OFFICIAL STATEMENT MARCH 17, 2021

IN THE OPINION OF SPECIAL TAX COUNSEL, BASED UPON AN ANALYSIS OF EXISTING LAWS, REGULATIONS, RULINGS AND COURT DECISIONS, AND ASSUMING, AMONG OTHER MATTERS, THE ACCURACY OF CERTAIN REPRESENTATIONS AND COMPLIANCE WITH CERTAIN COVENANTS, INTEREST ON THE BONDS IS EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES UNDER SECTION 103 OF THE INTERNAL REVENUE CODE OF 1986. IN THE FURTHER OPINION OF BOND COUNSEL, INTEREST ON THE BONDS IS NOT A SPECIFIC PREFERENCE ITEM FOR PURPOSES OF THE FEDERAL ALTERNATIVE MINIMUM TAX. BOND COUNSEL EXPRESSES NO OPINION REGARDING ANY OTHER TAX CONSEQUENCES RELATED TO THE OWNERSHIP OR DISPOSITION OF, OR THE AMOUNT, ACCRUAL OR RECEIPT OF INTEREST ON, THE BONDS. SEE "TAX MATTERS" HEREIN.

The District designated the Bonds as "Qualified Tax-Exempt Obligations" for financial institutions. See "TAX MATTERS – Qualified Tax-Exempt Obligations for Financial Institutions" herein.

NEW ISSUE—BOOK-ENTRY ONLY
CUSIP No. 414947

RATINGS: Underlying "Baa1" Moody's
Insured "A2" Moody's (stable outlook) / Insured "AA" (stable outlook) S&P
See "MUNICIPAL BOND RATING" and "BOND INSURANCE" herein

$7,915,000
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT No. 33
(A political subdivision of the State of Texas, located in Harris County, Texas)
UNLIMITED TAX REFUNDING BONDS
SERIES 2021

Dated: April 1, 2021 **Due: March 1 (as shown below)**

Interest on the Bonds (the "Bonds" or the "Series 2021 Refunding Bonds") will accrue from April 1, 2021, and will be payable on September 1 and March 1 of each year, commencing September 1, 2021. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. The initial Paying Agent/Registrar is Zions Bancorporation, National Association, Houston, Texas. See "THE BONDS."

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by Assured Guaranty Municipal Corp. ("AGM").

ASSURED GUARANTY MUNICIPAL

Principal Amount	Maturity	Interest Rate	Yield to Maturity(a)	Principal Amount	Maturity	Interest Rate	Yield to Maturity(a)
$40,000	2022	3.00%	0.26%	$410,000	2028	3.00%	1.15%
$225,000	2023	3.00%	0.34%	$445,000	2029	3.00%	1.30%
$360,000	2024	3.00%	0.55%	$445,000	2030 (b)	2.00%	1.54%
$365,000	2025	3.00%	0.72%	$295,000	2031 (b)	2.00%	1.72%
$370,000	2026	3.00%	0.88%	$320,000	2032 (b)	2.00%	1.79%
$400,000	2027	3.00%	1.00%				

$650,000 2.00% Term Bond Due March 1, 2034 to Yield 1.97% (a) (b) (c)
$705,000 2.00% Term Bond Due March 1, 2036 to Yield 2.15% (a) (b) (c)
$730,000 2.00% Term Bond Due March 1, 2038 to Yield 2.23% (a) (b) (c)
$2,155,000 2.25% Term Bond Due March 1, 2043 to Yield 2.40% (a) (b) (c)

(a) The initial reoffering yields are established by and are the sole responsibility of the Underwriters (hereinafter defined) and may be subsequently changed.
(b) The Bonds maturing on or after March 1, 2030, are subject to redemption in whole or from time to time in part, at the option of the District (herein defined), on March 1, 2029, or on any date thereafter, at a price equal to the par value thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. If fewer than all of the Bonds are redeemed, the Bonds to be redeemed shall be selected, on behalf of the District, by the Paying Agent/Registrar, in its capacity as Registrar, by lot or other customary method, in integral multiples of $5,000 in any one maturity. See "THE BONDS—Optional Redemption of the Bonds."
(c) Subject to mandatory sinking fund redemption as described herein. See "THE BONDS – Mandatory Redemption."

The proceeds of the Bonds will be used by Harris County Municipal Utility District No. 33 (the "District"), together with certain legally available funds of the District, to refund certain of the District's outstanding bonds and to pay certain costs associated with the issuance of the Bonds. See "PLAN OF FINANCING." The Bonds, when issued, will constitute valid and binding obligations of the District and will be payable from the proceeds of a continuing, direct, annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District. See "THE BONDS – Source of and Security for Payment." The Bonds are obligations solely of the District and are not obligations of the State of Texas, Harris County, the City of Houston, or any entity other than the District. Neither the faith and credit nor the taxing power of the State of Texas, Harris County, or the City of Houston, is pledged to the payment of the principal of or interest on the Bonds. **The Bonds are subject to certain risk factors described under the caption "RISK FACTORS."**

The Bonds are offered when, as and if issued by the District, subject to approval by the Attorney General of Texas and the approval of certain legal matters by Radcliffe Bobbitt Adams Polley PLLC, Houston, Texas, Bond Counsel. Certain Legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe, Houston, Texas, Special Tax Counsel Certain other matters will be passed upon for the Underwriters by Allen Boone Humphries Robinson LLP, Houston, Texas as Underwriters' Counsel. Delivery of the Bonds is expected through the facilities of DTC on or about April 22, 2021.

SAMCO CAPITAL MARKETS, INC. **HILLTOPSECURITIES**

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USE OF INFORMATION IN OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the District.

This Official Statement does not constitute and is not authorized by the District for use in connection with an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not registered or qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

All of the summaries of the statutes, orders, resolutions, contracts, audited financial statements, and engineering and other related reports set forth in this Official Statement are made subject to the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from the District, upon payment of duplication costs.

This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions or matters of opinion, or that they will realized. Any information and expressions of opinion herein contained are subject to change and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof.

Assured Guaranty Municipal Corp. ("AGM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM, supplied by AGM and presented under the heading "Bond Insurance" and "APPENDIX B – Specimen Municipal Bond Insurance Policy."

SALE AND DISTRIBUTION OF THE BONDS

The Bonds are being purchased by SAMCO Capital Markets, Inc. and Hilltop Securities Inc. (collectively, the "Underwriters") pursuant to a proposal submitted to the District at a price of $8,058,731.80 which represents the principal amount of the Bonds $7,915,000.00 plus a net original issue premium of $193,200.55 less an Underwriters' discount of $49,468.75 plus accrued interest on the Bonds from the Dated Date to the date of delivery. Such price produces a net effective interest rate of 2.050783%.

The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into unit investment trusts) and others at prices lower than the public offering price stated on the inside cover page hereof. The initial offering price may be changed from time to time by the Underwriters.

The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

Prices and Marketability

The delivery of the Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Underwriters on or before the date of delivery of the Bonds stating the prices at which a substantial number of the Bonds of each maturity have been sold to the public. For this purpose, the term "public" shall not include any person who is a bond house, broker or similar person acting in the capacity of underwriter or wholesaler. Otherwise, the District has no understanding with the Underwriters regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds after their initial sale by the District. Information concerning reoffering yields or prices is the responsibility of the Underwriters.

THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS AFTER THE BONDS ARE RELEASED FOR SALE, AND THE BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE BONDS INTO INVESTMENT ACCOUNTS. IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Securities Laws

No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission ("SEC") under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdiction.

CONTINUING DISCLOSURE OF INFORMATION - SEC RULE 15c2-12

In the Bond Order, the District has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has established the Electronic Municipal Market Access ("EMMA") system for information filing.

Annual Reports

The information to be updated with respect to the District includes all quantitative financial information and operating data of the District of the general type included in this Official Statement included under the headings "DISTRICT DEBT" (except for Estimated Overlapping Debt), "DISTRICT TAX DATA" and "APPENDIX A" (Audited Financial Statements of the District). The District will update and provide this information within six (6) months after the end of each of its fiscal years ending in or after 2021. The District will provide the updated information to EMMA. The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements if it commissions an audit and the audit is completed by the required time. If the audit of such financial statements is not complete within such period, the District shall provide unaudited financial statements for the applicable fiscal year to each EMMA within such six month period, and audited financial statements when the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in the Bond Order, or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation.

The District's current fiscal year is September 30. Accordingly, it must provide updated information by March 31 in each year, unless it changes its fiscal year. If the District changes its fiscal year, it will notify EMMA of the change.

Event Notices

The District will provide timely notices of certain events to the MRSB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds; (7) modifications to rights of beneficial owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership, or similar event of the District; (13) consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District, if material, or agreements to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the District, any of which reflect financial difficulties. The term "financial obligation" when used in this paragraph shall have the meaning ascribed to it under the Rule. The term "material" when used in this paragraph shall have the meaning ascribed to it under federal securities laws. Neither the Bonds nor the Bond Order makes any provision for debt service reserves, liquidity enhancement, the pledge of property (other than ad valorem tax revenues) to secure payment of the Bonds, or appointment of a trustee. Further, with respect to the Bonds, there are no "obligated persons" within the meaning of the Rule other than the District. In addition, the District will provide timely notice of any failure by the District to provide financial information, operating data, or financial statements in accordance with its agreement described above under "Annual Reports."

Availability of Information from EMMA

The District has agreed to provide the foregoing updated information only as described above. Investors will be able to access continuing disclosure information filed with the MSRB at: https://emma.msrb.org/.

Limitations and Amendments

The District has agreed to update information and to provide notices of specified events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement, or from any statement made pursuant to its agreement, although holders and Beneficial Owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or operations of the District but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein in compliance with SEC Rule 15c2-12, taking into account any amendments and interpretations of the Rule to the date of such amendment, as well as changed circumstances, and either the holders of a majority in aggregate principal amount of the Outstanding Bonds consent or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the Beneficial Owners of the Bonds. The District may also amend or repeal the agreement if the SEC amends or repeals the applicable provisions of such rule or a court of final jurisdiction determines that such provisions are invalid, but in either case only to the extent that its right to do so would not prevent the Underwriters from lawfully purchasing the Bonds in the offering described herein. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

During the last five (5) years, the District has complied in all material respects with its continuing disclosure agreements previously made in accordance with SEC Rule 15c2-12.

MUNICIPAL BOND RATING

In connection with the sale of the Bonds, the District has made application to Moody's Investors Service, Inc. ("Moody's") which assigned the underlying rating of "Baa1" on the Bonds based upon the District's underlying credit without bond insurance. The underlying rating of the District to be released by Moody's will be maintained by Moody's. An explanation of the significance of such rating may be obtained from Moody's. The rating reflects only the view of Moody's, and the District makes no representation as to the appropriateness of such rating. The District can make no assurance that the Moody's rating will continue for any period of time or that such rating will not be revised downward or withdrawn entirely by Moody's if, in the judgment of Moody's, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

Moody's has assigned its municipal bond rating of "A2" (stable outlook) to this issue of Bonds with the understanding that upon delivery of the Bonds, a municipal bond insurance policy insuring the timely payment of the principal of and interest on the Bonds will be issued by AGM. The District can make no assurance that the Moody's rating will continue for any period of time or that such rating will not be revised downward or withdrawn entirely by Moody's if in the judgment of Moody's circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds. See "BOND INSURANCE."

S&P Global Ratings ("S&P") has assigned its municipal bond rating of "AA" (stable outlook) to this issue of Bonds with the understanding that upon delivery of the Bonds, a municipal bond insurance policy insuring the timely payment of the principal of and interest on the Bonds will be issued by AGM. The District can make no assurance that S&P's rating will continue for any period of time or that such rating will not be revised downward or withdrawn entirely by S&P if in the judgment of S&P circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds. See "BOND INSURANCE."

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and international public finance (including infrastructure) and structured finance markets and asset management services. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On October 29, 2020, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On July 16, 2020, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On August 13, 2019, Moody's announced it had affirmed AGM's insurance financial strength rating of "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

Capitalization of AGM

At December 31, 2020:

- The policyholders' surplus of AGM was approximately $2,864 million.

- The contingency reserves of AGM and its indirect subsidiary Municipal Assurance Corp. ("MAC") (as described below) were approximately $940 million. Such amount includes 100% of AGM's contingency reserve and 60.7% of MAC's contingency reserve.

- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately $2,112 million. Such amount includes (i) 100% of the net unearned premium reserve and deferred ceding commission income of AGM, (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiaries Assured Guaranty UK Limited ("AGUK") and Assured Guaranty (Europe) SA ("AGE"), and (iii) 60.7% of the net unearned premium reserve of MAC.

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and deferred ceding commission income of AGM and MAC were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Merger of MAC into AGM

AGM and MAC have received approval to merge MAC into AGM, with AGM as the surviving company. The merger is expected to be effective on April 1, 2021. MAC is currently an indirect subsidiary of AGM. AGM's affiliate, Assured Guaranty Corp., a Maryland- domiciled insurance company ("AGC"), indirectly owns 39.3% of MAC. In connection with the merger transaction, AGM and AGC will each reassume the remaining outstanding par they ceded to MAC in 2013, and AGC will sell its share of MAC to AGM. AGM will then cause MAC to merge with and into AGM. Once the merger is completed, all of MAC's direct insured par exposure will become insured obligations of AGM.

Incorporation of Certain Documents by Reference

Portions of the following document filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof: the Annual Report on Form 10-K for the fiscal year ended December 31, 2020 (filed by AGL with the SEC on February 26, 2021).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE".

OFFICIAL STATEMENT SUMMARY

The following material is a summary of certain information contained herein and is qualified in its entirety by the detailed information appearing elsewhere in this Official Statement. The reader should refer particularly to sections that are indicated for more complete information.

THE BONDS

Description: $7,915,000 Unlimited Tax Refunding Bonds, Series 2021, are dated April 1, 2021. The Bonds are fully registered serial bonds maturing on March 1, as reflected on the cover page of this Official Statement. See "THE BONDS."

Book-Entry-Only System: The Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM."

Redemption Provisions: The Bonds are subject to early redemption, in whole or in part, on March 1, 2029, or on any date thereafter at the option of the District at a price of par plus accrued interest to the date of redemption. See “THE BONDS – Optional Redemption.” The Bonds maturing on March 1, 2034, 2036, 2038, and 2043 are Term Bonds and are subject to annual mandatory sinking fund redemption beginning on March 1 in the years 2033, 2035, 2037, and 2039 respectively. See “THE BONDS – Mandatory Redemption.”

Plan of Financing: Proceeds from the sale of the Bonds will be used to pay bond issuance and administrative expenses and to currently refund certain of the District’s outstanding bonds in order to achieve present value savings in the District’s debt service expense. See "PLAN OF FINANCING."

Legal Opinions: Radcliffe Bobbitt Adams Polley PLLC, Bond Counsel, Houston, Texas and Orrick, Herrington & Sutcliffe LLP, Special Tax Counsel Houston Texas. See “LEGAL MATTERS” and “TAX MATTERS.”

Payment Record: The District has never defaulted on the payment of principal or interest on any of its bonds.

Risk Factors: The Bonds are subject to certain investment considerations, as set forth in this Official Statement. Prospective purchasers should carefully examine this Official Statement with respect to the investment security of the Bonds, including particularly the sections captioned "RISK FACTORS."

Qualified Tax Exempt Obligations: The District has designated the Bonds as "qualified tax-exempt obligations" pursuant to section 265(b) of the Internal Revenue Code of 1986 and has represented that the total amount of tax-exempt bonds (including the Bonds) issued by the District during calendar year 2021 is not reasonably expected to exceed $10,000,000. See "TAX MATTERS – Qualified Tax-Exempt Obligations."

Municipal Bond Rating: In connection with the sale of the Bonds, the District has made application to Moody’s which assigned the underlying rating of “Baa1” on the Bonds based upon the District’s underlying credit without bond insurance. An explanation of the significance of such rating may be obtained from Moody’s. The rating reflects only the view of Moody’s, and the District makes no representation as to the appropriateness of such rating. See “MUNICIPAL BOND RATING.”

Municipal Bond Insurance & Rating: Moody’s has assigned its municipal bond rating of “A2” (stable outlook) to this issue of Bonds with the understanding that upon delivery of the Bonds, a municipal bond insurance policy insuring the timely payment of the principal of and interest on the Bonds will be issued by AGM.

S&P has assigned its municipal bond rating of “AA” (stable outlook) to this issue of Bonds with the understanding that upon delivery of the Bonds, a municipal bond insurance policy insuring the timely payment of the principal of and interest on the Bonds will be issued by AGM. See “BOND INSURANCE,” “MUNICIPAL BOND RATING,” and “APPENDIX B – Specimen Municipal Bond Insurance Policy.”

THE DISTRICT

Description: The District is a municipal utility district created by an order of the Texas Water Rights Commission, the predecessor state agency to the TCEQ; entered on April 20, 1977, which was confirmed at an election within the District on August 13, 1977, by a vote of 3 for and 0 against. The District operates as a municipal utility district under Chapters 49 and 54 of the Texas Water Code. Creation of the District was initiated as a means of financing construction of waterworks, sanitary sewage, and drainage facilities to serve the area within the District's boundaries. The District contains 572.19 acres of land. The District is located in northern Harris County approximately 14 miles north, northwest of the Houston Central Business District. The District is divided in a north-south direction by Veterans Memorial Parkway. The District has direct access via the Sam Houston Tollway to Interstate Highway 45, approximately two (2) miles to the east of the District. The District lies approximately three (3) miles north and two (2) miles west of the present Houston city limits and is within the extra-territorial jurisdiction of the City of Houston. See "THE DISTRICT – Description."

Authority: The rights, powers, privileges, authority and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, including particularly Chapters 49 and 54 of the Texas Water Code, as amended. See "THE DISTRICT – Authority."

Summary of Land Use: A summary of the approximate land use in the District appears in the following table:

Type of Land Use	Approximate Acres
Fully Developed Residential Acreage	347 (a)
Fully Developed Commercial Acreage	70
Acres Currently Being Developed	13
Additional Developable Acreage	12 (b)
Recreation Facilities, Detention Ponds/Drainage Rights-of-Way/Flood Plain, and District Plant Sites	130
Total Approximate Acres	**572**

(a) Includes approximately 1,658 developed lots, all of the lots have homes constructed on them (as of February 1, 2021, 1,648 of such completed homes were occupied).

(b) Includes approximate acreage that may be developed in the future (most likely for commercial purposes).

Building Development: As of February 1, 2021, the District contained 1,658 completed homes (1,648 of such completed homes were occupied), no homes under construction, and no vacant developed lots. Commercial development in the District includes a Food Town Grocery Store, a private day care center, 4 restaurants, a carwash, 6 strip shopping centers, 2 service stations with car wash, 2 small grocery stores, a motel, a bank building, an office warehouse development located along the Beltway, 2 not-for-profit schools also located along the Beltway, and a commercial office warehouse building project is currently under development.

Population: Approximately 5,700 (estimated population in the District as of February 1, 2021).

Infectious Disease Outlook (COVID-19): The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and Texas. As described herein under "RISK FACTORS – Infectious Disease Outlook (COVID-19)", federal, state and local governments have all taken actions to respond to the Pandemic, including disaster declarations by both the President of the United States and the Governor of Texas. Such actions are focused on limiting instances where the public can congregate or interact with each other, which affects economic growth within Texas.

Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets locally and globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide and within Texas. Such adverse economic conditions, if they continue, could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values within the District. The Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes. While the potential impact of COVID-19 on the District cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the District's operations and financial condition. The financial and operating data contained herein are the latest available, but are generally as of dates and for periods prior to the economic impact of the Pandemic and measures instituted to slow it. Accordingly, they are not necessarily indicative of the economic impact of the Pandemic on the District's financial condition.

SELECTED FINANCIAL INFORMATION
(Unaudited)

2020 Taxable Valuation	$243,504,868	(a)
Direct Debt		
Outstanding Bonds as of March 1, 2021	$4,700,000	(b)
The Bonds	$7,915,000	
Total Direct Debt	**$12,615,000**	
Estimated Overlapping Debt	$12,214,167	(c)
Direct and Estimated Overlapping Debt	**$24,829,167**	
Percentage of Direct Debt to:		
2020 Taxable Valuation	5.18%	
(See “District Debt”)		
Percentage of Direct and Estimated Overlapping Debt to:		
2020 Taxable Valuation	10.20%	
(See “District Debt”)		
2020 Tax Rate Per $100 of Assessed Value		
Debt Service Tax	$0.34	
Maintenance Tax	$0.37	
Total 2020 Tax Rate	**$0.71**	
Pro-Forma Cash and Investment Balances as of December 1, 2020		
General Fund	$1,331,249	(d)
Debt Service Fund	$1,114,763	(d)

(a) Reflects data supplied by Harris County Appraisal District (“HCAD”). See “DISTRICT TAX DATA” and “TAX PROCEDURES.”

(b) Excludes the Refunded Bonds. See “PLAN OF FINANCING – Currently Outstanding Bonds.”

(c) See “DISTRICT DEBT – Estimated Overlapping Debt.”

(d) Approximate unaudited figures. The figure above represents balance prior to the collection of any significant amount of the District’s 2020 tax levy. Neither Texas law nor the District's Bond Orders require that the District maintain any particular balance in the Debt Service Fund. See "DISTRICT TAX DATA - Tax Adequacy of Tax Revenue."

