802
Enrollment	640	644	737	673	663	681	813	789	822	828
Halpin ECC (1929)										
Square feet	41,873	41,873	41,873	41,873	41,873	41,873	41,873	41,873	41,873	41,873
Capacity	506	731	731	731	731	731	482	482	482	482
Enrollment	417	457	476	482	491	440	461	486	493	487
Harris J.R. (1949)										
Square feet	66,082	66,082	66,082	66,082	66,082	66,082	66,082	66,082	66,082	66,082
Capacity	824	815	815	815	815	815	892	892	892	892
Enrollment	489	541	625	637	697	692	684	688	692	703
Harris R.P. (1958)										
Square feet	61,425	61,425	61,425	61,425	61,425	61,425	61,425	61,425	61,425	61,425
Capacity	743	918	918	918	918	918	718	718	718	718
Enrollment	662	624	634	624	642	615	624	643	588	563

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Hartsfield (1954)										
Square feet	44,321	42,767	42,767	42,767	42,767	42,767	42,767	42,767	42,767	42,767
Capacity	544	543	543	543	543	543	411	411	411	411
Enrollment	325	317	362	374	403	435	414	413	355	357
Harvard (1930)										
Square feet	58,721	56,930	56,930	56,930	56,930	56,930	56,930	56,930	56,930	56,930
Capacity	681	690	690	690	690	690	606	606	606	606
Enrollment	717	704	708	716	700	710	689	663	627	615
Helms (1919)										
Square feet	44,444	44,444	44,444	44,444	44,444	44,444	44,444	44,444	44,444	44,444
Capacity	664	543	543	543	543	543	558	558	558	558
Enrollment	464	493	500	530	532	540	533	540	547	556
Henderson J.P. (1929)										
Square feet	57,524	57,524	57,524	57,524	57,524	57,524	57,524	57,524	57,524	57,524
Capacity	735	878	878	878	878	878	794	794	794	794
Enrollment	776	789	784	795	789	816	773	785	749	745
Henderson N.Q. (1956)										
Square feet	46,894	46,894	46,894	46,846	46,846	46,846	46,846	46,846	46,846	46,846
Capacity	558	710	710	710	710	710	503	503	503	503
Enrollment	279	304	323	370	376	394	349	355	323	351
Herod (2012)										
Square feet	87,110	86,000	86,000	86,000	86,000	86,000	58,230	58,230	58,230	58,230
Capacity	779	716	716	716	716	716	871	871	871	871
Enrollment	748	766	784	828	770	778	746	729	708	696
Herrera (1993)										
Square feet	115,302	115,302	115,302	115,302	115,302	115,302	115,302	115,302	115,302	115,302
Capacity	984	920	920	920	920	920	901	901	901	901
Enrollment	892	874	891	901	906	919	959	951	952	967
Highland Heights (2007)										
Square feet	87,977	85,405	85,405	85,405	85,405	85,405	85,405	85,405	85,405	85,405
Capacity	747	681	681	815	815	815	725	725	725	725
Enrollment	569	586	553	617	628	635	643	655	321	316
Hilliard (2000)*										
Square feet	112,106	45,500	45,500	45,500	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	878	878	878	878	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	674	647	712	861	N/A	N/A	N/A	N/A	N/A	N/A

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Hines-Caldwell (2005)										
Square feet	88,788	85,829	85,829	85,829	85,829	85,829	85,829	85,829	85,829	85,829
Capacity	758	711	711	711	711	711	752	752	752	752
Enrollment	778	764	810	788	756	798	791	766	731	889
Hobby (1965)										
Square feet	66,680	66,680	66,680	66,680	66,680	66,680	66,680	66,680	66,680	66,680
Capacity	912	1,065	1,065	1,065	1,065	1,065	920	920	920	920
Enrollment	790	865	835	767	830	829	851	817	801	706
Horn (2012)										
Square feet	86,220	84,500	84,500	84,500	84,500	84,500	43,504	43,504	43,504	43,504
Capacity	767	716	716	716	716	716	502	502	502	502
Enrollment	845	849	875	829	765	701	610	577	554	530
Isaacs (1962)										
Square feet	43,883	43,883	43,883	43,883	43,883	43,883	43,883	43,883	43,883	43,883
Capacity	646	751	751	751	751	751	599	599	599	599
Enrollment	304	381	390	379	410	459	482	468	484	459
Janowski (1955)										
Square feet	77,958	77,958	77,958	77,958	77,958	77,958	77,958	77,958	77,958	77,958
Capacity	804	770	770	815	815	815	1,097	1,097	1,097	1,097
Enrollment	607	623	625	644	653	686	657	658	597	602
Jefferson (1950)										
Square feet	58,657	58,657	58,657	58,657	58,657	58,657	58,657	58,657	58,657	58,657
Capacity	851	877	877	877	877	877	694	694	694	694
Enrollment	438	451	465	485	482	509	527	532	535	575
Kandy Stripe / Fairchild (1960)										
Square feet	51,751	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571
Capacity	618	480	480	480	480	480	536	536	536	536
Enrollment	287	281	297	356	398	427	435	430	N/A	N/A
Kashmere Gardens (1949)										
Square feet	49,213	49,213	49,213	49,213	49,213	49,213	49,213	49,213	49,213	49,213
Capacity	644	710	710	710	710	710	579	579	579	579
Enrollment	433	452	439	430	410	408	416	421	460	413
Kelso (1951)										
Square feet	46,826	46,826	46,826	46,826	46,826	46,826	46,826	46,826	46,826	46,826
Capacity	703	689	689	689	689	689	648	648	648	648
Enrollment	487	430	449	445	448	454	515	514	521	528

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Kennedy (1964/2012)										
Square feet	92,580	86,041	86,041	86,041	86,041	86,041	42,648	42,648	42,648	42,648
Capacity	765	732	732	732	732	732	531	531	531	531
Enrollment	743	741	794	784	761	737	743	736	516	521
Ketelsen (2002)										
Square feet	86,504	84,503	84,503	84,503	84,503	84,503	84,503	84,503	84,503	84,503
Capacity	764	732	732	732	732	732	632	632	632	632
Enrollment	616	620	623	655	650	647	718	693	683	677
King, M.L. ECC (2004)										
Square feet	40,150	38,707	38,707	38,707	38,707	38,707	38,707	38,707	38,707	38,707
Capacity	374	418	418	418	418	418	418	418	418	418
Enrollment	353	413	411	411	405	413	417	417	413	404
Kolter (1960)										
Square feet	49,345	49,345	49,345	49,345	49,345	49,345	49,345	49,345	49,345	49,345
Capacity	686	668	668	668	668	668	548	548	548	548
Enrollment	652	661	659	614	617	580	594	580	572	541
Lantrip (2005)										
Square feet	99,529	99,529	99,529	99,529	99,529	99,529	99,529	99,529	99,529	99,529
Capacity	851	920	920	920	920	920	1,110	1,110	1,110	1,110
Enrollment	755	759	756	765	715	706	717	696	700	716
Laurenzo ECC (2004)										
Square feet	40,026	38,399	38,399	38,399	38,399	38,399	38,399	38,399	38,399	38,399
Capacity	765	376	376	376	376	376	346	346	346	346
Enrollment	743	321	324	334	329	310	311	299	298	299
Law (1966)										
Square feet	53,310	53,310	53,310	53,310	53,310	53,310	53,310	53,310	53,310	53,310
Capacity	804	731	731	731	731	731	650	650	650	650
Enrollment	808	771	776	754	710	741	737	719	653	575
Lewis (2012)										
Square feet	107,963	105,595	105,595	98,444	98,444	98,444	63,548	63,548	63,548	63,548
Capacity	972	904	904	904	904	904	878	878	878	878
Enrollment	835	890	906	961	963	905	878	830	834	752
Lockhart (1950/2012)										
Square feet	86,960	86,960	86,960	86,960	86,960	86,960	74,507	74,507	74,507	74,507
Capacity	728	716	716	913	913	913	558	558	558	558
Enrollment	654	722	747	697	685	675	708	711	533	475

