

MINUTES OF MEETING OF BOARD OF DIRECTORS
July 8, 2014

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 162

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 162 (the "District") met in regular session, open to the public, at the offices of Norton Rose Fulbright, 1301 McKinney, Houston, Texas, on July 8, 2014 at 2:00 p.m.; whereupon the roll was called of the members of the Board, to-wit:

Mike Odell, President
John Parrish, Vice President
Steve Rickelman, Treasurer
Penny Johnson, Secretary
Susan McClure, Assistant Secretary

All members of the Board were present, except Director Johnson. Also attending all or parts of the meeting were Ms. Patty Rodriguez of Bob Leared Interests ("BLI"), tax assessor and collector for the District; Ms. Lori Buckner of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Chris Hoffman of H2O Consulting ("H2O"), operator of the District's facilities; Mr. Jonathan St. Romain of Brown & Gay Engineers, Inc. ("BGE"), engineers for the District; and Ms. Jana Cogburn and Ms. Helen Hau of Fulbright & Jaworski LLP ("F&J"), attorneys for the District.

The President called the meeting to order in accordance with notice posted pursuant to law, copies of Certificates of Posting of which are attached hereto as Exhibit "A," and the following business was transacted:

1. Approve Minutes. Consideration was given to the approval of the minutes of the regular meeting of June 10, 2014 and the special meeting of June 23, 2014, copies of which were previously distributed to the Board. Upon motion by Director Rickelman, seconded by Director McClure, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of June 10, 2014 and the special meeting of June 23, 2014, as presented.

2. Review Bookkeeper's Report and authorize payment of bills. Ms. Buckner presented to and reviewed with the Board the Bookkeeper's Report, the Investment Report, the Operating Budget, the Cash Flow Comparison and the Energy Usage Report, copies of which are attached hereto as Exhibit "B." Upon motion by Director Rickelman, seconded by Director McClure, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, to authorize payment of check nos. 4340 through 4356 from the Operating Account, each in the amounts, to the persons, and for the purposes described in the Bookkeeper's Report, and to approve the Investment Report.

3. Review report by Tax Assessor and Collector's Report and authorize payment of certain bills. Ms. Rodriguez presented to and reviewed with the Board the Tax Assessor and Collector's Report, a copy of which is attached hereto as Exhibit "C." Ms. Rodriguez stated that the District has collected 98.6% of its 2013 taxes. Upon motion by Director

Parrish, seconded by Director Rickelman, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Tax Assessor and Collector's Report and to authorize payment of check nos. 1001 through 1006 from the Tax Account in the amounts, to the persons, and for the purposes described in the Tax Assessor and Collector's Report.

4. Review and approve Operations Report and authorize repairs. Mr. Hoffman presented to and reviewed with the Board the Operations Report for the month of June 2014, a copy of which is attached hereto as Exhibit "D." Mr. Hoffman reported that the District pumped 314,000 gallons of water and purchased 12,454,000 gallons of water from the West Harris County Regional Water Authority during the last period and that H2O accounted for 93.66% of the water pumped and purchased by the District during the last period.

Mr. Hoffman reported that the annual generator maintenance and load test and fuel filtering at the water plant were completed at a final cost of \$1,537.01.

Mr. Hoffman reported that H2O repaired the well conduit at a final cost of \$1,097.50.

Mr. Hoffman reported that the pressure recorder at the water plant is not operational and recommended replacing the unit. Upon motion by Director Rickelman, seconded by Director McClure, after full discussion and the question being put to the Board, the Board voted unanimously to authorize replacement of the pressure recorder at the water plant at an estimated cost of \$2,500.00.

Mr. Hoffman reported that H2O is scheduling phase D cleaning and televising of the sanitary sewer lines in Middlegate Village at an estimated cost of \$20,000.00.

Mr. Hoffman reported that the Texas Commission on Environmental Quality ("TCEQ") has delivered ten lead and copper sample bottles and that the TCEQ requires that the District establish ten collection sites and ten alternate sites. Discussion ensued.

5. Review Engineer's Report. Mr. St. Romain presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "E." Mr. St. Romain reported that there are no updates regarding the Water Plant Driveway.

Mr. St. Romain reported on the Sanitary Sewer Cleaning and Televising at Middlegate Village and stated that Phase A is complete. Mr. St. Romain reported that BGE will move forward with Phase B review once Source Point has completed televising.

6. Authorize advertising for bids for Middlegate Village rehabilitation project. It was the consensus of the Board to defer action on this item until a later meeting.

7. Discuss and take any necessary action in connection with WaterLogic Smart Water Technology. Director Rickelman discussed options and potential future District projects in connection with water conservation efforts. Mr. Hoffman discussed HCMUD No. 208's Landscape Irrigation Audit Program. Mr. St. Romain noted that North Fort Bend County has taken a similar approach and adopted the W.I.S.E. Guys program, a conservation program aimed at reducing the amount of water wasted through inefficient irrigation. Discussion ensued.

8. Discuss and take any necessary action in connection with the D.L. Merritt & Associates fraud questionnaire. It was noted that D.L. Merritt & Associates merged with McCall Gibson Swedlund Barfoot PLLC ("MGSB"). The Board reviewed the MGSB fraud questionnaire, a copy of which is attached hereto as Exhibit "F." Discussion ensued. It was the consensus of the Board that no action was necessary on this item.

9. Discuss CJOB meeting. Director Odell reported that CJOB authorized NTS to repair Sludge Pump No. 3 Gear Drive and to replace Lift Pump No. 1. Director Odell reported that there was extensive discussion on the Operations Building.

10. Review District Website. Director McClure noted that several of the minutes on the District's website are minutes for other districts. Ms. Hau agreed to coordinate with the website administrator to correct the website.

11. Other matters. It was the consensus of the Board to hold the August meeting at H2O.

THERE BEING NO FURTHER BUSINESS to come before the Board, the meeting was adjourned.

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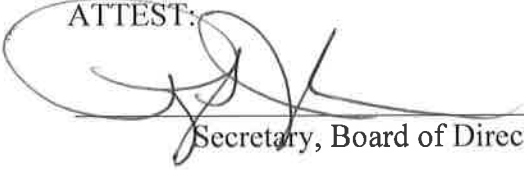
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The foregoing minutes were passed and approved by the Board of Directors on
August 12, 2014.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

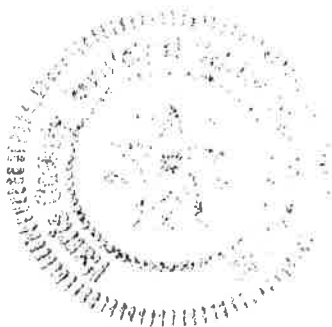
OR
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 162
1301 MCKINNEY, 51ST FLOOR
HOUSTON, TEXAS 77010

NOTICE

In accordance with chapter 551, Texas Government Code, and Section 49.063, Texas Water Code, both as amended, take notice that the Board of Directors of Harris County Municipal Utility District No. 162 will meet in regular session, open to the public, at the offices of Norton Rose Fulbright, 1301 McKinney, Houston, Harris County, Texas, at 2:00 p.m. on Tuesday, July 8, 2014. At such meeting, the Board will consider the following: *ell*

1. Approve minutes of the regular meeting of June 10, 2014 and the special meeting of June 23, 2014;
2. Review Bookkeeper's Report and authorize payment of bills;
3. Review report by Tax Assessor and Collector and authorize payment of certain bills;
4. Review and approve Operations Report and authorize repairs;
5. Review Engineer's Report;
(a) Update Water Plant Driveway Repair;
6. Authorize advertising for bids for Middlegate Village rehabilitation project;
7. Discuss and take any necessary action in connection with WaterLogic Smart Water Technology;
8. Discuss and take any necessary action in connection with the D.L. Merritt & Associates fraud questionnaire;
9. Discuss Copperfield Joint Operations Board "CJOB" meeting;
10. Review District Website;

and such other matters as may properly come before it.



FULBRIGHT & JAWORSKI L.L.P.
ATTORNEYS FOR THE DISTRICT

By: *Jan B. Cooper*

Jan B. Cooper
COUNTY CLERK
HARRIS COUNTY TEXAS

2014 JUL - 1 PM 12:44

FILED

CERTIFICATE OF POSTING NOTICE
OF MEETING OF BOARD OF DIRECTORS

THE STATE OF TEXAS

§
§
§

COUNTY OF HARRIS

I hereby certify that at 12 P.M. on JULY 1, 2014, I posted the Notice of the Board of Directors of Harris County Municipal Utility District No. 162, a true copy of which is attached hereto, in the coffee bar of Fulbright & Jaworski LLP, 1301 McKinney, 47th floor, Houston, Texas, being a place convenient to the public in the administrative office of the District.

EXECUTED this 1 day of JULY 2014.


A handwritten signature in cursive script, appearing to read "J. J. G.", is written over a horizontal line.

CERTIFICATE OF POSTING NOTICE
OF MEETING OF BOARD OF DIRECTORS

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 162

I hereby certify that on July 3rd, 2014, I posted the
Notice of Meeting of the Board of Directors of Harris County Municipal Utility District No. 162, a
true copy of which is attached hereto, at a place convenient to the public at MUD 162 Water
Plant, 15403 Willow River, Houston, Texas, within said political subdivision, as required by law.

EXECUTED THIS 3 DAY OF JULY, 2014.





7/8/2014



CASH



23

1621 Milam, Third Floor
Houston, Texas 77002
713-759-1368 fax -1264

HARRIS COUNTY MUD #162

Summary for Cash Report of July 8, 2014

	Debt Service Fund	Capital Projects Fund	General Operating Fund	Collections Account Fund
PREVIOUS CASH BALANCE		0.00	85,947.08	7,709.36
CASH RECEIPTS		0.00	15,503.12	59,582.03
INTEREST		0.00	13.08	0.00
TRANSFERS		0.00	62,000.00	0.00
DISBURSEMENTS		0.00	(74,965.94)	(62,000.00)
ENDING CASH BALANCE		0.00	88,497.34	5,291.39
PREVIOUS INVESTMENTS	190,877.04	48,177.24	1,633,479.58	
DEPOSITS	0.00	0.00	0.00	
INTEREST	31.18	0.00	704.29	
TRANSFERS	(10.00)	0.00	(10.00)	
ENDING INVESTMENTS	190,898.22	48,177.24	1,634,173.87	
CURRENT BALANCE	190,898.22	48,177.24	1,722,671.21	5,291.39

148%
of expected expenses of expected expenses

EXHIBIT "B"



Myrtle Cruz, Inc.