DEBT SERVICE REQUIREMENTS

The following sets forth the debt service requirements for the Outstanding Bonds less the debt service on the Refunded Bonds plus the debt service on the Series 2021 Refunding Bonds.

Year	Existing Debt Service Requirements	Less: Debt Service on Refunded Bonds	Debt Service on the Series 2021 Bonds Principal	Interest	Total Debt Service Requirements
2021	$902,508	$138,925		$79,098	$842,681
2022	$897,591	$277,850	$40,000	$189,237	$848,978
2023	$951,343	$475,350	$225,000	$185,262	$886,255
2024	$912,266	$598,150	$360,000	$176,487	$850,603
2025	$900,662	$593,000	$365,000	$165,612	$838,274
2026	$893,197	$587,000	$370,000	$154,587	$830,784
2027	$910,133	$605,175	$400,000	$143,037	$847,995
2028	$901,371	$602,425	$410,000	$130,887	$839,833
2029	$946,007	$623,588	$445,000	$118,062	$885,481
2030	$929,163	$608,863	$445,000	$106,937	$872,237
2031	$770,012	$457,031	$295,000	$99,537	$707,518
2032	$782,692	$472,313	$320,000	$93,387	$723,766
2033	$769,225	$461,813	$315,000	$87,037	$709,449
2034	$780,017	$475,875	$335,000	$80,537	$719,679
2035	$808,839	$488,625	$355,000	$73,637	$748,851
2036	$791,131	$475,500	$350,000	$66,587	$732,218
2037	$645,500	$486,906	$370,000	$59,387	$587,981
2038	$627,063	$472,844	$360,000	$52,087	$566,306
2039	$657,609	$507,844	$405,000	$43,931	$598,696
2040	$686,219	$516,438	$425,000	$34,593	$629,374
2041	$663,344	$499,000	$415,000	$25,143	$604,487
2042	$688,813	$530,000	$460,000	$15,300	$634,113
2043	$673,000	$510,000	$450,000	$5,062	$618,062
TOTAL	**$18,487,705**	**$11,464,515**	**$7,915,000**	**$2,185,431**	**$17,123,621**

Maximum Annual Debt Service Requirements (2023).. $886,255

$0.39 Tax Rate on 2020 Taxable Valuation of $243,504,868
@ 95% collections produces $902,186

See "TAX DATA – Tax Adequacy for Debt Service."

OFFICIAL STATEMENT

relating to

$7,915,000

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT No. 33

**(A political subdivision of the State of Texas
located within Harris County, Texas)
UNLIMITED TAX REFUNDING BONDS
SERIES 2021**

INTRODUCTION

This Official Statement provides certain information in connection with the issuance of the $7,915,000 Harris County Municipal Utility District No. 33 Unlimited Tax Refunding Bonds, Series 2021 (the "Bonds").

The Bonds are issued pursuant to Article XVI, Section 59 of the Texas Constitution and general laws of the State of Texas, particularly Chapters 49 and 54 of the Texas Water Code, as amended, Chapter 1207 of the Texas Government Code, an order (the "Bond Order") adopted by the Board of Directors of Harris County Municipal Utility District No. 33 (the "District"), and an election held within the District.

This Official Statement includes descriptions of the Bonds, the Bond Order and certain information about the District and its financial condition. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from Bond Counsel upon payment of duplication costs thereof.

RISK FACTORS

General

The Bonds are obligations of the District and are not obligations of the State of Texas, Harris County, the City of Houston, or any other political subdivision. The Bonds are payable from a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District. See "THE BONDS – Source of and Security for Payment." The investment quality of the Bonds depends on the ability of the District to collect all taxes levied against the taxable property within the District and, in the event of foreclosure of the District's tax lien, on the marketability of the property and the ability of the District to sell the property at a price sufficient to pay taxes levied by the District and by other overlapping taxing authorities. The District cannot and does not make any representations that over the life of the Bonds the taxable property within the District will accumulate or maintain taxable values sufficient to justify the continued payment of taxes by property owners.

Infectious Disease Outlook (COVID-19)

The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States in connection with COVID-19. On March 13, 2020, the President of the United States (the "President") declared the Pandemic a national emergency and the Texas Governor (the "Governor") declared COVID-19 an imminent threat of disaster for all counties in Texas (collectively, the "disaster declarations"). On March 25, 2020, in response to a request from the Governor, the President issued a Major Disaster Declaration for the State of Texas.

Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with this disaster and issuing executive orders that have the force and effect of law. The Governor has issued a number of executive orders relating to COVID-19 preparedness and mitigation. Many of the federal, state and local actions and policies under the aforementioned disaster declarations are focused on limiting instances where the public can congregate or interact with each other, which affects economic growth within Texas.

Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets locally and globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide and within Texas. Stock values and crude oil prices, in the U.S. and globally, have seen significant declines attributed to COVID-19 concerns. Texas may be particularly at risk from any global slowdown, given the prevalence of international trade in the state and the risk of contraction in the oil and gas industry and spillover effects into other industries.

Such adverse economic conditions, if they continue, could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values within the District. The Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

While the potential impact of COVID-19 on the District cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the District's operations and financial condition. The financial and operating data contained herein are the latest available, but are generally as of dates and for periods prior to the economic impact of the Pandemic and measures instituted to slow it. Accordingly, they are not necessarily indicative of the economic impact of the Pandemic on the District's financial condition.

Marketability

The District has no understanding (other than the initial reoffering yields) with the Underwriters regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the spread between the bid and asked price of more traditional issuers, as such bonds are generally bought, sold or traded in the secondary market.

Tax Collections Limitations

The District's ability to make debt service payments could be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District's ability to collect ad valorem taxes through such foreclosure could be impaired by market conditions limiting the proceeds from a foreclosure sale of taxable property and collection procedures. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding. The costs of collecting any such taxpayer's delinquencies could substantially reduce the net proceeds to the District from a tax foreclosure sale. Finally, a federal bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to the Federal Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes against such taxpayer. In addition to the automatic stay against collection of delinquent taxes afforded a taxpayer during the pendency of a bankruptcy, a bankruptcy could affect payment of taxes in two other ways: first, a debtor's confirmation plan may allow a debtor to make installment payments on delinquent taxes for up to six years; and, second, a debtor may challenge, and a bankruptcy court may reduce, the amount of any taxes assessed against the debtor, including taxes that have already been paid. See "TAXING PROCEDURES – District's Rights in the Event of Tax Delinquencies."

Registered Owners' Remedies

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Order, the Registered Owners have the right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Order. Except for mandamus, the Bond Order does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued may not waive the local government's sovereign immunity from suits for money damages. Even if such sovereign immunity were waived and a judgment against the District for money damages was obtained, the judgment could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District.

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of the Registered Owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Specifically, the District may voluntarily file a petition for protection from creditors under the federal bankruptcy laws. During the pendency of the bankruptcy proceedings, the remedy of mandamus would not be available to the Registered Owners unless authorized by a federal bankruptcy judge.

Subject to the requirements of Texas law, the District may voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. Section 901-946, if the District: (a) is generally authorized to file for federal bankruptcy protection by the State law; (b) is insolvent or unable to meet its debts as they mature; (c) desires to effect a plan to adjust such debts; and (d) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Under Texas law, the District must obtain the approval of the TCEQ prior to filing bankruptcy. Such law requires that the TCEQ investigate the financial condition of the District and authorize the District to proceed only if the District has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

Notwithstanding noncompliance by a district with Texas law requirements, a district could file a voluntary bankruptcy petition under Chapter 9, thereby invoking the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning district relief from its creditors. While such a decision might be appealable, the concomitant delay and loss of remedies to the Registered Owners could potentially and adversely impair the value of the Registered Owners' claim.

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Registered Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Registered Owners' claims against the district.

Approval of the Bonds

As required by law, the Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of Texas does not pass upon or guarantee the safety of the Bonds as an investment or the adequacy or accuracy of the information contained in this Official Statement.

Economic Factors

Nationally, there was a significant downturn in new housing construction in 2008 – 2011 caused in part by increasing foreclosures, reduced builder financing, the unavailability of mortgage funds and slower growth, and contraction in the national economy, resulting in a decline in the market value of homes. Such downturn did not have a significant effect on the value of homes in the District. The decline of the overall assessed valuation experienced in the District during that period was consistent with the overall value changes in the general Harris County Appraisal District. However, the Houston area, which includes Harris County, did experience reduced levels of home construction in 2009, 2010 and 2011 versus similar periods in prior years.

The Houston metropolitan area has in the past experienced increased unemployment, business failures and slow absorption of office space. These factors, if they reoccur, could affect the demand for residential homes and hence adversely affect property values in the District. An oversupply of homes, along with a decreased demand in new housing because of general economic conditions or relatively high interest rates, may have an adverse impact on sale prices for homes and, consequently, may materially adversely affect property values.

The Houston-area economy may be particularly affected by the oil and natural gas industry, and continued low prices could adversely affect values of homes in the Houston-area real estate market. The District cannot predict what effect low oil and natural gas prices may have on the Houston-area real estate market.

Potential Effects of Oil Price Declines on the Houston Area

The recent declines in oil prices in the U.S. and globally, which at times have led to the lowest such prices in three decades, may lead to adverse conditions in the oil and gas industry, including but not limited to reduced revenues, declines in capital and operating expenditures, business failures, and layoffs of workers. The economy of the Houston area has, in the past, been particularly affected by adverse conditions in the oil and gas industry, and such conditions and their spillover effects into other industries could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values or homebuilding activity within the District. As previously stated, the Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

Future Debt

The District has $3,235,000 authorized but unissued unlimited tax bonds remaining from an election held in 1984. At an election held on November 5, 2019, the voters of the District authorized $12,000,000 unlimited tax bonds and $12,000,000 in refunding bonds. After the issuance of the refunding bonds, the District will have $4,085,000 authorized but unissued refunding bonds. The District has $15,235,000 authorized but unissued unlimited tax bonds which may be issued for purposes of constructing facilities to serve the District.

The District has the right to issue all such bonds, as may hereafter be approved by the Board, subject to the approval of the Attorney General of the State of Texas, and in the case of new money bonds, subject to the approval of the TCEQ. Any such additional new money bonds and refunding bonds would be issued on a parity with the Bonds. Any future new money bonds to be issued by the District must also be approved by the TCEQ. According to the Engineer, such bond authorization should be adequate to finance the District's share of development costs to allow for the full development of land within the District. The District has also reserved the right to issue certain other additional bonds, special project bonds, and other obligations described in the Bond Order. All of the remaining bonds described above which have heretofore been authorized by the voters of the District, may be issued by the District from time to time as needed. If additional bonds are issued in the future and property values have not increased proportionately, such issuance might increase gross debt/property valuation ratios and thereby adversely affect the investment quality or security of the Bonds.

Failure of the District to comply with certain covenants contained in the Bond Order on a continuing basis prior to the maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

Environmental Regulation

Wastewater treatment, water supply, storm sewer facilities and construction activities within the District are subject to complex environmental laws and regulations at the federal, state and local levels that may require or prohibit certain activities that affect the environment, such as:

- Requiring permits for construction and operation of water wells, wastewater treatment and other facilities;
- Restricting the manner in which wastes are treated and released into the air, water and soils;
- Restricting or regulating the use of wetlands or other properties; or
- Requiring remedial action to prevent or mitigate pollution.

Sanctions against a municipal utility district or other type of special purpose district for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions to ensure future compliance. Environmental laws and compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Environmental laws can also inhibit growth and development within the District. Further, changes in regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Air Quality Issues. Air quality control measures required by the United States Environmental Protection Agency (the “EPA”) and the Texas Commission on Environmental Quality (the “TCEQ”) may impact new industrial, commercial and residential development in the Houston area. Under the Clean Air Act (“CAA”) Amendments of 1990, the eight-county Houston-Galveston-Brazoria area (“HGB Area”)—Harris, Galveston, Brazoria, Chambers, Fort Bend, Waller, Montgomery and Liberty Counties—has been designated a nonattainment area under three separate federal ozone standards: the one-hour (124 parts per billion (“ppb”)) and eight-hour (84 ppb) standards promulgated by the EPA in 1997 (the “1997 Ozone Standards”); the tighter, eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 (the “2008 Ozone Standard”), and the EPA’s most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 (the “2015 Ozone Standard”). While the State of Texas has been able to demonstrate steady progress and improvements in air quality in the HGB Area, the HGB Area remains subject to CAA nonattainment requirements.

While the EPA has revoked the 1997 Ozone Standards, the EPA historically has not formally redesignated nonattainment areas for a revoked standard. As a result, the HGB Area remained subject to continuing severe nonattainment area “anti-backsliding” requirements, despite the fact that HGB Area air quality has been attaining the 1997 Ozone Standards since 2014. In late 2015, the EPA approved the TCEQ’s “redesignation substitute” for the HGB Area under the revoked 1997 Ozone Standards, leaving the HGB Area subject only to the nonattainment area requirements under the 2008 Ozone Standard (and later, the 2015 Ozone Standard).

In February 2018, the U.S. Court of Appeals for the District of Columbia Circuit issued an opinion in South Coast Air Quality Management District v. EPA, 882 F.3d 1138 (D.C. Cir. 2018) vacating the EPA redesignation substitute rule that provided the basis for the EPA’s decision to eliminate the anti-backsliding requirements that had applied in the HGB Area under the 1997 Ozone Standard. The court has not responded to the EPA’s April 2018 request for rehearing of the case. To address the uncertainty created by the South Coast court’s ruling, the TCEQ developed a formal request that the HGB Area be redesignated to attainment under the 1997 Ozone Standards. The TCEQ Commissioners adopted the request and maintenance plan for the 1997 one-hour and eight-hour standards on December 12, 2018. On May 16, 2019, the EPA proposed a determination that the HGB Area has met the redesignation criteria and continues to attain the 1997 one-hour and eight-hour standards, the termination of the anti-backsliding obligations, and approval of the proposed maintenance plan.

The HGB Area is currently designated as a “serious” nonattainment area under the 2008 Ozone Standard, with an attainment deadline of July 20, 2021. If the EPA ultimately determines that the HGB Area has failed to meet the attainment deadline based on the relevant data, the area is subject to reclassification to a nonattainment classification that provides for more stringent controls on emissions from the industrial sector. In addition, the EPA may impose a moratorium on the awarding of federal highway construction grants and other federal grants for certain public works construction projects if it finds that an area fails to demonstrate progress in reducing ozone levels.

The HGB Area is currently designated as a “marginal” nonattainment area under the 2015 Ozone Standard, with an attainment deadline of August 3, 2021. For purposes of the 2015 Ozone Standard, the HGB Area consists of only six counties: Brazoria, Chambers, Fort Bend, Galveston, Harris, and Montgomery Counties.

In order to demonstrate progress toward attainment of the EPA’s ozone standards, the TCEQ has established a state implementation plan (“SIP”) for the HGB Area setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the HGB Area. These SIP requirements can negatively impact business due to the additional permitting/regulatory constraints that accompany this designation and because of the community stigma associated with a nonattainment designation. It is possible that additional controls will be necessary to allow the HGB Area to reach attainment with the ozone standards by the EPA's attainment deadlines. These additional controls could have a negative impact on the HGB Area's economic growth and development.

Water Supply & Discharge Issues. Water supply and discharge regulations that municipal utility districts, including the District, may be required to comply with involve: (1) groundwater well permitting and surface water appropriation; (2) public water supply systems; (3) wastewater discharges from treatment facilities; (4) storm water discharges; and (5) wetlands dredge and fill activities. Each of these is addressed below:

Certain governmental entities regulate groundwater usage in the HGB Area. A municipal utility district or other type of special purpose district that (i) is located within the boundaries of such an entity that regulates groundwater usage, and (ii) relies on local groundwater as a source of water supply, may be subject to requirements and restrictions on the drilling of water wells and/or the production of groundwater that could affect both the engineering and economic feasibility of district water supply projects.

Pursuant to the federal Safe Drinking Water Act ("SDWA") and the EPA's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal utility district's provision of water for human consumption is subject to extensive regulation as a public water system. Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000), with an effective date of March 5, 2018, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain nonstormwater discharges into surface water in the state. It has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

The District's stormwater discharges currently maintain permit coverage through the Municipal Separate Storm System Permit (the "Current Permit") issued to the Storm Water Management Joint Task Force consisting of Harris County, Harris County Flood Control District, the City of Houston, and the Texas Department of Transportation. In the event that at any time in the future the District is not included in the Current Permit, it may be required to seek independent coverage under the TCEQ's General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the "MS4 Permit"), which authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. If the District's inclusion in the MS4 Permit were required at a future date, the District could incur substantial costs to develop, implement, and maintain the necessary plans as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff in order to comply with the MS4 Permit.

Operations of utility districts, including the District, are also potentially subject to requirements and restrictions under the CWA regarding the use and alteration of wetland areas that are within the "waters of the United States." The District must obtain a permit from the United States Army Corps of Engineers ("USACE") if operations of the District require that wetlands be filled, dredged, or otherwise altered.

In 2015, the EPA and USACE promulgated a rule known as the Clean Water Rule ("CWR") aimed at redefining "waters of the United States" over which the EPA and USACE have jurisdiction under the CWA. The CWR significantly expanded the scope of the federal government's CWA jurisdiction over intrastate water bodies and wetlands. The CWR was challenged in numerous jurisdictions, including the Southern District of Texas, causing significant uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction.

On September 12, 2019, the EPA and USACE finalized a rule repealing the CWR, thus reinstating the regulatory text that existed prior to the adoption of the CWR. This repeal officially became final on December 23, 2019, but the repeal has itself become the subject of litigation in multiple jurisdictions.

On January 23, 2020, the EPA and USACE released the Navigable Waters Protection Rule ("NWPR"), which contains a new definition of "waters of the United States." The stated purpose of the NWPR is to restore and maintain the integrity of the nation's waters by maintaining federal authority over the waters Congress has determined should be regulated by the federal government, while preserving the states' primary authority over land and water resources. The new definition outlines four categories of waters that are considered "waters of the United States," and thus federally regulated under the CWA: (i) territorial seas and traditional navigable waters; (ii) perennial and intermittent tributaries to territorial seas and traditional navigable waters; (iii) certain lakes, ponds, and impoundments of jurisdictional waters; and (iv) wetlands adjacent to jurisdictional waters. The new rule also identifies certain specific categories that are not "waters of the United States," and therefore not federally regulated under the CWA: (a) groundwater; (b) ephemeral features that flow only in direct response to precipitation; (c) diffuse stormwater runoff and directional sheet flow over upland; (d) certain ditches; (e) prior converted cropland; (f) certain artificially irrigated areas; (g) certain artificial lakes and ponds; (h) certain water-filled depressions and certain pits; (i) certain stormwater control features; (j) certain groundwater recharge, water reuse, and wastewater recycling structures; and (k) waste treatment systems. The NWPR became effective June 22, 2020, and is currently the subject of ongoing litigation.

Due to existing and possible future litigation, there remains uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction. Depending on the final outcome of such proceedings, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements.

Changes in Tax Legislation

Certain tax legislation, whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, may also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed, pending, or future legislation.

Conversion to Surface Water

The District is within the boundaries of the Harris-Galveston Subsidence District (the "Subsidence District") which regulates groundwater withdrawal. The District's authority to pump groundwater is subject to an annual permit issued by the Subsidence District. The Subsidence District has adopted regulations requiring reduction of groundwater withdrawals through conversion to alternate source water (e.g., surface water) in areas within the Subsidence District's jurisdiction. In furtherance of the Subsidence District's mandate to reduce groundwater pumpage and convert to surface water, the Central Harris County Regional Water Authority (the "Authority") was created with the responsibility of, among other things, reducing groundwater usage in and providing surface water to permittees, including the District, within its boundaries. The Authority has developed a groundwater reduction plan ("GRP") and obtained Subsidence District approval of its GRP. The Authority's GRP sets forth the Authority's plan to comply with Subsidence District regulations, construct surface water facilities, and convert users from groundwater to surface water. The District is included within the Authority's GRP.

The Authority has entered into a contract with the City of Houston for the purchase of treated surface water. Additionally, the Authority has entered into an agreement with the North Harris County Regional Water Authority ("NHCRWA") for the joint financing, design, construction, operation and maintenance of water transmission facilities.

Under the Subsidence District regulations and the GRP, the Authority was required to limit groundwater withdrawals to no more than 70% of the total water demand within the Authority's GRP by January 2010. Additionally, the Subsidence District requires that the Authority limit groundwater withdrawals to no more than 40% of the total water demand within the Authority's GRP beginning in 2025 and further limits groundwater withdrawals to no more than 20% of the total water demand within the Authority's GRP beginning in 2035. If the Authority fails to comply with such requirements or its GRP, the Authority is subject to a $7.00 per 1,000 gallons disincentive fee penalty ("Disincentive Fees") imposed by the Subsidence District for any groundwater withdrawn in excess of the maximum amount allowed by the Subsidence District. In the event of the Authority's failure to comply with such requirements, the Authority may also seek to collect such Disincentive Fees from the District.

