

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367

HARRIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

MARCH 31, 2019

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367

HARRIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

MARCH 31, 2019

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-7
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	8-11
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	12
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	13-14
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	15
NOTES TO THE FINANCIAL STATEMENTS	16-33
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND	35
SUPPLEMENTARY INFORMATION REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE	
NOTES REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE (Included in the notes to the financial statements)	
SERVICES AND RATES	37-39
GENERAL FUND EXPENDITURES	40-41
INVESTMENTS	42
TAXES LEVIED AND RECEIVABLE	43-44
LONG-TERM DEBT SERVICE REQUIREMENTS	45-49
CHANGE IN LONG-TERM BOND DEBT	50-51
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS	52-55
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS	56-57

McCALL GIBSON SWEDLUND BARFOOT PLLC

Certified Public Accountants

13100 Wortham Center Drive
Suite 235
Houston, Texas 77065-5610
(713) 462-0341
Fax (713) 462-2708
E-Mail: mgsb@mgsbpllc.com

9600 Great Hills Trail
Suite 150W
Austin, Texas 78759
(512) 610-2209
www.mgsbpllc.com

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Harris County Municipal Utility District No. 367
Harris County, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of Harris County Municipal Utility District No. 367 (the "District"), as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of March 31, 2019, 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.

Other Matters

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, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The 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 any 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

July 10, 2019

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2019

Management's discussion and analysis of Harris County Municipal Utility District No. 367's (the "District") financial performance provides an overview of the District's financial activities for the year ended March 31, 2019. 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 annual 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 includes all of the District's assets and liabilities, 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 as a whole 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, 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. 367
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2019	2018	Change Positive (Negative)
Current and Other Assets	\$ 10,087,788	\$ 10,655,248	\$ (567,460)
Capital Assets (Net of Accumulated Depreciation)	18,135,014	18,613,878	(478,864)
Total Assets	\$ 28,222,802	\$ 29,269,126	\$ (1,046,324)
Long -Term Liabilities	\$ 18,025,568	\$ 20,275,580	\$ 2,250,012
Other Liabilities	618,003	918,386	300,383
Total Liabilities	\$ 18,643,571	\$ 21,193,966	\$ 2,550,395
Net Position:			
Net Investment in Capital Assets	\$ 370,898	\$ (1,287,902)	\$ 1,658,800
Restricted	3,567,292	3,677,686	(110,394)
Unrestricted	5,641,041	5,685,376	(44,335)
Total Net Position	\$ 9,579,231	\$ 8,075,160	\$ 1,504,071

The following table provides a summary of the District's operations for the years ended March 31, 2019, and March 31, 2018. The District's net position increased by \$1,504,071.

	Summary of Changes in the Statement of Activities		
	2019	2018	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 3,851,798	\$ 3,912,161	\$ (60,363)
Charges for Services	2,511,416	2,607,963	(96,547)
Other Revenues	261,432	193,564	67,868
Total Revenues	\$ 6,624,646	\$ 6,713,688	\$ (89,042)
Expenses for Services	5,120,575	4,213,002	(907,573)
Change in Net Position	\$ 1,504,071	\$ 2,500,686	\$ (996,615)
Net Position, Beginning of Year	8,075,160	5,574,474	2,500,686
Net Position, End of Year	\$ 9,579,231	\$ 8,075,160	\$ 1,504,071

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2019**

LONG-TERM DEBT ACTIVITY

As of March 31, 2019, the District had total bond debt payable of \$17,615,000. The changes in the debt position of the District during the year ended March 31, 2019, are summarized as follows:

Bond Debt Payable, April 1, 2018	\$ 19,800,000
Less: Bond Principal Paid	<u>2,185,000</u>
Bond Debt Payable, March 31, 2019	<u>\$ 17,615,000</u>

The District's Series 2012 Refunding, Series 2013 Refunding and Series 2014 Refunding bonds carry an underlying rating of "A" from Standard & Poor's (S&P). The District's Series 2015 Park Bonds carry an underlying rating of "A1" from Moody's. The District's Series 2012 Refunding Bonds have been assigned an S&P rating of "AA" by virtue of bond insurance issued by Assured Guaranty. The District's Series 2013 Refunding, Series 2014 Refunding and Series 2015 Park Bonds have been assigned an S&P rating of "AA" by virtue of bond insurance issued by Build America Mutual Assurance Company. Credit enhanced ratings provided through bond insurance policies are subject to change based on the rating of the bond insurance company. The above ratings are as of March 31, 2019, and reflect all rating changes of the bond insurers through the year then ended.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the 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. 367, c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, TX 77027.

