

**VOTER INFORMATION DOCUMENT  
FOR  
MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO.  
1 (the “District”)**

MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1  
PROPOSITION I

FOR > THE ISSUANCE OF \$31,550,000 BONDS FOR WATERWORKS,  
AGAINST > WASTEWATER TREATMENT, SANITARY SEWER, DRAINAGE  
AND SURFACE WATER PURPOSES, AND THE LEVY OF  
TAXES IN PAYMENT OF THE BONDS.

MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1  
PROPOSITION II

FOR > THE ISSUANCE OF \$2,000,000 REFUNDING BONDS FOR  
THE >  
AGAINST > PURPOSE OF REFUNDING BY ANY MEANS NOW OR  
PORTION > HEREAFTER AUTHORIZED BY LAW ALL OR ANY  
DISTRICT, > OF ANY BONDS OR REFUNDING BONDS OF THE  
> AND THE LEVY OF TAXES IN PAYMENT OF THE BONDS.

A. Principal of the debt obligations to be authorized:	\$ 31,550,000
B. Estimated interest for the debt obligations to be authorized:	\$ 12,361,048
C. Estimated combined principal and interest required to pay on time and in full the debt obligations to be authorized:	\$ 43,911,048
D. As of the date the District adopts the debt obligation election order:	\$ 16,280,000
(i) Principal of all outstanding debt obligations of the District:	
(ii) Estimated remaining interest on all outstanding debt obligations of the District; and	\$ 4,834,113
(iii) Estimated combined principal and interest required to pay on time and in full all outstanding debt obligations of the District.	\$ 21,114,113
E. Estimated maximum annual increase in the amount of taxes that would be imposed on a residence homestead in the District with an appraised value of \$100,000 to repay the debt obligations to be authorized, if approved, based upon assumptions made by the governing body of the District.	\$ 30.00
F. Other information that the District considers relevant or necessary to explain the information herein.	Bonds sell at current interest rates, extending maturities to no longer than 30 years, and taxable values for next 7 years increase at 3.50% annually (actual increase over last ten years - 12.01% average annual increase). See major assumptions below.

**Major assumptions for statements above:**

- (1) Assumed amortization of the District's debt obligations, including outstanding debt obligations and the proposed debt obligations;
- (2) Assumed changes in estimated future appraised values within the District; and
- (3) Assumed interest rate on the proposed debt obligations.

The estimates contained in this voter information document are (i) based on certain assumptions (including assumptions concerning prevailing market and economic conditions at the time(s) of issuance of the bonds) and derived from projections obtained from the District's financial advisor, (ii) subject to change to the extent that actual facts, circumstances and conditions prevailing at the time that the bonds are issued differ from such assumptions and projections, (iii) provided solely in satisfaction of the requirements of Section 1251.052 Texas Government Code, and for no other purpose, without any assurance that such projections will be realized, and (iv) not intended to and does not give rise to a contract with voters or limit the authority of the District to issue bonds in accordance with the Propositions submitted by the District's Election Order.