The Authority has the power to issue debt supported by the revenues pledged for the payment of its obligations and may establish fees, rates, and charges as necessary to accomplish its purposes. The Authority has issued bonds to finance the costs of infrastructure required to meet the 2010 groundwater reduction requirements. The Authority currently charges its members, including the District, a groundwater pumpage fee of $3.01 per 1,000 gallons of groundwater pumped and a surface water fee of $3.35 per 1,000 gallons of surface water purchased from the Authority.

The District cannot predict the level of fees and charges which may be imposed upon the District by the Authority in the future, but the District anticipates the need to pass such fees through to its customers through increased water rates. Additionally, the issuance of additional bonds in the future by the Authority or District in an undetermined amount may be necessary to develop additional surface water conversion infrastructure.

Bond Insurance Risk Considerations

If a bond insurance policy is obtained securing principal of and interest on the Bonds, in the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the applicable Bond Insurance Policy (the "Policy") for such payments. However, in the event of any acceleration of the due date of such principal by reason or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with optional prepayment of the Bonds by the issuer that is recovered by the issuer from the bond owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy; however, such payments will be made by the Insurer at such time and in such amounts as would have been due absent such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Default of payment of principal of and interest on the Bonds does not accelerate the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies, and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Bond

Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claims-paying ability. The Bond Insurer's financial strength and claims-paying ability are predicated upon a number of factors that could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Bonds insured by the Bond Insurer will not be subject to downgrade, and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See description of "BOND INSURANCE" herein.

The obligations of the Bond Insurer are contractual obligations and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or state law governing insolvency of insurance companies.

Neither the District nor Underwriters have made independent investigations into the claims-paying ability of the Bond Insurer. No assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims-paying ability of the Bond Insurer, particularly over the life of the investment. See "Bond Insurance" herein for further information provided by the Bond Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Bond Insurer.

Severe Weather

The District is located approximately 90 miles from the Texas Gulf Coast. Land located in this area is susceptible to high winds, heavy rain and flooding caused by hurricanes, tropical storms, and other tropical disturbances. If a hurricane (or any other natural disaster) significantly damaged all or part of the improvements within the District, the assessed value of property within the District could be substantially reduced, with a corresponding decrease in tax revenues or necessity to increase the District's tax rate. Further, there can be no assurance that a casualty loss to taxable property within the District will be covered by insurance (or that property owners will even carry flood insurance), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged improvements within the District. Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period in which assessed values within the District would be adversely affected.

The greater Houston area has experienced four storms exceeding a 0.2% probability of occurrence (i.e., "500-year flood" events) since 2015. If the District were to sustain damage to its facilities as a result of such a storm (or any other severe weather event) requiring substantial repair or replacement, or if substantial damage to taxable property within the District were to occur as a result of a severe weather event, the investment security of the Bonds could be adversely affected.

Hurricane Harvey

The Houston area, including the area in and around the District in Harris County, sustained widespread wind and rain damage and flooding as a result of Hurricane Harvey's landfall along the Texas Gulf Coast on August 25, 2017, and historic levels of rainfall during the succeeding four days. According to the observations of the District's Operator, the water, sewer, and drainage facilities serving the land within the District did not sustain any significant damage and there was no interruption of water and sewer service to the District's residents or other property owners within the District. According to the observations of the members of the District's resident Board of Directors approximately 10 homes within the District experienced flooding as a result of Hurricane Harvey; all of the homes that flooded have been rehabilitated except for one.

Specific Flood Type Risks

The District may be subject to the following flood risks:

Ponding (or Pluvial) Flooding – Ponding, or pluvial, flooding occurs when heavy rainfall creates a flood event independent of an overflowing water body, typically in relatively flat areas. Intense rainfall can exceed the drainage capacity of a drainage system, which may result in water within the drainage system becoming trapped and diverted onto streets and nearby property until it is able to reach a natural outlet. Ponding can also occur in a flood pool upstream or behind a dam, levee or reservoir.

Riverine (or Fluvial) Flooding – Riverine, or fluvial, flooding occurs when water levels rise over the top of river, bayou or channel banks due to excessive rain from tropical systems making landfall and/or persistent thunderstorms over the same area for extended periods of time. The damage from a riverine flood can be widespread. The overflow can affect smaller rivers and streams downstream, or may sheet-flow over land. Flash flooding is a type of riverine flood that is characterized by an intense, high velocity torrent of water that occurs in an existing river channel with little to no notice. Flash flooding can also occur even if no rain has fallen, for instance, after a levee, dam or reservoir has failed or experienced an uncontrolled release, or after a sudden release of water by a debris or ice jam. In addition, planned or unplanned controlled releases from a dam, levee or reservoir also may result in flooding in areas adjacent to rivers, bayous or drainage systems downstream.

Temporary Tax Exemption for Property Damaged by Disaster

The Property Tax Code (hereinafter defined) provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Property Tax Code, the Appraisal District is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Property Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised.

Tax Payment Installments Following Disaster

Certain qualified taxpayers, including owners of residential homesteads, located within a natural disaster area and whose property has been damaged as a direct result of the disaster, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction such as the District if the taxpayer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date. See “TAXING PROCEDURES.”

Harris County and City of Houston Floodplain Regulations

As a direct result of Hurricane Harvey, Harris County and the City of Houston adopted new rules and amended existing regulations relating to minimizing the potential impact of new development on drainage and mitigating flooding risks. The new and amended Harry County regulations took effect on January 1, 2018, and the new and amended City of Houston regulations took effect on September 1, 2018.

The Harris County floodplain regulations govern construction projects in unincorporated Harris County (where the District is currently located) and include regulations governing the elevation of structures in the 100-year and 500-year floodplains. Additionally, the Harris County regulations govern the minimum finished floor elevations as well as specific foundation construction requirements and windstorm construction requirements for properties located both above and below the 100-year flood elevation.

The City of Houston floodplain regulations govern construction projects in the corporate limits of the City of Houston (where land in the District is not currently located) and include regulations governing the elevation of structures in the 100-year and 500-year floodplains and the elevation of residential additions greater than one-third the footprint of the existing structure and non-residential additions. Additionally, the City of Houston regulations require an improved structure whose new market value exceeds 50% of the market value of the structure prior to the start of improvements meet the new and amended City of Houston regulations.

The new and amended Harris County and City of Houston regulations may have a negative impact on new development in and around the District as well as on the rehabilitation of existing homes impacted by flooding or other natural disasters.

Atlas 14

The National Weather Service recently completed a rainfall study known as NOAA Atlas 14, Volume 11 Precipitation-Frequency Atlas of the United States (“Atlas 14”). Floodplain boundaries within the Service Area may be redrawn based on the Atlas 14 study based on a higher statistical rainfall amount, resulting in the application of more stringent floodplain regulations applying to a larger area and potentially leaving less developable property within the Service Area. The application of such regulations could additionally result in higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the floodplain.

PLAN OF FINANCING

Purpose

Proceeds of the Series 2021 Refunding Bonds are being used to refund $6,725,000 principal amount of the Unlimited Tax Bonds, Series 2014 (the "Series 2014 Bonds") and $1,035,000 principal amount of the Unlimited Tax Bonds, Series 2016 (the "Series 2016 Bonds"). The Series 2014 Bonds and the Series 2016 Bonds that are refunded are referred to herein as the "Refunded Bonds." Bond proceeds will provide for the principal and accrued interest on the Refunded Bonds from March 1, 2021, through the date redemption of the Refunded Bonds. Bond proceeds will also be used to pay certain issuance costs of the Bonds. The refunding is being implemented in order to achieve a net present value savings in the District's annual debt service expense.

Outstanding Bonds

The District has previously issued eight (8) series of bonds and four (4) series of refunding bonds. The following table lists the original principal amount and the amount of bonds outstanding as of March 1, 2021, from such issues, (including the bonds being refunded with the proceeds of the Bonds) and the principal amount outstanding after the implementation of the refunding.

Original Principal Amount	Series	Principal Amount Outstanding	Principal Amount Outstanding After the Bonds
$3,285,000	WW & SS Comb U/L Tax & Rev Bds Ser 1978	$0	$0
$1,330,000	WW & SS Comb U/L Tax & Rev Bds Ser 1979	$0	$0
$4,400,000	WW & SS Comb U/L Tax & Rev Bds Ser 1984	$0	$0
$4,415,000	U/L Tax Ref Bds Ser 1992	$0	$0
$3,580,000	U/L Tax Ref Bds Ser 1993	$0	$0
$2,785,000	U/L Tax Ref Bds Ser 2004	$0	$0
$1,580,000	WW & SS Comb U/L Tax & Rev Bds Ser 2004-B	$0	$0
$2,310,000	WW & SS Comb U/L Tax & Rev Bds Ser 2009	$0	$0
$2,195,000	U/L Tax Bds Ser 2012	$1,810,000	$1,810,000
$7,760,000	U/L Tax Bds Ser 2014	$6,875,000	$150,000
$2,775,000	U/L Tax Ref Bds Ser 2016	$1,565,000	$530,000
$2,210,000	U/L Tax Bds Ser 2018	$2,210,000	$2,210,000
$38,625,000		**$12,460,000**	**$4,700,000**

Refunded Bonds

Proceeds of the Series 2021 Refunding Bonds are being used to refund the principal amounts and maturity dates of the Refunded Bonds as set forth below. The Series 2014 Refunded Bonds and the Series 2016 Refunded Bonds will be redeemed on the day of the closing of the Bonds.

Year	Series 2014 Bonds Principal Amount		Year	Series 2016 Bond Principal Amount	
2023	$200,000		2023		
2024	$200,000		2024	$130,000	
2025	$200,000		2025		
2026	$200,000		2026	$275,000	(e)
2027	$225,000		2027		
2028	$225,000		2028	$300,000	(f)
2029	$250,000		2029		
2030	$250,000		2030	$330,000	(g)
2031	$275,000				
2032	$300,000				
2033	$300,000				
2034	$325,000				
2035					
2036	$700,000	(a)			
2037					
2038	$750,000	(b)			
2039					
2040	$875,000	(c)			
2041					
2042					
2043	$1,450,000	(d)			
TOTAL	**$6,725,000**			**$1,035,000**	

(a) Represents the 2036 Term Bonds with sinking fund provision beginning in 2035.

(b) Represents the 2038 Term Bonds with sinking fund provision beginning in 2037.

(c) Represents the 2040 Term Bonds with sinking fund provision beginning in 2039.

(d) Represents the 2043 Term Bonds with sinking fund provision beginning in 2041

(e) Represents the 2026 Term Bonds with sinking fund provision beginning in 2025.

(f) Represents the 2028 Term Bonds with sinking fund provision beginning in 2027.

(g) Represents the 2030 Term Bonds with sinking fund provision beginning in 2029.

SOURCES AND USES OF FUNDS

The proceeds derived from the sale of the Bonds, will be applied as follows:

SOURCES OF FUNDS:	
Principal Amount of the Bonds	$7,915,000.00
Plus Net Original Issue Premium	$193,200.55
Plus Accrued Interest	$11,073.85
Plus District Cash	$14,000.00
TOTAL SOURCES OF FUNDS	**$8,133,274.40**
USES OF FUNDS:	
Deposit to Pay Refunded Bonds	$7,799,362.08
Issuance Expenses (a)	$273,369.72
Underwriter's Discount	$49,468.75
Accrued Interest	$11,073.85
TOTAL USES OF FUNDS	**$8,133,274.40**

(a) Includes municipal bond insurance premium.

THE DISTRICT

General

The District is a municipal utility district created by an order of the Texas Water Rights Commission, the predecessor state agency to the TCEQ; entered on April 20,1977, which was confirmed at an election within the District on August 13, 1977, by a vote of three (3) for and zero (0) against. The District operates as a municipal utility district under Chapters 49 and 54 of the Texas Water Code, as amended. The District is empowered to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply and distribution of water; the collection, transportation and treatment of wastewater; and the control and diversion of stormwater. The District is also empowered to establish parks and recreational facilities for the residents of the District and to contract for or employ its own peace officers. In addition, the District may provide solid waste disposal and collection service and also is empowered to establish, operate and maintain a fire department, independently or with one or more other conservation and reclamation districts, if approved by the TCEQ and the District's voters. The District currently contracts for security services and is currently providing solid waste disposal and collection services to District residents.

The TCEQ exercises continuing supervisory jurisdiction over the District. The District is required to observe certain requirements of the City which limit the purposes for which the District may sell bonds, limit the net effective interest rate on such bonds and other terms of such bonds; require the approval by the City of certain District construction plans; and permit connections only to lots and reserves described in subdivision plats that have been approved by the Planning Commission of the City and filed in the real property records. Construction and operation of the District's drainage system is subject to the regulatory jurisdiction of additional State of Texas agencies. See "THE SYSTEM – Regulation."

Description

The District contains 572.19 acres of land. The District is located in northern Harris County approximately 14 miles north, northwest of the Houston Central Business District. The District is divided in a north-south direction by Veterans Memorial Parkway. The District has direct access via the Sam Houston Tollway to Interstate Highway 45, which is located approximately two (2) miles to the east of the District. The District lies approximately three (3) miles north and two (2) miles west of the present Houston city limits and is within the extra-territorial jurisdiction of the City of Houston.

Residential Development in the District

Land within the District has been developed principally as the residential subdivisions of Lincoln Green East, Section One; McKamy Meadows, Section One; Briar Creek, Lincoln Green Estates, Section One; and Lincoln Green Place, Sections One and Two. As of February 1, 2018, there were approximately 1,658 completed homes in the District, no homes under construction and no vacant developed lots; as of February 1, 2018, approximately 1,648 of the homes in the District were occupied. The residential portion of the District is substantially built out and has been built out for several years; there is no active single family residential land development currently underway in the District.

Commercial Development in the District

Commercial development in the District includes a Food Town Grocery Store, a private day care center, 4 restaurants, a carwash, 6 strip shopping centers, 2 service stations with car wash, 2 small grocery stores, a motel, a bank building, an office warehouse development located along the Beltway, and 2 not-for-profit schools that are also located along the Beltway. There are some commercial developers that own substantially developed land in the District. As of February 2021 the site work for an approximately 13 acre commercial office warehouse building development project is underway in the District.

Status of Development

A summary of the approximate land use in the District appears in the following table:

Type of Land Use	**Approximate Acres**
Fully Developed Residential Acreage	347 (a)
Fully Developed Commercial Acreage	70
Acres Currently Being Developed	13
Additional Developable Acreage	12 (b)
Recreation Facilities, Detention Ponds/Drainage Rights-of-Way/Flood Plain, and District Plant Sites	130
Total Approximate Acres	**572**

(a) Includes approximately 1,658 developed lots, all of the lots have homes constructed on them (as of February 1, 2021, 1,648 of such completed homes were occupied).

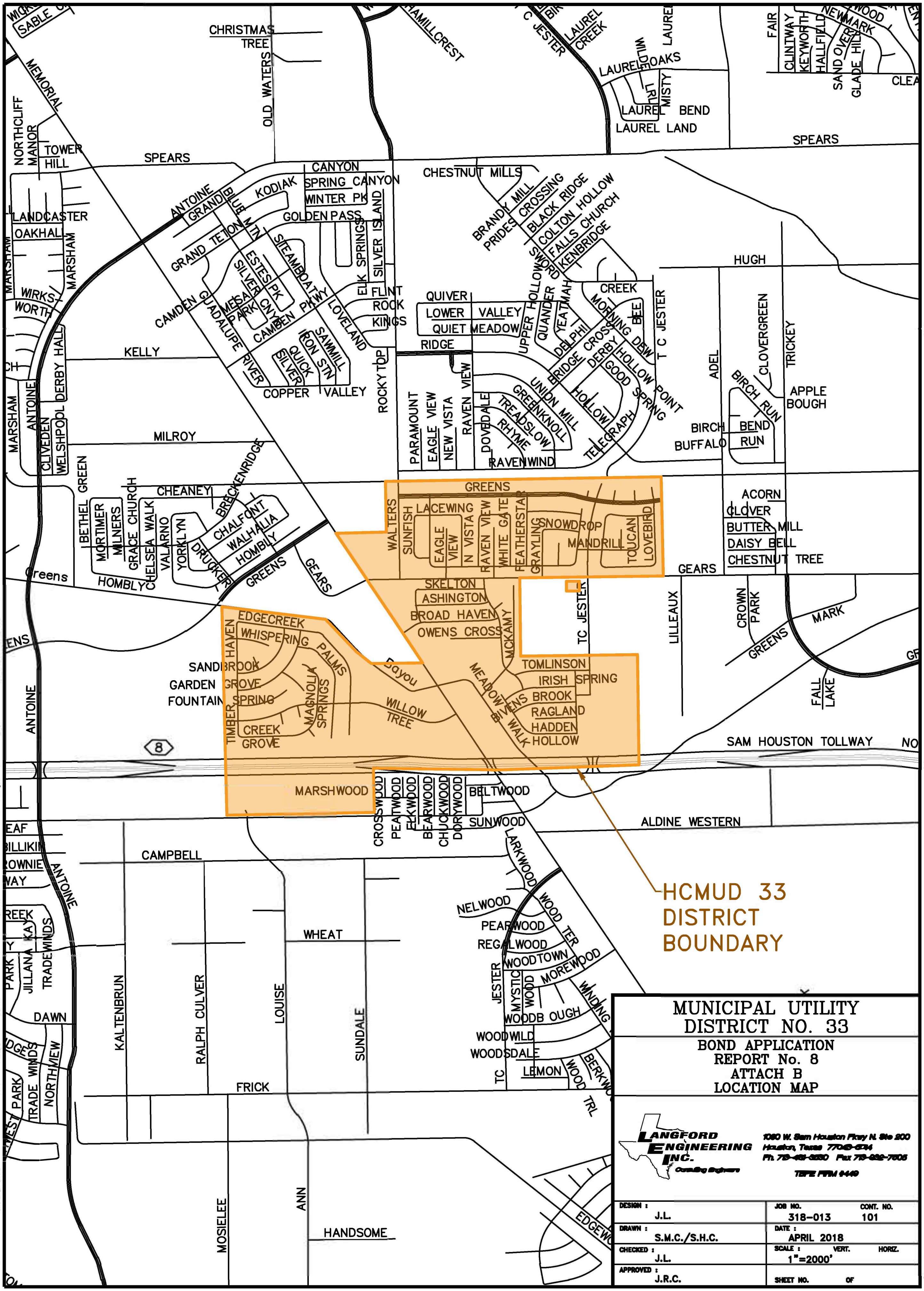
(b) Includes approximate acreage that may be developed in the future (most likely for commercial purposes).

Strategic Partnership Agreement – Limited Purpose Annexation by City of Houston

The District entered into a Strategic Partnership Agreement ("SPA") with the City of Houston (the "City") effective as of April 1, 2007, whereby the tracts of land containing commercial development were annexed into the City for the limited purpose of applying certain of the City's Planning, Zoning, Health and Safety Ordinances to the commercial businesses. The City imposes a Sales and Use Tax within the annexed tracts on the receipts from the sales and use at retail of taxable items at the rate of one 1% or such other rate as may be imposed by the City from time to time. Under the SPA, one-half or 50% of the sales tax revenue generated by the commercial business will be paid to the District, and the District can use the sales tax for purposes for which the District is lawfully authorized to use its ad valorem tax revenues or other revenues or to (1) accelerate the development of the water, wastewater and drainage system in the District, (2) accelerate reimbursement to developers for eligible infrastructure development, (3) lower the overall property tax rate to encourage additional development, and (4) perform other District functions that might otherwise be diminished, curtailed, abbreviated or delayed by financial limitations.

Neither the District nor any owners of taxable property in the District is liable for any present or future debts of the City and current and future ad valorem taxes levied by the City will not be levied on taxable property in the District. Under the SPA the City agrees that it will not annex all or part of the District for a period of thirty years from the date of the SPA. The Bonds are not obligations of the City and the SPA does not obligate the City, either directly or indirectly to pay the principal of or interest on the Bonds.