Capital Projects Fund	Total	Adjustments	Statement of Net Position
\$ 595	\$ 334,761	\$	\$ 334,761
260,876	9,162,474		9,162,474
	60,512		60,512
		7,619	7,619
	92,937		92,937
	52,627		52,627
	1,614		1,614
	24,175	(24,175)	
	47,377		47,377
	222,095		222,095
	105,772		105,772
		521,467	521,467
		17,613,547	17,613,547
<u>\$ 261,471</u>	<u>\$ 10,104,344</u>	<u>\$ 18,118,458</u>	<u>\$ 28,222,802</u>

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
\$ 19	\$ 109,913	\$	\$ 109,913
		45,381	45,381
	215,487		215,487
	11,819		11,819
	24,175	(24,175)	
	1,031		1,031
	234,372		234,372
		2,210,000	2,210,000
		15,815,568	15,815,568
<u>\$ 19</u>	<u>\$ 596,797</u>	<u>\$ 18,046,774</u>	<u>\$ 18,643,571</u>
<u>\$ -0-</u>	<u>\$ 60,512</u>	<u>\$ (60,512)</u>	<u>\$ -0-</u>
\$	\$ 222,095	\$ (222,095)	\$
	105,772	(105,772)	
261,452	261,452	(261,452)	
	3,563,201	(3,563,201)	
	500,000	(500,000)	
	4,794,515	(4,794,515)	
<u>\$ 261,452</u>	<u>\$ 9,447,035</u>	<u>\$ (9,447,035)</u>	<u>\$ -0-</u>
<u>\$ 261,471</u>	<u>\$ 10,104,344</u>		
		\$ 370,898	\$ 370,898
		3,567,292	3,567,292
		5,641,041	5,641,041
		<u>\$ 9,579,231</u>	<u>\$ 9,579,231</u>

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

THIS PAGE INTENTIONALLY LEFT BLANK

Capital Projects Fund	Total	Adjustments	Statement of Activities
\$	\$ 3,856,568	\$ (4,770)	\$ 3,851,798
	887,834		887,834
	281,471		281,471
	1,302,685		1,302,685
	33,091	(245)	32,846
	6,580		6,580
	41,978		41,978
6,273	171,695		171,695
	47,759		47,759
<u>\$ 6,273</u>	<u>\$ 6,629,661</u>	<u>\$ (5,015)</u>	<u>\$ 6,624,646</u>
\$	\$ 248,886	\$	\$ 248,886
362	582,469		582,469
	1,474,145		1,474,145
	405,253		405,253
	21,014		21,014
	925,961	7,016	932,977
		714,563	714,563
	113,280		113,280
13	120,197		120,197
66,568	242,714	(242,714)	
	2,185,000	(2,185,000)	
	578,450	(70,659)	507,791
<u>\$ 66,943</u>	<u>\$ 6,897,369</u>	<u>\$ (1,776,794)</u>	<u>\$ 5,120,575</u>
<u>\$ (60,670)</u>	<u>\$ (267,708)</u>	<u>\$ 1,771,779</u>	<u>\$ 1,504,071</u>
<u>\$ (51,678)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
\$ (112,348)	\$ (267,708)	\$ 267,708	\$
		1,504,071	1,504,071
<u>373,800</u>	<u>9,714,743</u>	<u>(1,639,583)</u>	<u>8,075,160</u>
<u>\$ 261,452</u>	<u>\$ 9,447,035</u>	<u>\$ 132,196</u>	<u>\$ 9,579,231</u>

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

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 1. CREATION OF DISTRICT

Harris County Municipal Utility District No. 367 of Harris County, Texas (the "District") was created effective August 11, 1997, by an Order of the Texas Commission on Environmental Quality. 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 and 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 with the District. The Board of Directors held its first meeting on August 11, 1997, and the first bonds were sold on March 3, 1999.

