

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167

HARRIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

MAY 31, 2023

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167

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ANNUAL FINANCIAL REPORT

MAY 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Harris County Municipal
Utility District No. 167
Harris County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Harris County Municipal Utility District No. 167 (the "District") as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of May 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Board of Directors
Harris County Municipal Utility District No. 167

Supplementary 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 supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is 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. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide an assurance, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot PLLC

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

September 20, 2023

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2023

Management’s discussion and analysis of Harris County Municipal Utility District No. 167’s (the “District”) financial performance provides an overview of the District’s financial activities for the year ended May 31, 2023. Please read it in conjunction with the District’s financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. This report also includes required and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District’s financial report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District’s overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position presents the District’s assets, liabilities and, if applicable, deferred inflows and outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District’s net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has three governmental fund types. The General Fund accounts for resources not accounted for in another fund, customer service revenues, operating costs and general expenditures. The Debt Service Fund accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2023

FUND FINANCIAL STATEMENTS (Continued)

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI"). The budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities by \$14,406,148 as of May 31, 2023.

A portion of the District's net position reflects its net investment in capital assets (water and wastewater facilities, less any debt used to acquire those assets that is still outstanding). The District uses these assets to provide water and wastewater services. The following is a comparative analysis of government-wide changes in net position:

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2023	2022	Change Positive (Negative)
Current and Other Assets	\$ 19,246,543	\$ 20,026,508	\$ (779,965)
Capital Assets (Net of Accumulated Depreciation)	58,897,639	60,235,898	(1,338,259)
Total Assets	\$ 78,144,182	\$ 80,262,406	\$ (2,118,224)
Deferred Outflows of Resources	\$ 1,159,631	\$ 1,295,199	\$ (135,568)
Long -Term Liabilities	\$ 62,139,615	\$ 66,575,676	\$ 4,436,061
Other Liabilities	2,758,050	2,439,557	(318,493)
Total Liabilities	\$ 64,897,665	\$ 69,015,233	\$ 4,117,568
Net Position:			
Net Investment in Capital Assets	\$ 106,934	\$ (2,594,950)	\$ 2,701,884
Restricted	5,931,262	6,776,324	(845,062)
Unrestricted	8,367,952	8,360,998	6,954
Total Net Position	\$ 14,406,148	\$ 12,542,372	\$ 1,863,776

The following table provides a summary of the District's operations for the year ending May 31, 2023, and May 31, 2022. The District's net position increased by \$1,863,776.

	Summary of Changes in the Statement of Activities		
	2023	2022	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 9,418,108	\$ 8,712,456	\$ 705,652
Charges for Services	5,622,773	5,199,081	423,692
Sales Tax Revenue	375,854	374,394	1,460
Other Revenues	541,898	114,188	427,710
Total Revenues	\$ 15,958,633	\$ 14,400,119	\$ 1,558,514
Expenses for Services	14,094,857	12,720,451	(1,374,406)
Change in Net Position	\$ 1,863,776	\$ 1,679,668	\$ 184,108
Net Position, Beginning of Period	12,542,372	10,862,704	1,679,668
Net Position, End of Period	\$ 14,406,148	\$ 12,542,372	\$ 1,863,776

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2023

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's combined fund balances as of May 31, 2023, were \$16,606,506, a decrease of \$1,200,080 from the prior period.

The General Fund fund balance decreased by \$20,494, primarily due to operation and capital outlay costs exceeding property tax and service revenues.

The Debt Service Fund fund balance decreased by \$919,236, primarily due to the structure of the District's outstanding debt service requirements.

The Capital Projects Fund fund balance decreased by \$260,350.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors did not amend the budget during the current year. Actual revenues were \$1,909,636 more than budgeted, actual expenditures were \$2,186,267 more than budgeted and actual transfers in were \$83,554 less than budgeted, which resulted in a negative variance of \$360,185. For more information, refer to the budget versus actual comparison.

CAPITAL ASSETS

Capital assets as of May 31, 2023, total \$58,897,639 (net of accumulated depreciation and include land, as well as the water, wastewater, drainage and recreational facilities).

Capital Assets At Period-End, Net of Accumulated Depreciation			
	2023	2022	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 632,076	\$ 632,076	\$
Construction in Progress	1,204,581	216,269	988,312
Capital Assets, Net of Accumulated Depreciation:			
Water System	16,076,379	16,770,747	(694,368)
Wastewater System	20,873,433	21,981,553	(1,108,120)
Drainage System	17,099,256	17,635,804	(536,548)
Recreational Facilities	3,011,914	2,999,449	12,465
Total Net Capital Assets	<u>\$ 58,897,639</u>	<u>\$ 60,235,898</u>	<u>\$ (1,338,259)</u>

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2023

LONG-TERM DEBT ACTIVITY

As of May 31, 2023, the District had total bond debt payable of \$61,765,000. The changes in the debt position of the District during the year ended May 31, 2023, are summarized as follows:

Bond Debt Payable, June 1, 2022	\$ 66,155,000
Less: Bond Principal Paid	<u>4,390,000</u>
Bond Debt Payable, May 31, 2023	<u><u>\$ 61,765,000</u></u>

The District's Series 2012 and 2014 bonds carry an underlying rating of "A" and the District's Series 2015, 2016 Refunding, 2018, 2019, 2019A Refunding, Series 2020 Refunding and Series 2022 bonds carry an underlying rating of "A3". The District's bonds carry insured ratings of "AA" by virtue of bond insurance issued by Assured Guaranty Municipal, Build America Mutual, or Assured Guaranty Municipal Corp. The above ratings reflect all rating changes, if any, during the fiscal year ended May 31, 2023.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Harris County Municipal Utility District No. 167, c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
MAY 31, 2023

	General Fund	Debt Service Fund
ASSETS		
Cash	\$ 302,954	\$ 122,047
Investments	9,183,043	5,889,402
Receivables:		
Property Taxes	96,545	166,808
Penalty and Interest on Delinquent Taxes		
Service Accounts	579,130	
Accrued Interest	455	1,442
Other	20,944	
Due from Other Funds	373,181	241,475
Prepaid Costs		
Due from Other Governmental Units	126,339	
Land		
Construction in Progress		
Capital Assets (Net of Accumulated Depreciation)		
	\$ 10,682,591	\$ 6,421,174
TOTAL ASSETS		
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charges on Refunding Bonds	\$ - 0 -	\$ - 0 -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 10,682,591	\$ 6,421,174

The accompanying notes to the financial statements are an integral part of this report.

<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 651	\$ 425,652	\$	\$ 425,652
2,650,994	17,723,439		17,723,439
	263,353		263,353
		73,984	73,984
	579,130		579,130
	1,897		1,897
	20,944		20,944
	614,656	(614,656)	
		31,805	31,805
	126,339		126,339
		632,076	632,076
		1,204,581	1,204,581
		57,060,982	57,060,982
\$ 2,651,645	\$ 19,755,410	\$ 58,388,772	\$ 78,144,182
\$ - 0 -	\$ - 0 -	\$ 1,159,631	\$ 1,159,631
\$ 2,651,645	\$ 19,755,410	\$ 59,548,403	\$ 79,303,813

The accompanying notes to the financial
statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
MAY 31, 2023

	General Fund	Debt Service Fund
LIABILITIES		
Accounts Payable	\$ 877,110	\$
Accrued Interest Payable		
Due to Other Funds	241,475	49,256
Due to Taxpayers		27,485
Security Deposits	1,227,859	
Long-Term Liabilities:		
Bonds Payable, Due Within One Year		
Bonds Payable, Due After One Year		
TOTAL LIABILITIES	\$ 2,346,444	\$ 76,741
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	\$ 96,545	\$ 166,808
FUND BALANCES		
Restricted for Authorized Construction	\$	\$
Restricted for Debt Service		6,177,625
Unassigned	8,239,602	
TOTAL FUND BALANCES	\$ 8,239,602	\$ 6,177,625
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,682,591	\$ 6,421,174
NET POSITION		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
TOTAL NET POSITION		

The accompanying notes to the financial
statements are an integral part of this report.

