



How will Incorporation of The Woodlands Township into a City affect Montgomery County Municipal Utility District No. 60 (MUD 60) customers?

MUD 60 is a non-partisan political subdivision of the State of Texas. As such, **MUD 60 TAKES NO POSITION ON THE UPCOMING ELECTION TO CONSIDER THE INCORPORATION OF THE WOODLANDS TOWNSHIP.**

MUD 60 does believe that it is important to educate its customers regarding the potential impact of incorporation on the MUDs in The Woodlands, including MUD 60.

Although abolishing the MUDs is not on the upcoming ballot, the upcoming ballot is the final opportunity to have the voice of the residents heard on this issue. Following incorporation, a **City Council** can abolish the MUDs (**without** a vote by the residents) and the City would then absorb all assets, liabilities and operations of the MUDs and operate the MUD infrastructure as a city utility.

Why have MUDs in the first place? A MUD is a form of limited local government created by the State of Texas to provide water, sewer drainage and other amenities to many of the finest master-planned communities in the United States. In MUDs, “growth pays for itself”. MUDs embody transparent, “grass roots” local government where directors, who set the tax rates and water/sewer rates, are elected by the residents in the neighbor-

hood.

The eleven MUDs operating in The Woodlands have total unpaid debt obligations ranging from \$0 to \$139,035,000. **The cumulative unpaid debt for all 11 MUDs is \$257,710,000.** The tax rates of these MUDs range from 3.5 to 49 cents per \$100 of assessed valuation.

Following incorporation, if the City Council abolishes the MUDs, all residents will have a **uniform** tax rate and everyone will be responsible for **retiring the entire** \$257,710,000 existing debt for all 11 MUDs and any future debt.

The current unpaid debt obligation of MUD 60 is only \$8,585,000.

The **2021 tax rate for MUD 60 is 16 cents** per \$100 of assessed valuation. MUD 60 has adopted a 20% general residential homestead exemption for all MUD 60 residents, which is the maximum exemption allowed by law. MUD 60 also has a \$20,000 over-65 exemption. These tax exemptions may be cancelled if MUD 60 is abolished.

The incorporation election is scheduled to be held on November 2, 2021. Early voting will be held from October 18, 2021, through October 29, 2021. Please fully educate yourself on all aspects of the proposed incorporation of the Township into a City and the impact it may have on your household before voting in this important election.

Montgomery County

MUD No. 60

