

Laredo Independent School District Public Facilities Corporation

Continuing Disclosure Statement
For the year Ended August 31, 2005
(Pursuant to SEC Rule 15c2-12)

Table 1 - Assessed Valuations

2005/06 Market Valuation Established by Webb County Appraisal District ⁽¹⁾		\$ 2,037,353,796
Less Exemptions/Reductions at 100% Market Value:		
General Homestead Exemptions	\$ 168,410,933	
Over-65 and/or Disabled Exemptions	50,461,085	
Disabled Veterans Exemptions	2,710,244	
Homestead Cap	2,539,616	
Productivity Loss	2,998,890	
Other	1,244,382	228,365,150
2005/06 Taxable Assessed Valuation before Freeze Loss		\$ 1,808,988,646
Freeze Loss	85,186,054	
2005/06 Taxable Assessed Valuation after Freeze Loss		\$ 1,723,802,592
District's Debt Payable From Ad Valorem Taxes (as of 08/31/05)		
<u>Maintenance and Operations Limited Tax</u>		
Public Property Finance Contractual Obligations, Series 1998-A	\$ 1,055,000	
Public Property Finance Contractual Obligations, Series 2001	989,000	
Public Property Finance Contractual Obligations, Series 2003	2,435,000	
Qualified Zone Academy Tax Notes, Dated 08-01-2000	8,000,000	
Qualified Zone Academy Tax Notes, Dated 08-01-2001	8,000,000	
Qualified Zone Academy Tax Notes, Dated 09-15-2005	8,000,000	
<u>Interest and Sinking Fund Unlimited Tax</u>		
Series 1993, Dated 04-15-1993 – Refunding	\$ 439,391	
Series 1999, Dated 09-01-1999	8,360,000	
Series 2001, Dated 09-01-2001	61,194,909	
Unlimited Tax School Building Bonds, Series 2005	59,855,846	
Unlimited Tax Refunding Bonds, Series 2005	54,049,784	
Total Debt Payable From Ad Valorem Taxes		\$ 212,378,930
Interest and Sinking Fund (as of 08/31/05)		\$ 9,427,615
Ratio Total Ad Valorem Debt to 2005/06 Assessed Valuation		11.74%
2005 Estimated Population for Laredo ISD	102,594	
Per Capita 2004 Taxable Assessed Valuation	\$ 17,632	
Per Capita Ad Valorem Tax Debt	\$ 2,070	

⁽¹⁾ Information provided by the Texas Comptroller. Data subject to change as additional information becomes available.

Table 2 - Taxable Assessed Valuation by Category

Category	Taxable Appraised Value for the Fiscal Year Ending August 31,					
	2006		2005		2004	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Real, Residential, Single-Family	\$ 998,524,216	49.01%	\$ 933,448,479	48.97%	\$ 885,803,854	51.25%
Real, Residential, Multi-Family	117,452,338	5.76%	100,971,648	5.30%	97,375,718	5.63%
Real, Vacant Lots/Tracts	60,791,160	2.98%	56,499,010	2.96%	60,762,360	3.52%
Real, Acreage (Land Only)	3,520,210	0.17%	3,001,740	0.16%	2,974,650	0.17%
Real, Farm and Ranch Improvements	22,260	0.00%	21,720	0.00%	20,620	0.00%
Real, Commercial	548,017,832	26.90%	507,548,591	26.63%	404,218,602	23.39%
Real, Industrial	3,912,590	0.19%	4,210,250	0.22%	4,062,050	0.24%
Real, Oil, Gas and Other Mineral Reserves	860,490	0.04%	819,230	0.04%	694,970	0.04%
Real and Tangible Personal, Utilities	82,682,060	4.06%	84,232,310	4.42%	91,998,550	5.32%
Tangible Personal, Commercial	165,396,930	8.12%	169,604,080	8.90%	150,294,110	8.70%
Tangible Personal, Industrial	32,652,780	1.60%	23,452,740	1.23%	7,936,320	0.46%
Tangible Personal, Mobile Homes	15,191,370	0.75%	15,756,420	0.83%	15,523,460	0.90%
Real Property, Inventory	-	0.00%	-	0.00%	-	0.00%
Special Inventory	8,329,560	0.41%	6,665,640	0.35%	6,652,120	0.38%
Total Appraised Value Before Exemptions	\$ 2,037,353,796	100.00%	\$ 1,906,231,858	100.00%	\$ 1,728,317,384	100.00%
Less: Total Exemptions/Reductions	313,551,204		225,062,086		304,035,509	
Net Taxable Assessed Valuation	\$ 1,723,802,592		\$ 1,681,169,772		\$ 1,424,281,875	