Capital Projects Fund	Total	Adjustments	Statement of Net Position
\$ 138,441	\$ 1,015,551	\$	\$ 1,015,551
		487,155	487,155
323,925	614,656	(614,656)	
	27,485		27,485
	1,227,859		1,227,859
		3,595,000	3,595,000
		58,544,615	58,544,615
<u>\$ 462,366</u>	<u>\$ 2,885,551</u>	<u>\$ 62,012,114</u>	<u>\$ 64,897,665</u>
<u>\$ - 0 -</u>	<u>\$ 263,353</u>	<u>\$ (263,353)</u>	<u>\$ - 0 -</u>
\$ 2,189,279	\$ 2,189,279	\$ (2,189,279)	\$
	6,177,625	(6,177,625)	
	8,239,602	(8,239,602)	
<u>\$ 2,189,279</u>	<u>\$ 16,606,506</u>	<u>\$ (16,606,506)</u>	<u>\$ - 0 -</u>
<u>\$ 2,651,645</u>	<u>\$ 19,755,410</u>		
		\$ 106,934	\$ 106,934
		5,931,262	5,931,262
		8,367,952	8,367,952
		<u>\$ 14,406,148</u>	<u>\$ 14,406,148</u>

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
MAY 31, 2023

Total Fund Balances - Governmental Funds \$ 16,606,506

Amounts reported for governmental activities in the Statement of Net Position are different because:

Interest paid in advance as part of a refunding bond sale is recorded as a deferred outflow in the governmental activities and systematically charged to interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. 1,159,631

Prepaid bond insurance in governmental activities is not a current financial resource and, therefore, is not reported as an asset in the governmental funds. 31,805

Land, construction in progress and capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds. 58,897,639

Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2022 and prior tax levies became part of recognized revenue in the governmental activities of the District. 337,337

Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Accrued Interest Payable	\$ (487,155)	
Bonds Payable	<u>(62,139,615)</u>	<u>(62,626,770)</u>

Total Net Position - Governmental Activities \$ 14,406,148

The accompanying notes to the financial statements are an integral part of this report.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MAY 31, 2023

	General Fund	Debt Service Fund
REVENUES		
Property Taxes	\$ 3,900,186	\$ 5,470,342
Water Service	1,410,719	
Wastewater Service	1,997,187	
Water Authority Fees	1,708,680	
Penalty and Interest	283,100	66,114
Sales Tax Revenue	375,854	
Tap Connection and Inspection Fees	138,832	
Investment Revenues	243,589	180,506
Miscellaneous Revenues	22,589	750
TOTAL REVENUES	\$ 10,080,736	\$ 5,717,712
EXPENDITURES/EXPENSES		
Service Operations:		
Professional Fees	\$ 458,769	\$ 22,556
Contracted Services	2,938,050	120,927
Parks and Recreation	391,348	
Utilities	339,204	
Repairs and Maintenance	2,249,393	
Water Authority Assessment	1,970,183	
Depreciation		
Other	904,159	45,815
Capital Outlay	850,124	
Debt Service:		
Bond Principal		4,390,000
Bond Interest		2,057,650
TOTAL EXPENDITURES/EXPENSES	\$ 10,101,230	\$ 6,636,948
NET CHANGE IN FUND BALANCES	\$ (20,494)	\$ (919,236)
CHANGE IN NET POSITION		
FUND BALANCES/NET POSITION - JUNE 1, 2022	8,260,096	7,096,861
FUND BALANCES/NET POSITION - MAY 31, 2023	\$ 8,239,602	\$ 6,177,625

The accompanying notes to the financial statements are an integral part of this report.

Capital Projects Fund	Total	Adjustments	Statement of Activities
\$	\$ 9,370,528	\$ 47,580	\$ 9,418,108
	1,410,719		1,410,719
	1,997,187		1,997,187
	1,708,680		1,708,680
	349,214	18,141	367,355
	375,854		375,854
	138,832		138,832
	424,095		424,095
94,464	117,803		117,803
<u>\$ 94,464</u>	<u>\$ 15,892,912</u>	<u>\$ 65,721</u>	<u>\$ 15,958,633</u>
\$ 1,345	\$ 482,670	\$	\$ 482,670
	3,058,977		3,058,977
	391,348		391,348
	339,204		339,204
	2,249,393		2,249,393
	1,970,183		1,970,183
		2,535,437	2,535,437
8	949,982	6,407	956,389
353,461	1,203,585	(1,203,585)	
	4,390,000	(4,390,000)	
	2,057,650	53,606	2,111,256
<u>\$ 354,814</u>	<u>\$ 17,092,992</u>	<u>\$ (2,998,135)</u>	<u>\$ 14,094,857</u>
\$ (260,350)	\$ (1,200,080)	\$ 1,200,080	\$
		1,863,776	1,863,776
2,449,629	17,806,586	(5,264,214)	12,542,372
<u>\$ 2,189,279</u>	<u>\$ 16,606,506</u>	<u>\$ (2,200,358)</u>	<u>\$ 14,406,148</u>

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2023

Net Change in Fund Balances - Governmental Funds \$ (1,200,080)

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

Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied. 47,580

Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed. 18,141

Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities. (2,535,437)

Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected. 1,197,178

Governmental funds report bond principal payments as expenditures. However, in the Statement of Net Position, bond principal payments are reported as decreases in long-term liabilities. 4,390,000

Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end. (53,606)

Change in Net Position - Governmental Activities \$ 1,863,776

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 1. CREATION OF DISTRICT

Harris County Municipal Utility District No. 167, of Harris County, Texas (the “District”), was created effective July 25, 1978, by an Order of the Texas Water Commission, presently known as the Texas Commission on Environmental Quality (the “Commission”). Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, the District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, sanitary sewer service, storm sewer drainage, irrigation, solid waste collection and disposal, including recycling, and to construct parks and recreational facilities for the residents of the District. The District is also empowered to contract for or employ its own peace officers with powers to make arrests and to establish, operate, and maintain a fire department to perform all fire-fighting activities within the District. The Board of Directors held its first meeting on January 4, 1984 and sold its first series of bonds on March 30, 2004.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense of the government-wide Statement of Activities.

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Funds - The District has three governmental funds and considers each to be a major fund.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fund - To account for resources not required to be accounted for in another fund, customer service revenues, operating costs, and general expenditures.

Debt Service Fund - To account for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes.

Capital Projects Fund - To account for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if it is collectable within 60 days after year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include taxes collected during the period and taxes collected after period-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes that the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements, and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Assets are capitalized, including infrastructure assets, if they have an original cost greater than \$5,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

	Years
Buildings	40
Water System	10-45
Wastewater System	10-45
Drainage System	10-45
All Other Equipment	3-20

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District’s Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original budget compared to the actual amounts of revenues and expenditures for the current year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Directors are considered wages subject to federal income tax withholding for payroll tax purposes only.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District does not have any nonspendable fund balances.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent 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.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 3. LONG-TERM DEBT

	<u>Series 2012</u>	<u>Series 2014</u>	<u>Series 2015</u>
Amounts Outstanding – May 31, 2023	\$ 450,000	\$ 8,380,000	\$ 7,225,000
Interest Rates	3.00%	4.00% - 4.125%	2.50% - 3.75%
Maturity Dates – Serially Beginning/Ending	September 1, 2023/2031	September 1, 2023/2039	September 1, 2023/2039
Interest Payment Dates	September 1/ March 1	September 1/ March 1	September 1/ March 1
Callable Dates	September 1, 2020 (1)	September 1, 2022 (1)	September 1, 2023 (1)
	<u>Refunding Series 2016</u>	<u>Series 2018</u>	<u>Series 2019</u>
Amounts Outstanding – May 31, 2023	\$ 13,185,000	\$ 13,155,000	\$ 5,200,000
Interest Rates	2.00% - 5.00%	3.00% - 3.625%	2.00% - 3.00%
Maturity Dates – Serially Beginning/Ending	September 1, 2023/2031	March 1, 2024/2039	March 1, 2024/2039
Interest Payment Dates	September 1/ March 1	September 1/ March 1	September 1/ March 1
Callable Dates	September 1, 2023 (1)	March 1, 2023 (1)	March 1, 2024 (1)
	<u>Refunding Series 2019A</u>	<u>Refunding Series 2020</u>	<u>Series 2022</u>
Amounts Outstanding – May 31, 2023	\$ 5,620,000	\$ 6,290,000	\$ 2,260,000
Interest Rates	2.00% - 3.00%	2.00% - 4.00%	2.00% - 3.00%
Maturity Dates – Serially Beginning/Ending	September 1, 2023/2035	September 1, 2023/2037	March 1, 2024/2039
Interest Payment Dates	September 1/ March 1	September 1/ March 1	September 1/ March 1
Callable Dates	September 1, 2024 (1)	September 1, 2026 (1)	March 1, 2027 (1)