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 or not 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.

The District has entered into an agreement with Harris County Municipal Utility District No. 383 ("District No. 383") for wastewater disposal through the regional wastewater treatment plant (the "Plant"). District No. 383 has oversight responsibility over the Plant. Additional disclosure concerning this agreement is provided in Note 12. The Plant's financial information is included in the financial statements for District No. 383. Copies of the financial statements can be obtained from the District's auditor.

The District has entered into an agreement with District No. 383 for water service through the District No. 383 joint water plants. District No. 383 has oversight over the three water plants. Additional disclosure concerning this agreement is provided in Note 11. The water plants' financial information is included in the financial statements for District No. 383. Copies of the financial statements can be obtained from the District's auditor.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements (Continued)

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current period 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 to obtain net total revenues and expenses 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 statements. The fund statements include a Balance Sheet and 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.

General Fund - To account for resources not required to be accounted for in another fund, customer service revenues, 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 they are 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.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeting

In compliance with governmental accounting principles, the Board of Directors annually adopts an unappropriated budget for the General Fund. The budget was amended during the current period.

Pensions

A pension plan has not been established. This District does not have employees, except that the Internal Revenue Service has determined that directors are considered to be “employees” for federal 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.

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 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.

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 period. 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.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 3. LONG-TERM DEBT (Continued)

	Refunding Series 2012	Refunding Series 2013
Amount Outstanding - March 31, 2019	\$5,780,000	\$1,320,000
Interest Rates	3.50% - 4.00%	2.00% - 3.00%
Maturity Dates – Serially Beginning/Ending	September 1, 2019/2024	September 1, 2019/2024
Interest Payment Dates	March 1 / September 1	March 1 / September 1
Callable Dates	September 1, 2019*	September 1, 2019*
	Refunding Series 2014	Series 2015 Park
Amount Outstanding - March 31, 2019	\$6,115,000	\$4,400,000
Interest Rates	2.00% - 3.00%	2.25% - 3.25%
Maturity Dates – Serially Beginning/Ending	September 1, 2019/2027	September 1, 2025/2034
Interest Payment Dates	March 1 / September 1	March 1 / September 1
Callable Dates	September 1, 2021*	September 1, 2024*

- * The Bonds are subject to redemption at the option of the District prior to their maturity in whole or from time to time in part, on the call date or any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. Series 2014 Refunding term bonds due September 1, 2027, are subjected to mandatory redemption by lot or other customary method at a price of par plus accrued interest on September 1 in the years and amounts as reflected in the debt service schedules.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 4. SIGNIFICANT BOND RESOLUTION AND LEGAL REQUIREMENTS

- A. All investments and any profits realized from or interest accruing on such investments shall belong to the fund from which the moneys for such investments were taken; provided, however, that at the discretion of the Board of Directors the profits realized from and interest accruing on investments made from any fund may be transferred to the Debt Service Fund.
- B. The Bond Resolutions state that the District is required by the Securities and Exchange Commission to provide continuing disclosure of certain general financial information and operating data to each nationally recognized municipal securities information depository and the state information depository. This information, along with the audited annual financial statements, is to be provided within six months after the end of each fiscal year and shall continue to be provided through the life of the bonds.

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. As of March 31, 2019, the carrying amount of the District's deposits was \$6,359,761 and the bank balance was \$6,351,343. 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 March 31, 2019, as listed below:

	Cash	Certificates of Deposit	Total
GENERAL FUND	\$ 156,979	\$ 3,135,000	\$ 3,291,979
DEBT SERVICE FUND	177,187	2,890,000	3,067,187
CAPITAL PROJECTS FUND	595		595
TOTAL DEPOSITS	<u>\$ 334,761</u>	<u>\$ 6,025,000</u>	<u>\$ 6,359,761</u>

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 5. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

As of March 31, 2019, 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	\$2,369,718	\$2,369,718
Certificates of Deposit	3,135,000	3,135,000
<u>DEBT SERVICE FUND</u>		
Texas CLASS	506,880	506,880
Certificates of Deposit	2,890,000	2,890,000
<u>CAPITAL PROJECTS FUND</u>		
Texas CLASS	260,876	260,876
TOTAL INVESTMENTS	<u><u>\$9,162,474</u></u>	<u><u>\$9,162,474</u></u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At March 31, 2019, the District's investments in Texas CLASS was rated "AAAm" by Standard & Poor's. The District also manages credit risk by typically investing in certificates of deposit with balances below FDIC coverage.