1621 Milam, 3rd Floor . Houston, Tx 77002-8017 . (713)759-1368 . fax 759-1264 . email first_last@mcruz.com

HARRIS CO MUD #162

Cash Report for Meeting of July 8th, 2014

DEBT SERVICE FUND (023BF) : NO CHECKING ACCT

Previous cash balance, June 10th, 2014 0.00

DEMAND DEPOSIT INVESTMENTS:

Compass Bank; #2514455123..... 189,669.10

previous balance 189,647.92

05/01 interest 31.18

05/15 service charge 10.00-

TexPool; 78539-25659-00001..... 1,229.12

previous balance 1,229.12

previous investments 190,877.04

interest 31.18

withdrawals < 10.00 >

ending investments 190,898.22

DEBT SERVICE FUNDS AVAILABLE July 8th, 2014

\$190,898.22

Debt Service Requirements 2014

	Int	3/1	Prin	Int	9/1	Prin
1998R	2,071.88		85,000.00	--		--
2012R	20,650.00		--	20,650.00		135,000.00
	22,721.88		85,000.00	20,650.00		135,000.00
Total due for 2014			\$263,371.88			

HARRIS CO MUD #162

Cash Report for Meeting of July 8th, 2014 Page : 2

CAPITAL PROJECTS (023CA) : COMPASS BANK 70508 :)

Previous cash balance, June 10th, 2014 0.00

DEMAND DEPOSIT INVESTMENTS:

Compass Bank; 73072..... 46,676.13

previous balance 46,676.13

Texpool 78539 25659 00003..... 1,501.11

previous balance 1,501.11

previous investments 48,177.24

ending investments 48,177.24

CAPITAL PROJECTS FUNDS AVAILABLE July 8th, 2014 \$48,177.24

HARRIS CO MUD #162

Cash Report for Meeting of July 8th, 2014 Page : 3

GENERAL OPERATING (0230P) : COMPASS BANK 70490 (:

Previous cash balance, June 10th, 2014	85,947.08
plus: 05/01 interest.....	13.08
plus: 06/12 maint tax ck 1079.....	1,209.26
plus: 06/24 HC186 water purch Apr.....	437.90
plus: 06/24 City of Houston SPA Mar.....	5,815.46
plus: HC208 water purch Apr/May.....	681.50
plus: 07/02 Void ck 4333 H2O Consulting replaced by ck 4340.....	7,359.00
plus: 07/08 trf from Central.....	62,000.00

Total Deposits :	77,516.20
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less: 05/15 service charge.....	10.00
less: 06/24 City of Houston SPA returned.....	5,815.46

less checks completed at or after last meeting :

4288 MidAmerican Energy; 15403 Willow River.....	1,895.94
4319 MidAmerican Energy; 15403 Willow River holding for inv.....	0.00
4320 AT&T; 281-550-6429.....	91.10
4336 Fulbright & Jaworski; legal inv 11459541.....	3,681.92
4337 Centerpoint Energy; 15403 Willow River.....	26.08
4338 MidAmerican Energy; 15403 Willow River holding for inv.....	0.00
4339 AT&T; 281-550-6429.....	91.10
4340 H2O Consulting Inc; May op/rm inv 162-3674.....	9,658.36
6332 operator's fees	3,426.72
6350 postage	714.87
6340 office expenses	478.76
6332 operator's fees	320.00
6332 admin	342.86
6342 chemicals-general	350.65
6324 laboratory expenses	300.00
6135 r&m water plant	2,475.05
6135 r&m water distr	1,154.45
6135 r&m meter replace	95.00

Beginning cash balance, July 8th, 2014	142,193.32
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less checks to be presented at this meeting :

4341 Michael Odell; 6/10 director fees.....	389.58
6310 director fees	150.00
6514 payroll taxes	34.42-
6310 6/23 budget mtg	150.00
6310 06/11 CJOB	150.00
6514 payroll taxes	26.00-
4342 John Parrish; 6/23/14 director fee.....	138.53
6310 6/23 Budget mtg	150.00
6514 payroll taxes	11.47-
4343 Stephen Rickelman; 6/10 director fees.....	1,177.91
6310 previous regular mtg	150.00
6514 payroll taxes	57.38-
6310 6/23 budget mtg	150.00
6310 AWBD Conference (3)	450.00
6354 AWBD Expenses	485.29
4344 Penny Johnson; 6/10 director fee.....	277.05
6310 previous regular mtg	150.00
6514 payroll taxes	22.95-
6310 6/23 budget mtg	150.00
4345 Susan McClure; 6/10 director fee.....	1,740.47
6310 previous regular mtg	150.00
6514 payroll taxes	57.37-
6310 6/23 budget mtg	150.00
6354 travel expense	1,047.84
6354 AWBD summer conf	450.00
4346 Myrtle Cruz Inc; May 2014 bookkeeping.....	1,724.11
6333 bookkeeping exp	1,500.00

(4)

HARRIS CO MUD #162

Cash Report for Meeting of July 8th, 2014 Page : 4

6340 office expenses	224.11	
4347 Copperfield Joint Operations; May share.....		10,854.00
4348 H2O Consulting Inc; June operations/r&m 162-3707.....		12,319.53
6332 operator's fees	3,661.72	
6350 postage	757.08	
6340 office expenses	651.89	
6332 operator-other fees	320.00	
6342 chemicals	347.28	
6324 laboratory expenses	529.22	
6135 r&m - water plant	4,826.34	
6135 r&m - water distrib.	876.00	
6235 r&m - sewer collect.	350.00	
4349 West Harris Co Reg Wtr Auth; June assessment.....		24,179.80
6328 reg wtr auth assessm	29,240.80	
1181 cap-credit \$5,061	5,061.00-	
4350 AWBD; Conference inv 146388.....		275.00
6354 McClure winter 15	275.00	
4351 Arbitrage Compliance Specialists; #1011462 Ser 2012.....		620.00
4352 Fulbright & Jaworski; legal services.....		
4353 Brown & Gay Engineers; 514154 legal thru 5/10.....		
4354 CenterPoint Energy; @ 15403 willow River.....		
4355 MidAmerican Energy; 15403 willow River.....		
4356 A T & T; @ 281-550-6429.....		
previous cash balance	85,947.08	
7 receipts	77,516.20	
16 current checks	< 53,695.98 >	
other disbursements	< 21,269.96 >	
ending cash balance		88,497.34

TIME DEPOSIT INVESTMENTS:

Icon Bank; dated 2/10/14 due 8/11/14 @ .32 %.....	240,807.94
Plains State Bank; 5/13/14 due 11/13/14 @ .40%.....	240,000.00
Independent Bank formerly BOH; 06/15/14 due 12/15/14 @ .40%.	240,475.93
previous balance	240,000.00
interest earned	475.93
Texan Bank; 5/14/14 due 5/15/15 @ .60%.....	99,000.00

DEMAND DEPOSIT INVESTMENTS:

Compass Bank; #43836.....	601,475.61
balance last report	601,331.37
05/01 Interest	154.24
05/15 service charge	10.00-
Texpool; 78539-25659-00002.....	5,075.52
previous balance	5,075.52
Spirit of Texas MM 7002262.....	207,338.87
previous balance	207,264.75
05/26 interest	74.12
previous investments	1,633,479.58
interest	704.29
withdrawals	< 10.00 >
ending investments	1,634,173.87

GENERAL OPERATING FUNDS AVAILABLE July 8th, 2014

\$1,722,671.21

(5)

HARRIS CO MUD #162

Cash Report for Meeting of July 8th, 2014 Page : 5

COLLECTIONS ACCOUNT (0230Q) : CENTRAL BANK 3290551

Previous cash balance, June 10th, 2014					7,709.36
plus: 1150: water & sewer revenue.....					33,793.64
plus: 2161: customer meter deposits.....					915.00
plus: 4300: reg wtr auth revenue.....					23,756.31
plus: 4330: penalties & interest-svc accts.....					1,117.08
				Total Deposits :	59,582.03
less: 07/08 trfr to op.....					62,000.00
Beginning cash balance, July 8th, 2014					5,291.39
05/01-06/30	previous cash balance			7,709.36	
	76 receipts			59,582.03	
	other disbursements	<		62,000.00	>
	ending cash balance				5,291.39
COLLECTIONS ACCOUNT FUNDS AVAILABLE July 8th, 2014					<u><u>\$5,291.39</u></u>

60

HARRIS COUNTY M.U.D. # 162

Operating Budget for Fiscal Year Ending 7/31/2014

Comparison as of July 8, 2014

Recap of Revenues and Expenditures

						11 months
REVENUES	MTD Actual	MTD Budget	Annual Budget	YTD Actual	YTD Budget	dollar variance
Water and Sewer	36,030.12	33,333.33	400,000	422,541.58	366,666.67	55,874.91
Water Revenue	16,393.15	16,666.67	200,000	217,789.60	183,333.33	34,456.27
Sewer Revenue	17,400.49	14,583.33	175,000	168,725.64	160,416.67	8,308.97
Penalty & Interest	1,117.08	1,250.00	15,000	16,975.69	13,750.00	3,225.69
Bulk Water Sales	1,119.40	750.00	9,000	18,140.65	8,250.00	9,890.65
Tap Connection Fees	0.00	0.00	0	0.00	0.00	0.00
Facility / Sewer Inspects	0.00	83.33	1,000	910.00	916.67	(6.67)
Other Revenue	30,743.94	67,977.67	815,732	840,747.66	747,754.33	92,993.33
Maintenance Tax	1,209.26	33,333.33	400,000	460,435.54	366,666.67	93,768.87
Interest Income	717.37	250.00	3,000	5,305.26	2,750.00	2,555.26
Xfer from Capital Projects	0.00	0.00	0	0.00	0.00	0.00
WHCRWA Revenue	23,756.31	26,000.00	312,000	262,847.07	286,000.00	(23,152.93)
WHCRWA Capital Credits	5,061.00	5,061.00	60,732	60,732.00	55,671.00	5,061.00
Miscellaneous *	0.00	3,333.33	40,000	51,427.79	36,666.67	14,761.12
TOTAL REVENUES	66,774.06	101,311.00	1,215,732	1,263,289.24	1,114,421.00	148,868.24