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 3. LONG-TERM DEBT (Continued)

- (1) Or any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption. Series 2012 term bonds maturing on September 1, 2023, September 1, 2027, and September 1, 2031, and are subject to mandatory redemption on September 1, 2021, September 1, 2024, and September 1, 2028, respectively. Series 2014 term bonds maturing on September 1, 2027, September 1, 2029, September 1, 2031, September 1, 2033, and September 1, 2035, are subject to mandatory redemption on September 1, 2026, September 1, 2028, September 1, 2030, September 1, 2032, and September 1, 2034. Series 2019 term bonds maturing on September 1, 2034 are subject to mandatory redemption on September 1, 2033. Series 2020 Refunding term bonds maturing on September 1, 2029, September 1, 2032, and September 1, 2037 are subject to mandatory redemption on September 1, 2027, September 1, 2030, and September 2036, respectively. Series 2022 term bonds maturing on March 1, 2033, March 1, 2035, March 1, 2037 and March 1, 2039 are subject to mandatory redemption on March 1, 2032, March 1, 2034, March 1, 2036, and March 1, 2038 respectively

The following is a summary of transactions regarding bonds payable for the year ended May 31, 2023:

	June 1, 2022	Additions	Retirements	May 31, 2023
Bonds Payable	\$ 66,155,000	\$	\$ 4,390,000	\$ 61,765,000
Unamortized Discounts	(56,343)		(3,316)	(53,027)
Unamortized Premiums	477,019		49,377	427,642
Bonds Payable, Net	\$ 66,575,676	\$ -0-	\$ 4,436,061	\$ 62,139,615
		Amount Due Within One Year		\$ 3,595,000
		Amount Due After One Year		58,544,615
		Bonds Payable, Net		\$ 62,139,615

At a bond election held within the District on January 21, 1984, the voters of the District authorized the issuance of \$41,210,000 principal amount of unlimited tax bonds. The District previously issued \$5,920,000 of Series 2004 unlimited tax bonds. At a second bond election held within the District on May 15, 2004, the voters of the District authorized the issuance of \$88,210,000 principal amount of unlimited tax bonds and cancelled the remaining authorized but unissued bonds from the first bond election. As of May 31, 2023, the District had authorized but unissued bonds in the amount of \$5,755,000 for water, sanitary sewer and drainage bonds, \$55,245,000 for refunding bonds and \$6,465,000 for parks and recreational facility bonds.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 3. LONG-TERM DEBT (Continued)

As of May 31, 2023, the debt service requirements on the outstanding bonds were as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 3,595,000	\$ 1,918,954	\$ 5,513,954
2025	3,635,000	1,822,051	5,457,051
2026	3,390,000	1,721,956	5,111,956
2027	3,895,000	1,611,932	5,506,932
2028	3,670,000	1,484,252	5,154,252
2029-2033	19,560,000	5,672,006	25,232,006
2034-2038	19,695,000	2,508,910	22,203,910
2039-2040	4,325,000	163,498	4,488,498
	<u>\$ 61,765,000</u>	<u>\$ 16,903,559</u>	<u>\$ 78,668,559</u>

The bonds of the District are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount.

During the year ended May 31, 2023, the District levied an ad valorem debt service tax rate of \$0.51 per \$100 of assessed valuation, which resulted in a tax levy of \$5,508,163 on the adjusted taxable valuation of \$1,080,031,794 for the 2022 tax year. The bond resolutions require the District to levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and the cost of assessing and collecting taxes. See Note 7 for the maintenance tax levy.

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

NOTE 4. SIGNIFICANT BOND RESOLUTION AND LEGAL REQUIREMENTS

The bond resolutions state that any profits received from the investment of any money in any fund or account created by the resolution shall be placed into such fund or account of the District.

The bond resolutions state that the District is required to provide continuing disclosure of annual financial information and operating data with respect to the District to the Municipal Securities Rulemaking Board. The information, along with the audited annual financial statements, is of the general type included in the annual audit report and must be filed within six months after the end of each fiscal year of the District.

The District has covenanted that it will take all necessary steps to comply with the requirement that rebatable arbitrage earnings on the investment of the gross proceeds of the bonds, within the meaning of Section 148(f) of the Internal Revenue Code, be rebated to the federal government. The minimum requirement for determination of the rebatable amount is on the five-year anniversary of each use.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 5. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District’s deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes. Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At year end, the carrying amount of the District’s deposits was \$3,545,652 and the bank balance was \$3,735,147. The District was not exposed to custodial credit risk at year-end.

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at May 31, 2023, as listed below:

	Cash	Certificates of Deposit	Total
GENERAL FUND	\$ 302,954	\$ 1,440,000	\$ 1,742,954
DEBT SERVICE FUND	122,047	1,680,000	1,802,047
CAPITAL PROJECTS FUND	651		651
TOTAL DEPOSITS	\$ 425,652	\$ 3,120,000	\$ 3,545,652

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District’s financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.” No person may invest District funds without express written authority from the Board of Directors.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District’s investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in Texas Cooperative Liquid Assets Securities System Trust (“Texas CLASS”), an external public funds investment pool that is not SEC-registered. Public Trust Advisors, LLC serves as the pool’s administrator and investment advisor. The pool is subject to the general supervision of the Board of Trustees and its Advisory Board. UMB Bank, N.A. serves as custodian for the pool. Investments held by Texas CLASS are priced to market on a weekly basis. The investments are considered Level I investments because their fair value is measured by quoted prices in active markets. The fair value of the District’s position in the pool is the same as the value of the pool shares. There are no limitations or restrictions on withdrawals from Texas CLASS.

The District records its investments in certificates of deposit at acquisition cost.

As of May 31, 2023, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
<u>GENERAL FUND</u>		
Texas CLASS	\$ 7,743,043	\$ 7,743,043
Certificates of Deposit	1,440,000	1,440,000
<u>DEBT SERVICE FUND</u>		
Texas CLASS	4,209,402	4,209,402
Certificates of Deposit	1,680,000	1,680,000
<u>CAPITAL PROJECTS FUND</u>		
Texas CLASS	2,650,994	2,650,994
TOTAL INVESTMENTS	\$ 17,723,439	\$ 17,723,439

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At May 31, 2023, the District’s investments in Texas CLASS were rated AAAM by Standard and Poor’s. The District manages credit risk by typically investing in certificates of deposit with balances below FDIC coverage.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in Texas CLASS to have a maturity of less than one-year due to the fact the share position can usually be redeemed each date at the discretion of the District, unless there has been a significant change in value. The District manages interest rate risk by investing in certificates of deposit with maturities of one year or less.

Restrictions

Cash and cash equivalents of the Debt Service Fund are restricted for payment of debt service and the cost of assessing and collecting taxes. All cash and investments of the Capital Projects Fund are restricted for the purchase of capital assets.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended May 31, 2023:

	June 1, 2022	Increases	Decreases	May 31, 2023
Capital Assets Not Being Depreciated				
Land and Land Improvements	\$ 632,076	\$	\$	\$ 632,076
Construction in Progress	216,269	1,197,178	208,866	1,204,581
Total Capital Assets Not Being Depreciated	\$ 848,345	\$ 1,197,178	\$ 208,866	\$ 1,836,657
Capital Assets Subject to Depreciation				
Water System	\$ 24,386,555	\$ 50,560	\$	\$ 24,437,115
Wastewater System	32,273,446			32,273,446
Drainage System	24,144,648			24,144,648
Recreational Facilities	5,037,308	158,306		5,195,614
Total Capital Assets Subject to Depreciation	\$ 85,841,957	\$ 208,866	\$ - 0 -	\$ 86,050,823
Accumulated Depreciation				
Water System	\$ 7,615,808	\$ 744,928	\$	\$ 8,360,736
Wastewater System	10,291,893	1,108,120		11,400,013
Drainage System	6,508,844	536,548		7,045,392
Recreational Facilities	2,037,859	145,841		2,183,700
Total Accumulated Depreciation	\$ 26,454,404	\$ 2,535,437	\$ - 0 -	\$ 28,989,841
Total Depreciable Capital Assets, Net of Accumulated Depreciation	\$ 59,387,553	\$ (2,326,571)	\$ - 0 -	\$ 57,060,982
Total Capital Assets, Net of Accumulated Depreciation	\$ 60,235,898	\$ (1,129,393)	\$ 208,866	\$ 58,897,639

The District has financed certain drainage facilities which have been conveyed to other entities for maintenance.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 7. MAINTENANCE TAX

On August 8, 1992, the voters of the District approved the levy and collection of a maintenance tax not to exceed \$1.50 per \$100 of assessed valuation of taxable property within the District. On November 7, 2006, the voters of the District approved expanding the use of the maintenance tax for the purpose of planning, constructing, acquiring, maintaining, repairing, and operating parks and recreational facilities. During the year ended May 31, 2023, the District levied an ad valorem maintenance tax rate of \$0.365 per \$100 of assessed valuation, which resulted in a tax levy of \$3,942,117 on the adjusted taxable valuation of \$1,080,031,794 for the 2022 tax year.