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 day at the discretion of the District, unless there has been a significant change in value. The District also manages interest rate risk by investing in certificates of deposit with maturities of less than one year.

Restrictions

All cash and investments of the Debt Service Fund are restricted for the 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.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 8. EMERGENCY WATER SUPPLY CONTRACT

On September 15, 1997, the District executed an Emergency Water Supply Contract with Harris County Water Control and Improvement District No. 119 (District No. 119). The agreement provides for water to be supplied on an emergency basis for up to 30 days. An emergency is defined as a situation whereby a participant would lose 50% or more of the individual District's productive capacity. The District was responsible for the cost of constructing the interconnect. The cost of water to both parties is \$0.85 per 1,000 gallons of "average daily usage"; the contract spells out the definition of average daily usage. This agreement was amended May 10, 2000, to include a provision for allocating the costs incurred as a result of the fees being paid to the newly formed regional water authority. The term of the contract is 40 years.

On October 15, 2007, the Second Amendment to Emergency Water Supply Contract was entered into. In accordance with the amendment, District No. 383 was added as a party to the contract. The amended agreement called for the District and District No. 383 to design and install a new two-way flow meter at the point of interconnect. On April 14, 2008, the Third Amendment to Emergency Water Supply Contract was approved. District No. 119 agreed to supply water to the District and District No. 383 on an interim basis until such time as the waterline connecting to the North Harris County Regional Water Authority (the "Authority") water facilities to water plant no. 1 was completed and declared operational, thus defining the interim period. The interim period has passed and the District is now receiving surface water from the Authority, as further described in Note 10.

NOTE 9. OUT-OF-DISTRICT WATER SERVICE

On March 15, 1999, and as amended on November 3, 1999, June 7, 2000, and July 13, 2011, the District entered into a contract with Gleannloch Farms Community Association, Inc. (the "Association"). The District has agreed to provide out-of-District water service to a tract of land owned by property owners and the Association who developed the tract of land for estate lots. The District also agreed to provide water and wastewater services to the Equestrian Center and to provide garbage collection service to the tract of land. In addition, the agreement restricts the use of private water wells and clarifies the conditions under which private water wells may be constructed and operated on lots within the tract. The term of the contract is 50 years. On June 8, 2010, the District entered into a separate service agreement with the Association to provide water service to certain recreational facilities located outside the District.

NOTE 10. NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

The District is located within the boundaries of the North Harris County Regional Water Authority (the "Authority"). The Authority was created under Article 16, Section 59 of the Texas Constitution by House Bill 2965 (the "Act"), as passed by the Seventy-Fifth Texas Legislature, in 1999. The Act empowers the Authority to provide for the conservation, preservation, protection, recharge and prevention of waste of groundwater, and for the reduction

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

NOTE 10. NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY (Continued)

The current fee under the Agreement and the Interlocal Agreement is \$3.85 per 1,000 gallons of water delivered. On April 1, 2019, the fee increased to \$4.30 per 1,000 gallons of water delivered. During the year ended March 31, 2019, the Joint Water Plant recorded expenditures of \$1,885,300 related to the Agreement and the Interlocal Agreement. The District's expenditures related to the Agreement and the Interlocal Agreement are included in purchased water.

NOTE 11. WATER SUPPLY AGREEMENT

On July 10, 2002, the District and Harris County Municipal Utility District No. 383 ("District No. 383") agreed to combine the District's and District No. 383's water systems to become an integrated water system. On October 9, 2007, the First Amendment to this agreement was entered into. On April 8, 2015, the Second Amendment to this agreement was entered into. District No. 383 owns 54.51% of the capacity in water plant nos. 1, 2 and 3. The District owns the remaining 45.49%. District No. 383 performs the accounting for the integrated system and is responsible for operating the water plants. Each district is billed based upon their proportionate share of the prior month's usage of water. The District has recorded an advance for an operating reserve in the amount of \$222,095. During the year ended March 31, 2019, the District recorded an expenditure of \$1,474,145 in accordance with this agreement.

