

N. W. Harris County M.U.D. #24
14446 Hollister
Houston TX 77066

Dear Neighbors,

On behalf of the Northwest Harris County Municipal Utility District #24 (“NWHC MUD 24” or the “District”), I am excited to provide you the State of the District Report. My name is William “Bill” Puder and I am the current President of the Board of Directors (the “Board”) of the District. We are regulated by numerous agencies and audited annually. I am proud to report that NWHC MUD 24 is performing exceptionally well and we have been recognized by numerous agencies as a premier municipal utility district. Recently, other municipal utility districts have requested information regarding our achievements in improving the district and community.

Mission Statement

NWHC MUD 24 is responsible for the construction, purchase, maintenance and operation of facilities necessary to: supply and distribute water; collect, treat and dispose of wastewater; and gather and control storm water. NWHC MUD 24 utilizes technology to be innovative and maintain a focus on the community as we pledge to be good stewards of the District’s resources.

NWHCMUD #24 and Ashcreek Subdivision

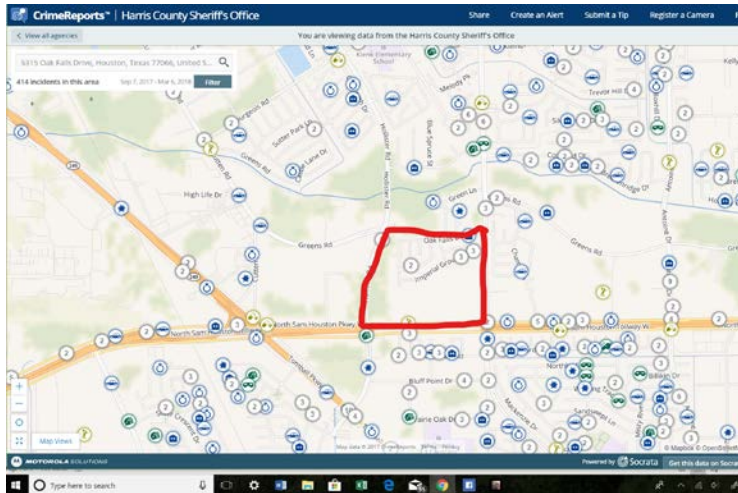
The district consists of approximately 350 residential homes in Ashcreek and other commercial property between Bammel North Houston, State Highway 249 and Seton Lake Drive.

Community Involvement

The Administration/Activities Building was built with a vision of serving the community. At this time we host a monthly seniors program and girl scout meetings. A number of entities have utilized the building, such as the Sheriff’s Department and Greens Bayou Corridor Coaliton. Residents of the district can rent the building for approximately half the cost as non-residents. Numerous residents have held graduation parties, retirement parties, church functions, birthday parties, showers and similar events in the building. The Board has also sponsored several events and community improvements over the past year.

- Community Brick Wall on Bammel to provide safety, aesthetics, reduce noise pollution and increase property value
- Ashcreek Sign replacement
- Decorative street lights on Bammel
- Spring Crawfish Festival
- Winter Festival
- Hurricane Harvey relief

The NWHC MUD #24 Board assumed the security contract from the HOA because the MUD Board realized the value of having a safe community and the HOA was considering canceling the contract. As the 6-month Harris County Crime Report reflects, Ashcreek is much safer than the surrounding areas. Our security team is doing a great job!