LOCATION MAP



AERIAL PHOTOGRAPH

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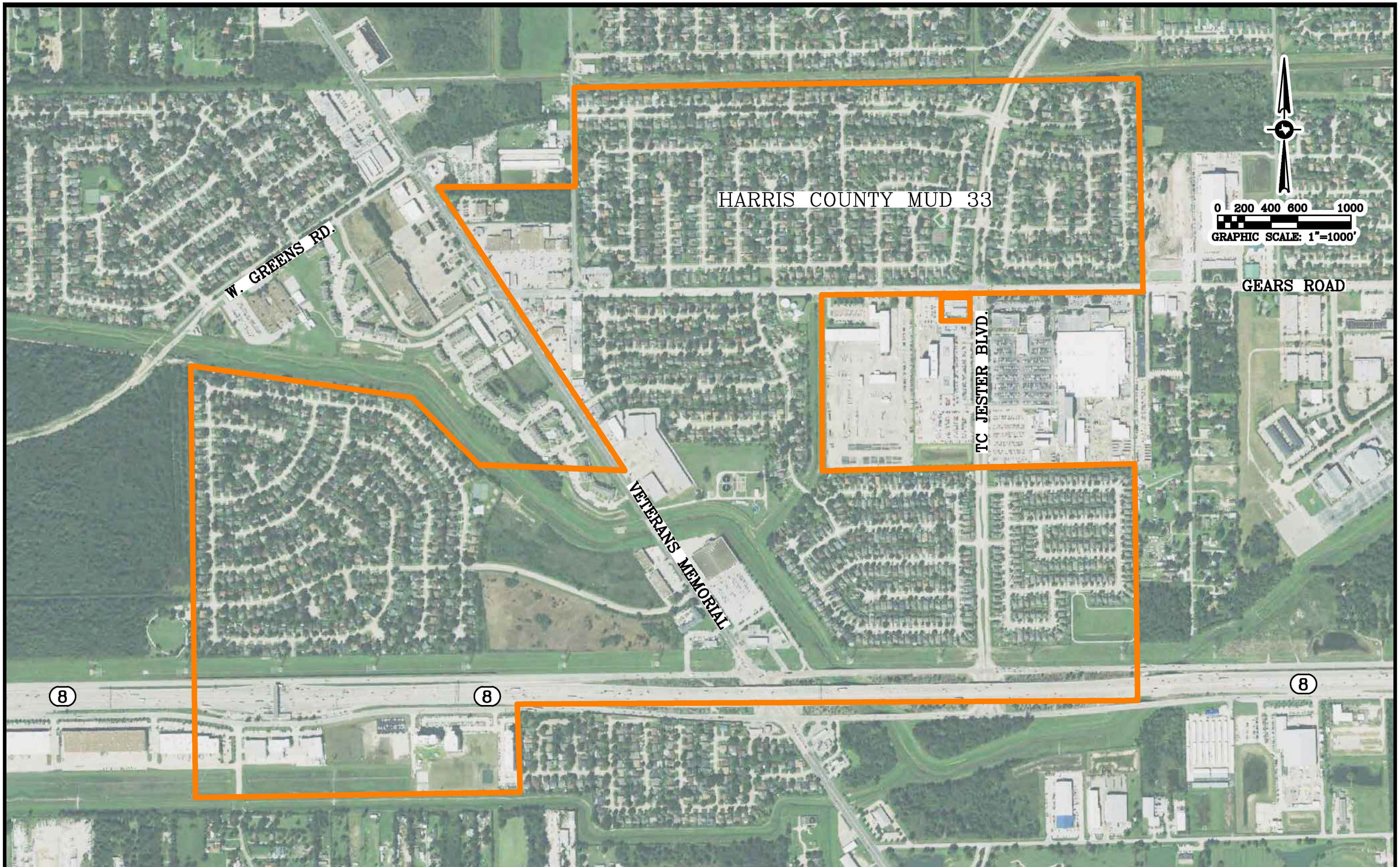

LANGFORD ENGINEERING INC.
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1080 W. Sam Houston Pkwy N. Ste 200
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Ph. 713-461-3530 Fax 713-932-7505
TBPE FIRM #449

H.C.M.U.D. NO. 33
BOUNDARY MAP
APRIL 2018

THE SYSTEM

Regulation

The purchase, acquisition and construction of the water, wastewater, and storm drainage facilities are to be financed by the District with the proceeds of the Bonds have been or will be designed in accordance with accepted engineering practices and the rules and regulations of certain governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities including, among others, the TCEQ, the City of Houston and Harris County.

Operation of the District's waterworks and wastewater facilities is subject to regulation by, among others, the United States Environmental Protection Agency, City of Houston, the TCEQ and the Texas Department of Health. In many cases, regulations promulgated by these agencies have become effective only recently and are subject to further development and revision.

Description of the System

The water, wastewater, and storm drainage facilities of the District and the accompanying rights of use therein, are described below based upon information obtained from the District's records.

Water Supply Facilities

The District owns and operates water supply facilities sufficient for full development of the area within the District; the existing water supply facilities were financed with proceeds from prior bond issues. The District's existing water supply facilities and the improvements to the water supply facilities that are being financed with bond proceeds are capable of serving 3,375 equivalent single family connections. The District currently serves 2,319 equivalent single family connections.

In addition, the District has emergency water supply contracts and physical interconnects with Harris County Utility District Nos. 14 & 15, Harris County Municipal Utility District No. 11 and Harris County Municipal Utility District No. 5.

Conversion to Surface Water

The District is within the boundaries of the Harris-Galveston Subsidence District (the "Subsidence District") which regulates groundwater withdrawal. The District's authority to pump groundwater is subject to an annual permit issued by the Subsidence District. The Subsidence District has adopted regulations requiring reduction of groundwater withdrawals through conversion to alternate source water (e.g., surface water) in areas within the Subsidence District's jurisdiction. In furtherance of the Subsidence District's mandate to reduce groundwater pumpage and convert to surface water, the Central Harris County Regional Water Authority (the "Authority") was created with the responsibility of, among other things, reducing groundwater usage in and providing surface water to permittees, including the District, within its boundaries. The Authority has developed a groundwater reduction plan ("GRP") and obtained Subsidence District approval of its GRP. The Authority's GRP sets forth the Authority's plan to comply with Subsidence District regulations, construct surface water facilities, and convert users from ground water to surface water. The District is included within the Authority's GRP.

The Authority has entered into a contract with the City of Houston for the purchase of treated surface water. Additionally, the Authority has entered into an agreement with the North Harris County Regional Water Authority ("NHCRWA") for the joint financing, design, construction, operation and maintenance of water transmission facilities.

Under the Subsidence District regulations and the GRP, the Authority was required to limit groundwater withdrawals to no more than 70% of the total water demand within the Authority's GRP by January 2010. Additionally, the Subsidence District requires that the Authority limit groundwater withdrawals to no more than 40% of the total water demand within the Authority's GRP beginning in 2025 and further limits groundwater withdrawals to no more than 20% of the total water demand within the Authority's GRP beginning in 2035. If the Authority fails to comply with such requirements or its GRP, the Authority is subject to a $9.50 per 1,000 gallons disincentive fee penalty ("Disincentive Fees") imposed by the Subsidence District for any groundwater withdrawn in excess of the maximum amount allowed by the Subsidence District. In the event of the Authority's failure to comply with such requirements, the Authority may also seek to collect such Disincentive Fees from the District.

The Authority has the power to issue debt supported by the revenues pledged for the payment of its obligations and may establish fees, rates, and charges as necessary to accomplish its purposes. The Authority has issued bonds to finance the costs of infrastructure required to meet the 2010 groundwater reduction requirements. The Authority currently charges its members, including the District, a groundwater pumpage fee of $3.01 per 1,000 gallons of groundwater pumped and a surface water fee of $3.35 per 1,000 gallons of surface water purchased from the Authority.

The District cannot predict the level of fees and charges which may be imposed upon the District by the Authority in the future, but the District anticipates the need to pass such fees through to its customers through increased water rates. Additionally, the issuance of additional bonds in the future by the Authority or District in an undetermined amount may be necessary to develop additional surface water conversion infrastructure.

Wastewater Treatment Facilities

Wastewater treatment for the entire District is provided by the Lincoln Green Regional Wastewater Treatment Plant, which is located in the District and is operated and maintained by the District in accordance with a "Waste Disposal Contract" between Harris County Utility District Nos. 14 and 15 and the District.

The District owns 939,000 gallons per day of capacity in the Lincoln Green Regional Wastewater Treatment Plant, which is sufficient to serve 3,310 single family equivalent connections, which is more than adequate to serve the District at full build out. The District is currently serving approximately 2,319 equivalent single family connections.

Drainage and Flood Hazard

Greens Bayou, a major tributary of Buffalo Bayou, crosses the District from northwest to southeast, and drains an area of 14 square miles upstream from the District. The current Flood Insurance Rate Map for Harris County, Community Panel No. 48201CO455L and 48201CO465L, dated June 18, 2007, indicates that approximately 170 acres of developed and developable land are located within the 100-year floodplain out of a total of 572 acres of developed and developable land within the District. The District did experience flooding in certain homes in the Briar Creek subdivision of the District during Tropical Storm Allison (which was considered at the time to be a 500-year flood event) in June of 2001. None of the commercial properties in the District experienced any flooding during Tropical Storm Allison. Approximately ten homes within the District experienced flooding as a result of Hurricane Harvey. No commercial properties in the District experienced any flooding during Hurricane Harvey.

General Fund Operating History

The Bonds are payable from the levy of an ad valorem tax, without legal limitation as to rate or amount, upon taxable property in the District. The information included in the table below relating to the District's water and sewer system operations is provided for information purposes only. The District makes no representation as to net revenues, if any, that may be available for debt service of the Bonds in the future.

	Fiscal Year End September 30 (a), (b)				
	2020	2019	2018	2017	2016
REVENUES					
Property taxes	$1,043,401	$808,859	$815,507	$800,124	$753,607
City of Houston rebates	$111,267	$106,564	$101,909	$97,379	$106,880
Water service	$592,266	$591,156	$479,254	$510,046	$493,085
Sewer service	$313,570	$310,905	$289,467	$304,918	$296,127
Surface water conversion	$542,171	$531,222	$521,660	$459,871	$453,616
Bulk water sales	-	-	$40,477	-	-
Garbage collection	$348,147	$303,624	$319,325	$345,114	$341,996
Penalty and interest	$60,414	$90,176	$115,719	$77,143	$99,897
Tap connection and inspection fees	$179,906	$2,000	$150	$35,353	$85,981
Investment income	$17,462	$41,103	$24,418	$14,966	$7,294
Other income	$95,427	$53,565	$120,643	$112,801	$116,723
TOTAL REVENUES	**$3,304,031**	**$2,839,174**	**$2,828,529**	**$2,757,715**	**$2,755,206**
EXPENDITURES					
Service operations:					
Purchased services	$426,645	$456,676	$859,693	$793,696	$789,230
Surface water fee	$535,304	$607,954	$573,729	$458,190	$489,702
Professional fees	$230,731	$229,504	$184,212	$213,959	$206,239
Contracted services	$331,138	$330,355	$377,344	$390,747	$395,315
Solid waste	$347,223	$312,281	$309,031	$309,062	$308,938
Utilities	$69,596	$72,831	$90,595	$78,280	$73,590
Recreational facilities	$128,204	$144,188	$132,186	$146,466	$112,360
Repairs and maintenance	$412,421	$255,559	$414,181	$475,117	$480,933
Other expenditures	$164,250	$182,198	$161,084	$153,267	$154,408
Tap connections	$50,185	-	-	-	-
Capital Outlay	-	$11,400	$36,078	$48,895	$33,637
Debt service, debt issuance costs	-	$8,044	$28,875	$1,214	-
TOTAL EXPENDITURES	**$2,695,697**	**$2,610,990**	**$3,167,008**	**$3,068,893**	**$3,044,352**
EXCESS REVENUES (EXPENDITURES)	**$608,334**	**$228,184**	**($338,479)**	**($311,178)**	**($289,146)**

(a) Data is taken from District's audited financial statements. See "APPENDIX A."

(b) As of December 1, 2020, the District's General Fund had an unaudited cash and temporary investment balance of approximately $1,331,249. The General Fund budget for the fiscal year ending September 30, 2021, calls for revenues of approximately $3,037,800 and operating expenditures of $2,847,073.

MANAGEMENT OF THE DISTRICT

The District is governed by a board of directors (the "Board") which has control over and management supervision of all affairs of the District. All of the directors reside in the District. A directors' election is held within the District in May in odd-numbered years. Directors are elected to serve four-year staggered terms. The current members and officers of the Board, along with their titles on the Board, are listed below.

Name	Title	Term Expires May
Carrie Jones-Patterson	President	2025
Julian C. Boddy	Vice President	2023
Alice Carrier	Secretary	2023
Portia Mumphery	Assistant Secretary/Treasurer/Investment Officer/Tax Compliance Officer	2025
Laura Davis	Director	2025

The District does not employ a general manager or any other full-time employees. The District has contracted for utility system operating, bookkeeping, tax assessing and collecting services and annual auditing of its financial statements as follows:

Tax Assessor/Collector - The District's Tax Assessor/Collector is Tax Tech, Inc., who is employed under an annual contract and represents approximately 65 other utility districts.

Bookkeeper - The District's Bookkeeper is Claudia Redden & Associates, LLC, which acts as bookkeeper for approximately 21 other utility districts.

Auditor - The financial statements of the District as of September 30, 2020, and for the year then ended, included in this offering document, have been audited by BKD, LLP, independent auditors, as stated in their report appearing herein. See "APPENDIX A." Additionally, the District contracts with McCall Gibson Swedland Barfoot PLLC to review the District's audited financial statements.

Utility System Operator - The System's operator is WWWMS, Inc., which currently acts as utility system operator for approximately 8 utility districts.

Engineer - The consulting engineer for the District is Langford Engineering, Inc. (the "Engineer").

Financial Advisor - The GMS Group, L.L.C., serves as Financial Advisor to the District, and is paid an hourly fee for certain work performed for the District and a contingent fee to be computed on each separate issuance of the bonds, if and when such bonds are delivered.

Bond Counsel – Radcliffe Bobbitt Adams Polley PLLC serves as Bond Counsel to the District and as counsel for the District on matters other than the issuance of bonds. Fees paid for the Bond Counsel services will be paid from proceeds of the Bonds; such fees are contingent upon the sale and delivery of such Bonds.

Special Tax Counsel – Orrick, Herrington & Sutcliffe LLP ("Special Tax Counsel") serve as Special Tax Counsel matters related to the issuance of the Bond. Fees paid to Special Tax counsel will be paid from proceeds of the bonds; such fees are contingent upon the sale and delivery of such Bonds.

DISTRICT INVESTMENT POLICY

The District has adopted an Investment Policy as required by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended. The District's goal is to preserve principal and maintain liquidity while securing a competitive yield in its portfolio. Funds of the District are invested in short-term U.S. Treasuries, certificates of deposit insured by the Federal Deposit Insurance Corporation ("FDIC") or secured by collateral evidenced by perfected safekeeping receipts held by a third party bank, and public funds investment pools rated in the highest rating category by a nationally recognized rating service. The District does not currently own, nor does it anticipate, the inclusion of long-term securities or derivative products in the District portfolio.

DISTRICT DEBT

2020 Taxable Valuation	$243,504,868	(a)
Direct Debt		
Outstanding Bonds as of March 1, 2021	$4,700,000	(b)
The Bonds	$7,915,000	
Total Direct Debt	**$12,615,000**	
Estimated Overlapping Debt	$12,214,167	(c)
Direct and Estimated Overlapping Debt	**$24,829,167**	
Percentage of Direct Debt to:		
2020 Taxable Valuation	5.18%	
Percentage of Direct and Estimated Overlapping Debt to:		
2020 Taxable Valuation	10.20%	
2020 Tax Rate Per $100 of Assessed Value		
Debt Service Tax	$0.34	
Maintenance Tax	$0.37	
Total 2020 Tax Rate	**$0.71**	
Pro Forma Cash and Investment Balances as of December 1, 2020		
General Fund	$1,331,249	(d)
Debt Service Fund	$1,114,763	(d)

(a) Reflects data supplied by HCAD. See “DISTRICT TAX DATA” and “TAX PROCEDURES.”

(b) Excludes the Refunded Bonds. See “PLAN OF FINANCING – Currently Outstanding Bonds.”

(c) See “DISTRICT DEBT – Estimated Overlapping Debt.”

(d) Approximate unaudited figures. The figure above represents balance prior to the collection of any significant amount of the District’s 2020 tax levy. Neither Texas law nor the District's Bond Orders require that the District maintain any particular balance in the Debt Service Fund. See "DISTRICT TAX DATA - Tax Adequacy of Tax Revenue."

Estimated Overlapping Debt

Other governmental entities whose boundaries overlap the District have outstanding bonds payable from ad valorem taxes. The following statement of direct and estimated overlapping ad valorem tax debt was developed from information contained in the "Texas Municipal Reports," published by the Municipal Advisory Council of Texas and from information obtained directly from certain jurisdictions. Except for the amounts relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person is entitled to rely upon such information as being accurate or complete. Furthermore, certain of the entities listed below may have issued additional bonds, the amount of which has not been reported. Political subdivisions overlapping the District are authorized by Texas law to levy and collect ad valorem taxes for operation, maintenance and/or general revenue purposes in addition to taxes for payment of their debt, and some are presently levying and collecting such taxes.

		Overlapping Debt	
Taxing Jurisdiction	**Outstanding Debt**	**Percent**	**Amount**
Aldine Independent School District	$1,015,385,000	1.04%	$10,597,322
Harris County	$1,293,922,125	0.05%	$599,598
Harris County Flood Control District	$334,270,000	0.05%	$158,280
Port of Houston Authority	$492,439,397	0.05%	$233,911
Harris County Hospital District	$86,050,000	0.05%	$40,935
Harris County Department of Education	$20,185,000	0.05%	$9,317
Lone Star College System	$542,290,000	0.11%	$574,803
Total Estimated Overlapping Debt			**$12,214,167**
The District's Direct Debt (a)			**$12,615,000**
Total Direct and Estimated Overlapping Debt			**$24,829,167**

(a) Includes the Bonds.

DISTRICT TAX DATA

Tax Rate and Collections

The following table sets forth the historical tax information collection experience of the District for the years 2016 through 2020. Such table has also been prepared based upon information from District records. Reference is made to such records for further and complete information.

Tax Year	Taxable Valuation	Tax Rate (a)	Tax Levy	Cumulative Tax Collections(b)	Year Ended September 30
2020	$243,504,868	$0.71	$1,728,885	90%	2021
2019	$223,449,763	$0.79	$1,765,253	100%	2020
2018	$202,859,650	$0.81	$1,643,163	100%	2019
2017	$191,908,818	$0.81	$1,554,461	100%	2018
2016	$179,091,911	$0.83	$1,486,463	100%	2017

(a) See -“Tax Rate Distribution” herein.

(b) Represents the tax collections as of February 24, 2021. The 2020 tax levy was due on or before January 31, 2021.

Maintenance Tax

The District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District’s improvements if such maintenance tax is authorized by vote of the District’s electors. Such maintenance tax was authorized by vote of the District’s electors in an amount not to exceed $1.00 per $100 of assessed valuation. Such tax is in addition to taxes which the District is authorized to levy for paying principal of and interest on the Bonds, the Outstanding Bonds, if any, and any tax bonds which may be issued in the future.

Tax Rate Distribution

The following table sets forth the tax rate distribution of the District for the years 2016 through 2020.

	2020	2016	2015	2017	2016
Debt Service	$0.34	$0.40	$0.41	$0.41	$0.42
Maintenance/Operation	$0.37	$0.39	$0.40	$0.40	$0.41
Total	**$0.71**	**$0.79**	**$0.81**	**$0.81**	**$0.83**

Additional Penalties

The District has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District can establish an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that either: (1) become delinquent on or after February 1 of a year, but not later than May 1 of that year, and that remain delinquent on April 1 (for personal property) and July 1 (for real property) of the year in which they become delinquent or (2) become delinquent on or after June 1, pursuant to the Texas Tax Code.

Principal Taxpayers

The list of principal taxpayers for 2020 and the other information provided by this table were provided by HCAD to the District's Tax Assessor/Collector based on certified tax rolls net of any exemptions from taxation. This table does not reflect any corrections pursuant to subsequent action of HCAD.

Property Owner	Property Description	Property Value	Percent of Total
North Pointe Plaza Inc	Land & Improvements	$5,863,119	2.41%
2ML Real Estate Interest Inc	Land & Improvements	$4,366,566	1.79%
Phan VM Holdings LLC	Land & Improvements	$3,624,261	1.49%
Dream Investment Group LLC	Land & Improvements	$3,325,000	1.37%
CenterPoint Energy Hou Ele	Land & Personal Property	$3,307,674	1.36%
K & I Properties LLC	Land & Improvements	$3,082,388	1.27%
Nocnir LLC	Land & Improvements	$2,655,959	1.09%
DLAC Ventures LLC	Land & Improvements	$2,386,652	0.98%
Prologis LP	Land & Improvements	$2,345,405	0.96%
Ghilin Properties LLC	Land & Improvements	$2,238,262	0.92%
Total		**$33,195,286**	**13.63%**

Analysis of Tax Base

Based on information provided to the District by its Tax Assessor/Collector, the following represents the composition of property comprising the gross tax roll valuations and the deferments for 2016 through 2020.

	Type of Property					
Tax Roll Year	Land	Improvements	Personal Property	Gross Valuations	Exemptions	Taxable Valuations
2020	$70,684,716	$222,598,102	$13,035,459	$306,318,277	$62,813,404	$243,504,873
2019	$59,743,949	$211,514,538	$13,862,099	$285,120,586	$61,670,823	$223,449,763
2018	$57,164,224	$190,353,435	$13,048,587	$260,566,246	$57,706,596	$202,859,650
2017	$53,816,162	$180,367,643	$11,907,780	$246,091,585	$54,182,767	$191,908,818
2016	$52,811,060	$165,692,630	$13,002,869	$231,506,559	$52,414,648	$179,091,911

Estimated Overlapping Taxes

The following table sets forth all 2020 taxes levied by overlapping taxing jurisdictions. No recognition is given to local assessments for civic association dues, fire department contributions, solid waste disposal charges, or any other levy by entities other than political subdivisions.

Taxing Entities	2020 Tax Rates
Aldine Independent School District	$1.274400
Harris County (a)	$0.604193
Lone Star College System	$0.107800
Harris County Emergency Services District No. 17	$0.099044
Harris County Emergency Services District No. 1	$0.097210
Overlapping Taxes	**$2.182647**
The District	$0.710000
Total Direct & Overlapping Taxes	**$2.892647**

(a) Includes Harris County Flood Control District, Harris County Hospital District, Harris County Department of Education, and Port of Houston Authority.