Category	Taxable Appraised Value for the Fiscal Year Ending August 31,			
	2003		2002	
	Amount	Percent of Total	Amount	Percent of Total
Real, Residential, Single-Family	\$ 882,987,501	52.99%	\$ 851,339,937	52.32%
Real, Residential, Multi-Family	80,155,480	4.81%	79,365,770	4.88%
Real, Vacant Lots/Tracts	58,511,890	3.51%	59,471,011	3.66%
Real, Acreage (Land Only)	2,972,500	0.18%	2,881,980	0.18%
Real, Farm and Ranch Improvements	35,230	0.00%	34,480	0.00%
Real, Commercial	363,054,636	21.79%	357,937,922	22.00%
Real, Industrial	4,711,280	0.28%	4,665,960	0.29%
Real, Oil, Gas and Other Mineral Reserves	490,230	0.03%	608,050	0.04%
Real and Tangible Personal, Utilities	85,356,710	5.12%	80,004,390	4.92%
Tangible Personal, Commercial	152,527,350	9.15%	154,202,580	9.48%
Tangible Personal, Industrial	14,008,660	0.84%	15,334,240	0.94%
Tangible Personal, Mobile Homes	15,857,180	0.95%	15,687,890	0.96%
Real Property, Inventory	-	0.00%	-	0.00%
Special Inventory	5,636,040	0.34%	5,530,020	0.34%
Total Appraised Value Before Exemptions	\$ 1,666,304,687	100.00%	\$ 1,627,064,230	100.00%
Less: Total Exemptions/Reductions	354,049,537		350,757,880	
Net Taxable Assessed Valuation	\$ 1,312,255,150		\$ 1,276,306,350	

Table 3 - Valuation and Debt History

Fiscal Year Ended 31-Aug	Estimated Population	Taxable Assessed Valuation ⁽¹⁾	Taxable Assessed Valuation Per Capita	Tax Debt ⁽⁴⁾	Debt to Taxable Assessed Valuation	Tax Debt Per Capita
1998	95,807 ⁽²⁾	\$ 1,269,001,135	\$ 13,245	\$ 14,823,482	1.17%	\$ 154.72
1999	95,643 ⁽²⁾	1,313,353,144	13,732	23,313,482	1.78%	243.75
2000	95,088 ⁽²⁾	1,259,251,744	13,243	92,118,482	7.32%	968.78
2001	95,433 ⁽²⁾	1,296,900,058	13,590	87,118,482	6.72%	912.87
2002	98,014 ⁽²⁾	1,276,306,350	13,022	162,744,301	12.75%	1,660.42
2003	100,374 ⁽²⁾	1,312,255,150	17,632	160,932,654	12.26%	1,603.32
2004	101,044 ⁽²⁾	1,424,281,875	14,096	153,059,300	10.75%	1,514.78
2005	102,594 ⁽³⁾	1,681,169,772	16,387	144,524,085	8.60%	1,408.70
2006	103,000 ⁽⁵⁾	1,723,802,592	16,736	212,379,931	12.32%	2,061.94

⁽¹⁾ The valuations shown are the certified Taxable Assessed Valuations reported annually in September to the Webb Appraisal District. The valuations are subject to change during the ensuing year due to the settlement of contested valuation, and other matters.

⁽²⁾ Source: Texas Municipal Advisory Council. Estimations based on School District Factor multiplied by the District's average daily attendance.

⁽³⁾ Source: Laredo Independent School District.

⁽⁴⁾ Includes maintenance & operations limited tax debt and interest & sinking fund unlimited tax debt.

⁽⁵⁾ Estimate

Table 4 - Tax Rate, Levy, and Collection History

Fiscal Year Ended 31-Aug	Tax Rate	Distribution		Tax Levy	Current Collections	Total Collections	% Collections	
		Maintainence & Operations	Interest and Sinking Fund				Current	Total
1997	1.215000	\$ 1.023920	\$ 0.191080	15,323,342	14,270,245	15,435,726	93.13%	100.73%
1998	1.185000	0.983710	0.201290	14,166,069	13,559,076	14,098,677	95.72%	99.52%
1999	1.225000	1.026280	0.198720	15,143,118	14,312,047	14,963,283	94.51%	98.81%
2000	1.326000	1.222910	0.103090	16,552,059	15,677,007	16,284,766	94.71%	98.39%
2001	1.386000	1.282910	0.103090	17,854,904	16,985,143	17,001,337	95.13%	95.22%
2002	1.426000	1.322910	0.103090	18,758,999	17,997,443	18,802,175	95.94%	100.23%
2003	1.502714	1.322910	0.179804	20,330,602	19,517,103	20,183,093	96.00%	99.27%
2004	1.502714	1.322910	0.179804	21,883,429	21,065,822	21,990,099	96.26%	100.49%
2005	1.474110	1.322910	0.151200	24,454,239	23,477,269	23,449,813	96.00%	95.89%
2006	1.554110	1.382910	0.171200	26,789,788				(Collections in Process)

Sources: Texas Municipal Report published by the Municipal Advisory Council of Texas, Laredo Independent School District and Comprehensive Annual Financial Report ending fiscal year August 31, 2005.