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Longfellow (2007)										
Square feet	99,790	99,790	99,790	99,790	99,790	99,790	99,790	99,790	99,790	99,790
Capacity	780	774	774	774	774	774	1,172	1,172	1,172	1,172
Enrollment	733	746	726	764	743	732	732	713	706	702
Looscan (1936)										
Square feet	45,343	45,343	45,343	45,343	45,343	45,343	45,343	45,343	45,343	45,343
Capacity	570	606	606	606	606	606	516	516	516	516
Enrollment	422	472	473	482	498	510	481	491	490	491
Love (1926)										
Square feet	56,312	56,312	56,312	56,312	56,312	56,312	56,312	56,312	56,312	56,312
Capacity	683	543	543	543	543	543	513	513	513	513
Enrollment	463	447	433	492	503	493	426	419	405	412
Lovett (2012)										
Square feet	88,696	86,000	86,000	86,000	86,000	86,000	52,746	52,746	52,746	52,746
Capacity	729	716	716	716	716	648	648	648	648	648
Enrollment	697	683	705	723	706	675	681	674	653	661
Lyons (1993)										
Square feet	82,716	82,716	82,716	82,716	82,716	82,716	82,716	82,716	82,716	82,716
Capacity	892	878	878	878	878	878	901	901	901	901
Enrollment	982	1,008	1,022	1,013	995	943	925	905	899	900
MacGregor (1966)										
Square feet	59,189	45,795	45,795	45,795	45,795	45,795	45,795	45,795	45,795	45,795
Capacity	692	699	699	699	710	710	397	397	397	397
Enrollment	546	541	510	505	514	511	483	489	444	420
Mading (1959/2006)										
Square feet	97,754	94,478	94,478	94,478	94,478	94,478	94,478	94,478	94,478	94,478
Capacity	711	690	690	690	690	690	616	616	616	616
Enrollment	524	597	616	591	590	612	545	582	577	559
Mandarin (2012 / Gordon (1955)										
Square feet	119,966	37,425	37,425	37,425	37,425	37,425	37,425	37,425	37,425	37,425
Capacity	954	543	543	543	543	543	432	432	432	432
Enrollment	536	473	389	333	251	399	355	405	379	364
Marshall, T. (2000)*										
Square feet	107,200	46,400	46,400	46,400	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	915	878	878	878	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,071	1,020	1,021	802	N/A	N/A	N/A	N/A	N/A	N/A

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Martinez C. (1994)										
Square feet	77,883	77,883	77,883	77,883	77,883	77,883	77,883	77,883	77,883	77,883
Capacity	773	795	795	795	795	795	697	697	697	697
Enrollment	522	532	587	572	577	601	614	588	591	612
Martinez R. (1991)										
Square feet	77,277	75,674	75,674	75,674	75,674	75,674	75,674	75,674	75,674	75,674
Capacity	737	732	732	732	732	732	684	684	684	684
Enrollment	566		546	526	571	578	612	658	652	607
McGowen / Houston Gardens (1998)										
Square feet	70,591	67,708	67,708	67,708	67,708	67,708	67,708	67,708	67,708	67,708
Capacity	494	459	459	459	459	459	488	488	488	488
Enrollment	440	432	433	437	432	439	362	358	350	359
McNamara (1958)										
Square feet	54,973	54,973	54,973	54,973	54,973	54,973	54,973	54,973	54,973	54,973
Capacity	858	814	814	814	814	814	948	948	948	948
Enrollment	939	891	903	826	788	816	763	687	695	721
Memorial (1926)										
Square feet	53,216	51,276	51,276	51,276	51,276	51,276	51,276	51,276	51,276	51,276
Capacity	557	543	543	543	543	543	462	462	462	462
Enrollment	434	493	410	390	390	405	338	336	343	354
Milne (1960)										
Square feet	93,225	91,611	91,611	91,611	91,611	91,611	91,611	91,611	91,611	91,611
Capacity	857	857	857	857	857	857	834	834	834	834
Enrollment	658	676	698	747	703	667	568	654	601	629
Mistral ECC (2005)										
Square feet	40,150	38,899	38,899	38,899	38,899	38,899	38,899	38,899	38,899	38,899
Capacity	374	418	418	418	418	418	418	418	418	418
Enrollment	331	347	312	368	366	394	411	412	395	395
Mitchell (1968)										
Square feet	62,617	62,617	62,617	62,617	62,617	61,686	61,686	61,686	61,686	61,686
Capacity	626	591	591	1,484	1,484	1,484	982	982	982	982
Enrollment	538	549	597	518	486	513	1,011	1,052	1,070	1,075
Montgomery (1960)										
Square feet	63,393	63,393	63,393	63,393	63,393	63,393	63,393	63,393	63,393	63,393
Capacity	911	961	961	961	961	961	743	743	743	743
Enrollment	731	687	740	632	678	785	738	759	737	726