Summary financial activities of the plants as of March 31, 2019, and for the year then ended are as follows:

Total Assets	\$ 656,084
Total Liabilities	<u>167,855</u>
Total Fund Balance	<u>\$ 488,229</u>
Total Revenues	\$ 2,567,896
Total Expenditures	<u>2,567,896</u>
Net Change in Fund Balance	\$ -0-
Increase in Reserve	58,510
Fund Balance – April 1, 2018	<u>429,719</u>
Fund Balance – March 31, 2019	<u>\$ 488,229</u>

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 14. MASTER COST SHARING AGREEMENT

On May 13, 2008, and as amended on August 11, 2009, May 9, 2012, December 11, 2013, June 14, 2017, and November 14, 2018, the District entered into the Master Cost Sharing Agreement with District No. 383. This agreement was entered into to consolidate a series of prior cost sharing agreements between the districts into one formalized agreement. The costs for all joint facilities will now be shared based on the allocations outlined in this agreement excluding the water plants and wastewater plant. See Notes 11 and 12.

NOTE 15. STRATEGIC PARTNERSHIP AGREEMENT

Effective June 5, 2014, 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 the Act, the City shall annex a tract or tracts of land for the limited purposes of applying the City's Planning, Zoning, Health, and Safety Ordinances within the Tract within the boundaries of the District. The District will continue to develop, own, operate, and maintain a water, wastewater, and drainage system in the District.

All taxable property within the District shall not be liable for any present or future debts of the City, and current and future taxes levied by the City shall not be levied on taxable property within the District. The District retains all rights to assess and levy ad valorem taxes on taxable property within the Tract. Upon the limited purpose annexation of the Tract, the City's municipal courts shall have jurisdiction to adjudicate criminal cases filed under the Planning, Zoning, Health and Safety Ordinances and State laws. Provisions of the Regulatory Plan adopted by the City will be applicable to the District and the Tract of land within the District. The District's assets, liabilities, indebtedness, and obligations will remain the responsibility of the District during the period of this agreement.

After the Tract is annexed for limited purposes by the City, the qualified voters of the Tract may vote in City elections pursuant to Local Government Code. The City is responsible for notifying the voters within the Tract.

The City shall impose a Sales and Use Tax within the boundaries of the Tract upon the limited-purpose annexation of the Tract. The Sales and Use Tax shall be imposed on the receipts from the sale and use at retail 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 agreed to pay to the District an amount equal to one-half of all Sales and Use Tax revenues generated within the boundaries of the Tract. The City agreed to deliver to the District its share of the sales tax receipts with 30 days of the City receiving the funds from the State Comptroller's office.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367

REQUIRED SUPPLEMENTARY INFORMATION

MARCH 31, 2019

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2019

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Property Taxes	\$ 1,238,527	\$ 1,191,361	\$ 1,201,800	\$ 10,439
Water Service	1,082,000	1,082,000	887,834	(194,166)
Wastewater Service	295,000	295,000	281,471	(13,529)
Regional Water Authority Fee	1,203,211	1,203,211	1,302,685	99,474
Penalty and Interest	38,000	38,000	17,542	(20,458)
Tap Connection and Inspection Fees	69,000	69,000	6,580	(62,420)
Sales Tax Revenues	34,000	34,000	41,978	7,978
Investment Revenues	12,300	12,300	110,300	98,000
Miscellaneous Revenues	28,400	28,400	47,732	19,332
TOTAL REVENUES	<u>\$ 4,000,438</u>	<u>\$ 3,953,272</u>	<u>\$ 3,897,922</u>	<u>\$ (55,350)</u>
EXPENDITURES				
Services Operations:				
Professional Fees	\$ 181,000	\$ 181,000	\$ 245,281	\$ (64,281)
Contracted Services	488,000	488,000	515,275	(27,275)
Purchased Water Service	1,332,573	1,332,573	1,474,145	(141,572)
Purchased Wastewater Service	423,086	423,086	405,253	17,833
Utilities	22,000	22,000	21,014	986
Repairs and Maintenance	440,250	440,250	925,961	(485,711)
Contribution to Harris County	35,000	35,000	113,280	(78,280)
Other	194,100	194,100	115,551	78,549
Capital Outlay	1,500,000	1,500,000	176,146	1,323,854
TOTAL EXPENDITURES	<u>\$ 4,616,009</u>	<u>\$ 4,616,009</u>	<u>\$ 3,991,906</u>	<u>\$ 624,103</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (615,571)</u>	<u>\$ (662,737)</u>	<u>\$ (93,984)</u>	<u>\$ 568,753</u>
OTHER FINANCING SOURCES(USES)				
Transfers In	\$ -0-	\$ -0-	\$ 51,678	\$ 51,678
NET CHANGE IN FUND BALANCE	<u>\$ (615,571)</u>	<u>\$ (662,737)</u>	<u>\$ (42,306)</u>	<u>\$ 620,431</u>
FUND BALANCE - APRIL 1, 2018	<u>5,664,688</u>	<u>5,664,688</u>	<u>5,664,688</u>	
FUND BALANCE - MARCH 31, 2019	<u>\$ 5,049,117</u>	<u>\$ 5,001,951</u>	<u>\$ 5,622,382</u>	<u>\$ 620,431</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
SUPPLEMENTARY INFORMATION REQUIRED BY THE
WATER DISTRICT FINANCIAL MANAGEMENT GUIDE
MARCH 31, 2019