NOTE 8. UNREIMBURSED DEVELOPER COSTS

In accordance with various Financing and Reimbursement Agreements, Developers within the District construct water, sewer, and drainage facilities within the District. The District agrees to reimburse the Developers for these construction and related engineering costs plus interest at an interest rate no greater than the interest rate on the bond issue. Any reimbursement from bond proceeds is contingent upon receiving approval from the Texas Commission on Environmental Quality, the Attorney General of the State of Texas and the actual sale of bonds. No amount has been recorded as Due to Developer as of May 31, 2023.

NOTE 9. EMERGENCY WATER SUPPLY AGREEMENTS

Northwest Harris County Municipal Utility District No. 12

On May 15, 1985, the District executed an Emergency Water Supply Contract with Northwest Harris County Municipal Utility District No. 12 (“District No. 12”) and between the respective Developers within each district. Each district agreed to share in the cost of the interconnect facilities; however, since each district was without available funds for this purpose, each district's respective Developer agreed to advance funds for the interconnect until such time as funds become available from future bond issues. Charges for water supplied are based upon the charges within each district that would be charged a residential user, provided that water supplied longer than a temporary period shall be at one and one-half times the normal rate. On January 16, 1995, the District executed a First Amendment of Emergency Water Supply Contract with District No. 12. This amendment extends the term of the original contract 20 years, expiring on May 15, 2015. On January 16, 2008, the District executed a Second Amendment of Emergency Water Supply Contract with District No. 12. This amendment established a second point of interconnect between the districts, provides for a well pumpage fee and extends the Contract forty years from May 15, 2015.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 9. EMERGENCY WATER SUPPLY AGREEMENTS (Continued)

Harris County Municipal Utility District No. 284

On January 31, 1986, the District executed an Emergency Water Supply Contract with Harris County Municipal Utility District No. 284 (“District No. 284”) and with the respective Developers within each district. District No. 284 agreed to supervise the construction of a portion of the interconnect lines and the meter vault and the District agreed to construct that portion of the line on the District's side of the vault; however, since each district was without available funds for this purpose, each district's respective Developer agreed to advance funds for the interconnect until such time as funds become available from future bond issues. Charges for water supplied are based upon the charges within each district that would be charged a residential user, provided that water supplied longer than a temporary period shall be at one and one-half times the normal rate. The term of this contract is 40 years.

Harris County Municipal Utility District Nos. 127 and 239

On September 24, 1990, the District executed an Emergency Water Supply Contract with Harris County Municipal Utility District No. 239 (“District No. 239”) and Harris County Municipal Utility District No. 127 (“District No. 127”). District No. 239 has constructed facilities to connect with the District's facilities. District No. 127 and District No. 239 are responsible for maintenance of the interconnect facilities on a joint basis with each responsible for 50% of any cost. The contract provided for District No. 127 to lend monies to the District for the purpose of activating the District's system in an emergency. Charges for water supplied were to be based upon the charges within each district that would be charged a residential user. The term of this agreement is 40 years.

On July 31, 1995, the District executed a First Amendment to Emergency Water Supply Contract with District No. 127 and District No. 239, effective May 23, 1995. This amendment revised the rates for water provided during an emergency beyond the temporary period at the rate of \$1.06 per 1,000 gallons of water provided.

On November 6, 2002, a Second Amendment to Emergency Water Supply Contract was executed. The Amendment provides for the charge for water during an emergency to be \$0.70 per thousand gallons of water usage. This agreement also makes provision for the cost of water in the situation where the supplying district has to purchase water from another district to meet the emergency demand or if the supplying district is using surface water and the cost of water is higher than the above rate.

Effective May 1, 2004, the District approved the Third Amendment to the Emergency Water Supply Contract. This amendment provided for a second point of interconnect between the water systems of the respective districts. In addition, the amendment provided for a method to estimate flows through the interconnect to the respective districts for future billings.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 9. EMERGENCY WATER SUPPLY AGREEMENTS (Continued)

Harris County Municipal Utility District No. 105

On August 17, 2011, the District entered into an Emergency Interconnect and Interim Water Supply Agreement with Harris County Municipal Utility District No. 105 (“District No. 105”). At the time the agreement was entered into, District No. 105 was pursuing and implementing modifications to its water wells. The design and construction period has been completed and the interim water supply portion of the agreement no longer applies. The agreement now only functions for the purpose of emergency interconnect usage between the districts and any water supplied during an emergency will be billed at a rate of \$1.00 per 1,000 gallons of water used plus any pumpage fee or other regulatory fees imposed on the district supplying the water. The term of this agreement is 50 years.

NOTE 10. WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

The District is located within the boundaries of the West Harris County Regional Water Authority (the “Authority”). The Authority was created under Article 16, Section 59, of the Texas Constitution by House Bill 1842 (the “Act”), as passed by the 77th Texas Legislature, in 2001. The Act empowers the Authority for purposes including the acquisition and provision of surface water and groundwater for residential, commercial, industrial, agricultural, and other uses, the reduction of groundwater withdrawals, the conservation, preservation, protection, recharge, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, and the control of subsidence caused by withdrawal of water from those groundwater reservoirs or their subdivisions. The Authority is overseeing that its participants comply with subsidence district pumpage requirements. The District is required to convert its water supply to surface water over a period of time.

A nine-member board of directors governs the Authority. The directors serve staggered four-year terms. Each director must qualify to serve as director in the manner provided by Section 49.055 of the Water Code.

The Authority charges a fee, based on the amount of water pumped from a well, to the owner of wells located within the boundaries of the Authority, unless exempted. This fee will enable the Authority to fulfill its purposes and regulatory functions. As of May 31, 2023, the fee being charged is \$3.95 per 1,000 gallons of water pumped from each well. The District recorded expenditures of \$1,970,183 for fees assessed during the year ended May 31, 2023.

NOTE 11. STRATEGIC PARTNERSHIP AGREEMENT

Effective December 20, 2007, the District entered into a Strategic Partnership Agreement with the City of Houston, Texas (the “City”). The agreement provides that in accordance with Subchapter F of Chapter 43 of the Local Government Code and Act, the City shall annex a tract of land defined as the “Subject Tract” for the limited purposes of applying the City’s Planning, Zoning, Health, and Safety Ordinances within the Subject Tract within the boundaries of the District.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2023

NOTE 11. STRATEGIC PARTNERSHIP AGREEMENT (Continued)

Upon the limited purpose annexation, the City began imposing a Sales and Use Tax within the boundaries of the Subject Tract on the receipts from the sale and use at retail locations therein of taxable items at the rate of one percent or the rate specified under the future amendments to Chapter 321 of the Tax Code. The City pays the District an amount equal to one-half of all Sales and Use Tax revenues generated within the boundaries of the Subject Tract within 30 days of the City receiving the funds from the State Comptroller's office. During the current fiscal year, the District recorded \$375,854 in sales tax revenue from the City, of which \$126,339 was recorded as receivable.

The City agrees that it will not annex the District for full purposes or commence any action to annex the District for full purposes during the term of this Agreement. The term of this Agreement is 30 years from the effective date of the agreement.