EXPENDITURES	MTD Actual	MTD Budget	Annual Budget	YTD Actual	YTD Budget	dollar variance
District Management	4,618.54	3,983.33	59,350	32,795.45	55,366.67	22,571.22
District Consultants	9,163.64	11,937.50	151,750	141,160.59	139,812.50	(1,348.09)
District Operations	53,080.30	69,554.17	834,650	642,432.63	765,095.83	122,663.20
Special Projects	0.00	9,833.33	118,000	37,154.50	108,166.67	71,012.17
TOTAL EXPENDITURES	66,862.48	95,308.33	1,163,750	853,543.17	1,068,441.67	214,898.50

SURPLUS OR (DEFICIT) (88.42) 6,002.67 51,982.00 409,746.07 45,979.33

() indicates an unfavorable variance

Beginning Balance	1,727,136.02	1,312,851.53
Net Surplus or (Deficit)	(88.42)	409,746.07
Deposits Received	915.00	11,615.00
Deposits Refunded	0.00	(6,250.00)
Ending Balance	<u>1,727,962.60</u>	<u>1,727,962.60</u>
Cash Report Balance	1,727,962.60	
Customer Deposits	<u>57,290.00</u>	Customer Deposits on file as of 6/9/2014
Cash Available	<u>1,670,672.60</u>	

* SPA

Operating acct 1,722,671.21
Collections acct 5,291.39
1,727,962.60

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HARRIS COUNTY M.U.D. # 162

Operating Budget for Fiscal Year Ending 7/31/2014

Comparison as of July 8, 2014

Breakout of Expenditures

	Revised 2/10/14			11 months		
	MTD	MTD	Annual	YTD	YTD	dollar
	Actual	Budget	Budget	Actual	Budget	variance
EXPENDITURES						
DISTRICT MANAGEMENT	4,618.54	3,983.33	59,350	32,795.45	55,366.67	22,571.22
Director Fees	2,400.00	1,916.67	23,000	12,600.00	21,083.33	8,483.33
Director Payroll Taxes	-209.59	150.00	1,800	1,297.30	1,650.00	352.70
Election Expense	0.00	916.67	11,000	452.00	10,083.33	9,631.33
Publish Legal Notices	0.00	83.33	1,000	0.00	916.67	916.67
Travel Expenses/Registration	1,808.13	916.67	11,000	4,824.85	10,083.33	5,258.48
Membership Dues	0.00	0.00	550	910.00	550.00	(360.00)
Insurance & Bonds	620.00	0.00	11,000	12,711.30	11,000.00	(1,711.30)
DISTRICT CONSULTANTS	9,163.64	11,937.50	151,750.00	141,160.59	139,812.50	(1,348.09)
Legal Fees	3,681.92	3,333.33	40,000	37,965.63	36,666.67	(1,298.96)
Legal - General	3,681.92	3,333.33	40,000	37,965.63	36,666.67	(1,298.96)
Legal - Special	0.00	0.00	0	0.00	0.00	0.00
Auditing Fees	0.00	0.00	8,500	8,700.00	8,500.00	(200.00)
Engineering Fees	0.00	3,333.33	40,000	31,200.55	36,666.67	5,466.12
Engineering - General	0.00	2,500.00	30,000	23,560.29	27,500.00	3,939.71
Engineering - Special	0.00	833.33	10,000	7,640.26	9,166.67	1,526.41
Financial Advisor Fees	0.00	0.00	0	0.00	0.00	0.00
Bookkeeper Fees	1,500.00	1,333.33	16,000	15,545.46	14,666.67	(878.79)
Operator	3,981.72	3,937.50	47,250	47,748.95	43,312.50	(4,436.45)
Operator Fees - General	3,981.72	3,937.50	47,250	47,748.95	43,312.50	(4,436.45)
Operator Fees - Special	0.00	0.00	0	0.00	0.00	0.00
DISTRICT OPERATIONS	53,080.30	69,554.17	834,650	642,432.63	765,095.83	122,663.20
Repairs and Maintenance	8,351.70	19,625.00	235,500	133,855.80	215,875.00	82,019.20
R&M - Water Plant	7,125.70	6,250.00	75,000	37,172.27	68,750.00	31,577.73
R&M - Water Distribution	876.00	9,000.00	108,000	74,526.36	99,000.00	24,473.64
R&M - Wastewater Collection	350.00	3,208.33	38,500	7,154.77	35,291.67	28,136.90
R&M - General	0.00	1,166.67	14,000	15,002.40	12,833.33	(2,169.07)
Bulk Water Purchased	0.00	83.33	1,000	0.00	916.67	916.67
Sewer Service Purchased	10,854.00	15,833.33	190,000	123,696.34	174,166.67	50,470.33
Lab Fees	529.22	625.00	7,500	6,406.46	6,875.00	468.54
Chemicals	347.28	333.33	4,000	5,593.24	3,666.67	(1,926.57)
Utilities	2,104.22	2,333.33	28,000	22,537.15	25,666.67	3,129.52
Permits & Assessments	0.00	483.33	5,800	7,462.23	5,316.67	(2,145.56)
Cost of Taps & Inspections	0.00	83.33	1,000	0.00	916.67	916.67
Office Expense	1,653.08	625.00	7,500	10,452.49	6,875.00	(3,577.49)
Postage	0.00	737.50	8,850	8,510.32	8,112.50	(397.82)
Water Conservation	0.00	208.33	2,500	0.00	2,291.67	2,291.67
Miscellaneous	0.00	208.33	2,500	756.83	2,291.67	1,534.84
Surface Water Fees	29,240.80	28,375.00	340,500	323,161.77	312,125.00	(11,036.77)
SPECIAL PROJECTS	0.00	9,833.33	118,000	37,154.50	108,166.67	71,012.17
Ammonia Analyzer	0.00	4,166.67	50,000	0.00	45,833.33	45,833.33
SS Clean/tlv	0.00	2,333.33	28,000	37,154.50	25,666.67	(11,487.83)
Reserve for Anticipated Cap Exp	0.00	3,333.33	40,000	0.00	36,666.67	36,666.67
TOTAL EXPENDITURES	66,862.48	95,308.33	1,163,750	853,543.17	1,068,441.67	214,898.50