Tax Adequacy of Tax Revenue

The calculations shown below are solely for the purpose of illustration, reflect no net revenues of the System, no transfers of surplus funds from the District's Operating Fund to the Debt Service Fund, and no increase or decrease in assessed valuation over the 2020 Taxable Valuation. The calculations utilize a tax rate adequate to service the District's total debt service requirements after issuance of the Bonds.

Maximum Annual Debt Service Requirements (2023).. $886,255

Requires a $0.39 debt service tax rate on the 2020 Taxable Valuation at 95% collection $902,186

TAXING PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in an amount sufficient to pay the principal and interest on the Bonds and any additional bonds payable from taxes that the District may hereafter issue (see "RISK FACTORS - Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Order to levy such a tax from year to year as described more fully in this Official Statement under the caption "THE BONDS - Source of and Security for Payment." Under Texas law, the Board may also levy and collect an annual ad valorem tax for the operation and maintenance of the District and its water and wastewater system (see "DISTRICT TAX DATA - Maintenance Tax") and for the payment of certain contractual obligations if authorized by the voters in the District.

Property Tax Code and County-Wide Appraisal District

Title 1 of the Texas Tax Code (the "Property Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Tax Code are complex and are not fully summarized here. The Property Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units in a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. The Harris County Appraisal District ("HCAD") has the responsibility for appraising property for all taxing units within Harris County, including the District. Such appraisal values are subject to review and change by the Harris County Appraisal Review Board (the "Appraisal Review Board").

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, mobile homes, and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District. Principal categories of exempt property include, but are not limited to, property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; certain goods, wares, and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; and most individually owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons sixty-five (65) years or older and of certain disabled persons, and travel trailers, to the extent deemed advisable by the Board. The District may be required to offer such an exemption if a majority of voters approve it at an election. The District would be required to call such an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax-supported debt incurred prior to adoption of the exemption by the District. Furthermore, the District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, but only to the maximum extent of $3,000, or between $5,000 and $12,000 depending on the disability rating of the veteran, of taxable valuation. During 2020 the District granted $10,000 exemption for the elderly and disabled in the District.

Residential Homestead Exemptions. The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the assessor and collector of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted by July 1. The District has adopted an order granting a general 20% residential homestead exemption each year including 2020 since 1990.

Freeport Goods Exemptions. A “Freeport Exemption” applies to goods, wares, and merchandise other than oil, gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining petroleum or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas that are destined to be forwarded outside of Texas and that are detained in Texas for assembling, storing, manufacturing, processing, or fabricating for fewer than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option. A “Goods-in-Transit” Exemption is applicable to the same categories of tangible personal property that are covered by the Freeport Exemption, if, for tax year 2011 and prior applicable years, such property is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation, and the location where said property is detained during that period is not directly or indirectly owned or under the control of the property owner. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption includes tangible personal property acquired in or imported into Texas for storage purposes only if such property is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in-transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. The District has taken official action to allow taxation of all such goods-in-transit personal property for all prior and subsequent years.

Tax Abatement

Harris County or the City of Houston may designate all or part of the area within the District as a reinvestment zone. Thereafter, the City of Houston (after annexation), Harris County, Aldine Independent School District, or the District, at the option and discretion of each entity, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement. Each taxing jurisdiction, including the District, has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions. No tax abatement agreements exist at this time with any property owners in the District.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Assessments under the Property Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Property Tax Code.

The Property Tax Code permits land designated for agricultural use, open space, or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Property Tax Code permits, under certain circumstances, that residential real property inventory held by a person in the trade or business be valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Landowners wishing to avail themselves of the agricultural use, open space, or timberland designation or residential real property inventory designation must apply for the designation, and the chief appraiser is required by the Property Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it for another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three (3) years for agricultural use and taxes for the previous five (5) years for open space land and timberland.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraisal values. The plan must provide for appraisal of all real property in the Appraisal District at least once every three (3) years.

It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone- or county-wide basis. The District, however, at its expense, has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the Appraisal District chooses to formally include such values on its appraisal roll.

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units (such as the District) may appeal orders of the Appraisal Review Board by filing a timely petition for review in State district court. In such event, the value of the property in question will be determined by the court or by a jury if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda that could result in the repeal of certain tax increases. The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals that are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of 6% of the amount of the tax for the first calendar month it is delinquent, plus 1% for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of 12% regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty for collection costs, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. The delinquent tax accrues interest at a rate of 1% for each month or portion of a month it remains unpaid. The Property Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, which may be rejected by taxing units. The District's tax collector is required to enter into an installment payment agreement with any person who is delinquent on the payment of tax on a residence homestead for payment of tax, penalties and interest, if the person requests an installment agreement and has not entered into an installment agreement with the collector in the preceding 24 months. The installment agreement must provide for payments to be made in monthly installments and must extend for a period of at least 12 months and no more than 36 months. Additionally, the owner of a residential homestead property who is (i) 65 years of age or older, (ii) disabled, or (iii) a disabled veteran, is entitled by law to pay current taxes on a residential homestead in installments without penalty or to defer the payment of taxes during the time of ownership. In the instance of tax deferral, a tax lien remains on the property and interest continue to accrue during the period of deferral.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the District has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per $100 of taxable value are classified as "Low Tax Rate Districts." Districts that have financed, completed, and issued bonds to pay for all improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as "Developed Districts." Districts that do not meet either of the classifications previously discussed are classified herein as "Developing Districts." The impact each classification has on the ability of a district to increase its maintenance and operations tax rate pursuant to SB 2 is described for each classification below.

Low Tax Rate Districts. Low Tax Rate Districts that adopt a total tax rate that would impose more than1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are required to hold a rollback election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Low Tax Rate District is the current year's debt service and contract tax rate plus the operation and maintenance tax rate that would impose 1.08 times the amount of operation and maintenance tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a resident homestead in the district in that year, subject to certain homestead exemptions.

Developed Districts. Developed Districts that adopt a total tax rate that would impose more than 1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Property Tax Code, are required to hold a rollback election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus the operation and maintenance tax rate that would impose 1.035 times the amount of operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, subject to certain homestead exemptions, plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Low Tax Rate District and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Low Tax Rate Districts.

Developing Districts. Districts that do not meet the classification of a Low Tax Rate District or a Developed District are classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If a rollback election is called and passes, the total tax rate for Developing Districts is the current year's debt service and contract tax rate plus the operation and maintenance tax rate that would impose 1.08 times the amount of operation and maintenance tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a resident homestead in the district in that year, subject to certain homestead exemptions.

The District. A determination as to a district's status as a Low Tax Rate District, Developed District, or Developing District will be made on an annual basis, at the time a district sets its tax rate. The District is designated a Developed District for the 2020 tax year. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new rollback election calculation.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State of Texas and each local taxing unit, including the District, having power to tax the property. The District's tax lien is on parity with tax liens of other such taxing units (see "TAX DATA – Estimated Overlapping Taxes"). A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

Except with respect to owners of residential homestead property who are: (i) 65 years of age or older or under a disability as described above and who have filed an affidavit as required by law; and (ii) owners of residential homesteads who have entered into an installment agreement with the District for payment of delinquent taxes as described above and who are not in default under said agreement, at any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, or by taxpayer redemption rights (a taxpayer may redeem property that is a residence homestead or was designated for agricultural use within two years after the deed issued at foreclosure is filed of record and may redeem all other property within six months after the deed issued at foreclosure is filed of record) or by bankruptcy proceedings which restrict the collection of taxpayer debt. The District's ability to foreclose its tax lien or collect penalties and interest may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended. Generally, the District's tax lien and a federal tax lien are on par with the ultimate priority being determined by applicable federal law. See "RISK FACTORS – Tax Collection Limitations."

ANNEXATION, STRATEGIC PARTNERSHIP AGREEMENT, AND CONSOLIDATION

Annexation by the City of Houston

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston, the District must conform to a City of Houston consent ordinance. Generally, the District may be annexed by the City of Houston without the District's consent, and the City cannot annex territory within the District unless it annexes the entire District; however, under legislation effective December 1, 2017, the City may not annex the District unless (i) such annexation has been approved by a majority of those voting in an election held for that purpose within the area to be annexed, and (ii) if the registered voters in the area to be annexed do not own more than 50 percent of the land in the area, a petition has been signed by more than 50 percent of the landowners consenting to the annexation. Notwithstanding the preceding sentence, the described election and petition process does not apply during the term of a strategic partnership agreement between the City and the District specifying the procedures for full purpose annexation of all or a portion of the District. See "Strategic Partnership Agreement," below, for a description of the terms of the Strategic Partnership Agreement between the City and the District.

If the District is annexed, the City of Houston will assume the District's assets and obligations (including the Bonds) and dissolve the District. Annexation of territory by the City of Houston is a policy-making matter within the discretion of the Mayor and City Council of the City of Houston, and therefore, the District makes no representation that the City of Houston will ever annex the

District and assume its debt. Moreover, no representation is made concerning the ability of the City of Houston to make debt service payments should annexation occur.

Strategic Partnership Agreement

The District entered into a Strategic Partnership Agreement ("SPA") with the City of Houston (the "City") effective as of April 1, 2007, whereby the tracts of land containing commercial development were annexed into the City for the limited purpose of applying certain of the City's Planning, Zoning, Health and Safety Ordinances to the commercial businesses. The City imposes a Sales and Use Tax within the annexed tracts on the receipts from the sales and use at retail of taxable items at the rate of one percent (1%) or such other rate as may be imposed by the City from time to time. Under the SPA, one-half or 50% of the sales tax revenue generated by the commercial business will be paid to the District, and the District can use the sales tax for purposes for which the District is lawfully authorized to use its ad valorem tax revenues or other revenues or to (1) accelerate the development of the water, wastewater and drainage system in the District, (2) accelerate reimbursement to developers for eligible infrastructure development, (3) lower the overall property tax rate to encourage additional development, and (4) perform other District functions that might otherwise be diminished, curtailed, abbreviated or delayed by financial limitations.

Neither the District nor any owners of taxable property in the District is liable for any present or future debts of the City and current and future ad valorem taxes levied by the City will not be levied on taxable property in the District. Under the SPA the City agrees that it will not annex all or part of the District for a period of thirty years from the date of the SPA. The Bonds are not obligations of the City and the SPA does not obligate the City, either directly or indirectly to pay the principal of or interest on the Bonds. See "THE DISTRICT - Strategic Partnership Agreement – Limited Purpose Annexation by City of Houston."

Consolidation

The District has the legal authority to consolidate with other districts and, in connection therewith, to provide for the consolidation of its assets (such as cash and the utility system) and liabilities (such as the Bonds) with the assets and liabilities of districts with which it is consolidating. Although no consolidation is presently contemplated by the District, no representation is made concerning the likelihood of consolidation in the future.

THE BONDS

General

The Bond Order authorizes the issuance and sale of the Bonds and prescribes terms, conditions and provisions for the payment of the principal of and interest on the Bonds by the District. Set forth below is a summary of certain provisions of the Bond Order. Capitalized terms in such summary are used as defined in the Bond Order. Such summary is not a complete description of the entire Bond Order and is qualified in its entirety by reference to the Bond Order, copies of which are available from the District's Bond Counsel upon request.

The Bonds are dated and will bear interest from April 1, 2021, at the per annum rates shown on the cover page hereof. The Bonds are fully registered, serial bonds maturing on March 1 in the years 2022 through 2043, inclusive, in the principal amounts set forth on the cover page hereof. Interest on the Bonds is payable September 1, 2021, and each March 1 and September 1 thereafter until the earlier of maturity or redemption. The Record Date on the Bonds is the 15th day of the calendar month next preceding the interest payment date.

The Bonds will be issued only in fully registered form in any integral multiple of $5,000 of principal amount for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

In the event that the Book-Entry-Only System is discontinued, interest on the Bonds shall be payable by check on or before each interest payment date, mailed by the Paying Agent/Registrar to the registered owners ("Registered Owners") as shown on the bond register (the "Register") kept by the Paying Agent/Registrar at the close of business on the 15th calendar day of the month immediately preceding each interest payment date to the address of such Registered Owner as shown on the Register, or by such other customary banking arrangements as may be agreed upon by the Paying Agent/Registrar and a Registered Owner at the risk and expense of such Registered Owner.

Optional Redemption

The District reserves the right to redeem, prior to maturity the Bonds, in whole or in part from time to time, on March 1, 2029, or on any date thereafter, at a price of par plus accrued interest to the date of redemption. If fewer than all of the Bonds are to be redeemed, the particular Bonds to be redeemed will be selected by the District. Notice of each exercise of the right of redemption will be given at least thirty days prior to the date fixed for redemption by mailing written notice by first class mail to each of the Registered Owners (the "Registered Owners") of the Bonds to be redeemed. When Bonds have been called for redemption, they will become due and payable on the redemption date.

Mandatory Redemption

The Bonds maturing March 1 in the years 2034, 2036, 2038, and 2043 (the "Term Bonds") shall be subject to annual mandatory sinking fund redemption as shown on the table(s) below.

$650,000 Term Bonds, due March 1, 2034

Mandatory Redemption Date	Principal Amount
March 1, 2033	$315,000
March 1, 2034 (maturity)	$335,000

$705,000 Term Bonds, due March 1, 2036

Mandatory Redemption Date	Principal Amount
March 1, 2035	$355,000
March 1, 2036 (maturity)	$350,000

$730,000 Term Bonds, due March 1, 2038

Mandatory Redemption Date	Principal Amount
March 1, 2037	$370,000
March 1, 2038 (maturity)	$360,000

$2,155,000 Term Bonds, due March 1, 2043

Mandatory Redemption Date	Principal Amount
March 1, 2039	$405,000
March 1, 2040	$425,000
March 1, 2041	$415,000
March 1, 2042	$460,000
March 1, 2043 (maturity)	$450,000

Notice of Redemption; Partial Redemption

While the Bonds are in book-entry-only form, pursuant to the Bond Order, the Term Bonds will be scheduled for annual mandatory sinking fund redemption by DTC in accordance with its procedures. If the book-entry-only system is discontinued, the Paying Agent/Registrar shall select by lot the Term Bonds, if any, to be redeemed and issue a notice of redemption in the manner provided below. The principal amount of the Term Bonds of a maturity required to be redeemed pursuant to the operation of such mandatory redemption requirements shall be reduced, at the option of and as determined by the District, by the principal amount of any Term Bonds of such maturity which, prior to the date of the mailing of notice of such mandatory redemption, (1) shall have been acquired by the District and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the District, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

Notice of each exercise of the right of redemption will be given at least 30 calendar days prior to the date fixed for redemption by the mailing of a notice by the Paying Agent/Registrar to each of the registered owners of the Bonds to be redeemed at the address shown on the records of the Paying Agent/Registrar on the date which is 45 calendar days prior to the redemption date. When Bonds have been called for redemption, the right of the registered owners of such Bonds to collect interest which would otherwise accrue after the date for redemption will be terminated.

The Bonds of a denomination larger than $5,000 in principal amount may be redeemed in part ($5,000 in principal or any integral multiple thereof). Any Bond to be partially redeemed must be surrendered in exchange for one or more new Bonds of the same maturity for the unredeemed portion of the principal.

Source of and Security for Payment

The Bonds are secured by and payable from the levy of a continuing direct annual ad valorem tax, without legal limitation as to maximum rate or amount, levied against all taxable property in the District. In the Bond Order, the District covenants to levy a sufficient tax to pay principal of and interest on the Bonds, with full allowance being made for delinquencies, costs of collections, Registrar fees, and Appraisal District fees. The Bonds are obligations of the District and are not the obligations of the State of Texas, Harris County, the City of Houston, or any entity other than the District.

Defeasance

The Bond Order provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner now or hereafter permitted by law. Under current law such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision or a state that have been refunded and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and which mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds.

Upon such deposit as described above, such Bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner that would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

Funds

The Bond Order confirms the District's Debt Service Fund, which is kept separate from all other funds of the District and used for payment of debt service on the Bonds, the Outstanding Bonds, and any additional bonds payable from taxes which may be issued in the future by the District. Amounts on deposit in the Debt Service Fund may also be used to pay the fees and expenses of the Registrar.

Authorized and Unissued Bonds

The District has $3,235,000 authorized but unissued unlimited tax bonds remaining from an election held in 1984. At an election held on November 5, 2019, the voters of the District authorized $12,000,000 unlimited tax bonds and $12,000,000 in refunding bonds. After the issuance of the refunding bonds, the District will have $4,085,000 authorized but unissued refunding bonds. The District has $15,235,000 authorized but unissued unlimited tax bonds which may be issued for purposes of constructing facilities to serve the District.

The District has the right to issue all such bonds, as may hereafter be approved by the Board, subject to the approval of the Attorney General of the State of Texas, and in the case of new money bonds, subject to the approval of the TCEQ. Any such additional new money bonds and refunding bonds would be issued on a parity with the Bonds. Any future new money bonds to be issued by the District must also be approved by the TCEQ. According to the Engineer, such bond authorization should be adequate to finance the District's share of development costs to allow for the full development of land within the District. The District has also reserved the right to issue certain other additional bonds, special project bonds, and other obligations described in the Bond Order. All of the remaining bonds described above which have heretofore been authorized by the voters of the District, may be issued by the District from time to time as needed. If additional bonds are issued in the future and property values have not increased proportionately, such issuance might increase gross debt/property valuation ratios and thereby adversely affect the investment quality or security of the Bonds.

Paying Agent/Registrar

Pursuant to the Bond Order, the initial paying agent and initial registrar with respect to the Bonds is Zions Bancorporation, National Association, Houston, Texas. The District will maintain at least one Registrar, where the Bonds may be surrendered for transfer and/or for exchange or replacement for other Bonds, and for the purpose of maintaining the Bond Register on behalf of the District. The Registrar is required at all times to be a duly qualified banking corporation or association organized and doing business under the laws of the United States of America, or of any state thereof, and subject to supervision or examination by federal or state banking authorities.

The District reserves the right and authority to change any paying agent/registrar and, upon any such change, the District covenants and agrees in the Bond Order to promptly cause written notice thereof, specifying the name and address of such successor paying agent/registrar, to be sent to each Registered Owner of the Bonds by United States mail, first class, postage prepaid.

Registration and Transfer

In the event the Book-Entry-Only System should be discontinued, the Bonds will be transferable only on the Bond Register kept by the Registrar upon surrender and reissuance. The Bonds are exchangeable for an equal principal amount of Bonds of the same maturity and of any authorized denomination upon surrender of the Bonds to be exchanged at the operations office of the Registrar in Houston, Texas. See "BOOK-ENTRY-ONLY SYSTEM" above for a description of the system to be utilized initially in regard to the ownership and transferability of the Bonds. Every Bond presented or surrendered for transfer is required to be duly endorsed, or be accompanied by a written instrument of transfer, in a form satisfactory to the Registrar. Neither the Registrar nor the District is required (1) to transfer or exchange any Bond during the period beginning at the opening of business on a Record Date (defined herein) and ending at the close of business on the next succeeding interest payment date or (2) to transfer or exchange any Bond selected for redemption in whole or in part within thirty calendar days of the redemption date. No service charge will be made for any transfer or exchange, but the District or the Registrar may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

Lost, Stolen, or Destroyed Bonds

In the event the Book-Entry-Only System is discontinued, the District has agreed to replace mutilated, destroyed, lost, or stolen Bonds upon surrender of the mutilated Bonds, or receipt of satisfactory evidence of such destruction, loss, or theft and receipt by the District and the Registrar of security or indemnity as may be required by either of them to keep them harmless. The District will require payment of taxes, governmental charges, and expenses in connection with any such replacement.

Legal Investment and Eligibility to Secure Public Funds in Texas

Pursuant to the Texas Bond Procedures Act, Chapter 1201, Texas Government Code, as amended, and Section 49.186, Texas Water Code, the Bonds, whether rated or unrated, are (a) legal investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, and trustees and (b) legal investments for the public funds of cities, towns, villages, school districts, and other political subdivisions or public agencies of the State. Most political subdivisions in the State of Texas are required to adopt investment guidelines under the Public Funds Investment Act, Chapter 2256, Texas Government Code, and such political subdivisions may impose a requirement consistent with such act that the Bonds have a rating of not less than "A" or its equivalent to be legal investments for such entity's funds. The Bonds are eligible under the Public Funds Collateral Act, Chapter 2257, Texas Government Code, to secure deposits of public funds of the State or any political subdivision or public agency of the State and are lawful and sufficient security for those deposits to the extent of their market value. Again, political subdivisions in the State of Texas may impose a requirement that the Bonds have a rating of not less than "A" or its equivalent to be eligible to serve as collateral for their funds.

The District has not reviewed the laws in other states to determine whether the Bonds are legal investments for various institutions in those states or eligible to serve as collateral for public funds in those states. The District has made no investigation of any other laws, rules, regulations or investment criteria that might affect the suitability of the Bonds for any of the above purposes or limit the authority of any of the above persons or entities to purchase or invest in the Bonds.