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Moreno (2005)										
Square feet	82,810	82,810	82,810	82,810	82,810	82,810	82,810	82,810	82,810	82,810
Capacity	709	753	753	753	753	753	712	712	712	712
Enrollment	768	811	812	807	814	788	777	757	756	743
Neff ES (1964) / Neff ELC										
Square feet	86,000	86,000	86,000	86,000	86,000	66,007	66,007	66,007	66,007	66,007
Capacity	1,573	1,359	609	1,984	1,984	1,234	1,255	1,255	1,255	1,255
Enrollment	1,571	1,492	687	1,347	1,245	1,090	1,035	1,017	996	1,072
Northline (1963)										
Square feet	60,102	60,102	60,102	60,102	60,102	60,102	60,102	60,102	60,102	60,102
Capacity	987	949	949	1,128	1,128	1,128	869	869	869	869
Enrollment	673	634	639	615	652	686	694	666	641	682
Oak Forest (2004)										
Square feet	86,664	84,120	84,120	84,120	84,120	84,120	84,120	84,120	84,120	84,120
Capacity	740	795	795	795	795	795	754	754	754	754
Enrollment	824	819	809	815	782	761	760	774	757	734
Oates (1929)										
Square feet	61,945	60,417	60,417	60,417	60,417	60,417	60,417	60,417	60,417	60,417
Capacity	742	732	732	732	732	732	662	662	662	662
Enrollment	362	368	366	397	391	446	440	444	442	441
Osborne (1960)										
Square feet	55,514	55,514	55,514	55,514	55,514	54,648	54,648	54,648	54,648	54,648
Capacity	634	573	573	626	626	626	559	559	559	559
Enrollment	425	395	397	410	400	430	464	457	450	437
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	579	543	543	543	543	543	503	503	503	503
Enrollment	459	492	457	356	376	392	349	344	375	338
Park Place (2005)										
Square feet	109,866	109,866	109,866	109,866	109,866	109,866	109,866	109,866	109,866	109,866
Capacity	1,045	1,003	1,003	836	836	836	1,059	1,059	1,059	1,059
Enrollment	938	985	1,002	1,034	1,063	1,028	1,041	1,064	1,092	1,028
Parker (1959)										
Square feet	72,167	72,167	72,167	72,167	72,167	72,167	72,167	72,167	72,167	72,167
Capacity	823	857	857	857	857	857	871	871	871	871
Enrollment	813	833	839	824	844	846	844	817	826	785

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Patterson (2012)										
Square feet	99,708	98,444	98,444	98,444	98,444	98,444	62,986	62,986	62,986	62,986
Capacity	935	931	931	931	931	931	961	961	961	961
Enrollment	936	968	951	969	965	950	824	809	850	842
Peck (2012)										
Square feet	108,178	89,365	89,365	89,365	89,365	89,365	34,277	34,277	34,277	34,277
Capacity	767	711	711	711	711	711	418	418	418	418
Enrollment	533	573	589	563	506	497	506	549	338	320
Petersen (1966)										
Square feet	52,335	52,335	52,335	52,335	52,335	52,335	52,335	52,335	52,335	52,335
Capacity	881	877	877	877	877	877	753	753	753	753
Enrollment	501	504	627	641	587	630	672	683	681	641
Pilgrim (2007)										
Square feet	110,392	110,392	110,392	110,392	110,392	110,392	110,392	110,392	110,392	110,392
Capacity	1,115	997	997	997	997	997	1,136	1,136	1,136	1,136
Enrollment	1,146	1,145	1,155	1,109	1,136	1,100	1,071	1,016	932	836
Piney Point (2011)										
Square feet	114,185	114,185	114,185	114,185	114,185	114,185	114,185	72,864	72,864	72,864
Capacity	1,010	1,003	1,000	1,000	1,000	1,000	1,000	817	817	817
Enrollment	1,220	1,173	1,212	1,203	1,141	1,119	1,004	974	929	932
Pleasantville (1955)										
Square feet	60,505	59,032	59,032	59,032	59,032	59,032	59,032	59,032	59,032	59,032
Capacity	744	753	753	753	753	753	551	551	551	551
Enrollment	301	319	331	317	340	365	356	375	357	404
Poe (1928)										
Square feet	70,067	70,067	70,067	70,067	70,067	70,067	70,067	70,067	70,067	70,067
Capacity	800	815	815	815	815	815	743	743	743	743
Enrollment	868	791	794	771	762	748	730	730	706	697
Port Houston (1960)										
Square feet	36,309	36,309	36,309	36,309	36,309	36,309	36,309	36,309	36,309	36,309
Capacity	494	502	502	502	502	502	363	363	363	363
Enrollment	302	322	794	343	339	342	352	342	333	326
Pugh (1952)										
Square feet	40,053	40,053	40,053	40,053	40,053	40,053	40,053	40,053	40,053	40,053
Capacity	538	627	627	627	627	627	606	606	606	606
Enrollment	439	431	436	434	443	501	522	564	517	477

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Reagan, B. (2012)										
Square feet	179,191	143,000	143,000	143,000	143,000	N/A	N/A	N/A	N/A	N/A
Capacity	1,072	900	900	900	900	N/A	N/A	N/A	N/A	N/A
Enrollment	1,085	1,046	1,044	1,194	938	N/A	N/A	N/A	N/A	N/A
Red (1957)										
Square feet	58,830	58,830	58,830	58,830	58,830	58,830	58,830	58,830	58,830	58,830
Capacity	760	732	732	732	732	732	667	667	667	667
Enrollment	667	699	663	645	597	588	601	567	539	524
Reynolds (1959)										
Square feet	86,084	83,711	83,711	83,711	83,711	83,711	83,711	83,711	83,711	83,711
Capacity	728	795	795	795	795	795	642	642	642	642
Enrollment	556	516	543	468	519	556	551	513	471	462
Rice, The School (1994)										
Square feet	202,704	202,704	202,704	202,704	202,704	202,704	202,704	202,704	202,704	202,704
Capacity	1,252	1,056	1,056	1,056	1,056	1,056	1,101	1,101	1,101	1,101
Enrollment	1,135	1,139	1,138	1,151	1,157	1,228	1,145	1,140	1,135	1,145
River Oaks (1928)										
Square feet	62,632	60,632	60,632	60,632	60,632	60,632	60,632	60,632	60,632	60,632
Capacity	669	648	648	648	648	648	627	627	627	627
Enrollment	679	677	681	704	714	717	680	664	674	650
Roberts (1936)										
Square feet	62,685	62,685	62,685	62,685	62,685	62,685	62,685	62,685	62,685	62,685
Capacity	781	773	773	773	773	773	606	606	606	606
Enrollment	807	781	804	756	740	755	746	683	698	669
Robinson (2002)										
Square feet	84,872	84,928	84,928	84,928	84,928	84,928	84,928	84,928	84,928	84,928
Capacity	782	753	753	753	753	753	796	796	796	796
Enrollment	626	699	708	737	684	712	726	747	743	755
Rodriguez (2002)										
Square feet	115,118	111,716	111,716	111,716	111,716	111,716	111,716	111,716	111,716	111,716
Capacity	1,010	962	962	962	962	962	942	942	942	942
Enrollment	1,002	1,032	1,067	1,023	944	935	931	964	938	937
Rogers, T.H. (1962)										
Square feet	187,570	187,570	187,570	187,570	187,570	187,570	187,570	187,570	187,570	187,570
Capacity	1,321	1,310	1,368	1,368	1,368	1,368	1,227	1,227	1,227	1,227
Enrollment	918	935	789	794	815	820	846	857	825	810