	9/10/13	10/6/13	11/12/13	12/10/13	1/14/14	2/10/14	3/11/14	04/08/14	05/19/14	06/10/14	07/02/14	Totals
REVENUES:												
WATER & SEWER REVENUE	40,344.54	30,050.77	42,129.19	84,672.50	66,700.65	37,565.69	34,422.05	(10,781.99)	30,231.43	31,171.66	35,030.12	422,541.58
Water Revenue	23,948.94	12,704.46	21,645.34	56,857.99	46,369.49	21,484.54	16,555.95	(26,184.61)	13,624.77	14,374.27	16,393.15	217,774.39
Sewer Revenue	14,085.13	14,985.14	17,335.71	16,054.80	16,010.28	14,806.05	14,705.95	13,465.71	14,943.40	14,928.19	17,400.49	168,740.65
Penalty & Interest	1,449.64	1,292.37	1,959.44	2,035.06	1,963.18	1,275.05	1,512.15	1,629.51	1,663.26	1,099.00	1,117.08	16,976.65
Bulk Water Sales	440.80	1,078.90	1,168.70	9,234.65	2,357.70	0.00	1,653.00	307.40	0.00	780.20	1,119.40	18,140.65
Tap Connection Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inspections	420.00	0.00	0.00	490.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	910.00
OTHER REVENUE	41,741.89	44,237.47	49,367.96	59,407.78	42,336.71	336,042.33	138,089.11	22,054.53	43,387.20	33,338.74	30,743.94	840,747.66
Maintenance Tax	2,929.12	0.00	17,593.86	17,593.86	11,702.71	299,305.88	109,809.68	0.00	13,875.72	2,731.65	1,209.26	460,435.54
Interest Income	591.51	169.24	166.56	165.98	2,061.10	170.88	567.46	213.55	222.73	258.78	717.37	5,305.26
Xfer from Capital Projects	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WHCRWA Revenue	27,999.48	34,076.37	36,381.02	31,805.02	23,511.90	17,389.29	18,299.61	15,090.26	15,640.93	16,896.88	23,756.51	262,847.07
WHCRWA Capital Credits	5,061.00	5,061.00	5,061.00	5,061.00	5,061.00	10,122.00	5,061.00	5,061.00	5,061.00	5,061.00	5,061.00	60,732.00
Miscellaneous	5,180.78	4,930.86	4,481.92	4,781.92	0.00	9,054.18	4,351.36	1,689.72	8,596.82	8,390.23	0.00	51,427.79
TOTAL REVENUES	82,086.40	74,288.24	91,497.15	144,080.28	109,037.36	373,608.02	172,516.16	11,272.54	70,618.63	64,510.40	66,774.06	1,263,299.24
EXPENDITURES:												
Director Fees	900.00	1,350.00	1,350.00	1,050.00	900.00	1,500.00	600.00	600.00	600.00	1,350.00	2,400.00	0.00
Director Payroll Taxes	-68.86	761.03	-115.28	-107.31	532.85	-114.74	424.13	-45.89	(45.81)	286.87	(209.59)	1,297.30
Election Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	452.00	0.00	0.00	0.00	452.00
Publish Legal Notices	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travel Expenses/Registration	0.00	891.81	331.30	0.00	28.18	28.00	1,206.43	28.00	28.00	475.00	1,808.13	4,824.85
Membership Dues	0.00	0.00	0.00	565.00	0.00	345.00	0.00	0.00	0.00	0.00	620.00	910.00
Insurance & Bonds	0.00	7,730.00	-450.00	2,611.30	1,250.00	3,123.10	2,417.05	950.00	2,973.00	0.00	3,691.92	12,711.30
Legal Fees	0.00	3,265.40	0.00	8,614.40	7,526.30	3,123.10	2,417.05	0.00	2,973.00	6,364.46	3,691.92	37,965.63
General Legal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Special Legal	0.00	0.00	0.00	8,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,700.00
Auditing Fees	0.00	0.00	0.00	5,040.51	4,138.21	5,076.23	1,450.34	1,071.90	2,620.53	874.67	0.00	28,040.61
Engineering Fees	0.00	9,218.56	0.00	3,990.87	4,138.21	1,950.09	0.00	546.86	1,990.69	0.00	0.00	23,560.29
General Engineering	0.00	9,218.56	0.00	3,990.87	4,138.21	1,950.09	0.00	546.86	1,990.69	0.00	0.00	7,640.26
Special Engineering	0.00	0.00	0.00	1,649.64	0.00	3,126.14	1,709.60	525.04	629.84	0.00	0.00	0.00
Financial Advisor Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bookkeeper Fees	1,500.00	1,500.00	1,500.00	0.00	1,500.00	1,500.00	1,870.46	1,500.00	1,675.00	1,500.00	1,500.00	15,545.46
Operator	3,983.58	4,611.91	3,958.25	4,160.35	3,092.87	6,284.63	4,052.83	3,875.55	4,249.68	4,089.58	3,981.72	46,341.95
General Operator	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Special Operator	3,983.58	4,611.91	3,958.25	4,160.35	3,092.87	6,284.63	4,052.83	3,875.55	4,249.68	4,089.58	3,981.72	46,341.95
Repairs and Maintenance	5,459.42	7,716.37	10,349.61	21,695.60	9,367.25	19,501.65	7,242.20	8,954.10	40,891.76	-1,448.76	8,351.70	138,090.60
R&M - Water Plant	1,872.72	3,657.09	4,862.09	3,635.51	1,730.90	7,128.71	2,540.98	2,540.98	1,157.81	175.69	7,125.70	37,172.27
R&M - Water Distribution	1,884.86	1,986.06	5,901.64	6,771.52	5,896.60	4,945.94	2,577.72	5,074.40	8,551.87	28,409.45	876.00	72,816.36
R&M - Wastewater Collection	576.64	1,973.22	0.00	529.25	794.75	1,482.00	0.00	1,338.71	110.00	0.00	350.00	7,154.77
R&M - General	1,135.00	100.00	965.00	10,759.22	1,005.00	5,945.00	0.00	0.00	31,072.08	-30,033.90	0.00	20,947.40
Bulk Water Purchased	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sewer Service Purchased	12,503.50	10,978.84	10,854.00	10,854.00	10,854.00	10,854.00	10,854.00	10,854.00	10,854.00	10,854.00	10,854.00	120,868.34
Lab Fees	650.20	110.40	435.07	685.15	402.40	805.63	553.74	924.05	1,010.60	300.00	629.22	6,406.46
Chemicals	1,195.17	349.45	638.60	349.45	349.45	1,146.29	866.90	0.00	0.00	350.65	347.28	5,593.24
Utilities	4,101.21	179.17	4,677.49	5,538.05	1,924.18	2,092.01	1,893.70	1,840.57	1,933.32	0.00	2,104.22	22,537.15
Permits & Assessments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,482.23
Cost of Taps & Inspections	713.89	734.07	759.80	667.98	891.55	1,600.43	726.21	1,015.53	967.40	722.55	1,653.08	10,452.49
Office Expense	642.66	800.12	730.53	826.93	781.18	1,651.61	805.43	854.61	702.18	0.00	0.00	8,510.32
Postage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water Conservation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	766.83
Miscellaneous	-0.03	73.00	73.00	25.00	0.00	168.00	27,406.86	7,215.60	78.00	-34,280.60	0.00	29,240.80
Surface Water Fees	37,989.40	44,137.60	34,456.50	26,830.70	20,846.10	35,139.40	17,303.50	20,087.30	27,335.77	28,992.70	0.00	323,161.77
Ammonia Analyzer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SS Cleanly	0.00	64,085.40	-64,085.40	0.00	0.00	0.00	0.00	0.00	0.00	37,154.50	0.00	37,154.50
Res for Anticlip Cap Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Surplus/(Deficit)	12,706.06	(84,104.89)	86,033.68	44,106.67	43,031.95	282,886.78	91,132.78	(48,996.78)	(22,232.70)	5,177.94	(88.42)	409,746.07
Customer Deposits	1,325.00	1,650.00	1,150.00	625.00	475.00	625.00	750.00	1,750.00	1,675.00	675.00	915.00	11,615.00
Customer Deposits Refunds	-810.00	-625.00	-995.00	-175.00	-175.00	-450.00	-1035.00	-300.00	-1,665.00	0	0	-6,250
Due To / (From) CA												0.00
Cash balance at F/YE	1,326,072.59	1,242,992.70	1,329,181.38	1,373,740.05	1,417,072.00	1,700,133.78	1,790,981.56	1,743,525.78	1,721,283.08	1,727,136.02	1,727,962.60	1,727,962.60
\$1,312,891.53												

6

HARRIS COUNTY M.U.D. # 162

ADOPTED Operating Budget for Fiscal Year Ending 7/31/15

	11 months						
	Current Budget	YTD Actual	YTD Budget	Projected Actual	PROPOSED Budget	Change	Board Approved Change
REVENUES							
Water and Sewer	400,000	469,442.28	366,666.67	517,235.29	456,000	1,000	466,000
Water Revenue	200,000	217,789.60	183,333.33	237,588.65	200,000	0	200,000
Sewer Revenue	175,000	168,725.64	160,416.67	184,064.33	175,000	0	175,000
Penalty & Interest	15,000	16,975.69	13,750.00	18,518.93	15,000	0	15,000
Bulk Water Sales	9,000	18,140.65	8,250.00	19,789.80	10,000	1,000	20,000
SPA Revenue	0	46,900.70	0.00	56,280.84	55,000	0	55,000
Taps Connection Fees	0	0.00	0.00	0.00	0	0	0
Facility / Sewer Inspects	1,000	910.00	916.67	992.73	1,000	0	1,000
Other Revenue	815,732	793,846.96	747,754.33	824,157.09	877,232	61,500	847,232
Maintenance Tax	400,000	460,435.54	366,666.67	460,435.54	400,000	0	460,000
Interest Income	3,000	5,305.26	2,750.00	5,787.56	3,000	0	3,000
Transfer from Capital Projects	0	0.00	0.00	0.00	90,000	90,000	0
WHCRWA Surcharge	312,000	262,847.07	286,000.00	286,742.26	318,500	6,500	318,500
WHCRWA Capital Credits	60,732	60,732.00	55,671.00	66,253.09	60,732	0	60,732
Miscellaneous	40,000	4,527.09	36,666.67	4,938.64	5,000	-35,000	5,000
TOTAL REVENUES	1,215,732	1,263,289.24	1,114,421.00	1,341,392.38	1,333,232	62,500	1,313,232
	Current Budget	YTD Actual	YTD Budget	Projected Actual	PROPOSED Budget	Change	ADOPTED Budget
EXPENDITURES							
DISTRICT MANAGEMENT	59,350	32,795.45	55,366.67	34,538.55	59,350	0	49,800
Director Fees	23,000	12,600.00	21,083.33	13,745.45	23,000	0	23,000
Payroll Taxes	1,800	1,297.30	1,650.00	1,415.24	1,800	0	1,800
Election Expense	11,000	452.00	10,083.33	493.09	11,000	0	0
Publish Legal Notices	1,000	0.00	916.67	0.00	1,000	0	1,000
Travel Expenses/Registration	11,000	4,824.85	10,083.33	5,263.47	11,000	0	11,000
Membership Dues	550	910.00	550.00	910.00	550	0	1,000
Insurance & Bonds	11,000	12,711.30	11,000.00	12,711.30	11,000	0	12,000
DISTRICT CONSULTANTS	151,750.00	141,160.59	139,812.50	153,202.46	157,000	5,250	147,300
Legal Fees	40,000	37,965.63	36,666.67	41,417.05	40,000	0	40,000
Legal - General	40,000	37,965.63	36,666.67	41,417.05	40,000	0	40,000
Legal - Special	0	0.00	0.00	0.00	0	0	0
Auditing Fees	8,500	8,700.00	8,500.00	8,700.00	8,500	0	8,800
Engineering Fees	40,000	31,200.55	36,666.67	34,036.96	40,000	0	30,000
Engineering - General	30,000	23,560.29	27,500.00	25,702.13	30,000	0	30,000
Engineering - Special	10,000	7,640.26	9,166.67	8,334.83	10,000	0	0
Financial Advisor Fees	0	0.00	0.00	0.00	0	0	0
Bookkeeper Fees	16,000	15,545.46	14,666.67	16,958.68	16,000	0	16,000
Operator	47,250	47,748.95	43,312.50	52,089.76	52,500	5,250	52,500
Operator Fees - General	47,250	47,748.95	43,312.50	52,089.76	52,500	5,250	52,500
Operator Fees - Special	0	0.00	0.00	0.00	0	0	0
DISTRICT OPERATIONS	834,650	642,432.63	765,095.83	697,929.44	822,900	-11,750	822,900
Repairs and Maintenance	235,500	133,855.80	215,875.00	146,024.51	228,000	-7,500	228,000
R&M - Water Plant	75,000	37,172.27	68,750.00	40,551.57	66,000	-9,000	66,000
R&M - Water Distribution	108,000	74,526.36	99,000.00	81,301.48	106,000	-2,000	106,000
R&M - Wastewater Collection	38,500	7,154.77	35,291.67	7,805.20	42,000	3,500	42,000
R&M - General	14,000	15,002.40	12,833.33	16,366.25	14,000	0	14,000
Bulk Water Purchased	1,000	0.00	916.67	0.00	1,000	0	1,000
Sewer Service Purchased	190,000	123,696.34	174,166.67	134,941.46	155,000	-35,000	155,000
Lab Fees	7,500	6,406.46	6,875.00	6,988.87	10,000	2,500	10,000
Chemicals	4,000	5,593.24	3,666.67	6,101.72	4,000	0	4,000
Utilities	28,000	22,537.15	25,666.67	24,585.98	28,000	0	28,000
Permits & Assessments	5,800	7,462.23	5,316.67	5,234.46	7,500	1,700	7,500
Cost of Taps & Inspections	1,000	0.00	916.67	0.00	1,000	0	1,000
Office Expense	7,500	10,452.49	6,875.00	11,402.72	9,500	2,000	9,500
Postage	8,850	8,510.32	8,112.50	9,283.99	9,400	550	9,400
Water Conservation	2,500	0.00	2,291.67	0.00	2,500	0	2,500
Miscellaneous	2,500	756.83	2,291.67	825.63	2,500	0	2,500
Surface Water Fees	340,500	323,161.77	312,125.00	352,540.11	364,500	24,000	364,500
SPECIAL PROJECTS	78,000	37,154.50	71,500.00	40,532.18	90,000	12,000	264,000
Ammonia analyzer	50,000	0.00	45,833.33	0.00	50,000	0	50,000
Sewer line cleaning/ televising	28,000	37,154.50	25,666.67	40,532.18	40,000	12,000	42,500
Middlegate Sanitary Rehab	0	0.00	0.00	0.00	0	0	0
Engineering	0	0.00	0.00	0.00	0	0	25,000
Construction	0	0.00	0.00	0.00	0	0	120,000
Driveway	40,000	0.00	36,666.67	0.00	0	-40,000	26,500
TOTAL EXPENDITURES	1,123,750	853,543.17	1,031,775.00	926,202.64	1,129,250	5,500	1,284,000
SURPLUS OR (DEFICIT)	91,982	409,746	82,646	415,190	203,982	57,000	29,232

