

WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT

VOTER INFORMATION DOCUMENT FOR BOND ELECTION

Westwood Shores Municipal Utility District (the "District") will be holding bond election on May 4, 2024, for voting upon the following:

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT
BALLOT LANGUAGE**

OFFICIAL BALLOT

WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT
PROPOSITION A

<input type="checkbox"/> FOR <input type="checkbox"/> AGAINST	THE ISSUANCE OF BONDS IN THE MAXIMUM AMOUNT OF SEVEN MILLION DOLLARS (\$7,000,000) FOR WATER, WASTEWATER, SANITARY SEWER, LEAD AND COPPER RULE: LEAD SERVICE LINE REPLACEMENT, REUSE, AND DRAINAGE SYSTEM FACILITIES AND IMPROVEMENTS, THE EQUIVALENT SEVEN MILLION DOLLARS (\$7,000,000) FOR REFUNDING ANY OUTSTANDING BONDS, AND THE LEVY OF AD VALOREM TAXES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SAID BONDS
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BOLETA OFICIAL DE VOTACIÓN
DISTRITO DE SERVICIOS PÚBLICOS MUNICIPALES DE WESTWOOD SHORES
PROPOSICIÓN A

A FAVOR _____)	LA EMISIÓN DE BONOS POR LA CANTIDAD MÁXIMA DE SIETE MILLONES DE DÓLARES (\$7,000,000) PARA INSTALACIONES Y MEJORAS DEL SISTEMA DE AGUA, AGUAS RESIDUALES, ALCANTARILLADO SANITARIO, LA NORMA SOBRE PLOMO Y COBRE: REEMPLAZO DE LÍNEAS DE SERVICIO DE PLOMO, REUTILIZACIÓN Y DRENAJE, EL EQUIVALENTE A SIETE MILLONES DE DÓLARES (\$7,000,000) PARA REEMBOLSAR CUALQUIER BONO PENDIENTE, Y LA IMPOSICIÓN DE IMPUESTOS AD VALOREM SUFICIENTES PARA PAGAR EL CAPITAL Y EL INTERÉS DE DICHS BONOS
EN CONTRA _____)	

WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT

ESTIMATED DEBT SERVICE REQUIREMENTS FOR PROPOSED BONDS SECURED BY AD VALOREM TAXES	
	Proposition A
Principal for Proposed Bonds to be authorized	\$7,000,000.00
Estimated Interest for Proposed Bonds to be authorized ¹	\$4,106,787.90
Estimated Combined Principal and Interest Requirements for the Proposed Bonds ¹	\$11,106,787.90

¹Assumes an interest rate of 4.99% on the Proposed Bonds and issuance in accordance with the amortization schedule shown below. The estimated interest and amortization schedule are based upon current assumptions and projections of interest rates, property development, assessed valuations and tax collection rates. To the extent that such assumptions and projects are not realized, the actual interest on the bonds may vary substantially from the estimated interest presented herein. The estimated interest provided herein shall not be considered part of the bond propositions to be submitted to the voters and shall not be considered as a limitation on the District's authority to levy, assess and collect an unlimited tax as to rate or amount pursuant to the Texas Constitution and laws.

OUTSTANDING BONDS SECURED BY AD VALOREM TAXES AS OF JANUARY 22, 2024	
Principal of Outstanding Bonds	\$ 4,470,000.00
(+) Estimated Remaining Interest on Outstanding Bonds ²	\$ 506,870.50
(-) Estimated Combined Principal and Interest Requirements ²	\$ 4,976,870.50

²Assumes the principal of and interest on the Outstanding Bonds are paid on time in accordance with the maturity schedules set forth in the Official Statement for each series of the bonds, and that no such bonds are refunded, defeased, or otherwise called for redemption prior to their scheduled maturities.

ESTIMATED MAXIMUM ANNUAL INCREASE IN TAXES	
	Proposition A
Estimated Maximum Annual Increase in Taxes on Residential Homestead with Appraised Value of \$100,000	\$134.40

SUMMARY OF MAJOR ASSUMPTIONS

For the purposes of providing the information described in this document, the District utilized the following assumptions which are for illustrative purposes only and subject to change:

1. To illustrate the possible maximum tax rate impact as required by Section 1251.052(b)(3), Texas Government Code, the District has assumed the bonds authorized shall be issued in three separate issues of \$790,000 to the Texas Water Development Board Lead Service Line Replacement Program at a rate of 2.59%, an issue of \$3,210,000 at a rate of 4.99%, an issue of \$3,000,000 at a rate of 4.97% and assumed amortization of principal not to exceed 21 years. However, the District intends to issue the bonds authorized in one or more series, over a period of years and with a schedule to be determined by the District's Board of Directors based upon several factors, including, but not limited to, the then current needs of the District, prevailing market conditions, and assessed valuations of property in the District. If the bonds are authorized, taxes sufficient to pay the annual principal of and interest on the bonds may be imposed, without limit as to rate or amount.
2. Assumed the District's taxable assessed valuation ("AV") of \$162,274,486 as of January 1, 2023, and assumed growth in the District's AV of 6% for 6 years.
3. Interest rates are estimated based on current bond market conditions. The interest on the proposed debt obligations were calculated at a maximum rate of 4.99%.

The estimates contained in this document are:

1. Based on certain assumptions (including the major assumptions listed above and 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;
2. Subject to change to the extent that facts, circumstances and conditions prevailing at the time that the bonds are issued differ from such assumptions and projections;
3. 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
4. Are not intended to (and expressly do 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 Order Calling Bond Election.

Amortization Schedule:

Payment Year Ending Nov. 1	Outstanding Bonds	Proposed Bonds
2024	\$468,630	
2025	466,468	\$21,370
2026	468,823	194,420
2027	470,607	291,661
2028	476,860	387,240
2029	472,683	437,533
2030	478,047	500,677
2031	172,243	541,198
2032	170,430	540,370
2033	168,438	534,066
2034	166,310	542,108
2035	169,054	539,450
2036	166,692	536,264
2037	164,275	537,515
2038	166,764	533,204
2039	164,143	538,166
2040	166,406	537,282
2041		535,498
2042		532,804
2043		534,051
2044		539,046

2045	537,751
2046	485,866
2047	488,375
2048	240,875

Interest Rate on Proposed Bonds: 4.99%
Annual Tax Collection Rate: 92.00%

Changes in Future Appraised Value:

Tax Year	Annual Growth	Taxable Value
2023		\$162,274,486
2024	6.00%	172,010,955
2025	6.00%	182,331,612
2026	6.00%	193,271,509
2027	6.00%	204,867,800
2028	6.00%	217,159,868
2029	6.00%	230,189,460
2030		230,189,460
2031		230,189,460
2032		230,189,460
2033		230,189,460
2034		230,189,460
2035		230,189,460
2036		230,189,460
2037		230,189,460
2038		230,189,460
2039		230,189,460

2040	230,189,460
2041	230,189,460
2042	230,189,460
2043	230,189,460
2044	230,189,460
2045	230,189,460
2046	230,189,460
2047	230,189,460

BY ORDER OF THE BOARD OF DIRECTORS.

/s/ Joan Gallagher
President, Board of Directors