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Roosevelt (2012)										
Square feet	94,865	84,500	84,500	84,500	84,500	84,500	49,583	49,583	49,583	49,583
Capacity	785	732	732	732	732	732	593	593	593	593
Enrollment	722	735	721	710	709	669	612	634	593	560
Ross (1948)										
Square feet	51,820	51,820	51,820	51,820	51,820	51,820	51,820	51,820	51,820	51,820
Capacity	631	627	627	627	627	627	474	474	474	474
Enrollment	359	387	447	423	432	457	462	471	441	421
Rucker (1953)										
Square feet	70,722	70,722	70,722	70,722	70,722	70,722	70,722	70,722	70,722	70,722
Capacity	995	961	961	961	961	961	956	956	956	956
Enrollment	538	595	609	611	614	662	677	681	684	722
Rusk (1960)										
Square feet	39,671	39,671	39,671	39,671	39,671	39,671	39,671	39,671	39,671	39,671
Capacity	715	699	699	502	502	502	405	405	405	405
Enrollment	369	537	576	534	535	558	534	501	434	351
Saint George Place (2007)										
Square feet	86,054	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000
Capacity	729	732	732	732	732	732	961	961	961	961
Enrollment	808	788	795	753	764	723	699	614	598	508
Sanchez (1952)										
Square feet	70,105	69,397	69,397	69,397	69,397	69,397	69,397	69,397	69,397	69,397
Capacity	735	716	899	899	899	899	704	704	704	704
Enrollment	562	598	606	623	592	562	596	609	634	635
Scarborough (1959)										
Square feet	64,412	64,412	64,412	64,412	64,412	64,412	64,412	64,412	64,412	64,412
Capacity	907	824	824	898	898	898	788	788	788	788
Enrollment	751	744	773	761	737	741	780	757	769	789
Scroggins (1966)										
Square feet	53,126	53,126	53,126	53,126	53,126	53,126	53,126	53,126	53,126	53,126
Capacity	701	663	663	459	459	459	641	641	641	641
Enrollment	589	614	621	631	597	576	606	588	590	599
Seguin (2002)										
Square feet	87,186	85,427	85,427	85,427	85,427	85,427	85,427	85,427	85,427	85,427
Capacity	767	732	732	732	732	732	670	670	670	670
Enrollment	610	652	689	667	613	621	643	638	625	631

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Shadowbriar (1992)										
Square feet	78,704	74,382	74,382	74,382	74,382	74,382	74,382	74,382	74,382	74,382
Capacity	763	732	732	732	732	732	524	524	524	524
Enrollment	512	494	393	392	365	398	434	449	437	401
Shadydale (2000)*										
Square feet	141,270	102,400	102,400	102,400	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	765	842	1,003	1,003	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	932	897	897	806	N/A	N/A	N/A	N/A	N/A	N/A
Sheam (1954)										
Square feet	43,132	43,132	43,132	43,132	43,132	43,132	43,132	43,132	43,132	43,132
Capacity	650	584	584	584	584	584	543	543	543	543
Enrollment	657	650	610	564	551	518	502	485	467	466
Sherman (1964)										
Square feet	87,020	87,020	87,020	87,020	55,289	55,289	55,289	55,289	55,289	55,289
Capacity	784	836	836	836	836	836	747	747	747	747
Enrollment	653	661	664	570	555	587	369	495	486	542
Sinclair (1959)										
Square feet	54,308	54,308	54,308	54,308	54,308	54,308	54,308	54,308	54,308	54,308
Capacity	723	716	716	835	835	835	774	774	774	774
Enrollment	549	539	525	536	513	546	532	510	476	461
Smith, K. (1954)										
Square feet	73,399	56,294	56,294	56,294	56,294	56,294	56,294	56,294	56,294	56,294
Capacity	898	860	860	1,218	1,218	1,218	1,345	1,345	1,345	1,345
Enrollment	919	937	890	760	748	742	793	861	858	1,001
Southmayd (1936)										
Square feet	76,614	67,258	67,258	67,258	67,258	67,258	67,258	67,258	67,258	67,258
Capacity	745	773	773	773	773	773	701	701	701	701
Enrollment	716	727	711	698	739	764	728	700	649	661
Stevens (1952)										
Square feet	68,822	68,822	68,822	68,822	68,822	68,822	68,822	68,822	68,822	68,822
Capacity	849	824	815	815	815	815	682	682	682	682
Enrollment	721	731	776	655	627	656	646	642	693	656
Sutton (1958)										
Square feet	91,002	88,701	88,701	88,701	88,701	88,701	88,701	88,701	88,701	88,701
Capacity	1,312	1,233	1,233	1,233	1,233	1,233	1,370	1,370	1,370	1,370
Enrollment	1,138	1,097	1,148	1,060	1,029	1,047	1,126	1,133	1,053	1,049

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Thompson (2006)										
Square feet	96,252	96,252	96,252	96,252	96,252	96,252	96,252	96,252	96,252	96,252
Capacity	729	816	816	816	816	816	1,047	1,047	1,047	1,047
Enrollment	458	467	552	561	619	620	659	618	640	624
Tijerina (1979)										
Square feet	68,452	35,771	35,771	35,771	35,771	35,771	35,771	35,771	35,771	35,771
Capacity	860	857	857	857	857	857	858	858	858	858
Enrollment	422	426	458	491	502	620	624	613	647	664
Tinsley (2001)										
Square feet	90,415	90,415	90,415	90,415	90,415	90,415	90,415	90,415	90,415	90,415
Capacity	775	815	815	815	815	815	757	757	757	757
Enrollment	789	792	780	812	700	705	739	761	741	675
Travis (2007)										
Square feet	88,641	86,530	86,530	86,530	86,530	86,530	86,530	86,530	86,530	86,530
Capacity	729	734	734	734	669	669	674	674	674	674
Enrollment	712	698	723	755	733	729	734	724	726	690
Twain (2007)										
Square feet	86,511	83,634	83,634	83,634	83,634	83,634	83,634	83,634	83,634	83,634
Capacity	887	815	815	815	815	815	781	781	781	781
Enrollment	870	905	953	924	873	810	787	793	775	743
Valley West (1994)										
Square feet	84,763	84,763	84,763	84,763	84,763	84,763	84,763	46,763	46,763	46,763
Capacity	1,209	1,023	1,023	1,023	1,023	1,023	726	676	676	676
Enrollment	879	878	845	830	748	705	623	604	580	601
Wainwright (1962)										
Square feet	56,531	56,531	56,531	56,531	56,531	56,531	56,531	56,531	56,531	56,531
Capacity	877	824	824	824	824	824	699	699	699	699
Enrollment	510	608	722	751	835	760	794	760	701	689
Walnut Bend (2005)										
Square feet	114,707	114,707	114,707	114,707	114,707	114,707	114,707	114,707	114,707	114,707
Capacity	746	753	753	753	753	753	1,590	1,590	1,590	1,590
Enrollment	734	762	743	750	678	647	694	625	608	674
Wesley (1949)										
Square feet	73,580	73,580	73,580	73,580	73,580	73,580	73,580	73,580	73,580	73,580
Capacity	740	681	681	1,045	1,045	1,045	639	639	639	639
Enrollment	334	412	418	438	448	436	464	480	458	443