Long Term Projects 1 to 3 Yrs

Phased sewer line rehab in Middlegate and Southdown

Est Cost: 300,000

Overhaul of Electrical Control System

Est Cost: 725,000

Internal painting of GST's

Exterior of plant painted 2010

Est Cost: 150,000

GST #1 interior painted 2001

Current Balance-Capital Projects

48,177.24

Current General Operating

1,719,426.00

Approximately 1 1/2 year reserve

#10

7200

HARRIS COUNTY MUD #162
Director Per Diems Fiscal Year August 2013-July 2014

MEETING	Ck #	<u>Susan McClure</u>	Ck #	<u>Michael Odell</u>	Ck #	<u>Stephen Rickelman</u>	Ck #	<u>Penny Johnson</u>	Ck #	<u>John Parrish</u>
9/10/2013	4098	150.00	4099	300.00	4097	150.00	4096	150.00	4095	150.00
10/8/2013	4123	300.00	4124	300.00	4122	300.00	4121	300.00	4120	150.00
11/12/2013	4151	450.00	4152	300.00	4150	300.00	4149	150.00	4148	150.00
12/10/2013	4177	150.00	4178	450.00	4176	150.00	4175	150.00	4174	150.00
1/14/2014	4200	150.00	4201	300.00	4199	150.00	4198	150.00	4197	150.00
2/10/2014	4219	600.00	4220	150.00	4218	450.00	4217	150.00	4216	150.00
2/10/2014	4219	-600.00								
2/10/2014	4238	450.00								
3/11/2014	4241	150.00	4242	300.00			4240	150.00	4239	150.00
4/8/2014	4271	150.00			4269	150.00	4270	150.00	4268	150.00
5/13/2014	4293	150.00	4294	150.00	4291	150.00	4292	150.00		
6/10/2014	4321	150.00	4324	150.00	4322	150.00	4328	150.00	4326	150.00
	4329	150.00	4325	300.00	4327	150.00				
7/8/2014	4345	750.00	4341	450.00	4343.00	750.00	4344	300.00	4342	150.00
Total Paid to Date		3,150.00	3,150.00		2,850.00		1,950.00		1,500.00	
REMAINING AMOUNT THRU JULY 31, 2014		4,050.00	4,050.00		4,350.00		5,250.00		5,700.00	

ENERGY REPORT 2013-2014

YTD TOTAL

6/29-9/30	9/30-10/29	10/29-11/26	11/27-1/2	1/2-1/31	1/31-3/3	3-3-4/1	4/1-5/1		
15,744	11,136	8,792	13,056	10,752	10,368	0,024	17,328		91,200

\$2,087.63	\$1,762.45	\$1,716.04	\$1,974.50	\$1,763.67	\$1,811.55	\$1,726.21	\$1,885.94
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YTD TOTAL

9/4-10/1	10/1-10/20	10/30-11/25	11/25-12/31	12/31-2/4	2/4-3/5/14	3/5-4/3	4/3-5/5	5/5-6/4
5	11	12	25	17	12	7	20	12
								121

\$20.70	\$24.86	\$25.56	\$40.14	\$29.77	\$29.02	\$24.91	\$31.97	\$26.08
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\$2,108.33	\$1,787.31	\$1,741.60	\$2,014.64	\$1,793.44	\$1,840.57	\$1,761.12	\$1,927.91	\$26.08	\$0.00	\$0.00	\$0.00	\$14,991.00
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INVESTMENT REPORT, AUTHORIZATION AND REVIEW

Report for
HARRIS COUNTY MUD #162

Prepared for the reporting period ("Period") from

6/1/2014

to

6/30/2014

(13)

Demand Deposit Accounts	Rate	Begin Value for Period	Interest earned this period	Deposits or (Withdrawals)	Ending Value for Period
fund Money Market Savings					
DS Compass Bank	0.20%	189,647.92	31.18	(10.00)	189,669.10
CA Compass Bank	0.20%	46,676.13	0.00	0.00	46,676.13
OA Compass Bank	0.20%	601,721.51	154.24	(400.14)	601,475.61
OA Spirit of Texas	0.60%	207,264.75	74.12	0.00	207,338.87
	0.28%	1,045,310.31	259.54	-410.14	1,045,159.71

Investment Pools		Rate	Beginning Value for Period		Interest earned this period	Deposits or (Withdrawals)	Ending Value for Period		
fund			Book	N.A.V.	Market		Book	N.A.V.	Market
DS Texpool	0.0244%		1,229.12	1.00005	1,229.18	0.00	1,229.12	1.00005	1,229.18
CA Texpool	0.0244%		1,501.11	1.00005	1,501.19	0.00	1,501.11	1.00005	1,501.19
OP Texpool	0.0244%		5,075.47	1.00005	5,075.72	0.03	5,075.50	1.00005	5,075.75
	0.0244%		7,805.70		7,806.09	0.03	7,805.73		7,806.12

Certificates of Deposits	Purchase Value	Term in Days	Begin Value for Period	Interest accrued this period	Deposits or (Withdrawals)	Ending Value for Period	Date of Purchase	Date of Maturity
OA Icon Bank	240,807.94	182	241,042.28	63.34	0.00	241,105.62	02/10/14	08/11/14
OA Independent Bank/BOH	240,000.00	181	240,425.69	50.25	(240,475.93)	0.00	12/17/13	06/16/14
OA Independent Bank/BOH	240,475.93	183	0.00	42.17	240,475.93	240,518.10	06/15/14	12/15/14
OA Plains State Bank	240,000.00	184	240,049.97	78.90	0.00	240,128.88	05/13/14	11/13/14
OA Texan Bank	99,000.00	366	99,029.29	48.82	0.00	99,078.12	05/14/14	05/15/15
	0.3992%	1,060,283.87	820,547.24	283.53	0.00	836,442.17		137

total investments

0.3311%

1,068,089.57

366

1,873,663.64

543.10

-410.14

1,889,407.61

wam:

61

Compliance Statement.

The investments (reported on above) for the Period are in compliance with the investment strategy expressed in the District's Investment Policy and the Public Funds Investment Act.

Review.

This report and the District's Investment Policy are submitted to the Board for its review and to make any changes thereto as determined by the Board to be necessary and prudent for the management of District funds.

Signatures.

Myrtle Cruz, Inc. Invest.xls version 2.4

Investment Officer

(please sign & date)

Myrtle Cruz
Bookkeeper (Myrtle Cruz, Inc.)

Deposit / Collateral Report by District

HARRIS COUNTY MUD 162

Tax ID - Pledge: 742058283-20081

1st. Consultant: MCI-MYRTLE CRUZ, INC.

2nd. Consultant:

BBVA Compass Bank

Pledge Date: 06/02/2014

Accounts Through: 5/30/2014 10:00 PM

Memo Posts Through: NO MEMO POSTS

Deposits

Interest Account

Acct No	Funds Type	Class	Balance	Interest	Total
0000043836	Interest Account		\$601,865.75	\$0.00	\$601,865.75
0000070490	Interest Account		\$103,104.96	\$0.00	\$103,104.96
0000073072	Interest Account		\$46,676.13	\$0.00	\$46,676.13
Subtotal	Interest Account		\$751,646.84	\$0.00	\$751,646.84

Bond Fund

Acct No	Funds Type	Class	Balance	Interest	Total
2514455123	Bond Fund		\$189,669.10	\$0.00	\$189,669.10
Subtotal	Bond Fund		\$189,669.10	\$0.00	\$189,669.10

Total Deposits			\$941,315.94	\$0.00	\$941,315.94
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Securities

Agency	Custodian	CUSIP	Maturity Date	Date Pledged	Units Pledged	Market Value
FHLMC	FHLB-A	31300L2Z7	01/01/2043	03/04/2014 03:02 PM	200,000	\$175,053.19
FHLMC	FHLB-A	31300L5H4	01/01/2043	04/02/2013 11:04 AM	100,000	\$78,480.68
FHLMC	FHLB-A	3137ATVQ2	09/15/2042	06/05/2013 11:58 AM	100,000	\$96,685.79
FNMA	FHLB-A	31410ERR1	07/01/2036	02/10/2010 02:52 PM	1,000,000	\$55,455.27
FNMA	FHLB-A	31410GQ55	05/01/2033	02/13/2012 03:14 PM	575,000	\$80,091.51
FNMA	FHLB-A	3138MHUV3	11/01/2042	01/13/2014 02:35 PM	525,000	\$435,567.82
FNMA	FHLB-A	3138EKYB5	02/01/2043	02/10/2014 03:11 PM	150,000	\$133,982.78
Total Securities Pledged					2,650,000	\$1,055,317.04

Deposit / Collateral Report by District

DEPOSIT / COLLATERAL POSITION CALCULATION

Subtotal Interest Deposits	\$751,646.84
Subtotal Non-Interest Deposits	\$0.00
Subtotal Bond Fund Deposits	\$189,669.10
<hr/>	
TOTAL DEPOSITS	\$941,315.94
LESS APPLICABLE FDIC	
Subtotal Interest Deposits	\$250,000.00
Subtotal Non-Interest Deposits	\$0.00
Subtotal Bond Fund Deposits	\$189,669.10
<hr/>	
Deposits Requiring Collateral	\$501,646.84
TOTAL SECURITIES PLEDGED	\$1,055,317.04
DEPOSIT COLLATERAL POSITION - 100%	\$553,670.20
DEPOSIT COLLATERAL POSITION - 105%	\$528,587.85
<hr/>	
	210%

TAX COLLECTOR'S OATH

Harris Co. MUD #1623

STATE OF TEXAS

COUNTY OF Harris }

BOB LEARED, BEING duly sworn, states that he is the Tax Collector for the above named taxing unit and that the foregoing contains a true and correct report, accounting for all taxes collected on behalf of said taxing unit during the month therein stated.