BOOK-ENTRY-ONLY SYSTEM

This section describes how ownership of the Securities is to be transferred and how the principal of, premium, if any, Maturity Value, and interest on the Securities are to be paid to and credited by DTC while the Securities are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District, the Financial Advisor, and the Underwriters believe the source of such information to be reliable but take no responsibility for the accuracy or completeness thereof.

The District and the Underwriters cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Securities, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Securities), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Securities. The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of the Securities, each in the aggregate principal amount or Maturity Value, as the case may be, of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Securities under the DTC system must be made by or through Direct Participants, who will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive securities representing their ownership interests in Securities except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners.

The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If fewer than all of the Securities within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, securities are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, securities will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the District believes to be reliable, but none of the District, the Financial Advisor or the Underwriters takes any responsibility for the accuracy thereof. Termination by the District of the DTC Book-Entry-Only System may require consent of DTC Participants under DTC Operational Arrangements.

TAX MATTERS

Tax Exemption

In the opinion of Special Tax Counsel based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Special Tax Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislature proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Special Tax Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Special Tax Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the District and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

Qualified Tax-Exempt Obligations

The District designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended. Pursuant to that section of the Code, a qualifying financial institution will be allowed a deduction from its own federal corporate income tax for the portion of interest expense the financial institution is able to allocate to designated "bank-qualified" investments.

LEGAL MATTERS

Legal Opinion

The District will furnish the Underwriters a transcript of certain certified proceedings held incident to the authorization and issuance of the Bonds, including a certified copy of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and legally binding obligations of the District. The District will also furnish the legal opinions of Radcliffe Bobbitt Adams Polley PLLC ("Bond Counsel") and the legal opinion of Special Tax Counsel to the effect that, based upon an examination of such transcript, the Bonds are legal, valid and binding obligations of the District and to the effect that the interest on the Bonds is exempt from federal income taxation under existing statutes, regulations, published rulings and court decisions. Such opinions express no opinion with respect to the sufficiency of the security for or the marketability of the Bonds.

The opinion of Bond Counsel is expected to be reproduced on the back panel of the Bonds. The failure to print such legal opinion on any Bond shall not constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Bonds.

Legal Review

Bond Counsel has reviewed the information appearing in the Official Statement under the captions "CONTINUING DISCLOSURE OF INFORMATION – SEC RULE 15c2-12," “THE BONDS,” "THE DISTRICT – General," "TAXING PROCEDURES," “ANNEXATION, STRATEGIC PARTNERSHIP AGREEMENT, AND CONSOLIDATION,” “TAX MATTERS” solely to determine whether such information fairly summarizes the procedures, documents, and legal matters referred to therein, "LEGAL MATTERS," and “REGISTRATION AND QUALIFICATION UNDER SECURITIES LAWS.” However, Bond Counsel has not independently verified any of the factual information contained in this Official Statement nor has it conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of this Official Statement in its capacity as Bond Counsel. No person is entitled to rely upon Bond Counsel's limited participation as an assumption of responsibility for or an expression of opinion of any kind with regard to the accuracy or completeness of any information contained herein, other than the matters discussed immediately above.

Radcliffe Bobbitt Adams Polley PLLC acts as general counsel to the District on matters other than the issuance of bonds. The legal fees paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the bonds actually issued, sold and delivered and, therefore, such fees are contingent upon the sale and delivery of the Bonds.

No-Litigation Certificate

On the date of delivery of the Bonds, the District will execute and deliver a certificate to the effect that there is not pending, and to the knowledge of the District, there is not threatened, any litigation affecting the validity of the Bonds, or the levy and/or collection of taxes for the payment thereof, or the organization or boundaries of the District, or the title of the officers thereof to their respective offices.

REGISTRATION AND QUALIFICATION UNDER SECURITIES LAWS

The offer and sale of the Bonds have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, and the Bonds have not been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

OFFICIAL STATEMENT

Sources of Information

The information contained in this Official Statement has been obtained primarily from the District's records, the Engineer, the Tax Assessor/Collector, and other sources that are believed to be reliable, but no representation is made as to the accuracy or completeness of the information derived from such other sources. The summaries of the statutes, orders, resolutions and engineering and other related reports set forth in the Official Statement are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

Consultants

In approving this Official Statement, the District has relied upon the following consultants.

Engineer - The information contained in this Official Statement relating to engineering matters generally and to the description of the System and in particular that information included in the sections entitled "THE SYSTEM" and certain engineering matters included in "THE DISTRICT - Description" and "THE DISTRICT - Status of Development," have been provided by Langford Engineering, Inc., and have been included in reliance upon the authority of such firm as an expert in the field of civil engineering.

Tax Assessor/Collector - The information contained in this Official Statement relating to the estimated assessed valuation of property and, in particular, such information contained in the section captioned "DISTRICT TAX DATA," has been provided by the Harris County Appraisal District and by Tax Tech, Inc, in reliance upon their authority as experts in the field of tax assessing and appraising.

Auditor - The financial statements of the District as of September 30, 2020, and for the year then ended, included in this offering document, have been audited by BKD, LLP, independent auditors, as stated in their report appearing herein. See "APPENDIX A."

Continuing Availability of Financial Information

Pursuant to Texas law, the District has its financial statements prepared in accordance with generally accepted accounting principles and has its financial statements audited by a certified public accountant in accordance with generally accepted auditing standards within 120 days after the close of its fiscal year. The District's audited financial statements are required to be filed with the TCEQ within 135 days after the close of its fiscal year.

The District's financial records and audited financial statements are available for public inspection during regular business hours at the office of the District and copies will be provided on written request, to the extent permitted by law, upon payment of copying charges. Requests for copies should be addressed to the District in care of Radcliffe Bobbitt Adams Polley PLLC, 2929 Allen Parkway, Suite 3450, Houston, Texas 77019-7120.

Certification as to Official Statement

The Board of Directors of the District, acting in its official capacity and in reliance upon the consultants listed above, and certain certificates of representation to be provided to the Board, hereby certifies, as of the date hereof, that to the best of its knowledge and belief, the information, statements and descriptions pertaining to the District and its affairs herein contain no untrue statements of a material fact and do not omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading. The information, descriptions and statements concerning entities other than the District, including particularly other governmental entities, have been obtained from sources believed to be reliable, but the District has made no independent investigation of such matters and makes no representation as to the accuracy or completeness thereof.

Updating of Official Statement

The District will keep the Official Statement current by amendment or sticker to reflect material changes in the affairs of the District and, to the extent that information comes to its attention, in the other matters described in the Official Statement, until the delivery of the Bonds. All information with respect to the resale of the Bonds shall be the responsibility of the Underwriters.

MISCELLANEOUS

All estimates, statements and assumptions in this Official Statement and the Appendices hereto have been made on the basis of the best information available and are believed to be reliable and accurate. Any statement in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated is intended as such and not a representation of fact and no representation is made that any such statement will be realized.

This Official Statement was approved by the Board of Directors of Harris County Municipal Utility District No. 33 as of the date shown on the cover page.

APPENDIX A

AUDITED FINANCIAL STATEMENTS OF THE DISTRICT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Harris County Municipal Utility District No. 33

Harris County, Texas

Independent Auditor's Report and Financial Statements

September 30, 2020

BKD
CPAs & Advisors

Harris County Municipal Utility District No. 33
September 30, 2020

Contents

BKD
CPAs & Advisors

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Independent Auditor's Report

Board of Directors
Harris County Municipal Utility District No. 33
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. 33 (the District), as of and for the year ended September 30, 2020, 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2020, and the respective changes in financial position thereof 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 budgetary comparison schedules listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 other information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Houston, Texas
March 18, 2021

Harris County Municipal Utility District No. 33
Management's Discussion and Analysis
September 30, 2020

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also contains supplementary information required by the Governmental Accounting Standards Board and other information required by the District's state oversight agency, the Texas Commission on Environmental Quality (the Commission).

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, sanitary sewer and drainage services. Other activities, such as the provision of recreation facilities and solid waste collection, are minor activities and are not budgeted or accounted for as separate programs. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

Government-wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the statement of net position and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net position is to attempt to report all of the assets, liabilities, and deferred inflows and outflows of resources of the District. The District reports all of its assets when it acquires or begins to maintain the assets and reports all of its liabilities when they are incurred.

The difference between the District's assets, liabilities, and deferred inflows and outflows of resources is labeled as net position and this difference is similar to the total stockholders' equity presented by a commercial enterprise.

The purpose of the statement of activities is to present the revenues and expenses of the District. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the District. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported even when they may not be collected for several months or years after the end of the accounting period and expenses are recorded even though they may not have used cash during the current year.

Although the statement of activities looks different from a commercial enterprise's statement of income, the financial statement is different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the District reports an amount described as change in net position, essentially the same thing.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the general fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

Governmental Funds

Governmental-fund financial statements consist of a balance sheet and a statement of revenues, expenditures and changes in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted into cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and water, sewer and drainage systems. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's assets, liabilities, and deferred inflows and outflows of resources is labeled the fund balance and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

Because the focus of the government-wide and fund financial statements is different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in the notes to financial statements that describes the adjustments to fund balances to arrive at net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in the notes to financial statements that reconciles the total change in fund balances for all governmental funds to the change in net position, as reported in the governmental activities column in the statement of activities.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data found in the government-wide and fund financial statements.

Financial Analysis of the District as a Whole

The District's overall financial position and activities for the past two years are summarized as follows, based on the information included in the government-wide financial statements.

Summary of Net Position

	2020	2019
Current and other assets	$ 8,843,844	$ 7,833,692
Capital assets	12,055,000	12,592,534
Total assets	20,898,844	20,426,226
Deferred outflows of resources	66,629	72,133
Total assets and deferred outflows of resources	$ 20,965,473	$ 20,498,359
Long-term liabilities	$ 12,751,187	$ 13,208,849
Other liabilities	2,115,747	2,025,861
Total liabilities	14,866,934	15,234,710
Net position:		
Net investment in capital assets	321,767	407,505
Restricted	3,150,803	2,856,020
Unrestricted	2,625,969	2,000,124
Total net position	$ 6,098,539	$ 5,263,649

The total net position of the District increased by $834,890, or about 15 percent. The majority of the increase in net position is related to property tax and service revenues exceeding service expenses. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Summary of Changes in Net Position

	2020	2019
Revenues:		
Property taxes	$ 2,147,400	$ 1,698,153
City of Houston rebates	112,119	106,526
Charges for services	2,117,235	2,010,929
Other revenues	441,836	345,363
Total revenues	4,818,590	4,160,971
Expenses:		
Services	2,973,703	3,721,421
Depreciation	558,984	556,200
Debt service	451,013	467,391
Total expenses	3,983,700	4,745,012
Change in net position	834,890	(584,041)
Net position, beginning of year	5,263,649	5,847,690
Net position, end of year	$ 6,098,539	$ 5,263,649

Financial Analysis of the District's Funds

The District's combined fund balances as of the end of the fiscal year ended September 30, 2020, were $6,642,480, an increase of $874,671 from the prior year.

The general fund's fund balance increased by $608,334 due to property tax, City of Houston (the City) rebates and service revenues exceeding service operations expenditures. In addition, tap connection and inspection fee revenues exceeded related expenditures.

The special revenue fund's fund balance increased by $109,487, which represents the District's share of excess revenues.

The debt service fund's fund balance increased by $145,865 due to property tax revenues exceeding bond principal and interest requirements.

The capital projects fund's fund balance increased by $10,985 due to interest income.

Harris County Municipal Utility District No. 33
Management's Discussion and Analysis (Continued)
September 30, 2020

General Fund Budgetary Highlights

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to property tax and tap connection and inspection fee revenues and repairs and maintenance expenditures being higher than anticipated and water service revenues and contracted services expenditures being lower than anticipated. The fund balance as of September 30, 2020, was expected to be $2,123,761 and the actual end-of-year fund balance was $2,574,013.

Capital Assets and Related Debt

Capital Assets

Capital assets held by the District at the end of the current and previous fiscal years are summarized below:

Capital Assets (Net of Accumulated Depreciation)

	2020	2019
Land and improvements	$ 1,187,553	$ 1,187,553
Construction in progress	7,531	-
Water facilities	5,671,251	5,967,400
Wastewater facilities	4,313,137	4,549,653
Parks and recreation	875,528	887,928
Total capital assets	$ 12,055,000	$ 12,592,534

During the current year, additions to capital assets were as follows:

Construction in progress related to the District's share of the wastewater treatment plant improvements	$ 7,531
District's share of the camera system at the wastewater treatment plant	13,919
Total additions to capital assets	$ 21,450

Debt

The changes in the debt position of the District during the fiscal year ended September 30, 2020, are summarized as follows.

Long-term debt payable, beginning of year	$ 13,208,849
Decreases in long-term debt	(457,662)
Long-term debt payable, end of year	$ 12,751,187

At September 30, 2020, the District had $15,235,000 of unlimited tax bonds and $2,495,000 of combination unlimited tax and revenue bonds authorized, but unissued, for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District.

The District's bonds carry an underlying rating of "Baa1" by Moody's Investors Service (Moody's). The Series 2014 bonds carry a rating of "A2" from Moody's and a rating of "AA" from Standard & Poor's by virtue of bond insurance issued by Assured Guaranty Municipal Corp. and the Series 2016 refunding and 2018 bonds carry a rating of "AA" from Standard & Poor's by virtue of bond insurance issued by Build America Mutual Assurance Company. The Series 2012 bonds are not rated.

Other Relevant Factors

Relationship to the City of Houston

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City, the District must conform to the City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City for full purposes without the District's consent, except as set forth below.

Effective April 9, 2007, the District entered into a Strategic Partnership Agreement with the City, which annexed certain portions of the District into the City for "limited purposes," as described therein. Under the terms of the Strategic Partnership Agreement, the City has agreed it will not annex the District as a whole for full purposes for 30 years, at which time the City has the option to annex the District if it chooses to do so.

Contingencies

The developer of the District is constructing water, sewer and drainage facilities within the boundaries of the District. The District has agreed to reimburse the developer for a portion of these costs, plus interest, from the proceeds of future bond sales, to the extent approved by the Commission. The District's engineer has stated that current construction contract amounts are approximately $1,198,000. This amount has not been recorded in the financial statements since the facilities are not complete nor operational.

Harris County Municipal Utility District No. 33
Statement of Net Position and Governmental Funds Balance Sheet
September 30, 2020

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets							
Cash	$ 245,199	$ 559,843	$ 123,042	$ 26,889	$ 954,973	$ -	$ 954,973
Short-term investments	2,227,123	2,715,078	1,122,802	1,245,523	7,310,526	-	7,310,526
Receivables:							
Property taxes	42,165	-	42,809	-	84,974	-	84,974
Service accounts	269,746	-	-	-	269,746	-	269,746
Accrued penalty and interest	-	-	-	-	-	27,295	27,295
Due from others	21,419	-	-	-	21,419	-	21,419
Interfund receivable	151,399	-	-	-	151,399	(151,399)	-
Due from City of Houston	18,063	-	-	-	18,063	9,791	27,854
Due from participants	-	147,057	-	-	147,057	-	147,057
Capital assets (net of accumulated depreciation):							
Land and improvements	-	-	-	-	-	1,187,553	1,187,553
Construction in progress	-	-	-	-	-	7,531	7,531
Infrastructure	-	-	-	-	-	9,984,388	9,984,388
Parks and recreation	-	-	-	-	-	875,528	875,528
Total assets	2,975,114	3,421,978	1,288,653	1,272,412	8,958,157	11,940,687	20,898,844
Deferred Outflows of Resources							
Deferred amount on debt refundings	0	0	0	0	0	66,629	66,629
Total assets and deferred outflows of resources	$ 2,975,114	$ 3,421,978	$ 1,288,653	$ 1,272,412	$ 8,958,157	$ 12,007,316	$ 20,965,473

Harris County Municipal Utility District No. 33
Statement of Net Position and Governmental Funds Balance Sheet (Continued)
September 30, 2020

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Liabilities							
Accounts payable	$ 171,927	$ 42,746	$ 8	$ 56	$ 214,737	$ -	$ 214,737
Accrued interest payable	-	-	-	-	-	36,443	36,443
Customer deposits	171,465	-	-	-	171,465	-	171,465
Due to others	15,544	-	-	-	15,544	-	15,544
Due to participants	-	1,677,558	-	-	1,677,558	-	1,677,558
Interfund payable	-	132,548	18,851	-	151,399	(151,399)	-
Long-term liabilities:							
Due within one year	-	-	-	-	-	470,000	470,000
Due after one year	-	-	-	-	-	12,281,187	12,281,187
Total liabilities	358,936	1,852,852	18,859	56	2,230,703	12,636,231	14,866,934
Deferred Inflows of Resources							
Deferred property tax revenues	42,165	0	42,809	0	84,974	(84,974)	0
Fund Balances/Net Position							
Fund balances:							
Restricted:							
Unlimited tax bonds	-	-	1,226,985	-	1,226,985	(1,226,985)	-
Water, sewer and drainage	-	-	-	1,272,356	1,272,356	(1,272,356)	-
Committed, wastewater collection and treatment	-	1,569,126	-	-	1,569,126	(1,569,126)	-
Unassigned	2,574,013	-	-	-	2,574,013	(2,574,013)	-
Total fund balances	2,574,013	1,569,126	1,226,985	1,272,356	6,642,480	(6,642,480)	0
Total liabilities, deferred inflows of resources and fund balances	$ 2,975,114	$ 3,421,978	$ 1,288,653	$ 1,272,412	$ 8,958,157		
Net position:							
Net investment in capital assets						321,767	321,767
Restricted for plant operations						1,569,126	1,569,126
Restricted for debt service						1,260,646	1,260,646
Restricted for capital projects						321,031	321,031
Unrestricted						2,625,969	2,625,969
Total net position						$ 6,098,539	$ 6,098,539

Harris County Municipal Utility District No. 33

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances

Year Ended September 30, 2020

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues							
Property taxes	$ 1,043,401	$ -	$ 1,069,862	$ -	$ 2,113,263	$ 34,137	$ 2,147,400
City of Houston rebates	111,267	-	-	-	111,267	852	112,119
Water service	592,266	-	-	-	592,266	-	592,266
Sewer service	313,570	-	-	-	313,570	-	313,570
Surface water conversion	542,171	-	-	-	542,171	-	542,171
Sewer service fees	-	894,499	-	-	894,499	(573,418)	321,081
Garbage collection	348,147	-	-	-	348,147	-	348,147
Penalty and interest	60,414	-	33,771	-	94,185	9,835	104,020
Tap connection and inspection fees	179,906	-	-	-	179,906	-	179,906
Investment income	17,462	25,139	8,497	11,385	62,483	-	62,483
Other income	95,427	-	-	-	95,427	-	95,427
Total revenues	3,304,031	919,638	1,112,130	11,385	5,347,184	(528,594)	4,818,590
Expenditures/Expenses							
Service operations:							
Purchased services	426,645	-	-	-	426,645	(426,645)	-
Surface water fee	535,304	-	-	-	535,304	-	535,304
Professional fees	230,731	42,874	8,089	-	281,694	361	282,055
Contracted services	331,138	135,554	46,357	-	513,049	-	513,049
Solid waste	347,223	-	-	-	347,223	-	347,223
Utilities	69,596	86,300	-	-	155,896	-	155,896
Recreational facilities	128,204	-	-	-	128,204	-	128,204
Repairs and maintenance	412,421	316,509	-	-	728,930	-	728,930
Other expenditures	164,250	60,692	7,877	38	232,857	-	232,857
Tap connections	50,185	-	-	-	50,185	-	50,185
Capital outlay	-	45,686	-	362	46,048	(46,048)	-
Depreciation	-	-	-	-	-	558,984	558,984
Debt service:							
Principal retirement	-	-	460,000	-	460,000	(460,000)	-
Interest and fees	-	-	443,942	-	443,942	7,071	451,013
Total expenditures/expenses	2,695,697	687,615	966,265	400	4,349,977	(366,277)	3,983,700

Harris County Municipal Utility District No. 33

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances (Continued)

Year Ended September 30, 2020

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Excess of Revenues Over Expenditures	$ 608,334	$ 232,023	$ 145,865	$ 10,985	$ 997,207	$ (162,317)	
Other Financing Uses							
Allocation of excess revenue to participants	-	(122,536)	-	-	(122,536)	122,536	
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	608,334	109,487	145,865	10,985	874,671	(874,671)	
Change in Net Position						834,890	$ 834,890
Fund Balances/Net Position							
Beginning of year	1,965,679	1,459,639	1,081,120	1,261,371	5,767,809	-	5,263,649
End of year	$ 2,574,013	$ 1,569,126	$ 1,226,985	$ 1,272,356	$ 6,642,480	$ 0	$ 6,098,539

Harris County Municipal Utility District No. 33
Notes to Financial Statements
September 30, 2020

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Harris County Municipal Utility District No. 33 (the District) was created by an order of the Texas Water Rights Commission, now known as the Texas Commission on Environmental Quality (the Commission), effective April 20, 1977, in accordance with the Texas Water Code, Chapter 54. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance, construct, own and operate waterworks, wastewater and drainage facilities and to provide such facilities and services to the customers of the District. The District also provides solid waste disposal services.