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West University (1928)										
Square feet	105,818	99,423	99,423	99,423	99,423	99,423	99,423	99,423	99,423	99,423
Capacity	1,247	1,108	1,108	1,108	1,108	1,108	1,067	1,067	1,067	1,067
Enrollment	1,286	1,259	1,300	1,245	1,210	1,202	1,197	1,068	1,071	1,002
Wharton (1959) / Dual Language										
Square feet	32,310	32,310	32,310	32,310	32,310	32,310	32,310	32,310	32,310	32,310
Capacity	469	469	469	469	469	469	397	397	397	397
Enrollment	490	490	486	474	436	439	425	428	396	376
Whidby (1959)										
Square feet	46,870	46,870	46,870	46,870	46,870	46,870	49,942	49,942	49,942	49,942
Capacity	657	609	609	710	710	710	572	572	572	572
Enrollment	612	631	577	536	483	518	482	614	577	580
White (1966)										
Square feet	65,599	65,599	65,599	65,599	65,599	65,599	65,599	65,599	65,599	65,599
Capacity	868	806	806	522	522	522	920	920	920	920
Enrollment	829	855	871	851	824	811	813	795	746	726
Whittier (1959)										
Square feet	46,154	46,154	46,154	46,154	46,154	46,154	46,154	46,154	46,154	46,154
Capacity	709	606	606	606	606	606	659	659	659	659
Enrollment	553	592	589	582	578	526	530	537	547	517
Wilson (1924) / Montessori										
Square feet	41,579	41,579	41,579	41,579	41,579	41,579	41,579	41,579	41,579	41,579
Capacity	619	539	539	539	508	508	471	471	471	471
Enrollment	538	547	520	501	502	500	489	459	447	417
Windsor Village (1960)										
Square feet	59,414	59,414	59,414	59,414	59,414	59,414	59,414	59,414	59,414	59,414
Capacity	931	913	913	967	967	967	892	892	892	892
Enrollment	780	782	781	748	745	755	750	790	800	770
Woodson (1966) / Middle										
Square feet	164,732	164,732	164,732	164,732	164,732	164,732	164,732	164,732	164,732	164,732
Capacity	1,426	1,310	1,310	1,870	1,870	1,870	2,258	2,258	2,258	2,258
Enrollment	767	757	904	891	798	772	686	792	847	996
Young, Ethel Mosley (1960)										
Square feet	45,477	45,447	45,447	45,447	45,447	45,447	45,447	45,447	45,447	45,447
Capacity	518	501	501	501	501	501	390	390	390	390
Enrollment	281	366	414	388	414	456	421	431	460	407

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Middle										
Attucks (1953)										
Square feet	176,123	176,123	176,123	173,819	173,819	173,819	173,819	173,819	173,819	173,819
Capacity	1,140	1,144	1,144	1,144	1,144	1,144	898	898	898	898
Enrollment	497	482	483	459	445	446	506	581	650	735
Black (1957)										
Square feet	169,343	166,511	166,511	165,662	165,662	165,662	165,662	165,662	165,662	165,662
Capacity	1,380	1,238	1,238	1,238	1,238	1,238	935	935	935	935
Enrollment	1,024	966	932	840	714	536	490	547	559	577
Burbank (1950)										
Square feet	196,811	196,811	196,811	162,511	162,511	162,511	162,511	162,511	162,511	162,511
Capacity	1,843	1,988	1,988	1,988	1,988	1,988	1,406	1,406	1,406	1,406
Enrollment	1,433	1,440	1,424	1,422	1,418	1,417	1,261	1,214	1,170	1,198
Clifton (1979)										
Square feet	156,742	156,742	156,742	156,742	156,742	156,742	156,742	156,742	156,742	156,742
Capacity	1,128	1,163	1,163	1,163	1,163	1,163	992	992	992	992
Enrollment	777	837	919	919	987	1,009	1,001	1,044	1,075	1,070
Cullen (1955)										
Square feet	162,379	158,851	158,851	158,581	158,581	158,581	158,581	158,581	158,581	158,581
Capacity	1,201	1,106	1,106	1,106	1,106	1,106	898	898	898	898
Enrollment	484	576	623	656	494	510	580	639	692	656
Deady (1929)										
Square feet	193,000	183,653	183,653	183,653	183,653	183,653	183,653	183,653	183,653	183,653
Capacity	1,456	1,388	1,388	1,388	1,388	1,388	1,267	1,267	1,267	1,267
Enrollment	703	702	775	861	898	880	872	975	1,015	1,018
Dowling (1968) Audrey H. Lawson MS.										
Square feet	207,029	207,029	207,029	199,121	199,121	199,121	199,121	199,121	199,121	199,121
Capacity	2,087	1,800	1,800	1,800	1,800	1,800	1,824	1,824	1,824	1,824
Enrollment	1,080	1,115	1,208	1,129	1,188	1,335	1,301	1,432	1,534	1,661
Edison (1925)										
Square feet	146,432	143,758	143,758	143,758	143,758	143,758	143,758	143,758	143,758	143,758
Capacity	1,172	1,144	1,144	1,144	1,144	1,144	1,042	1,042	1,042	1,042
Enrollment	674	721	750	744	720	706	791	843	910	930
Fleming (1968)										
Square feet	183,474	179,515	179,515	179,515	179,515	179,515	179,515	179,515	179,515	179,515
Capacity	1,197	1,031	1,031	1,031	1,031	1,031	785	785	785	785
Enrollment	486	497	525	492	539	644	528	528	544	532

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Fondren (1966)										
Square feet	161,421	161,421	161,421	158,349	158,349	158,349	158,349	158,349	158,349	158,349
Capacity	1,078	1,369	1,369	1,369	1,369	1,369	1,136	1,136	1,136	1,136
Enrollment	926	938	870	780	750	679	723	880	737	749
Fonville (1951)										
Square feet	162,228	162,228	162,228	162,228	162,228	162,228	162,228	162,228	162,228	162,228
Capacity	1,297	1,444	1,444	1,444	1,444	1,444	1,085	1,085	1,085	1,085
Enrollment	985	934	1,047	1,111	1,088	1,045	1,080	1,081	1,119	1,124
Forest Brook (1972)*										
Square feet	226,770	226,770	226,770	226,770	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	1,108	1,256	1,256	1,256	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	896	911	937	990	N/A	N/A	N/A	N/A	N/A	N/A
Hamilton (1919)										
Square feet	140,674	140,674	140,674	137,710	137,710	137,710	137,710	137,710	137,710	137,710
Capacity	1,394	1,125	1,125	1,125	1,125	1,125	1,020	1,020	1,020	1,020
Enrollment	1,287	1,267	1,223	1,253	1,269	1,307	1,390	1,378	1,346	1,324
Hartman (2005)										
Square feet	222,606	222,606	222,606	222,606	222,606	222,606	222,606	222,606	222,606	222,606
Capacity	1,679	1,444	1,444	1,444	1,444	1,444	1,349	1,349	1,349	1,349
Enrollment	1,401	1,356	1,424	1,421	1,448	1,436	1,527	1,597	1,632	1,587
Henry (1965)										
Square feet	182,031	182,031	182,031	181,623	181,623	181,623	181,623	181,623	181,623	181,623
Capacity	1,279	1,200	1,200	1,200	1,200	1,200	1,179	1,179	1,179	1,179
Enrollment	889	876	896	939	975	983	1,004	1,026	1,065	1,075
HS Ahead / Hohl (1920)										
Square feet	54,936	54,936	54,936	54,888	54,888	54,888	54,888	54,888	54,888	54,888
Capacity	641	617	617	617	617	617	599	599	599	599
Enrollment	165	269	208	297	301	368	386	219	483	489
Hogg (1926)										
Square feet	177,148	177,148	177,148	177,148	176,380	176,380	176,380	176,380	176,380	176,380
Capacity	1,211	1,069	1,069	1,069	1,069	1,069	926	926	926	926
Enrollment	779	698	735	722	733	668	732	816	813	840
Holland (1980)										
Square feet	135,130	135,130	135,130	135,130	131,290	131,290	131,290	131,290	131,290	131,290
Capacity	1,124	994	994	994	994	994	875	875	875	875
Enrollment	675	693	719	675	698	696	749	771	797	808