NOTE 12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 13. INTERFUND LOANS

As of May 31, 2023, the District recorded interfund payables of \$49,256 in the Debt Service Fund to the General Fund for maintenance tax collections. The Capital Projects Fund also owed the General Fund \$323,925 for capital costs paid in the current year. The General Fund owed the Debt Service Fund \$241,475 for debt service certificate of deposit monies that were deposited into a General Fund bank account.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167

REQUIRED SUPPLEMENTARY INFORMATION

MAY 31, 2023

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MAY 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Property Taxes	\$ 2,700,000	\$ 3,900,186	\$ 1,200,186
Water Service	1,468,000	1,410,719	(57,281)
Wastewater Service	1,800,000	1,997,187	197,187
Water Authority Fee	1,650,000	1,708,680	58,680
Penalty and Interest	18,500	283,100	264,600
Sales Tax Revenues	342,000	375,854	33,854
Tap Connection and Inspection Fees	164,000	138,832	(25,168)
Investment Revenues	12,600	243,589	230,989
Miscellaneous Revenues	16,000	22,589	6,589
TOTAL REVENUES	\$ 8,171,100	\$ 10,080,736	\$ 1,909,636
EXPENDITURES			
Service Operations:			
Professional Fees	\$ 261,900	\$ 458,769	\$ (196,869)
Contracted Services	2,664,156	2,938,050	(273,894)
Parks and Recreation	393,007	391,348	1,659
Utilities	340,600	339,204	1,396
Water Authority Assessment	1,650,000	1,970,183	(320,183)
Repairs and Maintenance	1,109,100	2,249,393	(1,140,293)
Other	756,200	904,159	(147,959)
Capital Outlay	740,000	850,124	(110,124)
TOTAL EXPENDITURES	\$ 7,914,963	\$ 10,101,230	\$ (2,186,267)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 256,137	\$ (20,494)	\$ (276,631)
OTHER FINANCING SOURCES(USES)			
Transfers In(Out)	\$ 83,554	\$ - 0 -	\$ (83,554)
NET CHANGE IN FUND BALANCE	\$ 339,691	\$ (20,494)	\$ (360,185)
FUND BALANCE - JUNE 1, 2022	8,260,096	8,260,096	
FUND BALANCE - MAY 31, 2023	\$ 8,599,787	\$ 8,239,602	\$ (360,185)

See accompanying independent auditor's report.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167

SUPPLEMENTARY INFORMATION REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

MAY 31, 2023

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
SERVICES AND RATES
FOR THE YEAR ENDED MAY 31, 2023

1. SERVICES PROVIDED BY THE DISTRICT DURING THE FISCAL YEAR:

<u> X </u>	Retail Water	<u> </u>	Wholesale Water	<u> X </u>	Drainage
<u> X </u>	Retail Wastewater	<u> </u>	Wholesale Wastewater	<u> </u>	Irrigation
<u> X </u>	Parks/Recreation	<u> </u>	Fire Protection	<u> X </u>	Security
<u> X </u>	Solid Waste/Garbage	<u> </u>	Flood Control	<u> </u>	Roads
<u> </u>	Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)				
<u> </u>	Other (specify): _____				

2. RETAIL SERVICE PROVIDERS

a. RETAIL RATES FOR A 5/8" METER (OR EQUIVALENT):

Based on the rate order effective December 21, 2022.

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 1,000 Gallons over Minimum Use</u>	<u>Usage Levels</u>
WATER:	\$ 16.00	5,000	N	\$ 1.25	5,001 to 10,000
				\$ 1.50	10,001 to 15,000
				\$ 1.75	15,001 to 20,000
				\$ 2.25	20,001 and up
WASTEWATER:	\$ 30.38 ⁽¹⁾	5,000	N	\$ 0.75	5,001 to 10,000
				\$ 1.00	10,001 to 20,000
				\$ 1.50	20,001 and up
SURCHARGE:					
Regional Water	\$ 3.95				
Authority Fees	plus 10%				0001 and up

District employs winter averaging for wastewater usage? X
Yes No

Total monthly charges per 10,000 gallons usage: Water: \$22.25 Wastewater: \$34.13 Surcharges: \$43.50

(1) Includes solid waste disposal and recycling.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
SERVICES AND RATES
FOR THE YEAR ENDED MAY 31, 2023

2. RETAIL SERVICE PROVIDERS (Continued)

b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered			x 1.0	
≤¾"	4,426	4,351	x 1.0	4,351
1"	22	22	x 2.5	55
1½"	13	13	x 5.0	65
2"	53	53	x 8.0	424
3"			x 15.0	
4"	5	5	x 25.0	125
6"	2	2	x 50.0	100
8"	6	6	x 80.0	480
10"			x 115.0	
Total Water Connections	<u>4,527</u>	<u>4,452</u>		<u>5,600</u>
Total Wastewater Connections	<u>4,485</u>	<u>4,429</u>	x 1.0	<u>4,429</u>

3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited)

Gallons pumped into system:	517,587,000	Water Accountability Ratio: 89.10%
		(Gallons billed/Gallons pumped)
Gallons billed to customers:	464,910,000	
Gallons purchased:	4,200,000	Harris County MUD No. 239

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
SERVICES AND RATES
FOR THE YEAR ENDED MAY 31, 2023

4. STANDBY FEES (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes No

Does the District have Operation and Maintenance standby fees? Yes No

5. LOCATION OF DISTRICT:

Is the District located entirely within one county?

Yes No

County in which District is located:

Harris County, Texas

Is the District located within a city?

Entirely Partly Not at all

Is the District located within a city's extraterritorial jurisdiction (ETJ)?

Entirely Partly Not at all

ETJ in which District is located:

City of Houston, Texas

Are Board Members appointed by an office outside the District?

Yes No

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED MAY 31, 2023

PROFESSIONAL FEES:	
Auditing	\$ 22,250
Engineering	302,176
Legal	<u>134,343</u>
TOTAL PROFESSIONAL FEES	<u>\$ 458,769</u>
CONTRACTED SERVICES:	
Bookkeeping	\$ 48,830
Operations and Billing	329,456
Security	1,390,081
Solid Waste Disposal	<u>1,169,683</u>
TOTAL CONTRACTED SERVICES	<u>\$ 2,938,050</u>
UTILITIES:	
Electricity	\$ 305,134
Telephone	<u>34,070</u>
TOTAL UTILITIES	<u>\$ 339,204</u>
REPAIRS AND MAINTENANCE	<u>\$ 2,249,393</u>
ADMINISTRATIVE EXPENDITURES:	
Director Fees	\$ 31,050
Insurance	108,977
Legal Notices	2,367
Office Supplies and Postage	171,568
Travel and Meetings	16,747
Other	<u>73,318</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 404,027</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED MAY 31, 2023

CAPITAL OUTLAY	\$ <u>850,124</u>
TAP CONNECTIONS	\$ <u>34,201</u>
PARKS AND RECREATION	\$ <u>391,348</u>
OTHER EXPENDITURES:	
Chemicals	\$ 231,781
Laboratory Fees	27,254
Permit Fees	23,336
Reconnection Fees	55,345
Inspection Fees	14,250
Regulatory Assessment	22,263
Water Authority Assessment	1,970,183
Sludge Hauling	<u>91,702</u>
TOTAL OTHER EXPENDITURES	\$ <u>2,436,114</u>
TOTAL EXPENDITURES	\$ <u><u>10,101,230</u></u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
INVESTMENTS
MAY 31, 2023

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Period	Accrued Interest Receivable at End of Period
<u>GENERAL FUND</u>					
Texas CLASS	XXXX0001	Varies	Daily	\$ 7,743,043	\$
Certificate of Deposit	XXXX2380	0.50%	05/25/23	240,000	
Certificate of Deposit	XXXX0814	0.25%	11/13/23	240,000	273
Certificate of Deposit	XXXX0086	0.15%	10/06/23	240,000	127
Certificate of Deposit	XXXX2617	0.25%	04/12/24	240,000	
Certificate of Deposit	XXXX0579	0.20%	04/05/24	240,000	
Certificate of Deposit	XXXX0721	0.16%	07/22/23	240,000	55
TOTAL GENERAL FUND				<u>\$ 9,183,043</u>	<u>\$ 455</u>
<u>DEBT SERVICE FUND</u>					
Texas CLASS	XXXX0003	Varies	Daily	\$ 4,209,402	\$
Certificate of Deposit	XXXX1452	0.44%	08/20/24	240,000	234
Certificate of Deposit	XXXX3736	0.24%	07/30/24	240,000	95
Certificate of Deposit	XXXX0322	0.25%	08/10/23	240,000	117
Certificate of Deposit	XXXX0615	0.25%	08/11/24	240,000	118
Certificate of Deposit	XXXX6496	0.30%	08/25/23	240,000	550
Certificate of Deposit	XXXX2597	0.40%	08/28/23	240,000	170
Certificate of Deposit	XXXX0105	0.40%	08/19/23	240,000	158
TOTAL DEBT SERVICE FUND				<u>\$ 5,889,402</u>	<u>\$ 1,442</u>
<u>CAPITAL PROJECTS FUND</u>					
Texas CLASS	XXXX0004	Varies	Daily	\$ 392,493	\$
Texas CLASS	XXXX0005	Varies	Daily	280,395	
Texas CLASS	XXXX0006	Varies	Daily	1,244,334	
Texas CLASS	XXXX0007	Varies	Daily	733,772	
TOTAL CAPITAL PROJECTS FUND				<u>\$ 2,650,994</u>	<u>\$ - 0 -</u>
TOTAL - ALL FUNDS				<u>\$ 17,723,439</u>	<u>\$ 1,897</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED MAY 31, 2023