Table 6 - Top Ten Taxpayers

<u>Name</u>	<u>Nature of Property</u>	<u>2005 Assessed Valuation</u>	<u>% of Assessed Valuation</u>
Laredo Texas Hospital Co LP	Hospital	\$ 89,406,950	5.19%
AEP Texas Central Company	Electric Utility	30,945,550	1.80%
Southwestern Bell Telephone LP	Telephone Company	19,999,860	1.16%
Webb Hospital Holdings LLC	Hospital	19,927,140	1.16%
International Bank of Commerce	Bank	14,955,230	0.87%
H.E. Butt Grocery Company	Grocery Store	13,699,330	0.79%
Laredo National Bank	Bank	13,275,640	0.77%
Texas Cable Partners, LP	Telecommunications	10,477,790	0.61%
La Posada Hotel	Hotel	10,185,400	0.59%
BIA Acquisition Ltd.	Hotel/Joint Venture	9,503,470	0.55%
		<u>\$ 232,376,360</u>	<u>13.48%</u>

Source: Texas Comptroller's Office

Table 7 - Debt Service Requirements - Laredo ISD Public Facilities Corp.

Fiscal Year Ended 8/31	Total Outstanding Lease Revenue Debt			% of Principal Retired
	Principal	Interest	Total	
2006	\$ 1,650,000	3,061,133	\$ 4,711,133	
2007	1,705,000	3,011,635	4,716,635	
2008	1,750,000	2,960,483	4,710,483	
2009	1,800,000	2,907,983	4,707,983	
2010	1,860,000	2,853,898	4,713,898	13.33%
2011	1,935,000	2,782,738	4,717,738	
2012	2,005,000	2,708,030	4,713,030	
2013	2,085,000	2,628,393	4,713,393	
2014	2,170,000	2,537,908	4,707,908	25.80%
2015	2,270,000	2,443,048	4,713,048	
2016	2,375,000	2,333,458	4,708,458	
2017	2,490,000	2,218,238	4,708,238	
2018	2,605,000	2,097,113	4,702,113	
2019	2,745,000	1,966,663	4,711,663	44.80%
2020	2,880,000	1,829,200	4,709,200	
2021	3,030,000	1,684,975	4,714,975	
2022	3,175,000	1,533,238	4,708,238	
2023	3,335,000	1,373,188	4,708,188	
2024	3,500,000	1,205,075	4,705,075	69.02%
2025	3,680,000	1,028,375	4,708,375	
2026	3,870,000	842,575	4,712,575	
2027	4,070,000	647,150	4,717,150	
2028	4,265,000	441,625	4,706,625	
2029	4,480,000	226,250	4,706,250	100.00%
	<u>\$ 65,730,000</u>	<u>\$ 47,322,365</u>	<u>\$ 113,052,365</u>	

Table 8 - Interest and Sinking Fund Budget

Estimated Tax Debt Requirements, Fiscal Year Ending 8/31/06		\$ 13,744,029
Estimated Interest and Sinking Fund Balance at 9/1/05	\$ 9,427,615	
Estimated Interest and Sinking Fund Tax Levy @ 94% Collections	2,744,081	
Estimated Existing Debt Allotment/Estimated Instructional Facilities Allotment State Aid ⁽¹⁾	8,216,877	
Estimated Transfers In	<u>50,000</u>	<u>20,438,573</u>
Estimated Balance as of 8/31/06		<u><u>\$ 6,694,544</u></u>