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Key (1957)										
Square feet	186,507	185,923	185,923	185,923	185,923	185,923	185,923	185,923	185,923	185,923
Capacity	1,153	1,294	1,294	1,294	1,294	1,294	1,033	1,033	1,033	1,033
Enrollment	698	691	705	654	483	518	485	543	585	602
Lanier, Bob (1926)										
Square feet	159,574	159,574	159,574	159,574	159,574	159,574	159,574	159,574	159,574	159,574
Capacity	1,282	1,276	1,276	1,276	1,276	1,276	1,155	1,155	1,155	1,155
Enrollment	1,431	1,375	1,348	1,396	1,391	1,341	1,347	1,336	1,319	1,297
Marshall, J. (1981)										
Square feet	212,645	212,645	212,645	212,645	212,645	212,645	212,645	212,645	212,645	212,645
Capacity	1,406	1,331	1,331	1,538	1,538	1,538	1,153	1,153	1,153	1,153
Enrollment	887	888	889	960	952	950	1,013	964	941	908
McReynolds (1956)										
Square feet	153,168	133,056	133,056	130,392	130,392	130,392	130,392	130,392	130,392	130,392
Capacity	1,034	1,163	1,163	1,163	1,163	1,163	863	863	863	863
Enrollment	588	598	602	637	651	712	646	602	580	626
Meyerland Performing and Visual Arts MS (1959)										
Square feet	189,637	189,637	189,637	174,981	174,981	174,981	174,981	174,981	174,981	174,981
Capacity	2,128	2,063	2,063	2,063	2,063	2,063	1,294	1,294	1,294	1,294
Enrollment	1,723	1,722	1,744	1,676	1,619	1,501	1,486	1,426	1,357	1,362
Navarro MS (1925)										
Square feet	211,186	211,186	211,186	211,186	211,186	211,186	211,186	211,186	211,186	211,186
Capacity	1,286	1,632	1,632	1,632	1,632	1,632	1,235	1,235	1,235	1,235
Enrollment	835	821	901	931	1,015	985	912	893	957	995
Ortiz (2002)										
Square feet	183,786	178,481	178,481	178,481	178,481	178,481	178,481	178,481	178,481	178,481
Capacity	1,432	1,313	1,313	1,313	1,313	1,313	1,126	1,126	1,126	1,126
Enrollment	1,055	993	1,028	1,010	1,014	1,035	1,032	979	998	1,046
Pershing (2007)										
Square feet	233,281	226,410	226,410	240,234	240,234	240,234	240,234	240,234	240,234	240,234
Capacity	1,844	1,631	1,631	1,631	1,631	1,631	1,478	1,478	1,478	1,478
Enrollment	1,651	1,592	1,594	1,653	1,751	1,748	1,816	1,748	1,795	1,747
Pin Oak (2002)										
Square feet	233,281	233,081	233,081	233,081	233,081	233,081	233,081	233,081	233,081	233,081
Capacity	1,295	1,200	1,200	1,200	1,200	1,200	1,077	1,077	1,077	1,077
Enrollment	1,233	1,210	1,208	1,205	1,195	1,157	1,161	1,153	1,140	1,138

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Revere (1980)										
Square feet	194,079	194,079	194,079	194,031	194,031	194,031	194,031	194,031	194,031	194,031
Capacity	1,405	1,294	1,294	1,294	1,294	1,294	1,295	1,295	1,295	1,295
Enrollment	1,324	1,250	1,264	1,221	1,108	940	883	873	834	1,015
Baylor College of Medicine / Ryan (1925)										
Square feet	133,488	133,488	133,488	113,447	113,447	113,447	113,447	113,447	113,447	113,447
Capacity	1,237	941	941	956	956	956	899	899	899	899
Enrollment	741	789	471	236	272	305	329	364	389	498
Stevenson (1994)										
Square feet	173,685	173,685	173,685	173,685	173,685	173,685	173,685	173,685	173,685	173,685
Capacity	1,519	1,388	1,388	1,388	1,388	1,388	1,156	1,156	1,156	1,156
Enrollment	1,357	1,333	1,319	1,386	1,420	1,374	1,396	1,386	1,329	1,232
Sugar Grove Academy (2009)										
Square feet	88,108	88,108	88,108	88,108	88,108	88,108	88,108	88,108	88,108	88,108
Capacity	822	902	902	902	902	902	796	796	796	796
Enrollment	798	842	839	739	717	920	429	443	213	420
Tanglewood MS*** (1949)										
Square feet	94,746	94,746	94,746	94,746	94,746	94,746	64,902	64,902	64,902	64,902
Capacity	988	713	713	488	488	488	690	690	690	690
Enrollment	759	632	604	558	527	518	482	471	463	485
Thomas (1968)										
Square feet	155,059	151,508	151,508	151,508	151,508	151,508	174,596	174,596	174,596	174,596
Capacity	994	956	956	1,294	1,294	1,294	869	869	869	869
Enrollment	464	459	504	492	531	531	545	570	651	621
Welch (1979)										
Square feet	156,530	156,530	156,530	156,530	156,530	156,530	156,530	156,530	156,530	156,530
Capacity	1,633	1,726	1,726	1,726	1,726	1,726	1,331	1,331	1,331	1,331
Enrollment	808	859	884	919	926	995	1,099	1,159	1,176	1,286
West Briar (2002)										
Square feet	174,159	170,614	170,614	169,062	169,062	169,062	169,062	169,062	169,062	169,062
Capacity	1,460	1,181	1,181	1,181	1,181	1,181	1,106	1,106	1,106	1,106
Enrollment	1,033	993	1,022	1,158	1,257	1,359	1,347	1,310	1,316	1,383
Williams (1962)										
Square feet	163,107	163,107	163,107	163,107	163,107	163,107	163,107	163,107	163,107	163,107
Capacity	1,087	975	975	975	975	975	1,299	1,299	1,299	1,299
Enrollment	504	511	529	490	468	443	441	438	449	457