Bob Leared

BOB LEARED

SWORN TO AND SUBSCRIBED BEFORE ME, this 1st day of July 2014.

Michelle Guerrero
NOTARY PUBLIC, STATE OF TEXAS

(SEAL)



Submitted to Taxing Unit's Governing Body on _____.

EXHIBIT "C"

My dear Sir,
I have the honor to acknowledge the receipt of your letter of the 10th inst. in relation to the above matter, and in reply to inform you that the same has been forwarded to the proper authorities for their consideration.

Yours faithfully,
J. M. Smith

To the Hon. the Secretary of the Treasury,
Washington, D. C.

Enclosed for the Secretary of the Treasury are two copies of the report of the Committee on the subject of the proposed amendment to the Constitution of the United States, which was adopted by the House of Representatives on the 10th inst.



THOMAS L. SMITH

HARRIS COUNTY M.U.D. #162
TAX ASSESSOR/COLLECTOR'S REPORT

6/30/2014

Taxes Receivable: 8/31/2013	\$	29,518.87	
Reserve for Uncollectables	(6,952.03)	
Adjustments	(<u>661.95</u>)	\$ <u>21,904.89</u>
Original 2013 Tax Levy	\$	681,659.96	
Adjustments		<u>37,103.43</u>	<u>718,763.39</u>
Total Taxes Receivable	\$		740,668.28
Prior Years Taxes Collected	\$	6,018.05	
2013 Taxes Collected (98.6%)		<u>708,973.73</u>	<u>714,991.78</u>
Taxes Receivable at: 6/30/2014	\$		<u>25,676.50</u>

2013 Receivables:

Debt Service	3,456.19
Maintenance	6,333.47

bob leared interests

11111 Katy Freeway, Suite 725
Houston, Texas 77079-2197

Phone: (713) 932-9011
Fax: (713) 932-1150

HARRIS COUNTY M.U.D. #162

	<u>Month of</u> <u>6/2014</u>	<u>Fiscal to Date</u> <u>8/01/2013 - 6/30/2014</u>
Beginning Cash Balance	\$ 44,484.60	37,688.91
 Receipts:		
Current & Prior Years Taxes	6,044.66	713,366.75
Penalty & Interest	970.19	4,151.85
Additional Collection Penalty	47.85	855.01
Stale Dated Checks		6.25
Overpayments		1,369.15
Void Checks		504.19
Refund - due to adjustments	861.75	3,764.21
Rendition Penalty		244.02
Transfer Online Payments		27,000.00
 TOTAL RECEIPTS	 \$ 7,924.45	 751,261.43
 Disbursements:		
Atty's Fees, Delq. collection		1,070.47
CAD Quarterly Assessment	1,320.00	5,461.00
Publications, Legal Notice		850.90
Refund - due to adjustments	283.25	1,982.73
Refund - due to overpayments		1,879.59
Tax A/C Bond Premium		250.00
Transfer to Debt Service Fund		230,000.00
Transfer to General Fund	1,209.26	460,435.54
Tax Assessor/Collector Fee	901.20	10,004.20
Transfer Online Payments		27,000.00
Rendition Penalty		11.23
Postage	10.90	500.94
Audit Preparation		200.00
Records Maintenance		90.00
Copies		369.00
Envelopes		5.55
Parking Expense		31.00
Mileage Expense		123.75
 TOTAL DISBURSEMENTS	 (\$ 3,724.61)	 (740,265.90)
 CASH BALANCE AT: 6/30/2014	 \$ <u>48,684.44</u>	 <u>48,684.44</u>

HARRIS COUNTY M.U.D. #162

Disbursements for month of July, 2014

Check #	Payee	Description	Amount
1001	P,B,F,C & M, LLP	Atty's Fees, Delq. collection	\$ 220.36
1002	MacDonald Highway 6 #2 LTD	Refund - due to adjustments	720.13
1003	O Brien Cynthia L	Refund - due to adjustments	141.62
1004	Copperfield Athletic Corp	Refund - due to adjustments	1,202.97
1004	HC MUD 162/Transfer Online Pym	Transfer Online Payments	15,000.00
1005	General Fund	Transfer to General Fund	4,249.29
1006	Bob Leared	Tax Assessor/Collector Fee	956.90
TOTAL DISBURSEMENTS			\$ 22,491.27
Remaining Cash Balance			\$ <u>26,193.17</u>

Wells Fargo Bank, N.A.

HARRIS COUNTY M.U.D. #162

HISTORICAL COLLECTIONS DATA

Year	Collections Month Of 6/2014	Adjustments To Collections 6/2014	Total Tax Collections at 6/30/2014	Total Taxes Receivable at 6/30/2014	Collection Percentage
2013	6,709.76	141.62-	708,973.73	9,789.66	98.638
2012		720.13-	708,806.14	4,608.47	99.354
2011	196.65		707,855.67	5,023.59	99.295
2010			708,360.85	2,243.47	99.684
2009			720,355.89	1,275.64	99.823
2008			750,601.83	786.81	99.895
2007			768,887.90	847.36	99.890
2006			738,327.54	815.14	99.890
2005			739,070.14	286.36	99.961
2004			733,836.18		100.000
2003			727,064.34		100.000
2002			759,801.68		100.000
2001			626,578.74		100.000
2000			587,181.92		100.000
1999			574,662.62		100.000
1998			567,386.02		100.000
1997			593,037.78		100.000
1996			594,244.49		100.000
1995			590,562.88		100.000
1994			643,955.41		100.000
1993			667,976.67		100.000
1992			638,693.45		100.000
1991			631,459.50		100.000
1990			594,813.28		100.000
1989			590,119.99		100.000
1988			391,390.39		100.000
1987			376,780.50		100.000
1986			419,732.30		100.000
1985			433,458.50		100.000
1984			592,891.67		100.000
1983			468,616.61		100.000
1982			314,533.45		100.000
1981			207,509.76		100.000
1980			116,831.12		100.000
1979			46,185.04		100.000

(Percentage of collections same period last year 97.920)

HARRIS COUNTY M.U.D. #162

HISTORICAL TAX DATA

Year	Taxable Value	SR/CR	Tax Rate	Adjustments	Reserve for Uncollectibles	Adjusted Levy
2013	126,877,877	00/10	.566500	37,103.43		718,763.39
2012	125,933,701	00/21	.566500	61,348.51		713,414.61
2011	125,839,209	00/31	.566500	53,209.47		712,879.26
2010	126,893,627	07/42	.560000	89,938.05		710,604.32
2009	128,890,756	06/54	.560000	109,380.22	156.79	721,631.53
2008	134,232,728	18/66	.560000	107,136.63	314.63	751,388.64
2007	130,657,682	23/61	.590000	100,894.10	1,145.15	769,735.26
2006	125,422,895	29/72	.590000	54,517.88	852.41	739,142.68
2005	123,384,903	20/53	.600000	21,138.02	952.92	739,356.50
2004	122,356,970	07/24	.600000	36,979.14	305.64	733,836.18
2003	121,254,410	07/21	.600000	60,950.40	462.12	727,064.34
2002	114,296,870	07/22	.665000	23,892.88	274.58	759,801.68
2001	111,900,380	06/39	.560000	42,466.06	63.39	626,578.74
2000	104,858,400	00/21	.560000	19,876.85	25.09	587,181.92
1999	97,402,530	00/00	.590000	20,641.30	12.39	574,662.62
1998	96,182,970	00/00	.590000	21,310.05	93.58	567,386.02
1997	95,676,440	00/00	.620000	14,869.55	156.18	593,037.78
1996	95,885,210	00/00	.620000	12,887.56	243.78	594,244.49
1995	95,308,100	00/00	.620000	9,420.93	347.38	590,562.88
1994	92,081,070	00/00	.700000	7,049.07	612.08	643,955.41
1993	91,548,720	00/00	.730000	21,355.71	329.01	667,976.67
1992	85,207,300	00/00	.750000	17,805.21	361.59	638,693.45
1991	84,208,740	00/00	.750000	9,596.02	106.36	631,459.50
1990	79,326,660	00/00	.750000	13,523.11	136.96	594,813.28
1989	78,854,250	00/00	.750000	15,750.33		590,119.99
1988	75,372,520	00/00	.520000	6,807.02		391,390.39
1987	75,495,490	00/00	.500000	6,979.65		376,780.50
1986	84,264,770	00/00	.500000	12,247.05		419,732.30
1985	86,726,700	00/00	.500000	6,805.10		433,458.50
1984	84,767,970	00/00	.700000	124,206.53		592,891.67
1983	66,945,230	00/00	.700000	1,595.23		468,616.61
1982	44,933,350	00/00	.700000			314,533.45
1981	25,938,720	00/00	.800000	206.56		207,509.76
1980	14,603,890	00/00	.800000	267.60		116,831.12
1979	5,773,130	00/00	.800000	62.40		46,185.04

HARRIS COUNTY M.U.D. #162

TAX RATE COMPONENTS

Year	Debt Service Rate	Debt Service Levy	Maintenance Rate	Maintenance Levy
2013	.200000	253,755.82	.366500	465,007.57
2012	.200000	251,867.46	.366500	461,547.15
2011	.210000	264,262.42	.356500	448,616.84
2010	.250000	317,234.09	.310000	393,370.23
2009	.260000	335,043.20	.300000	386,588.33
2008	.370000	496,453.22	.190000	254,935.42
2007	.400000	521,854.41	.190000	247,880.85
2006	.460000	576,280.72	.130000	162,861.96
2005	.480000	591,485.20	.120000	147,871.30
2004	.480000	587,068.94	.120000	146,767.24
2003	.500000	605,886.93	.100000	121,177.41
2002	.565000	645,545.82	.100000	114,255.86
2001	.460000	514,689.70	.100000	111,889.04
2000	.510000	534,754.97	.050000	52,426.95
1999	.540000	525,962.38	.050000	48,700.24
1998	.540000	519,302.44	.050000	48,083.58
1997	.570000	545,212.13	.050000	47,825.65
1996	.570000	546,321.52	.050000	47,922.97
1995	.570000	542,936.82	.050000	47,626.06
1994	.650000	597,958.58	.050000	45,996.83
1993	.680000	622,224.81	.050000	45,751.86
1992	.700000	596,113.87	.050000	42,579.58
1991	.700000	589,362.18	.050000	42,097.32
1990	.700000	555,159.04	.050000	39,654.24
1989	.700000	550,778.64	.050000	39,341.35
1988	.470000	353,756.72	.050000	37,633.67
1987	.450000	339,102.45	.050000	37,678.05
1986	.450000	377,759.07	.050000	41,973.23
1985	.500000	433,458.50		
1984	.700000	592,891.67		
1983	.700000	468,616.61		
1982	.700000	314,533.45		
1981	.800000	207,509.76		
1980	.800000	116,831.12		
1979	.800000	46,185.04		

