

CERTIFICATE FOR ORDER

PORT O'CONNOR IMPROVEMENT DISTRICT

THE STATE OF TEXAS                    §

COUNTY OF CALHOUN                    §

We, the undersigned officers of the Board of Directors (the "Board") of Port O'Connor Improvement District (the "District"), hereby certify as follows:

1. The Board convened in regular/special session, open to the public, on September 9, 2021, at the District's established meeting place outside the boundaries of the District, and the roll was called of the members of the Board, to-wit:

Danny McGuire	President
Mike Clifton	Vice-President
Nathan O'Neill	Secretary/Treasurer
David Randolph	Director
John "Red" Childers	Director

All members of the Board were present except the following absentee(s): John Childers; thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting:

ORDER LEVYING TAXES

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and, after due discussion, such motion, carrying with it the adoption of said Order, prevailed and carried by the following vote:

AYES: 4                    NOES: 0

2. A true, full, and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in said Board's minutes of such meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the board was duly and sufficiently notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Order would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

ORDER LEVYING TAXES

WHEREAS, the voters of Port O'Connor Improvement District (the "District") have authorized the issuance of bonds that are payable from ad valorem taxes at an election held for such purpose; and

WHEREAS, the resolution or resolutions authorizing such bonds require a general levy of taxes for the purposes of providing for interest and principal payments on such bonds, while any part of said principal or interest remains outstanding and unpaid; and

WHEREAS, the voters of the District have authorized the levy of a tax to pay for maintenance and operation expenses of the District and also for an additional tax to pay for maintenance and operation expenses of Defined Area No. 1 at elections held for such purposes; and

WHEREAS, the Board of Directors has reviewed and approved its operating budget for its fiscal year October 1, 2021-September 30, 2022 and has concluded that a maintenance tax for such purposes should be levied for the tax year 2021; and

WHEREAS, the District has complied with the provision of Section 49.236, Texas Water Code and conducted a Public Hearing on the Tax Rate as required therein:

WHEREAS, it is necessary for the Board of Directors to fix a specific rate of tax to be levied for the tax year 2021, based on the District's tax rolls for 2021, which have been prepared; Now, Therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS FOR PORT O'CONNOR IMPROVEMENT DISTRICT THAT:

**Section 1:** There is hereby levied an ad valorem tax of \$0.519 on each \$100 of taxable property within the District for the tax year 2021 consisting of the following two (2) components: \$0.2659 to pay the District's debt service; and \$0.2531 to fund the District's maintenance and operation expenditures.

**Section 2:** There is hereby levied an additional ad valorem tax of \$.4810 on each \$100 of taxable property within the District for the tax year 2021 only on property within the boundaries of Defined Area No. 1 in order to provide for the maintenance and operation purposes specifically related to Defined Area No. 1.

**Section 3:** After paying reasonable costs of levying, assessing and collecting same, \$0.2659 of all taxes collected pursuant to Section 1 above, shall be deposited in the District's Debt Service Fund and shall be used solely for the purpose of paying interest on and principal of the District's outstanding bonds and paying the registrar fees; and the remaining amounts of all taxes collected shall be deposited in the District's Operating Fund or Defined Area No. 1 Fund, as applicable, and shall be used for the purposes of which such tax was authorized.

**Section 4:** The taxes levied hereby shall be delinquent if not paid by January 31, 2022.

**Section 5:** The Order shall be effective from and after its adoption.

**Section 6:** The President or Vice President is authorized to execute, and the Secretary or any Assistant Secretary to attest, this order on behalf of the Board of Directors.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL BE EFFECTIVELY RAISED BY 7.21% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$72.09.

However, since the actual rate is the same, the taxes on a \$100,000 home last year and the taxes on a \$100,000 home this year will remain the same. A more accurate depiction is represented by the calculations of the Calhoun County Appraisal District on the Average Residential Homestead Taxable Value of \$168,541. The adopted tax rate, in that instance, will be effectively raised by 8% and will result in an annual increase of \$65.28 on the average residential homestead in the District.

PASSED AND APPROVED on this 9th of September, 2021.

ATTEST:

PORT O'CONNOR IMPROVEMENT DISTRICT

By:   
Nathan O'Neill, Secretary-Board of Directors

By:   
Danny McGuire, President-Board of Directors

SIGNED this 9<sup>th</sup> day of September, 2021.

PORT O'CONNOR IMPROVEMENT DISTRICT

By:   
Nathan O'Neill, Secretary-Board of Directors