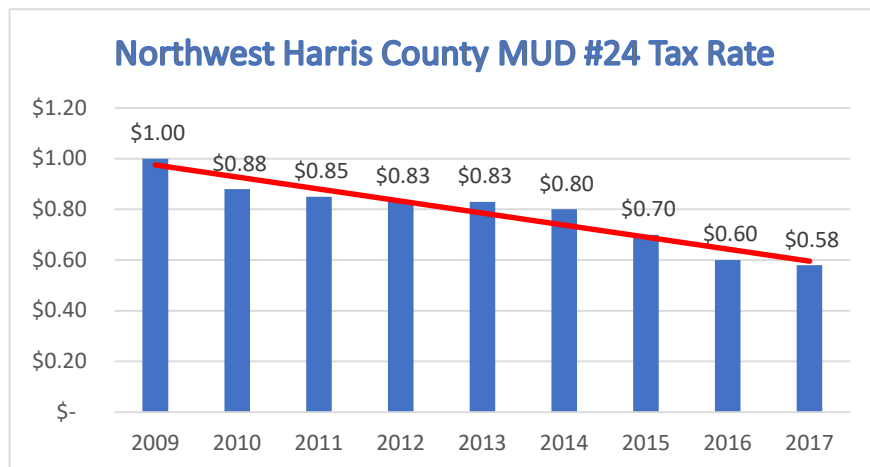


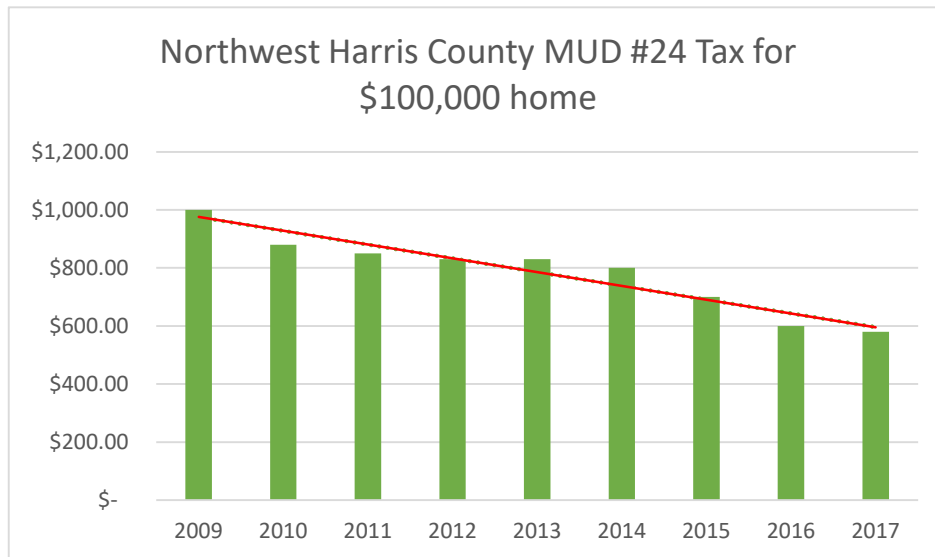
Financials

NWHC MUD #24 Board has diligently worked to improve our financial status. We hold an excellent bond rating. We are audited annually by an external third party and passed our audit with flying colors. We monitor our contractors' bills closely and review their contracts on a continual basis. In 2014, the district signed an SPA or sales tax agreement with the City of Houston. This agreement has generated \$601,785 in revenue over the last four years. These funds help to offset the costs of community events and improvements. Just as importantly, the agreement means that the City of Houston cannot annex us for at least 30 years.

Taxes

Each year we pay municipal utility district taxes. Since 2009, the Board has been able to reduce these taxes by **42%**. Saving homeowners with a \$100,000-dollar home approximately **\$420** a year in taxes. Our tax rate is very low compared to other districts and we again increased the tax exemptions for our senior citizens and disabled residents, further reducing their tax bill.





In 2010, we replaced the water treatment plant. Due to our financial stability, we were able complete this project without having to sell additional bonds. The District has not had to sell bonds since 2006. In 2014, we paid back **\$2,000,000** early on our current bonds, saving the district **\$781,250**.

Future Projects

We continue to work hard for the District. Some of the future projects we are planning to complete this year:

- Repair the second entrance on Imperial Grove
- Create a park and trail for the community
- Spring Crawfish Festival on April 7, 2018

Your Board

As the President, I would like to give special thanks to our board members, Vice- President Darrel Felton, Secretary Darryl Simon, Director Mark Cain and Director Clarence Miller. This cohesive team not only resides in Ashcreek but cares about our neighbors. We are continually seeking opportunities to improve our community and water. We are your servant leaders.

If any resident of the community would like to meet to discuss any of this information or has other concerns, I am very happy to make myself available.

Your Neighbor,

William A. Puder
 President, NWHC MUD #24
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