HARRIS COUNTY M.U.D. #162

Notes:

- \$ 861.75 - REPORTED AS TAXES COLLECTED ON PRIOR REPORTS. TRANSFERRED TO REFUNDS DUE TO ADJ# 10, 2013 TAXES AND ADJ# 21, 2012 TAXES. VARIOUS ACCOUNTS.
- \$ 1,202.97 - REPORTED AS REFUNDS DUE TO ADJ ON 04/14 REPORT. REFUND ON HOLD PENDING PAYMENT OF 2013 TAXES. OK TO RELEASE REFUND 2009 & 2012 TAXES, ACCT# 0301-000-0010
- \$ 15,000.00 - TRANSFER ONLINE PAYMENTS VIA CHECK TO AVOID WIRE TRANSFER FEES. BANK OF TX TO WELLS FARGO

HARRIS COUNTY M.U.D. #162

Tax Exemptions:	2013	2012	2011
Homestead	.000	.000	.000
Over 65	25,000	25,000	25,000
Disabled	25,000	25,000	25,000

Last Bond Premium Paid:

Payee	Date of Check	Amount
Harco Insurance Services	10/03/2013	250.00
11/1/13-11/1/16		

Adjustment Summary:	2013	
10/2013	/ CORR 002	30,842.22
11/2013	/ CORR 003	6,952.75
12/2013	/ CORR 004	406.49
1/2014	/ CORR 005	537.68-
2/2014	/ CORR 006	58.21
3/2014	/ CORR 007	78.99
4/2014	/ CORR 008	268.28-
5/2014	/ CORR 009	287.65-
6/2014	/ CORR 010	141.62-
TOTAL		37,103.43

HARRIS COUNTY M.U.D. #162
Homestead Payment Plans

<u>Account no.</u>	<u>Property Owner</u>	<u>Tax</u> <u>Year</u>	<u>Last</u> <u>Payment</u> <u>Amount</u>	<u>Last</u> <u>Payment</u> <u>Date</u>	<u>Balance</u> <u>Due</u>
(A) 0201-013-0140	JOHNSON ARTHUR LEE SR	2010	383.00	03/31/14	960.83
		2013	383.00	06/04/14	10.07
(A) 0301-017-0080	GOSHORN LILY & DANIEL	2011	325.00	06/19/14	1,122.54

*Total Count 2

(I) - BLI Contract (A) - Delinquent Attorney Contract

HARRIS COUNTY M.U.D. #162

Top Delinquent Taxpayers

7/02/14 (Maximum of 30)

Code	Description
B	Bankrupt
C	Payment Contract
D	Deferred Over 65
S	Suit Pending
P	Partial Payment
Q	Quarter Payments
L	CAD Law Suit
H	Homestead Contract

Taxpayer	2013	Prior Years	This Month Totals
PERSONAL			
S SANDCASTLE MONTESSORI ACA 15226 WEST RD 77095	360.54	590.72	951.26
FHCO 08303 HIGHWAY 6 N 77095	63.90	125.86	189.76
DEBBY FAY MCCOLLUM 08319 CLOVER GARDENS DR	40.36	44.85	85.21
SAND CASTLE MONTESSORI AC 15226 WEST RD 77095	20.32		20.32
EROSION SOLUTIONS 07802 PINE FALLS DR 7709	2.93	3.25	6.18
AMERICAN LIMOS AND SEDANS		411.10	411.10
JES'US BARBERS 15050 WEST RD 77095		15.26	15.26
RJL ENTERPRISES INC 07534 CLUB LAKE DR 77095		5.10	5.10
*	488.05	1,196.14	1,684.19
RESIDENTIAL			
AVALOS DAVID & DEANNA L 7627 CREEK GLEN DR 77095	1,021.28		1,021.28
H GOSHORN LILY & DANIEL 7702 CLUB LAKE DR 77095	855.42	1,514.19	2,369.61
ROSENBERG RICHARD & DEEAN 7614 RIVER GARDEN DR 770	793.10		793.10
RENDON MARK 8303 TOWN CREEK DR 77095	788.42		788.42
S GREEN MARVIN 8302 TOWN CREEK DR 77095	787.30	1,574.60	2,361.90
HOLLIDAY GREGORY S 7518 RIVER GARDEN DR 770	750.61		750.61
BERROSPE PHILIP & MARIA L 8407 FORESTSIDE LN 77095	719.84		719.84
D RAVIN JESSE L & ALICE 8111 TOWN CREEK DR 77095	565.95	2,364.26	2,930.21
D PHILLIPS THOMAS W 8207 SILENT CEDARS DR 77	548.33	5,130.54	5,678.87
VONBADEN GREGORY & LANNA 15330 MEADOW VILLAGE DR	526.85		526.85
D BACHEMIN GLORIA	513.50	534.21	1,047.71

HARRIS COUNTY M.U.D. #162

Top Delinquent Taxpayers

7/02/14 (Maximum of 30)

Code	Description
B	Bankrupt
C	Payment Contract
D	Deferred Over 65
S	Suit Pending
P	Partial Payment
Q	Quarter Payments
L	CAD Law Suit
H	Homestead Contract

Taxpayer	2013	Prior Years	This Month Totals
15302 QUIET CREEK DR 770			
D BEALE JUDITH G	494.67	981.58	1,476.25
8503 ROSE MANOR DR 77095			
PARKER ERIC G & TERESA	478.61		478.61
15531 MEADOW VILLAGE DR			
D RABORN DONALD W & THORA G	450.12		450.12
15327 PEBBLE LAKE DR 770			
H JOHNSON ARTHUR LEE SR	7.11	1,914.15	1,921.26
8134 SILENT CEDARS DR 77			
BLANKENSHIP SHARON K	.50		.50
7538 CLUB LAKE DR 77095			
BURROW RONALD C		677.17	677.17
15418 WINDY COVE DR 7709			
*	9,301.61	14,690.70	23,992.31
Report Totals	9,789.66	15,886.84	25,676.50
Total delinquent	9,789.66	15,886.84	25,676.50



5870 Highway 6 North, Suite 215
Houston, Texas 77084
Tel : 281 861-6215
Fax : 281 861-6218

HARRIS COUNTY M.U.D. No. 162
OPERATIONS REPORT
June-14

WATER PLANT SUMMARY

		<u>June-14</u>	<u>HGCSO YTD</u>
Produced from Well	2.46%	314,000 gal	2,467,000 gal
Purchased from WHCRWA	97.54%	12,454,000 gal	54,073,000 gal
WHCRWA Allocated Withdrawal	12/1/13 to 11/30/14		180,000,000 gal
Amount Remaining on WHCRWA allocation			123,460,000 gal
Months Remaining on WHCRWA allocation			5 months

COMMENTS:

ACCOUNTABILITY SUMMARY

		<u>June-14</u>	<u>Last 13 Months</u>
Metered & Billed	5/30/2014 to 6/30/2014	Not Avail gal	See attached Spreadsheet
Amount Used to Maintain System		Not Avail gal	
STP usage		Not Avail gal	
Amount Produced From Well	5/30/2014 to 6/30/2014	314,000 gal	
Water Purchased - WHCRWA		12,987,000 gal	
Water Sold - MUD 208		- gal	
Water Sold - MUD 186	Monthly	Not Avail gal	
Water Sold - MUD 208	Monthly	Not Avail gal	
Percent Water Accountability		Not Avail	93.66%

Comments:

BUILDER DAMAGES

Current 30/60 Days 60/90 Days Over 90 Days

OPERATIONS EXPENSES

	<u>June-14</u>	<u>11 Months (FYTD)</u>
Operational Services	\$ 5,070.69	\$ 57,165.22
Customer Account Transfers	\$ 260.00	\$ 2,780.00
Terminations	\$ 60.00	\$ 2,300.00
Administrative Services	\$ -	\$ 3,721.18
Taps/Inspections	\$ -	\$ -
Temporary Meter Maintenance	\$ -	\$ -
Chemicals	\$ 347.28	\$ 4,398.07
Laboratory Expense	\$ 529.22	\$ 5,756.26
Water Plant Expense	\$ 4,826.34	\$ 35,299.55
Water Distribution Repairs	\$ 876.00	\$ 38,588.98
Meter Replacement	\$ -	\$ 9,975.00
Wastewater Collection Repairs	\$ 350.00	\$ 6,577.93
Special Projects	\$ -	\$ 3,866.18
TOTAL AMOUNT INVOICED	\$ 12,319.53	\$ 170,428.37

EXHIBIT "D"