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High										
Austin (1953)										
Square feet	314,157	314,157	314,157	314,157	314,157	314,157	314,157	314,157	314,157	314,157
Capacity	2,542	1,900	1,900	1,900	2,156	2,156	2,079	2,079	2,079	2,079
Enrollment	1,837	1,899	1,719	1,696	1,830	1,859	1,864	1,944	1,936	1,927
Bellaire (1955)										
Square feet	474,451	474,451	474,451	474,451	474,451	418,451	362,451	362,451	362,451	362,451
Capacity	3,756	2,906	2,906	2,906	2,906	2,906	2,801	2,801	2,801	2,801
Enrollment	3,400	3,615	3,550	3,604	3,520	3,476	3,466	3,377	3,447	3,361
Carnegie Vanguard (2002)										
Square feet	103,502	99,208	99,208	99,000	99,000	42,504	42,504	42,504	42,504	42,504
Capacity	826	600	600	600	600	656	525	525	525	525
Enrollment	623	623	598	608	590	523	458	426	399	371
Chavez (2000)										
Square feet	519,307	519,307	519,307	519,307	519,307	519,307	519,307	519,307	519,307	519,307
Capacity	2,806	2,213	2,213	2,213	2,213	2,213	2,082	2,082	2,082	2,082
Enrollment	3,023	3,142	3,103	2,988	2,831	2,856	2,757	2,770	2,612	2,375
Northside (1925) ***										
Square feet	267,110	267,110	267,110	264,038	264,038	264,038	264,038	264,038	264,038	264,038
Capacity	1,974	1,613	1,613	1,613	1,613	1,613	1,558	1,558	1,558	1,558
Enrollment	1,517	1,693	1,650	1,652	1,613	1,603	1,674	1,655	1,677	1,630
DeBailey (1980)										
Square feet	193,000	161,426	161,426	161,426	161,426	161,426	161,426	161,426	161,426	161,426
Capacity	1,673	825	825	825	825	825	851	851	851	851
Enrollment	822	842	832	823	864	871	865	887	797	740
Eastwood Academy (1985)										
Square feet	59,849	40,391	40,391	28,823	28,823	28,823	28,823	28,823	28,823	28,823
Capacity	420	525	525	525	525	525	293	293	293	293
Enrollment	425	419	415	415	407	407	359	320	292	255
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	82,976
Capacity	1,048	1,033	0	941	941	941	748	748	748	748
Enrollment	683	546	336	644	487	506	563	437	422	443
Furr (1961) / Reach**										
Square feet	178,044	170,589	170,589	168,285	168,285	168,285	168,285	168,285	168,285	168,285
Capacity	1,407	1,407	1,407	1,407	1,407	1,407	1,384	1,384	1,384	1,384
Enrollment	1,050	1,022	964	1,274	1,194	1,160	1,167	1,278	1,224	893

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HS Performing Visual Arts (1980)										
Square feet	104,124	104,124	104,124	104,092	104,092	104,092	104,092	104,092	104,092	104,092
Capacity	844	751	751	751	751	751	863	863	863	863
Enrollment	746	724	707	699	690	687	655	638	651	647
HS Law Enforcement (1925)										
Square feet	102,862	102,862	102,862	102,694	102,694	102,694	102,694	102,694	102,694	102,694
Capacity	1,127	900	900	900	900	900	926	926	926	926
Enrollment	408	413	434	504	548	547	570	562	606	641
Houston Academy International / Jones, J.W. (1966)										
Square feet	53,761	53,761	53,761	52,255	52,255	52,255	52,255	52,255	52,255	52,255
Capacity	630	665	665	665	665	665	423	423	423	423
Enrollment	460	425	430	432	426	414	385	323	298	297
Houston, Sam MST (1955)										
Square feet	355,049	355,049	355,049	355,049	355,049	325,181	325,181	325,181	325,181	325,181
Capacity	4,048	3,412	3,412	3,412	3,412	3,412	3,047	3,047	3,047	3,047
Enrollment	2,691	2,689	2,346	2,614	2,533	2,653	2,613	2,599	2,384	2,507
Jones Futures Academy (1958)										
Square feet	212,457	212,457	212,457	198,401	198,401	198,401	198,401	198,401	198,401	198,401
Capacity	2,100	1,425	1,425	1,425	1,425	1,425	1,278	1,278	1,278	1,278
Enrollment	343	274	175	512	594	653	663	788	829	846
Jordan, Barbara (1979)										
Square feet	288,366	287,903	287,903	287,615	287,615	287,615	287,615	287,615	287,615	287,615
Capacity	1,905	1,988	1,988	1,988	1,988	1,988	1,661	1,661	1,661	1,661
Enrollment	314	551	779	883	952	925	1,109	1,155	1,160	1,158
Kashmere (1968)										
Square feet	204,032	204,032	204,032	202,496	202,496	202,496	202,496	202,496	202,496	202,496
Capacity	1,609	1,238	1,238	1,238	1,238	1,238	1,088	1,088	1,088	1,088
Enrollment	556	561	502	501	497	535	600	593	589	531
Lamar (1937)										
Square feet	302,907	279,700	279,700	279,700	279,700	279,700	279,700	279,700	279,700	279,700
Capacity	2,681	3,306	3,306	3,306	3,306	2,194	2,229	2,229	2,229	2,229
Enrollment	3,323	3,347	3,236	3,225	3,270	3,371	3,268	3,003	3,013	3,289
Lee (1962) Renamed Wisdom										
Square feet	332,694	332,694	332,694	332,694	332,694	332,694	332,694	332,694	332,694	332,694
Capacity	2,829	2,981	2,981	2,981	2,981	2,981	2,523	2,523	2,523	2,523
Enrollment	1,865	1,598	1,464	1,362	1,418	1,609	1,691	1,891	1,928	1,924

