MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 42
NOTICE OF MEETING

TO: THE BOARD OF DIRECTORS OF MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 42 AND TO ALL INTERESTED PARTIES:

Notice is hereby given pursuant to V.T.C.A. Government Code, Chapter 551, the Board of Directors (the "Board") of Montgomery County Municipal Utility District No. 42 will meet in regular session on **Thursday, December 4, 2025**, at **12:00 p.m**. at 375 Lake Meadows Drive, Montgomery, Montgomery County, Texas, a designated meeting place of the Board outside the boundaries of the District, at which meeting the following items will be considered:

At the meeting the following items will be considered:

1.Hear from Public.
2. Tax Assessor/Collector's Report and consider taking action thereon, including:
A. Approval of report and authorize payment of invoices from tax account.
B. Review of Collateral Pledge Report/Agreement and authorize necessary action in connection therewith.
3. Bookkeeper's report and consider taking action thereon, including:
A. Approval of report and bills submitted to the District for payment.
B. Review of Collateral Pledge Report/Agreement and authorize necessary action in connection therewith.
C. Approval of budget for fiscal year ending December 31, 2026.
4. Attorney's Report, including:
A. Approval of minutes of meeting of November 6, 2025.
B. Amend Rate Order.
C. Legislative Update.
D. Resolution Regarding Eminent Domain.
5. Operation's Report and consider taking action thereon, including:
A. Authorization of termination of water and sewer service to delinquent accounts.
B. Authorization of necessary repairs and maintenance.
C. Approve writing off certain uncollectible delinquent water and sewer accounts.
6. Engineer's Report and consider taking action thereon, including (i) preparation of plans and specifications for District projects, (ii) authorization of advertisement of bids, approval of award of contracts, pay estimates, and change orders for District projects; (iii) approval of requests for service, (iv) update on service/construction projects, and (v) update on Bond Application.
7. Developer's Report.
8. Amenity Lake Report and take action thereon, including Financial Feasibility Report.

Pursuant to V.T.C.A. Government Code §551, the Board of Directors may convene in closed session in relation to any agenda item included in this Notice with such closed session to be held at the date, hour, and place given in this Notice concerning any and all subjects for any and all purposes permitted by V.T.C.A Government Code Chapter 551, including but not limited to, private consultation with the District's Attorney's on any or all matters or subjects authorized by law, pending or contemplated litigation, personnel matters, real estate transactions, security devices, economic development negotiations and/or gifts and donations.

By: ____________________
Maria Salinas Parker
Sanford Kuhl Hagan Kugle Parker Kahn LLP
Attorneys for the District

Montgomery County Municipal Utility District No. 42

TAXPAYER IMPACT STATEMENT

	Current Budget Fiscal Year Ending [Month Year]**	Proposed Budget Fiscal Year Ending [Month Year]**	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	$[_1065.02____]	$[__740.88___]	$[_1065.02_____]

*The District levies taxes in accordance with the Texas Water Code. The District's current operations and maintenance tax rate is equal to $[_.24__] per $100 of assessed value. Average homestead values are determined by the county appraisal district. All estimates above were prepared utilizing the average resident homestead value as of the time that the District's most recent Truth in Taxation worksheet was prepared in accordance with the Texas Water Code.
**Average tax bill estimates for the current and proposed budgets reflect those taxes necessary to fund the operations and maintenance tax revenues stated in the applicable budget.
***This column estimates the operations and maintenance taxes to be paid on the average homestead if the proposed budget generates the same amount of operations and maintenance tax revenues as the current budget.

Instructions for Preparation: This form is to be prepared by the Bookkeeper for the District and provided to the Attorney and Legal Assistant, along with the proposed budget, at least 10 days prior to the date of the meeting at which the proposed budget will be considered. Please note that the rates utilized below may not conform exactly to the O/M rate levied by the Board. The average homestead value should be the same for all calculations and should be the average resident homestead value shown in the most recent truth in taxation worksheet prepared by the Tax Assessor Collector on behalf of the District.

Taxes for Current Budget and No-New-Revenue Tax Rate Budget:

$$\frac{\text{Average Homestead Value Shown in Most Recent Truth in Taxation Worksheet} \times \text{O/M Tax Rate Used to Produce Projected O/M Levy in Current Budget}}{100}$$

Taxes for Proposed Budget:

$$\frac{\text{Average Homestead Value Shown in Most Recent Truth in Taxation Worksheet} \times \text{O/M Tax Rate Used to Produce Projected O/M Levy in Proposed Budget}}{100}$$

If the district does not levy an operations and maintenance tax to fund its operating budget, the above table and footnotes should be replaced with the following statement: [The][Name of District] does not levy an operations and maintenance tax to fund its operations and maintenance budget, and the proposed operations and maintenance budget will not impact the property tax bill of a homestead within the boundaries of the [name of district].

If the district does not contain any resident homesteads as of the most recent certified values received from the CAD, the above table and footnotes should be replaced with the following statement: The proposed budget will have no impact on the property tax bill for an average resident homestead as there are currently no properties that qualify for a residential homestead exemption within the boundaries of [name of district] as of the date of the most recent certified values provided by [APPRAISAL DISTRICT].

If the district has a separate defined area budget that is funded by a defined area operations and maintenance tax, an additional row should be added as follows:

Estimated Defined Area Operations and Maintenance Tax Bill on Average Homestead*	$[_____]	$[_____]	$[_____]