	Maintenance Taxes		Debt Service Taxes	
TAXES RECEIVABLE -				
JUNE 1, 2022	\$	65,041		\$ 150,732
Adjustments to Beginning				
Balance		<u>(10,427)</u>	\$ 54,614	<u>(21,745)</u> \$ 128,987
Original 2022 Tax Levy	\$	3,888,699		\$ 5,433,524
Adjustment to 2022 Tax Levy		<u>53,418</u>	<u>3,942,117</u>	<u>74,639</u> <u>5,508,163</u>
TOTAL TO BE				
ACCOUNTED FOR		\$ 3,996,731		\$ 5,637,150
 TAX COLLECTIONS:				
Prior Years	\$	21,774		\$ 51,191
Current Year		<u>3,878,412</u>	<u>3,900,186</u>	<u>5,419,151</u> <u>5,470,342</u>
 TAXES RECEIVABLE -				
MAY 31, 2023		<u>\$ 96,545</u>		<u>\$ 166,808</u>
 TAXES RECEIVABLE BY				
YEAR:				
2022		\$ 63,705		\$ 89,012
2021		7,477		17,091
2020		5,353		10,705
2019		4,503		9,568
2018		2,866		9,554
2017		2,582		8,823
2016		1,878		5,703
2015		987		2,529
2014 and prior		<u>7,194</u>		<u>13,823</u>
TOTAL		<u>\$ 96,545</u>		<u>\$ 166,808</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED MAY 31, 2023

	2022	2021	2020	2019
PROPERTY VALUATIONS:				
Land	\$ 249,647,823	\$ 232,764,596	\$ 189,798,510	\$ 181,511,604
Improvements	1,042,282,007	779,344,341	745,556,817	704,754,391
Personal Property	28,674,015	22,298,249	20,932,807	19,290,973
Exemptions	<u>(240,572,051)</u>	<u>(85,039,900)</u>	<u>(78,162,353)</u>	<u>(81,119,533)</u>
TOTAL PROPERTY VALUATIONS	<u>\$ 1,080,031,794</u>	<u>\$ 949,367,286</u>	<u>\$ 878,125,781</u>	<u>\$ 824,437,435</u>
TAX RATES PER \$100 VALUATION:				
Debt Service	\$ 0.510	\$ 0.64	\$ 0.64	\$ 0.68
Maintenance	<u>0.365</u>	<u>0.28</u>	<u>0.32</u>	<u>0.32</u>
TOTAL TAX RATES PER \$100 VALUATION	<u>\$ 0.875</u>	<u>\$ 0.92</u>	<u>\$ 0.96</u>	<u>\$ 1.00</u>
ADJUSTED TAX LEVY*	<u>\$ 9,450,280</u>	<u>\$ 8,734,178</u>	<u>\$ 8,430,007</u>	<u>\$ 8,244,374</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>98.38 %</u>	<u>99.72 %</u>	<u>99.81 %</u>	<u>99.83 %</u>

* Based upon adjusted tax at time of audit for the fiscal year in which the tax was levied.

Maintenance Tax – Maximum Tax Rate of \$1.50 per \$100 of assessed valuation approved by voters on November 7, 2006. See also Note 7.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 1 2				
Due During Fiscal Years Ending May 31	Principal Due September 1	Interest Due September 1/ March 1	Total	
2024	\$ 50,000	\$ 12,750	\$	62,750
2025	50,000	11,250		61,250
2026	50,000	9,750		59,750
2027	50,000	8,250		58,250
2028	50,000	6,750		56,750
2029	50,000	5,250		55,250
2030	50,000	3,750		53,750
2031	50,000	2,250		52,250
2032	50,000	750		50,750
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
	\$ 450,000	\$ 60,750	\$	510,750

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 1 4				
Due During Fiscal Years Ending May 31	Principal Due September 1	Interest Due September 1/ March 1	Total	
2024	\$ 100,000	\$ 334,575	\$	434,575
2025	100,000	330,575		430,575
2026	100,000	326,575		426,575
2027	100,000	322,575		422,575
2028	100,000	318,575		418,575
2029	100,000	314,575		414,575
2030	100,000	310,575		410,575
2031	100,000	306,575		406,575
2032	100,000	302,575		402,575
2033	700,000	286,575		986,575
2034	750,000	257,575		1,007,575
2035	800,000	226,575		1,026,575
2036	830,000	193,975		1,023,975
2037	1,100,000	155,375		1,255,375
2038	1,100,000	111,375		1,211,375
2039	1,100,000	67,375		1,167,375
2040	1,100,000	22,687		1,122,687
	\$ 8,380,000	\$ 4,188,687	\$	12,568,687

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 1 5				
Due During Fiscal Years Ending May 31	Principal Due September 1	Interest Due September 1/ March 1	Total	
2024	\$ 425,000	\$ 231,625	\$	656,625
2025	425,000	220,469		645,469
2026	425,000	208,250		633,250
2027	425,000	195,500		620,500
2028	425,000	182,750		607,750
2029	425,000	170,000		595,000
2030	425,000	157,250		582,250
2031	425,000	143,969		568,969
2032	425,000	129,890		554,890
2033	425,000	115,547		540,547
2034	425,000	100,937		525,937
2035	425,000	86,063		511,063
2036	425,000	70,922		495,922
2037	425,000	55,516		480,516
2038	425,000	39,844		464,844
2039	425,000	23,906		448,906
2040	425,000	7,968		432,968
	\$ 7,225,000	\$ 2,140,406	\$	9,365,406

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 1 6 R E F U N D I N G

Due During Fiscal Years Ending May 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2024	\$ 1,165,000	\$ 384,600	\$ 1,549,600
2025	1,190,000	361,050	1,551,050
2026	1,220,000	335,425	1,555,425
2027	1,565,000	290,400	1,855,400
2028	1,775,000	223,600	1,998,600
2029	1,845,000	160,425	2,005,425
2030	1,800,000	105,750	1,905,750
2031	1,755,000	52,425	1,807,425
2032	870,000	13,050	883,050
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
	\$ 13,185,000	\$ 1,926,725	\$ 15,111,725

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 1 8				
Due During Fiscal Years Ending May 31	Principal Due March 1	Interest Due September 1/ March 1	Total	
2024	\$ 875,000	\$ 430,775	\$	1,305,775
2025	875,000	404,525		1,279,525
2026	580,000	378,275		958,275
2027	725,000	360,875		1,085,875
2028	725,000	339,125		1,064,125
2029	725,000	317,375		1,042,375
2030	750,000	294,719		1,044,719
2031	1,700,000	271,281		1,971,281
2032	775,000	216,031		991,031
2033	775,000	190,844		965,844
2034	775,000	164,688		939,688
2035	775,000	137,562		912,562
2036	775,000	110,438		885,438
2037	775,000	83,312		858,312
2038	775,000	56,188		831,188
2039	775,000	28,094		803,094
2040				
	\$ 13,155,000	\$ 3,784,107	\$	16,939,107

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 1 9				
Due During Fiscal Years Ending May 31	Principal Due March 1	Interest Due September 1/ March 1	Total	
2024	\$ 325,000	\$ 135,687	\$	460,687
2025	325,000	129,188		454,188
2026	325,000	122,687		447,687
2027	325,000	116,188		441,188
2028	325,000	109,687		434,687
2029	325,000	102,781		427,781
2030	325,000	94,656		419,656
2031	325,000	86,125		411,125
2032	325,000	77,188		402,188
2033	325,000	68,250		393,250
2034	325,000	58,500		383,500
2035	325,000	48,750		373,750
2036	325,000	39,000		364,000
2037	325,000	29,250		354,250
2038	325,000	19,500		344,500
2039	325,000	9,750		334,750
2040				
	\$ 5,200,000	\$ 1,247,187	\$	6,447,187