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Madison (1965)										
Square feet	206,225	259,405	259,405	225,541	225,541	225,541	225,541	225,541	225,541	225,541
Capacity	2,571	2,044	2,044	2,044	2,044	2,044	1,875	1,875	1,875	1,875
Enrollment	1,653	1,828	1,723	2,005	2,033	2,027	2,213	2,289	2,373	2,349
Milby (1925)										
Square feet	389,342	389,342	389,342	389,342	389,342	389,342	389,342	389,342	389,342	389,342
Capacity	3,075	3,075	3,075	3,075	3,075	3,075	2,868	2,868	2,868	2,868
Enrollment	1,342	1,470	1,570	2,092	2,032	2,009	2,190	2,187	2,246	2,189
North Forest (1953)*										
Square feet	307,050	307,050	307,050	307,050	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	2,180	1,725	1,725	1,725	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	904	1,011	954	1,044	N/A	N/A	N/A	N/A	N/A	N/A
Reagan, J.H. (1926) Heights										
Square feet	360,372	360,372	360,372	360,372	360,372	360,372	360,372	360,372	360,372	360,372
Capacity	2,141	1,781	1,781	1,781	1,781	1,781	2,306	2,306	2,306	2,306
Enrollment	2,312	2,334	2,192	2,190	2,135	2,047	2,001	1,861	1,756	1,582
Scarborough (1968)										
Square feet	183,119	183,119	183,119	183,119	183,119	182,593	182,593	182,593	182,593	182,593
Capacity	1,435	1,482	1,482	1,482	1,482	1,482	1,032	1,032	1,032	1,032
Enrollment	729	773	673	670	1,065	1,028	753	828	736	788
Sharpstown HS (1971) / Advanced Virtual Academy**										
Square feet	234,779	201,355	201,355	195,195	195,195	195,195	195,195	195,195	195,195	195,195
Capacity	2,183	2,062	2,062	2,062	2,062	2,062	1,781	1,781	1,781	1,781
Enrollment	1,567	1,535	1,439	1,683	1,335	1,276	1,280	1,254	1,455	1,528
South Early College**										
Square feet	168,247	168,247	168,247	168,247	168,247	168,247	168,247	168,247	168,247	168,247
Capacity	368	1,350	1,350	1,350	1,350	1,350	1,406	1,406	1,406	1,406
Enrollment	270	1,049	1,010	1,068	1,008	973	973	1,000	927	1,074
Sterling (1965)										
Square feet	219,683	219,683	219,683	219,667	219,667	219,667	219,667	219,667	219,667	219,667
Capacity	1,925	1,537	1,537	1,537	1,537	1,537	1,397	1,397	1,397	1,397
Enrollment	1,086	1,129	973	830	938	939	1,090	1,086	1,081	1,141
Waltrip (1960)										
Square feet	264,979	264,979	264,979	264,659	264,659	264,659	264,659	264,659	264,659	264,659
Capacity	2,333	1,932	1,932	1,932	1,932	1,932	1,805	1,805	1,805	1,805
Enrollment	1,577	1,760	1,612	1,631	1,668	1,701	1,762	1,777	1,808	1,777

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Washington (1959)										
Square feet	248,775	248,775	248,775	244,527	244,527	244,527	244,527	244,527	244,527	244,527
Capacity	2,264	1,931	1,931	1,931	1,931	1,931	1,652	1,652	1,652	1,652
Enrollment	723	734	653	773	831	823	907	960	903	966
Westbury (1961)										
Square feet	324,292	324,292	324,292	324,292	324,292	324,292	324,292	324,292	324,292	324,292
Capacity	3,303	2,644	2,644	2,644	2,644	2,644	2,263	2,263	2,263	2,263
Enrollment	2,153	2,108	2,026	2,083	2,101	2,219	2,160	2,116	2,010	1,955
Westside (2000)										
Square feet	490,480	448,776	448,776	448,776	448,776	448,776	448,776	448,776	448,776	448,776
Capacity	2,768	2,381	2,381	2,381	2,381	2,381	2,171	2,171	2,171	2,171
Enrollment	2,875	2,948	2,728	2,755	2,736	2,996	3,143	2,960	2,950	2,943
Wheatley (1950)										
Square feet	272,749	268,485	268,485	268,485	268,485	268,485	268,485	268,485	268,485	268,485
Capacity	1,178	1,144	1,144	1,144	1,144	1,144	976	976	976	976
Enrollment	782	773	715	860	902	1,007	1,080	1,086	1,166	1,248
Worthing (1962)										
Square feet	229,967	220,983	220,983	220,983	220,983	220,983	220,983	220,983	220,983	220,983
Capacity	1,508	1,707	1,707	1,707	1,707	1,707	1,470	1,470	1,470	1,470
Enrollment	806	669	631	641	728	812	935	1,023	1,024	1,023
Yates (1958)										
Square feet	289,881	289,881	289,881	289,881	289,881	289,881	289,881	289,881	289,881	289,881
Capacity	2,735	2,644	2,644	2,644	2,644	2,644	2,120	2,120	2,120	2,120
Enrollment	791	950	935	935	972	966	1,329	1,320	1,337	1,333

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
MS/HS Combination										
Harper School / Kay-On-Going (1951)										
Square feet	53,605	53,605	53,605	42,826	42,826	42,826	42,826	42,826	42,826	42,826
Capacity	372	75	75	75	75	75	150	150	150	150
Enrollment	34	56	70	45	64	71	N/A	N/A	N/A	N/A
Long Academy (1957)										
Square feet	178,671	178,671	178,671	177,135	177,135	177,135	177,135	177,135	177,135	177,135
Capacity	1,450	1,200	1,200	1,463	1,463	1,463	1,577	1,577	1,577	1,577
Enrollment	1,013	1,070	1,021	1,133	1,028	946	934	1,004	1,154	1,163
Las Americas (Sq. ft. Housed at Long Academy)										
Square feet	178,671	178,671	178,671	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	450	413	413	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	334	112	305	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sharpstown International School / MS (1969)										
Square feet	169,643	168,247	168,247	168,247	168,247	168,247	168,247	168,247	168,247	168,247
Capacity	1,546	1,350	1,350	1,350	1,350	1,350	1,406	1,406	1,406	1,406
Enrollment	1,046	1,049	1,010	1,068	1,008	973	973	1,000	927	1,074
Young Men's College Preparatory (Mickey Leland College Prep) (1917)										
Square feet	66,902	66,092	66,092	134,926	134,926	134,926	134,926	134,926	134,926	134,926
Capacity	719	999	999	999	999	999	850	850	850	850
Enrollment	441	422	435	384	258	148	406	442	496	417
Young Women's College Prep (1925)										
Square feet	168,125	168,125	168,125	112,742	112,742	112,742	112,742	112,742	112,742	112,742
Capacity	921	1,257	1,257	1,257	1,257	1,257	926	926	926	926
Enrollment	579	629	497	497	354	211	581	755	691	522
Charter										
Community Services / Chatham (1964)**										
Square feet	47,379	47,379	47,379	42,379	42,379	42,379	42,379	42,379	42,379	42,379
Capacity	429	429	429	429	429	429	429	429	429	429
Enrollment	100	83	93	114	N/A	N/A	2	11	N/A	N/A

*North Forest annex 2014

**Sq ft may vary for combined location

*** Name Changes



FINANCIAL EXCELLENCE
SUPPORTING
ACADEMIC SUCCESS

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FINANCIAL EXCELLENCE SUPPORTING ACADEMIC SUCCESS

It is the policy of the Houston Independent School District not to discriminate on the basis of age, color, handicap or disability, ancestry, national origin, marital status, race, religion, sex, veteran status, political affiliation, sexual orientation, gender identity and/or gender expression in its educational or employment programs and activities.