**HARRIS COUNTY MUD No.162
WATER ACCOUNTABILITY REPORT
June-14**

Meter Reading Cycle		Metered (Thousand Gallons)						Water Sold (Thous. Gal.)						Maint. (K. Gal.)	Water Acct. (K. Gal.)	Well Pumpage (K. Gal.)	Water Purch. (Thous. Gal.)			Total Water Supplied	Percent Acct.
		Res.	Comm.	Park/Rec	Irrig	STP	Total	208	186	188	186	179	208				WHCROWA	186	208		
5/31/2013	6/28/2013	9521	1163	742	1101	22	12549	141	132	0	0	0	0	192	13014	368	13523	0	0	13891	93.69%
6/28/2013	7/31/2013	12442	1495	1080	1583	23	16623	152	217	0	0	0	0	24	17016	352	17793	0	0	18145	93.78%
7/31/2013	8/30/2013	11964	1708	1021	1459	23	16175	178	196	0	0	0	0	652	17401	790	17890	0	0	18680	93.15%
8/30/2013	9/30/2013	10422	1837	810	1240	19	14328	232	171	0	0	0	0	112	14843	404	15632	0	0	16036	92.56%
9/30/2013	10/30/2013	7109	1373	607	672	31	9792	118	146	0	0	0	549	70	10675	453	11052	0	0	11505	92.79%
10/30/2013	11/27/2013	6050	1125	345	468	23	8011	153	92	0	0	0	0	46	8302	360	8267	0	0	8627	96.23%
11/27/2014	12/31/2013	6170	1099	279	307	35	7890	117	87	0	0	0	0	25	8119	543	8070	0	0	8613	94.26%
12/31/2013	1/31/2014	5229	998	193	380	31	6831	106	121	0	0	0	0	155	7213	507	7285	0	0	7792	92.57%
1/31/2014	2/28/2014	4539	1356	286	473	35	6689	71	72	0	0	0	0	75	6907	315	6953	0	0	7268	95.03%
2/28/2014	3/31/2014	5485	1289	424	621	27	7846	56	69	0	0	0	0	102	8073	330	8378	0	0	8708	92.71%
3/31/2014	4/30/2014	7986	1525	590	836	36	10973	136	151	0	0	0	0	54	11314	532	11392	0	0	11924	94.88%
4/30/2014	5/30/2014	8525	1494	800	1056	30	11905	99	132	0	0	0	0	63	12199	388	12611	0	0	12999	93.85%
5/30/2014	6/30/2014	Not Available								0	0	0	0	24	24	314	12987	0	0	13301	
Total		86917	14968	6377	9140	305	117707	1460	1454	0	0	0	549	1707	122877	4954	126235	0	0	131189	93.66%

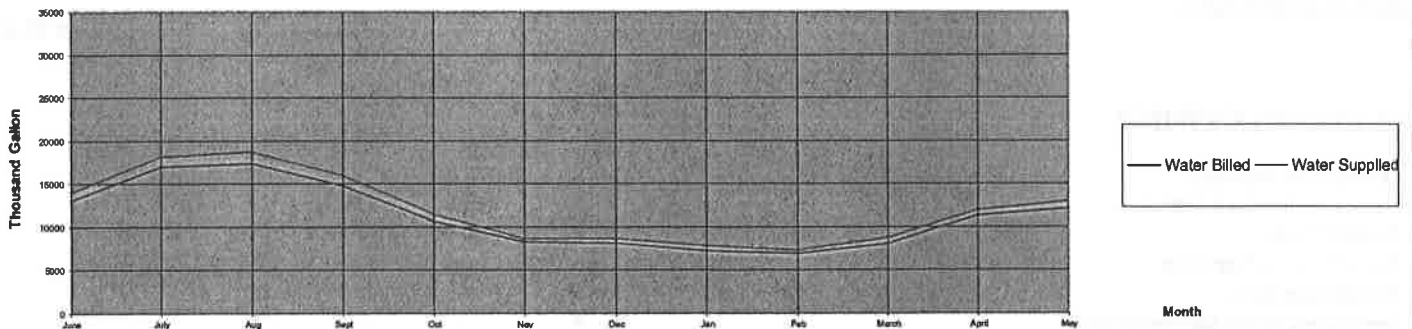
Approximately 800,000 gallons lost to main break

Meter Reading Cycle	WHCROWA billed to Customers	WHCROWA bill	WHCROWA Credit	Total
5/30/2013	\$ 26,793.30	\$ 29,718.45	\$ 5,061.00	\$ 2,135.85
6/28/2013	\$ 37,846.40	\$ 41,592.70	\$ 5,061.00	\$ 1,114.70
7/31/2013	\$ 36,599.90	\$ 42,648.00	\$ 5,061.00	\$ (987.10)
8/30/2013	\$ 32,903.80	\$ 36,721.20	\$ 5,061.00	\$ 1,243.60
9/30/2013	\$ 22,512.40	\$ 26,280.30	\$ 5,061.00	\$ 1,293.10
10/30/2013	\$ 18,420.70	\$ 19,698.10	\$ 5,061.00	\$ 3,783.60
11/27/2013	\$ 18,128.60	\$ 19,592.70	\$ 5,061.00	\$ 3,596.90
12/31/2013	\$ 15,695.20	\$ 17,718.80	\$ 5,061.00	\$ 3,037.40
1/31/2014	\$ 15,304.20	\$ 16,590.40	\$ 5,061.00	\$ 3,774.80
2/28/2014	\$ 18,013.60	\$ 19,896.40	\$ 5,061.00	\$ 3,178.20
3/31/2014	\$ 25,162.00	\$ 27,212.40	\$ 5,061.00	\$ 3,010.60
4/30/2014	\$ 27,328.60	\$ 27,212.40	\$ 5,061.00	\$ 5,177.20
5/30/2014	Not Avail	\$ 29,742.50	\$ 5,061.00	
TOTAL	\$ 294,508.70	\$ 354,624.35	\$ 65,793.00	\$ 5,677.35

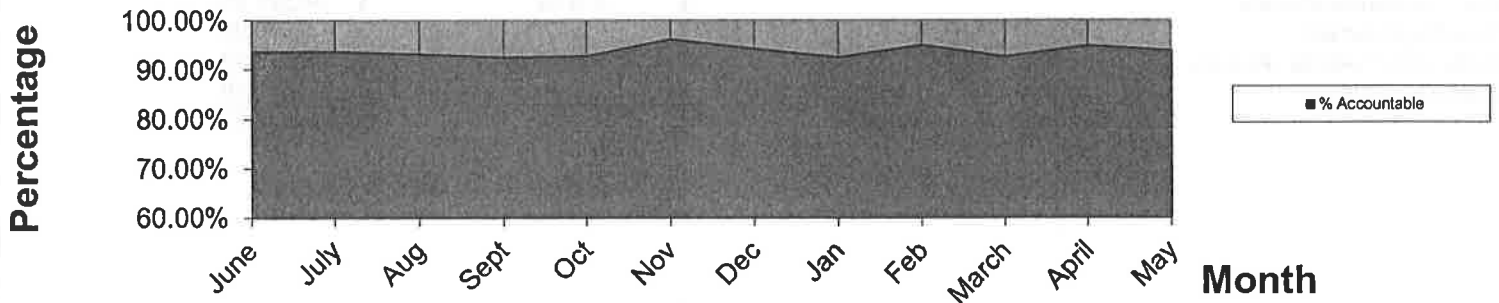
Current rate passed through to customers

\$2.30 /gal

Water Accountability



% Accountable



Water Sold

208 - Harris County MUD No 208
186 - Harris County MUD No 186
179 - Harris County MUD No 179
188 - Harris County MUD No 188

Unmetered
Unmetered
Metered
Metered

MAINTENANCE SUMMARY

June-14

Water Plant Maintenance

Generator Maintenance

Annual generator maintenance and load test is complete.

Final Cost \$ 1,537.01

Well Conduit

Repaired well conduit at well

Final Cost \$ 1,097.50

Pressure Recorder

Approval Needed

The pressure recorder at the water plant is not operational. We would recommend replacing the unit.

Estimated Cost \$2,500

Water Line Maintenance

No New Items to Report

Sewer Line Maintenance

Cleaning and Televising - Phase D

Approved 6/14

We are scheduling phase D cleaning and televising in Middlegate Village

Estimated Cost \$ 20,000.00

Administrative

Lead and Copper Sampling


Discussion

The TCEQ has delivered 10 lead and copper sample bottles for MUD 162. The TCEQ is requiring that the District establish 10 collection sites and 10 alternate sites.

ENGINEER'S REPORT

Date: July 8, 2014

To: Harris County MUD No. 162

From: 
Jonathan M. St. Romain, P.E.
District Engineer

5. Engineering matters:

a. Water Plant Driveway:

No update this month

b. Sanitary Sewer Cleaning and Televising at Middlegate Village

Phase A for Middlegate is complete. Will move forward with Phase B review once Source Point has completed televising.

c. Commercial development: No Action.

We will be happy to answer any questions.

McCALL GIBSON SWEDLUND BARFOOT PLLC

Certified Public Accountants

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June 10, 2014

Dear Board Member:

We will soon begin the audit field work for the audit of Harris County Municipal Utility District No. 162 for the fiscal year ending July 31, 2014. Auditing standards state that an auditor conducting an audit in accordance with auditing standards generally accepted in the United States of America (GAAS) is responsible for obtaining reasonable assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error. Due to the inherent limitations of an audit, an unavoidable risk exists that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with GAAS.

The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. It is important that management, with the oversight of those charged with governance, places a strong emphasis on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment. This involves a commitment to creating a culture of honesty and ethical behavior, which can be reinforced by active oversight by those charged with governance.

The distribution of this questionnaire to you will be documented in our planning process of this audit. Please answer the following questions with a **yes** or **no** answer. **We are not requiring that your responses be returned to us, however, should your answer to any of the questions warrant a call to the auditor, please contact our offices at the number referred to above.** Your response should include matters that existed up to the fiscal year end and through the date of the auditor's report. Your call and the information provided will be kept confidential.

Sincerely,



Noel W. Barfoot

NWB:jg

Member of
American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants

EXHIBIT "F"

Do you understand that there are risks of fraud within the District's Records, as there are within the records of any organization? _____

From your position as a Director of the District are you aware of any fraud or suspected fraud affecting the District? (if yes, call the auditor) _____

From your position as a Director of the District are you aware of any allegations of fraud or suspected fraud affecting the District from sources outside of the District's Management? (if yes, call the auditor) _____

To your knowledge, has the District's Management including consultants expressed an understanding of the risk of fraud in the District, including any specific fraud risks the entity has identified or account balances or classes of transactions for which a risk of fraud may be likely to exist? _____

To your knowledge, has the District's Management including consultants taken steps to mitigate the fraud risk or otherwise helped to prevent, deter, and detect fraud? (if no, call the auditor) _____

To your knowledge, is the District in compliance with the laws and regulations to which it is subject? (if no, call the auditor) _____

Do you from time to time communicate to the other Directors of the District and respective consultants of the District the importance of ethical behavior and the importance of following appropriate business practices? If no, would you agree that it is important for the District to follow ethical behavior in its business practices? (if no to the second question, please call the auditor) _____