SERVICES AND RATES FOR THE YEAR ENDED MARCH 31, 2019

1. SERVICES PROVIDED BY THE DISTRICT DURING THE 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> </u>	Security
<u> X </u>	Solid Waste/Garbage	<u> </u>	Flood Control	<u> </u>	Roads
<u> X </u>	Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)				
	Other (specify):				

2. RETAIL SERVICE PROVIDERS

a. RETAIL RATES FOR A 3/4" METER (OR EQUIVALENT):

Based on the rate order approved September 12, 2018.

	<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:	\$ 13.75	1,000	N	\$ 0.80	1,001 to 10,000
				\$ 1.30	10,001 to 20,000
				\$ 2.80	20,001 to 30,000
				\$ 3.80	30,001 and up
WASTEWATER:	\$ 10.50		Y		
SURCHARGE:					
Solid Waste/					
Garbage*					
Commission					
Regulatory					
Assessments*					
Regional Water					
Authority Fee			N	\$ 3.85	0,001 and up
Other (Name)					

District employs winter averaging for wastewater usage?

<u>Yes</u>	<u>X</u> No
------------	----------------

Total monthly charges per 10,000 gallons usage: Water: \$20.95 Wastewater: \$10.50 Surcharge: \$38.50 Total: \$69.95

* Charges above include solid waste disposal and regulatory assessments.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
SERVICES AND RATES
FOR THE YEAR ENDED MARCH 31, 2019

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 or Counties 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 extra territorial jurisdiction (ETJ)?

Entirely ☒ Partly ☐ Not at all ☐

ETJ's 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. 367
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2019

CONTRIBUTION TO HARRIS COUNTY	\$ 113,280
CAPITAL OUTLAY	\$ 176,146
SOLID WASTE DISPOSAL	\$ 394,103
OTHER EXPENDITURES:	
Laboratory Fees	\$ 11,716
Permit Fees	5,520
Reconnection Fees	18,590
Inspection Fees	876
Regulatory Assessment	5,708
TOTAL OTHER EXPENDITURES	\$ 42,410
 TOTAL EXPENDITURES	 \$ 3,991,906

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED MARCH 31, 2019

	<u>Maintenance Taxes</u>		<u>Debt Service Taxes</u>	
TAXES RECEIVABLE -				
APRIL 1, 2018	\$	20,688	\$	44,594
Adjustments to Beginning				
Balance		<u>(2,769)</u>		<u>(6,220)</u>
	\$	17,919	\$	38,374
Original 2018 Tax Levy	\$	1,178,117	\$	2,604,258
Adjustment to 2018 Tax Levy		<u>24,423</u>		<u>53,989</u>
		1,202,540		2,658,247
TOTAL TO BE				
ACCOUNTED FOR		\$ 1,220,459		\$ 2,696,621
TAX COLLECTIONS:				
Prior Years	\$	15,930	\$	33,372
Current Year		<u>1,185,870</u>		<u>2,621,396</u>
		1,201,800		2,654,768
TAXES RECEIVABLE -				
MARCH 31, 2019		<u>\$ 18,659</u>		<u>\$ 41,853</u>
TAXES RECEIVABLE BY				
YEAR:				
2018	\$	16,670	\$	36,851
2017		1,258		2,643
2016		274		619
2015		112		273
2014		76		171
2013		39		142
2012		149		721
2011		49		269
2010		11		53
2009		11		54
2008		<u>10</u>		<u>57</u>
TOTAL	\$	<u>18,659</u>	\$	<u>41,853</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
LONG-TERM DEBT SERVICE REQUIREMENTS
MARCH 31, 2019

