

Monthly Newsletter

January 2024



"POCID"

Important Dates:

POC Water Board Meetings
are held on the third
Thursday of each month @
1pm

January 18th * February 15th
March 2nd * April 18th

Roll off Trash Bin

First Saturday of each month
behind the POCID Office
from 8am -2pm or UNTIL
FULL

January 6th * February 3rd
March 2nd * April 6th

Billing

Bills are mailed by the 1st of each month and are due on 20th of every month and a late fee will be assessed on the 21st unless that falls on a weekend and then it will be due the following Monday.

Payment Methods:

*Credit Card*Mail*Automatic
Bank Draft*Automatic Credit Card
Draft*In Person*Payment Drop
Box* Bill Pay through your
Financial Institute*

The District – Forty Years of Growth

Although the Port O'Connor Municipal Utility District (the "District") was created by the 65th Legislature in 1977, 1983 legislation appointed temporary directors and required a confirmation election. Therefore, it was not officially confirmed as a district until the election held by the Port O'Connor voters on April 7, 1984. The order canvassing that election reads: "The majority of the votes cast in the election favored the creation of the district and the directors declared that the district is created." As a result, 2024 marks the fortieth anniversary of when the voters gave their approval for the creation of the District. During this milestone anniversary year, in newsletters and on social media, the District will highlight some of the historical events and documents of these last forty years. From very humble beginnings to a complicated and multi-faceted operation, the District's journey has involved a lot of growth and change. It also involved a lot of challenges, setbacks, and forward thinking by several individuals.

There were several key people along this journey, both formally serving on the Board of Directors, or just community members and other governmental entities that played significant roles. Many others played lesser, but no less important roles, as they served on the District's Board of Directors and attended meetings, made sure quorums were present, and cast votes on important actions that determined the direction of the District. The original permanent directors that were elected at the confirmation election were: Kenneth Clark, Allan R. Berger, John E. Taylor, William W. Loden, and C. Joe Bright. These gentlemen were given the difficult task of obtaining financing, establishing district operations, obtaining land for district facilities, and designing, building, or obtaining a water and wastewater system. To appreciate the task and ultimate accomplishment, one has to understand the conditions present at the time of the District's creation.

Different aspects of the creation and development of the District will be looked at more in depth over the course of this year, but it is interesting to look at how much growth has occurred since that election in 1984. Early appraisal district records show the property value within the District in 1989 was \$57,684,261. By 2002 that value had increased to \$120,038,949. Last year, the official appraised value of property in the District as of July 25th—per the Calhoun County Appraisal District—was a certified value of \$13,467,510, with 3,642,781 still in protest for the Defined Area #1 and 509,246,933 with 121,188,856 still in protest for the remainder of the District. The rate of growth has truly been astonishing, reinforcing the often-heard local statement: "the secret is out." In fact, in the last twenty years, the actual growth that occurred exceeded growth projections that were made in bond applications, master plans, and like planning exercises every time a projection was made.

In the 2000 Bond applications, the engineers projected a customer count of 1,880 by 2024. In 2014, during another bond process, the Texas Water Development Board predicted a 2025 customer count of 1,526 for the District. The 2013 District Master Plan was based on a 2023 customer base of 1,851 water connections and 1,602 sewer connections and by 2028 the predictions were 1,966 water connections and 1,757 sewer connections. All those projections have been surpassed. In 2024, there are 2,141 water connections and 1,747 sewer connections.

Contact Us

POCID

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Vision Statement

POCID is a proactive organization making a positive impact on the community while implementing best management practices to promote sustainable success.

Mission Statement

To proactively and efficiently manage the affairs of the District for the benefit of its customers, protect the health of the community, produce safe drinking water in adequate quantities, offer competitive rates, assure financial stability, and practice excellence in customer service.