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 1 9 A R E F U N D I N G

Due During Fiscal Years Ending May 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2024	\$ 130,000	\$ 160,969	\$ 290,969
2025	130,000	157,069	287,069
2026	130,000	153,819	283,819
2027	125,000	151,269	276,269
2028	125,000	148,691	273,691
2029	125,000	145,956	270,956
2030	220,000	141,800	361,800
2031	315,000	134,325	449,325
2032	375,000	123,975	498,975
2033	1,005,000	103,275	1,108,275
2034	995,000	73,275	1,068,275
2035	980,000	43,650	1,023,650
2036	965,000	14,475	979,475
2037			
2038			
2039			
2040			
	<u>\$ 5,620,000</u>	<u>\$ 1,552,548</u>	<u>\$ 7,172,548</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 2 0 R E F U N D I N G

Due During Fiscal Years Ending May 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2024	\$ 400,000	\$ 179,838	\$ 579,838
2025	415,000	163,538	578,538
2026	435,000	146,538	581,538
2027	455,000	128,738	583,738
2028	20,000	119,437	139,437
2029	25,000	118,987	143,987
2030	25,000	118,487	143,487
2031	25,000	117,956	142,956
2032	25,000	117,393	142,393
2033	745,000	108,731	853,731
2034	740,000	91,100	831,100
2035	760,000	72,350	832,350
2036	750,000	53,475	803,475
2037	740,000	33,000	773,000
2038	730,000	10,950	740,950
2039			
2040			
	<u>\$ 6,290,000</u>	<u>\$ 1,580,518</u>	<u>\$ 7,870,518</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

S E R I E S - 2 0 2 2				
Due During Fiscal Years Ending May 31	Principal Due March 1	Interest Due September 1/ March 1	Total	
2024	\$ 125,000	\$ 48,135	\$	173,135
2025	125,000	44,387		169,387
2026	125,000	40,637		165,637
2027	125,000	38,137		163,137
2028	125,000	35,637		160,637
2029	125,000	33,138		158,138
2030	125,000	30,638		155,638
2031	125,000	28,138		153,138
2032	125,000	25,638		150,638
2033	130,000	23,138		153,138
2034	130,000	20,538		150,538
2035	175,000	17,938		192,938
2036	175,000	14,438		189,438
2037	175,000	10,938		185,938
2038	175,000	7,438		182,438
2039	175,000	3,718		178,718
2040				
	\$ 2,260,000	\$ 422,631	\$	2,682,631

See accompanying independent auditor's report.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
LONG-TERM DEBT SERVICE REQUIREMENTS
MAY 31, 2023

ANNUAL REQUIREMENTS
FOR ALL SERIES

Due During Fiscal Years Ending May 31	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2024	\$ 3,595,000	\$ 1,918,954	\$ 5,513,954
2025	3,635,000	1,822,051	5,457,051
2026	3,390,000	1,721,956	5,111,956
2027	3,895,000	1,611,932	5,506,932
2028	3,670,000	1,484,252	5,154,252
2029	3,745,000	1,368,487	5,113,487
2030	3,820,000	1,257,625	5,077,625
2031	4,820,000	1,143,044	5,963,044
2032	3,070,000	1,006,490	4,076,490
2033	4,105,000	896,360	5,001,360
2034	4,140,000	766,613	4,906,613
2035	4,240,000	632,888	4,872,888
2036	4,245,000	496,723	4,741,723
2037	3,540,000	367,391	3,907,391
2038	3,530,000	245,295	3,775,295
2039	2,800,000	132,843	2,932,843
2040	1,525,000	30,655	1,555,655
	<u>\$ 61,765,000</u>	<u>\$ 16,903,559</u>	<u>\$ 78,668,559</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
CHANGES IN LONG-TERM BOND DEBT
FOR THE YEAR ENDED MAY 31, 2023

Description	Original Bonds Issued	Bonds Outstanding June 1, 2022
Harris County Municipal Utility District No. 167 Unlimited Tax Bonds - Series 2012	\$ 5,365,000	\$ 500,000
Harris County Municipal Utility District No. 167 Unlimited Tax Bonds - Series 2014	9,080,000	8,480,000
Harris County Municipal Utility District No. 167 Unlimited Tax Bonds - Series 2015	10,200,000	7,650,000
Harris County Municipal Utility District No. 167 Unlimited Tax Refunding Bonds - Series 2016	17,865,000	14,310,000
Harris County Municipal Utility District No. 167 Unlimited Tax Bonds - Series 2018	17,405,000	14,005,000
Harris County Municipal Utility District No. 167 Unlimited Tax Park Bonds - Series 2018A	2,535,000	425,000
Harris County Municipal Utility District No. 167 Unlimited Tax Bonds - Series 2019	8,310,000	5,980,000
Harris County Municipal Utility District No. 167 Unlimited Tax Refunding Bonds - Series 2019A	5,805,000	5,750,000
Harris County Municipal Utility District No. 167 Unlimited Tax Refunding Bonds - Series 2020	7,035,000	6,670,000
Harris County Municipal Utility District No. 167 Unlimited Tax Bonds - Series 2022	<u>2,385,000</u>	<u>2,385,000</u>
TOTAL	<u><u>\$ 85,985,000</u></u>	<u><u>\$ 66,155,000</u></u>

See accompanying independent auditor's report.

Current Year Transactions				Bonds Outstanding May 31, 2023	Paying Agent
Bonds Sold	Retirements				
		Principal	Interest		
\$	\$ 50,000	\$ 14,250	\$ 450,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	100,000	338,575	8,380,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	425,000	241,719	7,225,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	1,125,000	424,375	13,185,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	850,000	456,275	13,155,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	425,000	12,750	-0-	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	780,000	151,287	5,200,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	130,000	164,869	5,620,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	380,000	195,437	6,290,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
	125,000	58,113	2,260,000	The Bank of New York Mellon Trust Company N.A., Dallas TX	
<u>\$ - 0 -</u>	<u>\$ 4,390,000</u>	<u>\$ 2,057,650</u>	<u>\$ 61,765,000</u>		

See accompanying independent auditor's report.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
CHANGES IN LONG-TERM BOND DEBT
FOR THE YEAR ENDED MAY 31, 2023

Bond Authority:	<u>Water, Sewer and Drainage Facilities Bonds*</u>	<u>Refunding Bonds</u>	<u>Parks and Recreational Facilities Bonds</u>
Amount Authorized by Voters	\$ 88,210,000	\$ 57,000,000	\$ 9,000,000
Amount Issued	<u>82,455,000</u>	<u>1,755,000</u>	<u>2,535,000</u>
Remaining to be Issued	<u>\$ 5,755,000</u>	<u>\$ 55,245,000</u>	<u>\$ 6,465,000</u>

* Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.

Debt Service Fund cash, investments and cash with paying agent balances as of
May 31, 2023: \$ 6,011,449

Average annual debt service payment (principal and interest) for remaining term
of all debt: \$ 4,627,562

See Note 3 for interest rates, interest payment dates and maturity dates.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND – FIVE YEARS

	Amounts		
	2023	2022	2021
REVENUES			
Property Taxes	\$ 3,900,186	\$ 2,767,417	\$ 2,692,720
Water Service	1,410,719	1,436,070	1,287,181
Wastewater Service	1,997,187	1,828,551	1,754,235
Water Authority Fees	1,708,680	1,458,843	1,438,291
Penalty and Interest	283,100	21,066	
Sales Tax Revenue	375,854	374,394	352,407
Tap Connection and Inspection Fees	138,832	275,591	354,797
Investment Revenues	243,589	16,218	43,753
Miscellaneous Revenues	22,589	52,924	21,402
TOTAL REVENUES	\$ 10,080,736	\$ 8,231,074	\$ 7,944,786
EXPENDITURES			
Professional Fees	\$ 458,769	\$ 266,087	\$ 248,281
Contracted Services	2,938,050	2,581,570	2,196,619
Parks and Recreation	391,348	354,026	330,313
Utilities	339,204	293,412	337,798
Repairs and Maintenance	2,249,393	1,356,231	1,102,803
Water Authority Assessment	1,970,183	1,705,055	1,667,417
Other	904,159	871,980	745,916
Capital Outlay	850,124	557,490	357,111
TOTAL EXPENDITURES	\$ 10,101,230	\$ 7,985,851	\$ 6,986,258
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (20,494)	\$ 245,223	\$ 958,528
OTHER FINANCING SOURCES (USES)			
Transfers In(Out)	\$ - 0 -	\$ - 0 -	\$ - 0 -
NET CHANGE IN FUND BALANCE	\$ (20,494)	\$ 245,223	\$ 958,528
BEGINNING FUND BALANCE	8,260,096	8,014,873	7,056,345
ENDING FUND BALANCE	\$ 8,239,602	\$ 8,260,096	\$ 8,014,873