S E R I E S - 2 0 1 2 R E F U N D I N G			
Due During Fiscal Years Ending March 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2020	\$ 915,000	\$ 210,612	\$ 1,125,612
2021	925,000	176,100	1,101,100
2022	940,000	138,800	1,078,800
2023	955,000	100,900	1,055,900
2024	965,000	62,500	1,027,500
2025	1,080,000	21,600	1,101,600
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
	\$ 5,780,000	\$ 710,512	\$ 6,490,512

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
LONG-TERM DEBT SERVICE REQUIREMENTS
MARCH 31, 2019

S E R I E S - 2 0 1 4 R E F U N D I N G			
Due During Fiscal Years Ending March 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2020	\$ 1,065,000	\$ 142,575	\$ 1,207,575
2021	1,095,000	115,650	1,210,650
2022	1,110,000	92,213	1,202,213
2023	1,125,000	65,662	1,190,662
2024	1,150,000	34,350	1,184,350
2025	150,000	14,850	164,850
2026	145,000	10,425	155,425
2027	140,000	6,150	146,150
2028	135,000	2,025	137,025
2029			
2030			
2031			
2032			
2033			
2034			
2035			
	<u>\$ 6,115,000</u>	<u>\$ 483,900</u>	<u>\$ 6,598,900</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
LONG-TERM DEBT SERVICE REQUIREMENTS
MARCH 31, 2019

ANNUAL REQUIREMENTS FOR ALL SERIES			
Due During Fiscal Years Ending March 31	Total Principal Due	Total Interest Due	Total Principal Interest Due
2020	\$ 2,210,000	\$ 510,287	\$ 2,720,287
2021	2,250,000	443,100	2,693,100
2022	2,270,000	375,613	2,645,613
2023	2,295,000	304,637	2,599,637
2024	2,330,000	228,475	2,558,475
2025	1,440,000	161,700	1,601,700
2026	585,000	127,575	712,575
2027	580,000	113,125	693,125
2028	575,000	98,275	673,275
2029	440,000	84,975	524,975
2030	440,000	73,150	513,150
2031	440,000	60,775	500,775
2032	440,000	47,850	487,850
2033	440,000	34,650	474,650
2034	440,000	21,175	461,175
2035	440,000	7,150	447,150
	<u>\$ 17,615,000</u>	<u>\$ 2,692,512</u>	<u>\$ 20,307,512</u>

See accompanying independent auditor's report.

Current Year Transactions				
Bonds Sold	Retirements		Bonds Outstanding March 31, 2019	
	Principal	Interest		
	910,000	242,550	5,780,000	The Bank of New York Mellon Trust Company, N.A.
	235,000	39,650	1,320,000	The Bank of New York Mellon Trust Company, N.A.
	1,040,000	174,150	6,115,000	The Bank of New York Mellon Trust Company, N.A.
		122,100	4,400,000	The Bank of New York Mellon Trust Company, N.A.
<u>\$ - 0 -</u>	<u>\$ 2,185,000</u>	<u>\$ 578,450</u>	<u>\$ 17,615,000</u>	

Debt Service Fund cash and investment balances as of
March 31, 2019:

\$ 3,574,067

Average annual debt service payment (principal and interest) for remaining term
of all debt:

\$ 1,269,220

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2016	2015	2019	2018	2017	2016	2015
\$ 1,167,545	\$ 1,153,152	30.8 %	32.0 %	33.0 %	33.6 %	30.5 %
950,506	922,846	22.8	23.6	25.9	27.3	24.4
276,357	271,922	7.2	7.1	7.9	7.9	7.2
34,728	30,489	0.5	0.8	0.8	1.0	0.8
60,475	15,145	0.2	1.7	1.4	1.7	0.4
27,954	13,941	1.1	0.9	0.9	0.8	0.4
922,398	967,867	33.4	32.0	28.9	26.5	25.6
16,315	11,280	2.8	1.2	0.6	0.5	0.3
25,088	394,865	1.2	0.7	0.6	0.7	10.4
<u>\$ 3,481,366</u>	<u>\$ 3,781,507</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 189,144	\$ 197,190	6.3 %	4.7 %	4.9 %	5.4 %	5.2 %
485,371	477,137	13.2	12.1	13.6	13.9	12.6
1,062,807	1,089,813	37.8	36.5	32.6	30.5	28.8
275,999	241,087	10.4	8.6	9.9	7.9	6.4
21,708	19,242	0.5	0.5	0.6	0.6	0.5
335,465	339,928	23.8	9.6	9.3	9.6	9.0
		2.9				
178,538	131,995	3.0	4.1	4.6	5.1	3.5
1,099,290	89,356	4.5	9.3	6.1	31.6	2.4
<u>\$ 3,648,322</u>	<u>\$ 2,585,748</u>	<u>102.4 %</u>	<u>85.4 %</u>	<u>81.6 %</u>	<u>104.6 %</u>	<u>68.4 %</u>
<u>\$ (166,956)</u>	<u>\$ 1,195,759</u>	<u>(2.4) %</u>	<u>14.6 %</u>	<u>18.4 %</u>	<u>(4.6) %</u>	<u>31.6 %</u>
<u>\$ 78,297</u>	<u>\$ 128,691</u>					
\$ (88,659)	\$ 1,324,450					
<u>4,498,095</u>	<u>3,173,645</u>					
<u>\$ 4,409,436</u>	<u>\$ 4,498,095</u>					

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2016	2015	2019	2018	2017	2016	2015
\$ 2,840,785	\$ 2,625,069	97.4 %	98.4 %	98.3 %	99.1 %	99.0 %
17,745	17,581	0.6	0.7	1.2	0.6	0.7
8,500	7,466	2.0	0.9	0.5	0.3	0.3
28	160					
<u>\$ 2,867,058</u>	<u>\$ 2,650,276</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 73,143	\$ 211,741	2.7 %	2.6 %	2.8 %	2.6 %	8.0 %
2,150,000	1,415,000	80.2	79.9	77.7	75.0	53.4
638,089	611,619	21.3	23.4	24.5	22.3	23.1
	299,065					11.3
<u>\$ 2,861,232</u>	<u>\$ 2,537,425</u>	<u>104.2 %</u>	<u>105.9 %</u>	<u>105.0 %</u>	<u>99.9 %</u>	<u>95.8 %</u>
\$ 5,826	\$ 112,851	(4.2) %	(5.9) %	(5.0) %	0.1 %	4.2 %
\$ 122,100	\$ 9,265,000					
	(9,191,451)					
	226,148					
<u>\$ 122,100</u>	<u>\$ 299,697</u>					
\$ 127,926	\$ 412,548					
3,850,565	3,438,017					
<u>\$ 3,978,491</u>	<u>\$ 3,850,565</u>					
2,277	2,244					
2,135	2,233					

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 367
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
MARCH 31, 2019

Consultants:	<u>Date Hired</u>	<u>Fees for the year ended March 31, 2019</u>	<u>Title</u>
Allen Boone Humphries Robinson LLP	07/26/03	\$ 149,765	General Counsel
McCall Gibson Swedlund Barfoot PLLC	08/05/98	\$ 16,000	Auditor
Municipal Accounts & Consulting, L.P.	03/02/05	\$ 35,285	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, LP	03/04/98	\$ 3,605	Delinquent Tax Attorney
Costello, Inc.	08/11/97	\$ 92,924	Engineer
Masterson Advisors LLC	05/09/18	\$ -0-	Financial Advisor
Mark Burton and Ghia Lewis	02/01/06	\$ -0-	Investment Officers
Municipal Operations & Consulting	10/19/12	\$ 291,118	Operator
Tax Tech, Inc.	01/08/08	\$ 37,935	Tax Assessor/ Collector

See accompanying independent auditor's report.