The District is governed by a Board of Directors (the Board) consisting of five individuals who are residents or owners of property within the District and are elected by voters within the District. The Board sets the policies of the District. The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America for state and local governments, as defined by the Governmental Accounting Standards Board. The following is a summary of the significant accounting and reporting policies of the District:

Reporting Entity

The accompanying government-wide financial statements present the financial statements of the District. There are no component units that are legally separate entities for which the District is considered to be financially accountable. Accountability is defined as the District's substantive appointment of the voting majority of the component unit's governing board. Furthermore, to be financially accountable, the District must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific financial benefits to, or impose specific financial burdens on, the District.

Government-wide and Fund Financial Statements

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, wastewater, drainage and other related services. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented with a column for adjustments to convert to the government-wide financial statements.

The government-wide financial statements report information on all of the activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through taxes, charges for services and intergovernmental revenues. The statement of activities reflects the revenues and expenses of the District.

The fund financial statements provide information about the District's governmental funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is directed to specific activities of the District.

The District presents the following major governmental funds:

General Fund – The general fund is the primary operating fund of the District which accounts for all financial resources not accounted for in another fund. Revenues are derived primarily from property taxes, charges for services and interest income.

Special Revenue Fund – Accounts for revenues and expenditures involving specific revenue sources that are legally restricted to expenditures for specified purposes. The primary source of revenue is participant fees.

Debt Service Fund – The debt service fund is used to account for financial resources that are restricted, committed or assigned to expenditures for principal and interest related costs, as well as the financial resources being accumulated for future debt service.

Capital Projects Fund – The capital projects fund is used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays.

Fund Balances – Governmental Funds

The fund balances for the District's governmental funds can be displayed in up to five components:

Nonspendable – Amounts that are not in a spendable form or are required to be maintained intact.

Restricted – Amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed – Amounts that can be used only for the specific purposes determined by resolution of the Board. Commitments may be changed or lifted only by issuance of a resolution by the District's Board.

Assigned – Amounts intended to be used by the District for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned – The residual classification for the general fund and includes all amounts not contained in the other classifications.

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include property taxes and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes are levied. Intergovernmental revenues are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted. Donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as liabilities.

Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of governmental funds revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The District considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, charges for services and investment income. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures when payment is due.

Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period.

Interfund Transactions

Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay the amount and if there is the ability to repay the advance on a timely basis. Operating transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

Pension Costs

The District does not participate in a pension plan and, therefore, has no pension costs.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Investments and Investment Income

Investments in certificates of deposit, mutual funds, U.S. Government and agency securities, and certain pooled funds, which have a remaining maturity of one year or less at the date of purchase, are recorded at amortized cost. All other investments are carried at a value. Fair value is determined using quoted market values.

Investment income includes dividends and interest income and the net change for the year in the fair value of investments carried at fair value. Investment income is credited to the fund in which the investment is recorded.

Property Taxes

An appraisal district annually prepares appraisal records listing all property within the District and the appraised value of each parcel or item as of January 1. Additionally, on January 1, a tax lien attaches to property to secure the payment of all taxes, penalty and interest ultimately imposed for the year on the property. After the District receives its certified appraisal roll from the appraisal district, the rate of taxation is set by the Board of the District based upon the aggregate appraisal value. Taxes are due and payable October 1 or when billed, whichever is later, and become delinquent after January 31 of the following year.

In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Revenues recognized during the fiscal year ended September 30, 2020, include collections during the current period or within 60 days of year-end related to the 2019 and prior years' tax levies.

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended September 30, 2020, the 2019 tax levy is considered earned during the current fiscal year. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets, with an individual cost of $5,000 or more and an estimated useful life of two years or more. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives, as follows:

	Years
Water production and distribution facilities	10-45
Wastewater collection and treatment facilities	10-45
Parks and recreational facilities	20

Deferred Amount on Debt Refundings

In the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt in a debt refunding is deferred and amortized to interest expense using the effective interest rate method over the remaining life of the old debt or the life of the new debt, whichever is shorter. Such amounts are classified as deferred outflows or inflows of resources.

Debt Issuance Costs

Debt issuance costs, other than prepaid insurance, do not meet the definition of an asset or deferred outflows of resources since the costs are not applicable to a future period and, therefore, are recognized as an expense/expenditure in the period incurred.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Premiums and discounts on bonds are recognized as a component of long-term liabilities and amortized over the life of the related debt using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position/Fund Balances

Fund balances and net position are reported as restricted when constraints placed on them are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.

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

Reconciliation of Government-wide and Fund Financial Statements

Amounts reported for net position of governmental activities in the statement of net position and fund balances in the governmental funds balance sheet are different because of the following items.

Harris County Municipal Utility District No. 33
Notes to Financial Statements
September 30, 2020

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	$	12,055,000
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.		84,974
Penalty and interest on delinquent taxes is not receivable in the current period and is not reported in the funds.		27,295
Deferred amount on debt refundings for governmental activities are not financial resources and are not reported in the funds.		66,629
Amounts due from the City of Houston are not receivable in the current period and are not reported in the funds.		9,791
Accrued interest on long-term liabilities is not payable with current financial resources and is not reported in the funds.		(36,443)
Long-term debt obligations are not due and payable in the current period and are not reported in the funds.		(12,751,187)
Adjustment to fund balances to arrive at net position.	$	(543,941)

Amounts reported for change in net position of governmental activities in the statement of activities are different from change in fund balances in the governmental funds statement of revenues, expenditures and changes in fund balances because:

Change in fund balances.	$	874,671
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and noncapitalized costs exceeded capital outlay expenditures in the current period.		(537,534)
Governmental funds report principal payments on debt as expenditures. For the statement of activities, these transactions do not have any effect on net position.		460,000

Revenues that do not provide current financial resources are not reported as revenues for the funds but are reported as revenues in the statements of activities.	$	44,824
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(7,071)
Change in net position of governmental activities.	$	834,890

Note 2: Deposits, Investments and Investment Income

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; a surety bond; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; or certain collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.

At September 30, 2020, none of the District's bank balances were exposed to custodial credit risk.

Investments

The District may legally invest in obligations of the United States or its agencies and instrumentalities, direct obligations of Texas or its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, other obligations guaranteed as to principal and interest by the State of Texas or the United States or their agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, obligations of states, agencies and counties and other political subdivisions with an investment rating not less than "A," insured or collateralized certificates of deposit, and certain bankers' acceptances, repurchase agreements, mutual funds, commercial paper, guaranteed investment contracts and investment pools.

The District's investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in TexPool, an external investment pool that is not registered with the Securities and Exchange Commission. The State Comptroller of Public Accounts of the State of Texas has oversight of TexPool.

At September 30, 2020, the District had the following investments and maturities:

		Maturities in Years			
Type	Amortized Cost	Less Than 1	1-5	6-10	More Than 10
TexPool	$ 7,310,526	$ 7,310,526	$ 0	$ 0	$ 0

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy does not allow investments in certain mortgage-backed securities, collateralized mortgage obligations with a final maturity date in excess of 10 years and interest rate indexed collateralized mortgage obligations. The external investment pool is presented as an investment with a maturity of less than one year because it is redeemable in full immediately.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2020, the District's investments in TexPool were rated "AAAm" by Standard & Poor's.

Summary of Carrying Values

The carrying values of deposits and investments shown previously are included in the balance sheet and statement of net position at September 30, 2020, as follows:

Carrying value:	
Deposits	$ 954,973
Investments	7,310,526
Total	$ 8,265,499

Investment Income

Investment income of $62,483 for the year ended September 30, 2020, consisted of interest income.

Note 3: Capital Assets

A summary of changes in capital assets for the year ended September 30, 2020, is presented below.

Governmental Activities	Balances, Beginning of Year	Additions	Balances, End of Year
Capital assets, non-depreciable:			
Land and improvements	$ 1,187,553	$ -	$ 1,187,553
Construction in progress	-	7,531	7,531
Parks and recreation	713,959	-	713,959
Total capital assets, non-depreciable	1,901,512	7,531	1,909,043
Capital assets, depreciable:			
Water production and distribution facilities	9,931,048	-	9,931,048
Wastewater collection and treatment facilities	8,909,207	13,919	8,923,126
Parks and recreation	248,000	-	248,000
Total capital assets, depreciable	19,088,255	13,919	19,102,174
Less accumulated depreciation:			
Water production and distribution facilities	(3,963,648)	(296,149)	(4,259,797)
Wastewater collection and treatment facilities	(4,359,554)	(250,435)	(4,609,989)
Parks and recreation	(74,031)	(12,400)	(86,431)
Total accumulated depreciation	(8,397,233)	(558,984)	(8,956,217)
Total governmental activities, net	$ 12,592,534	$ (537,534)	$ 12,055,000

Note 4: Long-term Liabilities

Changes in long-term liabilities for the year ended September 30, 2020, were as follows:

Governmental Activities	Balances, Beginning of Year	Decreases	Balances, End of Year	Amounts Due in One Year
Bonds payable:				
General obligation bonds	$ 11,455,000	$ 400,000	$ 11,055,000	$ 405,000
Bonds from direct placements	1,935,000	60,000	1,875,000	65,000
Add premiums on bonds	64,977	4,959	60,018	-
Less discounts on bonds	246,128	7,297	238,831	-
Total governmental activities long-term liabilities	$ 13,208,849	$ 457,662	$ 12,751,187	$ 470,000

Harris County Municipal Utility District No. 33

Notes to Financial Statements

September 30, 2020

General Obligation Bonds

	Series 2012**	Series 2014
Amounts outstanding, September 30, 2020	$1,875,000	$7,025,000
Interest rates	0.08% to 3.55%	2.00% to 4.00%
Maturity dates, serially beginning/ending	March 1, 2021/2036	March 1, 2021/2043
Interest payment dates	March 1/ September 1	March 1/ September 1
Callable dates*	March 1, 2022	March 1, 2021

	Refunding Series 2016	Series 2018
Amounts outstanding, September 30, 2020	$1,820,000	$2,210,000
Interest rates	2.00% to 4.00%	3.00% to 4.50%
Maturity dates, serially beginning/ending	March 1, 2021/2030	March 1, 2024/2043
Interest payment dates	March 1/ September 1	March 1/ September 1
Callable dates*	March 1, 2021	March 1, 2023

*Or any date thereafter; callable at par plus accrued interest to the date of redemption.
**Direct placement bonds (Texas Water Development Board).

Annual Debt Service Requirements

The following schedule shows the annual debt service requirements to pay principal and interest on general obligation bonds outstanding at September 30, 2020:

	General Obligation Bonds		Direct Placement Bonds		
Year	Principal	Interest	Principal	Interest	Total
2021	$ 405,000	$ 373,594	$ 65,000	$ 58,914	$ 902,508
2022	410,000	365,257	65,000	57,334	897,591
2023	470,000	355,769	70,000	55,574	951,343
2024	405,000	344,181	110,000	53,085	912,266
2025	410,000	330,750	110,000	49,912	900,662
2026-2030	2,345,000	1,429,830	610,000	195,040	4,579,870
2031-2035	2,075,000	1,052,813	695,000	87,973	3,910,786
2036-2040	2,625,000	629,860	150,000	2,663	3,407,523
2041-2043	1,910,000	115,156	-	-	2,025,156
Total	$ 11,055,000	$ 4,997,210	$ 1,875,000	$ 560,495	$ 18,487,705

The bonds are payable from the proceeds of an ad valorem tax levied upon all property within the District subject to taxation, without limitation as to rate or amount, and are further payable from and secured by a lien on and a pledge of the net revenues to be received from the operation of the District's waterworks and sanitary sewer system.

Bonds voted	$ 42,800,000
Bonds sold	25,070,000
Refunding bonds voted	42,800,000
Refunding bond authorization used	13,555,000

Note 5: Significant Bond Order and Commission Requirements

The Bond Orders require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due. During the year ended September 30, 2020, the District levied an ad valorem debt service tax at the rate of $0.4000 per $100 of assessed valuation, which resulted in a tax levy of $894,015 on the taxable valuation of $223,503,692 for the 2019 tax year. The interest and principal requirements paid from the tax revenues and available resources were $901,942.

Note 6: Regional Wastewater Treatment Plant

On September 9, 1985, the District, Harris County Utility District No. 14 (District No. 14) and Harris County Utility District No. 15 (District No. 15) entered into an amended and restated 40-year agreement to construct and operate the Harris County Municipal Utility District No. 33 Regional Wastewater Treatment Plant (the Plant). This agreement has been amended subsequently. Construction and related costs were shared, based on the pro rata share of capacity acquired by each participant. Each participant's current capacity and percent of ownership is as follows:

Participants	GPD Capacity	Percentage
District No. 14	370,700	18.54 %
District No. 15	690,300	34.51
The District	939,000	46.95
Totals	2,000,000	100.00 %

The District manages and operates the Plant. The participants are billed monthly for a capacity charge based on each participant's pro rata share of capacity and a connection charge for each equivalent connection. Annual billings are compared to actual operating costs for the year and the difference credited or billed to the participants. In addition, each district deposited its share of an operating and maintenance reserve. The reserves for District Nos. 14 and 15 are reflected as a liability in the financial statements. The District was billed $426,645 for its share of the operating costs for the current year. Current year excess revenue allocated to the District was $109,487.

Note 7: Agreements With Other Districts

Emergency Water Supply Contracts

The District has emergency water supply contracts with various other districts to provide water service to the other districts in case of an emergency through an interconnect constructed by the districts. During the current year, the interconnect was not utilized.

Note 8: Utility Commitment

On November 21, 1991, and as last amended, the District agreed to provide water and sewer service to FMC Corporation until June 1, 2018, with automatic one-year extensions, until terminated by either party. FMC Corporation is located outside the District's boundaries. The agreement specifies that the minimum monthly charge for water and sewer service is $1,000 and provides for payment in lieu of taxes on or before January 30 of $65,000. During the current year, the District did not receive any payments under the terms of the agreement.

On November 17, 2011, the District agreed to provide water and sewer service to Centerpoint Energy Houston Electric, LLC (Centerpoint). The agreement specifies that water and sewer services shall be billed based on actual metered water volume as read by the District. Centerpoint is responsible for paying to the District a payment in lieu of taxes equivalent to the taxes that would be payable by the owner if the property were located within the boundaries of the District based upon the annual assessed value of the property and then current tax rate. During the current year, the District received $95,427 under the terms of the agreement.

On April 15, 2010, the District agreed to provide water and sewer service to a 16.1-acre tract of land. Under the terms of the agreement, the owners of the land are responsible for paying to the District a payment in lieu of taxes equivalent to the taxes that would be payable based on the annual assessed value of the property and the current tax rate. During the current year, the District received $385,267 under the terms of the agreement.

Note 9: Maintenance Taxes

At an election held August 13, 1977, voters authorized a maintenance tax not to exceed $1.00 per $100 valuation on all property within the District subject to taxation. During the year ended September 30, 2020, the District levied an ad valorem maintenance tax at the rate of $0.3900 per

$100 of assessed valuation, which resulted in a tax levy of $871,664 on the taxable valuation of $223,503,692 for the 2019 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

Note 10: Surface Water Conversion

On December 13, 2002, the District entered into the Central Harris County Water Users Consortium Agreement (the Agreement) with nine other districts that formed the Central Harris County Water Users Consortium (the Consortium). The Consortium was created to provide a regional entity to acquire surface water and build the necessary infrastructure facilities to convert from groundwater to surface water in order to meet the conversion requirements mandated by the Harris-Galveston Coastal Subsidence District, which regulated groundwater withdrawal in Harris and Galveston Counties.

Effective September 1, 2005, the Texas Legislature approved the creation of the Central Harris County Regional Water Authority (the Authority) to take over the functions of the Consortium. The Authority has the power to issue debt supported by the revenues pledged for the payment of its obligations and may establish fees, rates and charges as necessary to accomplish its purposes. The Authority is currently billing the District a groundwater reduction plan fee of $3.01 per 1,000 gallons of water pumped from its well. This amount is subject to future increases.

Note 11: Strategic Partnership Agreement

Effective April 9, 2007, the District and the City of Houston (the City) entered into a Strategic Partnership Agreement (the SPA), under which the City annexed a tract of land (the tract) within the boundaries of the District for limited purposes. The District continues to exercise all powers and functions of a municipal utility district as provided by law. As consideration for the District providing services as detailed in the SPA, the City agrees to remit one-half of all City sales and use tax revenues generated within the boundaries of the tract. As consideration for the sales tax payments by the City, the District agrees to continue to provide and develop water, sewer and drainage services within the District in lieu of full-purpose annexation. The City agrees it will not annex the District for full purposes or commence any action to annex the District during the term of the SPA, which is 30 years. During the current year, the District recorded $112,119 in revenues related to the SPA.

Note 12: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts in the past three fiscal years.

Harris County Municipal Utility District No. 33

Notes to Financial Statements

September 30, 2020

Note 13: Contingencies

The developer of the District is constructing water, sewer and drainage facilities within the boundaries of the District. The District has agreed to reimburse the developer for a portion of these costs, plus interest, from the proceeds of future bond sales, to the extent approved by the Commission. The District's engineer has stated that current construction contract amounts are approximately $1,198,000. This amount has not been recorded in the financial statements since the facilities are not complete nor operational

Note 14: Uncertainties

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position and results of operations of the District. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Required Supplementary Information

Harris County Municipal Utility District No. 33

Budgetary Comparison Schedule – General Fund

Year Ended September 30, 2020

	Original Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	$ 680,000	$ 1,043,401	$ 363,401
City of Houston rebates	120,000	111,267	(8,733)
Water service	696,000	592,266	(103,734)
Sewer service	300,000	313,570	13,570
Surface water conversion	500,000	542,171	42,171
Garbage collection	341,000	348,147	7,147
Penalty and interest	76,000	60,414	(15,586)
Tap connection and inspection fees	1,800	179,906	178,106
Investment income	36,000	17,462	(18,538)
Other income	204,000	95,427	(108,573)
Total revenues	2,954,800	3,304,031	349,231
Expenditures			
Service operations:			
Purchased services	372,653	426,645	(53,992)
Surface water fee	620,000	535,304	84,696
Professional fees	219,000	230,731	(11,731)
Contracted services	452,645	331,138	121,507
Solid waste	325,000	347,223	(22,223)
Utilities	100,000	69,596	30,404
Recreational facilities	175,320	128,204	47,116
Repairs and maintenance	299,000	412,421	(113,421)
Other expenditures	223,100	164,250	58,850
Tap connections	-	50,185	(50,185)
Debt service, debt issuance costs	10,000	-	10,000
Total expenditures	2,796,718	2,695,697	101,021
Excess of Revenues Over Expenditures	158,082	608,334	450,252
Fund Balance, Beginning of Year	1,965,679	1,965,679	-
Fund Balance, End of Year	$ 2,123,761	$ 2,574,013	$ 450,252

Harris County Municipal Utility District No. 33

Budgetary Comparison Schedule – Special Revenue Fund

Year Ended September 30, 2020

	Original Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Sewer service fees	$ 948,300	$ 894,499	$ (53,801)
Investment income	20,000	25,139	5,139
Total revenues	968,300	919,638	(48,662)
Expenditures			
Service operations:			
Professional fees	83,500	42,874	40,626
Contracted services	148,000	135,554	12,446
Utilities	145,000	86,300	58,700
Repairs and maintenance	424,000	316,509	107,491
Other expenditures	52,800	60,692	(7,892)
Capital outlay	115,000	45,686	69,314
Total expenditures	968,300	687,615	280,685
Excess of Revenues Over Expenditures	-	232,023	232,023
Other Financing Uses			
Allocation of excess revenue to participants	-	(122,536)	(122,536)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-	109,487	109,487
Fund Balance, Beginning of Year	1,459,639	1,459,639	-
Fund Balance, End of Year	$ 1,459,639	$ 1,569,126	$ 109,487

Harris County Municipal Utility District No. 33

Notes to Required Supplementary Information

September 30, 2020

Budgets and Budgetary Accounting

Annual operating budgets are prepared for the general and special revenue funds by the District's consultants. The budgets reflect resources expected to be received during the year and expenditures expected to be incurred. The Board of Directors is required to adopt the budgets prior to the start of its fiscal year. The budgets are not a spending limitation (a legally restricted appropriation). The original budgets of the general fund and the special revenue fund were not amended during fiscal 2020.

The District prepares its annual operating budgets on a basis consistent with accounting principles generally accepted in the United States of America. The Budgetary Comparison Schedules - General Fund and Special Revenue Fund present the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Other Information

Harris County Municipal Utility District No. 33
Other Schedules Included Within This Report
September 30, 2020

(Schedules included are checked or explanatory notes provided for omitted schedules.)