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2020	2019	2023	2022	2021	2020	2019
\$ 2,612,035	\$ 1,766,235	38.8 %	33.8 %	33.8 %	33.7 %	26.1 %
1,195,482	1,158,572	14.0	17.4	16.2	15.4	17.1
1,697,282	1,638,758	19.8	22.2	22.1	21.9	24.2
1,282,544	1,099,243	16.9	17.7	18.1	16.6	16.2
25,360	80,249	2.8	0.3		0.3	1.2
333,401	310,738	3.7	4.5	4.4	4.3	4.6
183,300	376,458	1.4	3.3	4.5	2.4	5.6
138,196	119,967	2.4	0.2	0.6	1.8	1.8
275,651	217,164	0.2	0.6	0.3	3.6	3.2
<u>\$ 7,743,251</u>	<u>\$ 6,767,384</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 340,705	\$ 304,105	4.6 %	3.2 %	3.1 %	4.4 %	4.5 %
1,922,838	1,847,961	29.1	31.4	27.6	24.8	27.3
325,422	321,424	3.9	4.3	4.2	4.2	4.7
349,824	341,766	3.4	3.6	4.3	4.5	5.1
952,185	852,421	22.3	16.5	13.9	12.3	12.6
1,448,892	1,236,371	19.5	20.7	21.0	18.7	18.3
735,232	723,492	9.0	10.6	9.4	9.5	10.7
858,681	511,332	8.4	6.8	4.5	11.1	7.6
<u>\$ 6,933,779</u>	<u>\$ 6,138,872</u>	<u>100.2 %</u>	<u>97.1 %</u>	<u>88.0 %</u>	<u>89.5 %</u>	<u>90.8 %</u>
\$ 809,472	\$ 628,512	<u>(0.2) %</u>	<u>2.9 %</u>	<u>12.0 %</u>	<u>10.5 %</u>	<u>9.2 %</u>
<u>\$ 5,805</u>	<u>\$ 2,468,409</u>					
\$ 815,277	\$ 3,096,921					
6,241,068	3,144,147					
<u>\$ 7,056,345</u>	<u>\$ 6,241,068</u>					

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE FUND - FIVE YEARS

	Amounts		
	2023	2022	2021
REVENUES			
Property Taxes	\$ 5,470,342	\$ 6,286,419	\$ 5,391,520
Penalty and Interest	66,114	240,483	44,426
Interest on Investments	180,506	35,894	37,519
Miscellaneous Revenues	750	4,765	191
TOTAL REVENUES	\$ 5,717,712	\$ 6,567,561	\$ 5,473,656
EXPENDITURES			
Tax Collection Expenditures	\$ 22,556	\$ 106,241	\$ 17,628
Contracted Services	118,377	125,753	139,203
Other	45,815	27,017	17,650
Debt Service:			
Principal	4,390,000	4,200,000	4,130,000
Interest and Fees	2,060,200	2,141,581	2,208,400
Bond Issuance Costs			268,472
Payment to Refunded Bond Escrow Agent			64,000
TOTAL EXPENDITURES	\$ 6,636,948	\$ 6,600,592	\$ 6,845,353
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (919,236)	\$ (33,031)	\$ (1,371,697)
OTHER FINANCING SOURCES (USES)			
Transfers In(Out)	\$	\$	\$
Long-Term Debt Issued			7,035,000
Transfer to Refunded Bond Escrow Agent			(6,868,589)
Bond Premium			111,250
TOTAL OTHER FINANCING SOURCES (USES)	\$ - 0 -	\$ - 0 -	\$ 277,661
NET CHANGE IN FUND BALANCE	\$ (919,236)	\$ (33,031)	\$ (1,094,036)
BEGINNING FUND BALANCE	7,096,861	7,129,892	8,223,928
ENDING FUND BALANCE	\$ 6,177,625	\$ 7,096,861	\$ 7,129,892
TOTAL ACTIVE RETAIL WATER CONNECTIONS	4,452	4,427	4,328
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	4,429	4,387	4,290

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2020	2019	2023	2022	2021	2020	2019
\$ 5,566,569	\$ 5,889,000	95.6 %	95.7 %	98.5 %	96.5 %	96.1 %
42,213	58,457	1.2	3.7	0.8	0.7	1.0
159,650	178,203	3.2	0.5	0.7	2.8	2.9
221			0.1			
<u>\$ 5,768,653</u>	<u>\$ 6,125,660</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 15,821	\$ 26,972	0.4 %	1.6 %	0.3 %	0.3 %	0.4 %
122,513	103,300	2.1	1.9	2.5	2.1	1.7
5,416	7,348	0.8	0.4	0.3	0.1	0.1
4,060,000	3,645,000	76.8	64.0	75.5	70.4	59.5
2,309,338	2,149,075	36.0	32.6	40.3	40.0	35.1
209,526				4.9	3.6	
75,000				1.2	1.3	
<u>\$ 6,797,614</u>	<u>\$ 5,931,695</u>	<u>116.1 %</u>	<u>100.5 %</u>	<u>125.0 %</u>	<u>117.8 %</u>	<u>96.8 %</u>
\$ (1,028,961)	\$ 193,965	<u>(16.1) %</u>	<u>(0.5) %</u>	<u>(25.0) %</u>	<u>(17.8) %</u>	<u>3.2 %</u>
\$ (5,805)	\$					
5,805,000						
(5,580,467)						
<u>\$ 218,728</u>	<u>\$ - 0 -</u>					
\$ (810,233)	\$ 193,965					
9,034,161	8,840,196					
<u>\$ 8,223,928</u>	<u>\$ 9,034,161</u>					
<u>4,205</u>	<u>4,142</u>					
<u>4,162</u>	<u>4,104</u>					

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
MAY 31, 2023

District Mailing Address - Harris County Municipal Utility District No. 167
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, TX 77027

District Telephone Number - (713) 860-6400

Board Members	Term of Office (Elected or Appointed)	Fees of Office for the year ended May 31, 2023	Expense Reimbursements for the year ended May 31, 2023	Title
Verneath Louise Hronas	05/20 05/24 (Elected)	\$ 7,200	\$ 1,165	President
Claudia Buentello	05/22 05/26 (Elected)	\$ 7,200	\$ 4,799	Vice President/ Investment Officer
Shirley Ann Dean	05/20 05/24 (Elected)	\$ 6,300	\$ 3,296	Assistant Vice President
Juan Pablo Medrano	05/22 05/26 (Elected)	\$ 5,850	\$ 3,406	Secretary
Brad Yeaney	05/20 05/24 (Elected)	\$ 4,500	\$ 1,853	Assistant Secretary

Note: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developer or with any of the District's consultants.

Submission Date of most recent District Registration Form: May 23, 2023

The limit on Fees of Office that a Director may receive during a fiscal year is \$7,200 as set by Board Resolution on August 27, 2003. Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 167
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
MAY 31, 2023

Consultants:	<u>Date Hired</u>	<u>Fees for the year ended May 31, 2023</u>	<u>Title</u>
Allen Boone Humphries Robinson LLP	08/27/03	\$ 135,688	General Counsel
McCall Gibson Swedlund Barfoot PLLC	02/24/92	\$ 22,250	Audit Related
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	02/26/96	\$ 21,806	Delinquent Tax Attorney
Pape-Dawson Engineers, Inc.	07/18/18	\$ 383,357	Engineer
District Data Services, Inc.	12/15/21	\$ 48,830	Bookkeeper
Masterson Advisors LLC	05/16/18	\$ -0-	Financial Advisor
Lynnette Tujague	08/06/08	\$ -0-	Investment Officer
H2O Consulting, Inc.	06/06/18	\$ 1,210,191	Operator
KGA/DeForest Design, LLC	08/24/05	\$ 22,575	Landscape Architect
Assessments of the Southwest, Inc.	04/23/84	\$ 73,372	Tax Assessor/ Collector

See accompanying independent auditor's report.