⁽¹⁾ Provided by the Texas Education Agency as of January 30, 2006

Table 9 - General Fund Revenue and Expenditure History

	Year Ended August 31,				
	2005	2004	2003	2002	2001
Revenues:					
Federal Sources	\$ 11,713,525	\$ 26,848,091	\$ 10,237,876	\$ 9,897,159	\$ 22,382,103
State Sources	125,706,128	134,457,955	113,324,345	111,050,747	99,289,234
Local Sources	33,638,530	11,299,140	26,159,927	24,511,124	8,950,673
Total Revenues	<u>\$ 171,058,183</u>	<u>\$ 172,605,186</u>	<u>\$ 149,722,148</u>	<u>\$ 145,459,030</u>	<u>\$ 130,622,010</u>
Expenditures:					
Instruction	\$ 94,547,781	\$ 92,592,965	\$ 86,607,651	\$ 80,662,616	\$ 84,592,557
Instruction Related	12,584,845	12,275,392	11,386,016	10,678,115	9,638,072
Pupil Services	27,326,784	25,499,618	23,271,295	20,759,748	9,848,639
General Administration	5,963,258	5,818,376	5,791,515	4,967,619	4,612,720
Debt Service	851,520	949,425	-	72,200	37,317
Support Services Non-Student Based	23,108,440	19,580,634	16,133,771	15,977,582	14,702,913
Ancillary Services	-	-	-	-	-
Construction	-	-	-	-	1,068,629
Community Service	85,396	95,230	72,703	61,959	48,690
Capital Outlay	3,766,534	2,509,956	629,610	270,993	-
Intergovernmental Charges	200,600	140,892	305,738	262,668	142,839
Total Expenditures	<u>\$ 168,435,158</u>	<u>\$ 159,462,488</u>	<u>\$ 144,198,299</u>	<u>\$ 133,713,500</u>	<u>\$ 124,692,376</u>
Other Sources (Uses)	\$ (9,065,939)	\$ (3,514,135)	\$ (6,838,686)	\$ (2,953,137)	\$ (3,710,127)
Excess (Deficiency) of Revenues Over (Under) Expenditures:	\$ (6,442,914)	\$ 9,628,563	\$ (1,314,837)	\$ 8,792,393	\$ 2,219,507
Fund Balance at Beginning of Year	\$ 35,227,892	\$ 25,599,329	\$ 26,914,166	\$ 17,814,246	\$ 14,241,418
Residual Equity Transfer	-	-	-	-	-
Prior Period Adjustment	-	-	-	307,496	1,353,321
Designated for working Operations	-	-	-	-	-
Increase (Decrease) in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 28,784,978</u>	<u>\$ 35,227,892</u>	<u>\$ 25,599,329</u>	<u>\$ 26,914,135</u>	<u>\$ 17,814,246</u>

Table 10 -Other Obligations

Description	Balance Outstanding 9/1/2004	Issued Current Year	Retired Current Year	Balance Outstanding 8/31/2005	Amounts Due Within One Year
Loan - September 2, 1998	\$ 1,975,000	\$ -	\$ 460,000	\$ 1,515,000	\$ 480,000
Note - August 23, 2000	8,000,000	-	-	8,000,000	-
Note - August 30, 2001	8,000,000	-	-	8,000,000	-
Loan - December 1, 2001	1,040,000	-	510,000	530,000	530,000
Loan - December 18, 2003	3,210,000	-	775,000	2,435,000	795,000
	<u>\$ 22,225,000</u>	<u>\$ -</u>	<u>\$ 1,745,000</u>	<u>\$ 20,480,000</u>	<u>\$ 1,805,000</u>

Loans

Year Ending August 31	Principal	Interest	Total
2006	\$ 1,805,000	\$ 322,495	\$ 2,127,495
2007	1,315,000	258,885	1,573,885
2008	1,360,000	214,069	1,574,069
2009	-	175,760	175,760
2010	-	175,760	175,760
2010-2013	16,000,000	439,280	16,439,280
	<u>\$ 20,480,000</u>	<u>\$ 1,586,249</u>	<u>\$ 22,066,249</u>

Table 11 -Current Investments

Investment	Investment Maturity in Years			Fair Value
	Less than 1	1 to 2	2 to 3	
<i>Agency Bonds and Discount Notes</i>				
FHLB Note	\$ 23,176,890	\$ 999,750	\$ 699,825	\$ 24,876,465
FHLB Note	17,984,181	-	-	17,984,181
FHLMC Note	13,317,631	1,599,600	-	14,917,231
FH Discount Note	19,998,741	-	-	19,998,741
FMC Discount Note	39,219,422	-	-	39,219,422
FFCB	-	7,804,719	-	7,804,719
	<u>113,696,865</u>	<u>10,404,069</u>	<u>699,825</u>	<u>124,800,759</u>
<i>Investment Pools</i>				
MBIA	23,214,291	-	-	23,214,291
Lonestar	11,867,571	-	-	11,867,571
PFC - Texas Daily	10,205,223	-	-	10,205,223
	<u>45,287,085</u>	<u>-</u>	<u>-</u>	<u>45,287,085</u>
<i>Money Market Investments</i>				
PFC - Wells Fargo	1,643,222	-	-	1,643,222
<i>Letter of Credit</i>				
IBC - Commerce	373,478	-	-	373,478
Total Fair Value	<u>\$ 161,000,650</u>	<u>\$ 10,404,069</u>	<u>\$ 699,825</u>	<u>\$ 172,104,544</u>