[X] Notes Required by the Water District Accounting Manual
See "Notes to Financial Statements," Pages 13-27

[X] Schedule of Services and Rates

[X] Schedule of General Fund Expenditures

[X] Schedule of Temporary Investments

[X] Analysis of Taxes Levied and Receivable

[X] Schedule of Long-term Debt Service Requirements by Years

[X] Changes in Long-term Bonded Debt

[X] Comparative Schedule of Revenues and Expenditures – General Fund and Debt Service Fund – Five Years

[X] Board Members, Key Personnel and Consultants

Harris County Municipal Utility District No. 33
Schedule of Services and Rates
Year Ended September 30, 2020

1. Services provided by the District:

X Retail Water	___ Wholesale Water	X Drainage
X Retail Wastewater	___ Wholesale Wastewater	___ Irrigation
X Parks/Recreation	___ Fire Protection	X Security
X Solid Waste/Garbage	___ Flood Control	___ Roads

X Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)

___ Other ______

2. Retail service providers

a. Retail rates for a 5/8" meter (or equivalent):

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate Per 1,000 Gallons Over Minimum	Usage Levels		
Water:	$ 19.00	3,000	N	$ 1.00	3,001	to	6,000
				$ 1.25	6,001	to	10,000
				$ 1.75	10,001	to	20,000
				$ 2.50	20,001	to	50,000
				$ 3.00	50,001	to	No Limit
Wastewater:	$ 11.50	10,000	N	$ 1.00	10,001	to	20,000
				$ 1.50	20,001	to	No Limit
Garbage:	$ 16.50	N/A	Y				
Pumpage fee:	$ 3.31	1	N	$ 3.31	1,001	to	No Limit

Does the District employ winter averaging for wastewater usage? Yes ___ No X

Total charges per 10,000 gallons usage (including fees): Water $ 60.10 Wastewater $ 28.00

b. Water and wastewater retail connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFC*
Unmetered	-	-	x1.0	-
≤ 3/4"	1,659	1,632	x1.0	1,632
1"	46	46	x2.5	115
1 1/2"	4	4	x5.0	20
2"	10	10	x8.0	80
3"	2	2	x15.0	30
4"	3	3	x25.0	75
6"	2	2	x50.0	100
8"	-	-	x80.0	-
10"	-	-	x115.0	-
Total water	1,726	1,699		2,052
Total wastewater	1,680	1,653	x1.0	1,653

3. Total water consumption (in thousands) during the fiscal year:

Gallons pumped into the system:	177,590
Gallons billed to customers:	168,237
Water accountability ratio (gallons billed/gallons pumped):	94.73%

*"ESFC" means equivalent single-family connections

Harris County Municipal Utility District No. 33

Schedule of General Fund Expenditures

Year Ended September 30, 2020

Personnel (including benefits)		$ -
Professional Fees		
Auditing	$ 27,700	
Legal	138,831	
Engineering	62,700	
Financial advisor	1,500	230,731
Purchased Services for Resale		
Bulk water and wastewater service purchases		426,645
Surface Water Fee		535,304
Contracted Services		
Bookkeeping	24,350	
General manager	-	
Appraisal district	-	
Tax collector	-	
Security	155,936	
Other contracted services	150,852	331,138
Utilities		69,596
Repairs and Maintenance		412,421
Administrative Expenditures		
Directors' fees	35,700	
Office supplies	39,145	
Insurance	20,689	
Other administrative expenditures	68,716	164,250
Capital Outlay		
Capitalized assets	-	
Expenditures not capitalized	-	-
Tap Connection Expenditures		50,185
Solid Waste Disposal		347,223
Fire Fighting		-
Parks and Recreation		128,204
Other Expenditures		-
Total expenditures		$ 2,695,697

Harris County Municipal Utility District No. 33

Schedule of Temporary Investments

September 30, 2020

	Interest Rate	Maturity Date	Face Amount	Accrued Interest Receivable
General Fund				
TexPool	0.13%	Demand	$ 2,227,123	$ -
Special Revenue Fund				
TexPool	0.13%	Demand	2,715,078	-
Debt Service Fund				
TexPool	0.13%	Demand	1,122,802	-
Capital Projects Fund				
TexPool	0.13%	Demand	1,245,523	-
Totals			$ 7,310,526	$ 0

Harris County Municipal Utility District No. 33

Analysis of Taxes Levied and Receivable

Year Ended September 30, 2020

	Maintenance Taxes	Debt Service Taxes
Receivable, Beginning of Year	$ 25,506	$ 25,331
Additions and corrections to prior years' taxes	(1,841)	(1,705)
Adjusted receivable, beginning of year	23,665	23,626
2019 Original Tax Levy	751,918	771,198
Additions and corrections	119,746	122,817
Adjusted tax levy	871,664	894,015
Total to be accounted for	895,329	917,641
Tax collections: Current year	(838,573)	(860,075)
Prior years	(14,591)	(14,757)
Receivable, end of year	$ 42,165	$ 42,809
Receivable, by Years		
2019	$ 33,091	$ 33,940
2018	2,579	2,644
2017	2,542	2,605
2016	1,120	1,147
2015	1,040	1,188
2014	313	425
2013	753	337
2012	65	29
2011	71	23
2010	79	25
2008	240	82
2006	146	189
2005	126	175
Receivable, end of year	$ 42,165	$ 42,809

Harris County Municipal Utility District No. 33
Analysis of Taxes Levied and Receivable (Continued)
Year Ended September 30, 2020

	2019	2018	2017	2016
Property Valuations				
Land	$ 59,743,949	$ 57,164,224	$ 53,014,658	$ 52,009,556
Improvements	211,471,675	190,379,215	172,967,763	159,717,546
Personal property	13,861,765	12,994,931	11,661,001	13,027,445
Exemptions	(61,573,697)	(57,554,928)	(45,449,734)	(43,820,092)
Total property valuations	$ 223,503,692	$ 202,983,442	$ 192,193,688	$ 180,934,455
Tax Rates per $100 Valuation				
Debt service tax rates	$ 0.4000	$ 0.4100	$ 0.4100	$ 0.4200
Maintenance tax rates*	0.3900	0.4000	0.4000	0.4100
Total tax rates per $100 valuation	$ 0.7900	$ 0.8100	$ 0.8100	$ 0.8300
Tax Levy	$ 1,765,679	$ 1,644,166	$ 1,556,769	$ 1,501,756
Percent of Taxes Collected to Taxes Levied**	95%	99%	99%	99%

*Maximum tax rate approved by voters: $1.00 on August 13, 1977
**Calculated as taxes collected for a tax year divided by taxes levied for that tax year.

Harris County Municipal Utility District No. 33

Schedule of Long-term Debt Service Requirements by Years

September 30, 2020

	Series 2012		
Due During Fiscal Years Ending September 30	Principal Due March 1	Interest Due March 1, September 1	Total
2021	$ 65,000	$ 58,914	$ 123,914
2022	65,000	57,334	122,334
2023	70,000	55,574	125,574
2024	110,000	53,085	163,085
2025	110,000	49,912	159,912
2026	115,000	46,541	161,541
2027	120,000	42,927	162,927
2028	120,000	39,165	159,165
2029	125,000	35,263	160,263
2030	130,000	31,144	161,144
2031	130,000	26,887	156,887
2032	135,000	22,474	157,474
2033	140,000	17,819	157,819
2034	145,000	12,923	157,923
2035	145,000	7,870	152,870
2036	150,000	2,663	152,663
Totals	$ 1,875,000	$ 560,495	$ 2,435,495

Harris County Municipal Utility District No. 33

Schedule of Long-term Debt Service Requirements by Years (Continued)

September 30, 2020

	Series 2014		
Due During Fiscal Years Ending September 30	Principal Due March 1	Interest Due March 1, September 1	Total
2021	$ 150,000	$ 242,625	$ 392,625
2022	150,000	239,438	389,438
2023	200,000	235,250	435,250
2024	200,000	230,000	430,000
2025	200,000	224,500	424,500
2026	200,000	219,000	419,000
2027	225,000	212,875	437,875
2028	225,000	206,125	431,125
2029	250,000	198,688	448,688
2030	250,000	190,562	440,562
2031	275,000	182,031	457,031
2032	300,000	172,313	472,313
2033	300,000	161,812	461,812
2034	325,000	150,875	475,875
2035	350,000	138,625	488,625
2036	350,000	125,500	475,500
2037	375,000	111,906	486,906
2038	375,000	97,844	472,844
2039	425,000	82,844	507,844
2040	450,000	66,437	516,437
2041	450,000	49,000	499,000
2042	500,000	30,000	530,000
2043	500,000	10,000	510,000
Totals	$ 7,025,000	$ 3,578,250	$ 10,603,250

Harris County Municipal Utility District No. 33

Schedule of Long-term Debt Service Requirements by Years (Continued)

September 30, 2020

	Refunding Series 2016		
Due During Fiscal Years Ending September 30	Principal Due March 1	Interest Due March 1, September 1	Total
2021	$ 255,000	$ 53,250	$ 308,250
2022	260,000	48,100	308,100
2023	270,000	42,800	312,800
2024	130,000	38,150	168,150
2025	135,000	33,500	168,500
2026	140,000	28,000	168,000
2027	145,000	22,300	167,300
2028	155,000	16,300	171,300
2029	165,000	9,900	174,900
2030	165,000	3,300	168,300
Totals	$ 1,820,000	$ 295,600	$ 2,115,600

Harris County Municipal Utility District No. 33

Schedule of Long-term Debt Service Requirements by Years (Continued)

September 30, 2020

	Series 2018		
Due During Fiscal Years Ending September 30	Principal Due March 1	Interest Due March 1, September 1	Total
2021	$ -	$ 77,719	$ 77,719
2022	-	77,719	77,719
2023	-	77,719	77,719
2024	75,000	76,031	151,031
2025	75,000	72,750	147,750
2026	75,000	69,656	144,656
2027	75,000	67,031	142,031
2028	75,000	64,781	139,781
2029	100,000	62,156	162,156
2030	100,000	59,156	159,156
2031	100,000	56,094	156,094
2032	100,000	52,906	152,906
2033	100,000	49,594	149,594
2034	100,000	46,219	146,219
2035	125,000	42,344	167,344
2036	125,000	37,969	162,969
2037	125,000	33,594	158,594
2038	125,000	29,219	154,219
2039	125,000	24,766	149,766
2040	150,000	19,781	169,781
2041	150,000	14,344	164,344
2042	150,000	8,812	158,812
2043	160,000	3,000	163,000
Totals	$ 2,210,000	$ 1,123,360	$ 3,333,360

Harris County Municipal Utility District No. 33

Schedule of Long-term Debt Service Requirements by Years (Continued)

September 30, 2020

	Annual Requirements For All Series		
Due During Fiscal Years Ending September 30	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2021	$ 470,000	$ 432,508	$ 902,508
2022	475,000	422,591	897,591
2023	540,000	411,343	951,343
2024	515,000	397,266	912,266
2025	520,000	380,662	900,662
2026	530,000	363,197	893,197
2027	565,000	345,133	910,133
2028	575,000	326,371	901,371
2029	640,000	306,007	946,007
2030	645,000	284,162	929,162
2031	505,000	265,012	770,012
2032	535,000	247,693	782,693
2033	540,000	229,225	769,225
2034	570,000	210,017	780,017
2035	620,000	188,839	808,839
2036	625,000	166,132	791,132
2037	500,000	145,500	645,500
2038	500,000	127,063	627,063
2039	550,000	107,610	657,610
2040	600,000	86,218	686,218
2041	600,000	63,344	663,344
2042	650,000	38,812	688,812
2043	660,000	13,000	673,000
Totals	$ 12,930,000	$ 5,557,705	$ 18,487,705

Harris County Municipal Utility District No. 33
Changes in Long-term Bonded Debt
Year Ended September 30, 2020

	Bond Issues				
	Series 2012	Series 2014	Refunding Series 2016	Series 2018	Totals
Interest rates	0.08% to 3.55%	2.00% to 4.00%	2.00% to 4.00%	3.00% to 4.50%	
Dates interest payable	March 1/ September 1	March 1/ September 1	March 1/ September 1	March 1/ September 1	
Maturity dates	March 1, 2021/2036	March 1, 2021/2043	March 1, 2021/2030	March 1, 2024/2043	
Bonds outstanding, beginning of current year	$ 1,935,000	$ 7,175,000	$ 2,070,000	$ 2,210,000	$ 13,390,000
Retirements, principal	60,000	150,000	250,000	-	460,000
Bonds outstanding, end of current year	$ 1,875,000	$ 7,025,000	$ 1,820,000	$ 2,210,000	$ 12,930,000
Interest paid during current year	$ 60,298	$ 245,625	$ 58,300	$ 77,719	$ 441,942

Paying agent's name and address:

Series 2012 - BOKF, N.A. dba Bank of Texas, Austin, Texas
Series 2014 - Amegy Bank National Association
Series 2016 - Amegy Bank National Association
Series 2018 - Amegy Bank National Association

Bond authority:

	Tax Bonds	Other Bonds	Refunding Bonds
Amount authorized by voters	$ 42,800,000	0	$ 42,800,000
Amount issued	$ 25,070,000	0	$ 13,555,000
Remaining to be issued	$ 17,730,000	0	$ 29,245,000

Debt service fund cash and temporary investment balances as of September 30, 2020: $ 1,245,844

Average annual debt service payment (principal and interest) for remaining term of all debt: $ 803,813

Harris County Municipal Utility District No. 33

Comparative Schedule of Revenues and Expenditures – General Fund

Five Years Ended September 30,

	Amounts				
	2020	2019	2018	2017	2016
General Fund					
Revenues					
Property taxes	$ 1,043,401	$ 808,859	$ 815,507	$ 800,124	$ 753,607
City of Houston rebates	111,267	106,564	101,909	97,379	106,880
Water service	592,266	591,156	479,254	510,046	493,085
Sewer service	313,570	310,905	289,467	304,918	296,127
Surface water conversion	542,171	531,222	521,660	459,871	453,616
Bulk water sales	-	-	40,477	-	-
Garbage collection	348,147	303,624	319,325	345,114	341,996
Penalty and interest	60,414	90,176	115,719	77,143	99,897
Tap connection and inspection fees	179,906	2,000	150	35,353	85,981
Investment income	17,462	41,103	24,418	14,966	7,294
Other income	95,427	53,565	120,643	112,801	116,723
Total revenues	3,304,031	2,839,174	2,828,529	2,757,715	2,755,206
Expenditures					
Service operations:					
Purchased services	426,645	456,676	859,693	793,696	789,230
Surface water fee	535,304	607,954	573,729	458,190	489,702
Professional fees	230,731	229,504	184,212	213,959	206,239
Contracted services	331,138	330,355	377,344	390,747	395,315
Solid waste	347,223	312,281	309,031	309,062	308,938
Utilities	69,596	72,831	90,595	78,280	73,590
Recreational facilities	128,204	144,188	132,186	146,466	112,360
Repairs and maintenance	412,421	255,559	414,181	475,117	480,933
Other expenditures	164,250	182,198	161,084	153,267	154,408
Tap connections	50,185	-	-	-	-
Capital outlay	-	11,400	36,078	48,895	33,637
Debt service, debt issuance costs	-	8,044	28,875	1,214	-
Total expenditures	2,695,697	2,610,990	3,167,008	3,068,893	3,044,352
Excess (Deficiency) of Revenues Over Expenditures	608,334	228,184	(338,479)	(311,178)	(289,146)
Other Financing Sources					
Interfund transfers in	-	-	63,016	-	432,208
Excess (Deficiency) of Revenues and Transfers In Over Expenditures and Transfers Out	608,334	228,184	(275,463)	(311,178)	143,062
Fund Balance, Beginning of Year	1,965,679	1,737,495	2,012,958	2,324,136	2,181,074
Fund Balance, End of Year	$ 2,574,013	$ 1,965,679	$ 1,737,495	$ 2,012,958	$ 2,324,136
Total Active Retail Water Connections	1,699	1,701	1,697	1,697	1,687
Total Active Retail Wastewater Connections	1,653	1,654	1,650	1,650	1,636

Percent of Fund Total Revenues				
2020	2019	2018	2017	2016
31.6 %	28.5 %	28.8 %	29.0 %	27.4 %
3.4	3.8	3.6	3.5	3.9
17.9	20.8	17.0	18.5	17.9
9.5	11.0	10.2	11.1	10.8
16.4	18.7	18.4	16.7	16.5
-	-	1.4	-	-
10.5	10.7	11.3	12.5	12.4
1.8	3.2	4.1	2.8	3.6
5.5	0.1	0.0	1.3	3.1
0.5	1.4	0.9	0.5	0.2
2.9	1.8	4.3	4.1	4.2
100.0	100.0	100.0	100.0	100.0
12.9	16.1	30.4	28.8	28.6
16.2	21.4	20.3	16.6	17.8
7.0	8.1	6.5	7.8	7.5
10.0	11.6	13.3	14.2	14.4
10.5	11.0	10.9	11.2	11.2
2.1	2.6	3.2	2.8	2.6
3.9	5.1	4.7	5.3	4.1
12.5	9.0	14.6	17.2	17.5
5.0	6.4	5.7	5.6	5.6
1.5	-	-	-	-
-	0.4	1.3	1.7	1.2
-	0.3	1.0	0.0	-
81.6	92.0	111.9	111.2	110.5
18.4 %	8.0 %	(11.9) %	(11.2) %	(10.5) %

Harris County Municipal Utility District No. 33

Comparative Schedule of Revenues and Expenditures – Debt Service Fund

Five Years Ended September 30,

	Amounts				
	2020	2019	2018	2017	2016
Debt Service Fund					
Revenues					
Property taxes	$ 1,069,862	$ 884,776	$ 835,149	$ 820,664	$ 873,906
Penalty and interest	33,771	36,529	37,133	40,962	23,325
Investment income	8,497	24,633	14,513	6,911	2,986
Total revenues	1,112,130	945,938	886,795	868,537	900,217
Expenditures					
Current:					
Professional fees	8,089	9,014	10,644	11,980	5,270
Contracted services	46,357	39,106	44,688	40,427	39,822
Other expenditures	7,877	5,396	4,490	5,231	7,129
Debt service:					
Principal retirement	460,000	450,000	435,000	430,000	345,000
Interest and fees	443,942	446,905	383,488	391,846	370,939
Debt defeasance	-	-	-	-	61,000
Debt issuance costs	-	-	-	-	126,193
Total expenditures	966,265	950,421	878,310	879,484	955,353
Excess (Deficiency) of Revenues Over Expenditures	145,865	(4,483)	8,485	(10,947)	(55,136)
Other Financing Sources (Uses)					
General obligation bonds issued	-	-	77,718	-	2,775,000
Premium on debt issued	-	-	-	-	80,613
Payments to escrow agent	-	-	-	-	(2,725,512)
Total other financing sources	0	0	77,718	0	130,101
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	145,865	(4,483)	86,203	(10,947)	74,965
Fund Balance, Beginning of Year	1,081,120	1,085,603	999,400	1,010,347	935,382
Fund Balance, End of Year	$ 1,226,985	$ 1,081,120	$ 1,085,603	$ 999,400	$ 1,010,347

Percent of Fund Total Revenues				
2020	2019	2018	2017	2016
96.2 %	93.5 %	94.2 %	94.5 %	97.1 %
3.0	3.9	4.2	4.7	2.6
0.8	2.6	1.6	0.8	0.3
100.0	100.0	100.0	100.0	100.0
0.7	1.0	1.2	1.4	0.6
4.2	4.1	5.0	4.7	4.4
0.7	0.6	0.5	0.6	0.8
41.4	47.6	49.1	49.5	38.3
39.9	47.2	43.2	45.1	41.2
-	-	-	-	6.8
-	-	-	-	14.0
86.9	100.5	99.0	101.3	106.1
13.1 %	(0.5) %	1.0 %	(1.3) %	(6.1) %

Harris County Municipal Utility District No. 33

Board Members, Key Personnel and Consultants

Year Ended September 30, 2020

Complete District mailing address:	Harris County Municipal Utility District No. 33 c/o Radcliffe Bobbitt Adams Polley PLLC 2929 Allen Parkway, Suite 3450 Houston, Texas 77019	
District business telephone number:	713.237.1221	
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):		June 25, 2019
Limit on fees of office that a director may receive during a fiscal year:		$ 7,200

Board Members	Term of Office Elected & Expires	Fees*	Expense Reimbursements	Title at Year-end
Carrie Jones-Patterson	Elected 05/17-05/21	$ 7,200	$ 0	President
Julian C. Boddy	Elected 05/19-05/23	7,200	1,060	Vice President
Alice Carrier	Elected 05/19-05/23	7,200	566	Secretary
Portia Mumphery	Elected 05/17-05/21	7,200	0	Assistant Secretary
Laura Davis	Elected 05/17-05/21	6,900	0	Director

*Fees are the amounts actually paid to a director during the District's fiscal year.

Harris County Municipal Utility District No. 33

Board Members, Key Personnel and Consultants (Continued)

Year Ended September 30, 2020

Consultants	Date Hired	Fees and Expense Reimbursements	Title
BKD, LLP	05/20/93	$ 24,900	Auditor
Claudia Redden & Associates, LLC	01/15/09	43,389	Bookkeeper
The GMS Group, L.L.C.	1996	1,500	Financial Advisor
Harris County Appraisal District	Legislative Action	13,030	Appraiser
JePa Services, Inc.	12/20/07	545,348	Operator
Langford Engineering, Inc.	05/19/16	100,536	Engineer
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	02/19/81	8,089	Delinquent Tax Attorney
Radcliffe Bobbitt Adams Polley PLLC	06/01/01	158,118	Attorney
Tax Tech, Inc.	02/18/88	38,712	Tax Assessor/ Collector
Investment Officer			
Portia Mumphery	01/15/15	N/A	Director

APPENDIX B

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

ASSURED GUARANTY
MUNICIPAL

MUNICIPAL BOND INSURANCE POLICY

ISSUER: Policy No: -N

BONDS: $ in aggregate principal amount of Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ______________________________
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100