Growth can be seen in other ways other than in the number of dwellings and increases in property values. The number of people participating in elections has also risen dramatically. In the May 2008 Directors Election, nine people voted. In the most recent election—the May 2023 Bond Election, 155 people voted. However, over the years director elections have produced higher voter turnouts with candidates surpassing 250 individual votes: Leon Brown (252 in 2014); Nathan O'Neill (263 in 2016); and Joe Newsome (254 in 2016).

Growth and increased complexity are also evident by the creation of the Defined Area No. 1 in 2008 after the election to form that special area of approximately 40.5 acres. Another notable event involved the consolidation with LaSalle WCID No. 1A ("LaSalle WCID") that formally occurred in 2022, after the November 2021 elections held in both the District and in LaSalle WCID where the voters approved the consolidation. This historic event was the first successful utility district consolidation in the State of Texas. At the same time as the consolidation was occurring, the District annexed property into the District and expanded its boundaries from that process for the first time in the District's history. Due to the consolidation and the annexation, the District's area within its boundaries increased by 1,159.8 acres from the consolidation and an additional 109.788 acres as a result of annexation. The current total acreage comprising the District totals approximately 3,270 acres.

Perhaps the biggest testament to the growth and the sophistication of the District's operations can be seen in the District's budget and budget process. The official 1992 audit showed total revenue for the year was \$21,627 in taxes and \$2,160 in interest income. Expenses for that year were \$9,099. While this may seem incredibly low, in earlier years, the revenues and expenses were so insignificant that audits were not even required and the District filed Affidavits of Financial Dormancy with the Texas Commission on Environmental Quality ("TCEQ") in lieu of audits. To illustrate just how few resources the District had in its early years, the current TCEQ affidavit form reads: "I have personal knowledge of all financial activities of said district; and affirm that the above district had: 1. \$500 or less of receipts from operations, tax assessments, loans, contributions, or any other sources, AND 2. \$500 or less of disbursements of funds, AND 3. no bonds or other long-term (more than one year) liabilities, AND 4. no cash or investments that exceeded \$5,000...." As you can see from these low thresholds, the District did not have a lot of resources in its early years.

The latest audit for fiscal year end 2022, in contrast, shows revenues in fiscal year 2022 totaling \$4,474,266 and were obtained from property taxes, sales and use tax receipts, service and connection fees, investments, and several other sources. Per the audit, the actual operating expenses for 2022 were \$4,405,739. The newly adopted operating budget for 2023 forecasts expenses totaling \$4,988,388 and a revenue prediction of \$5,024,388.

Aside from opposition to the new district in general, obtaining the necessary funding to pay for water and wastewater systems, as well as the operations (—both in the office and in the field—) was perhaps the greatest challenge facing the directors in the early years.



CONTACT US 24/7

For an afterhours problem or emergency please call the POCID Office at 361-983-26525 and a call will be dispatched out to the on-call personnel.



PORT O'CONNOR MUNICIPAL UTILITY DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1992

	<u>General Fund</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
REVENUES:			
Taxes	\$21,485	\$21,627	\$ 142
Interest income	0	2,160	0
Total Revenues	\$21,485	\$23,787	\$ 142
EXPENDITURES:			
Accounting fees	\$ 1,000	\$ 1,600	(\$ 600)
Appraisal fees	1,500	999	501
Bookkeeping	2,400	2,400	0
Bonds and Insurance	500	463	37
Election expense	200	212	(12)
Engineering fees	10,000	600	9,400
General manager	6,000	0	6,000
Legal expense	1,000	2,760	(1,760)
Miscellaneous expense	2,000	0	2,000
Office expense	4,500	40	4,460
Office rent	2,700	0	2,700
Travel expenses	1,200	25	1,175
Total Expenditures	\$31,000	\$ 9,092	\$23,901
Excess (Deficiency) of Revenues Over Expenditures	(\$11,515)	\$14,688	\$26,203
Fund Balance, Beginning of Year	\$5,147	\$5,147	0
Fund Balance, End of Year	\$73,632	\$99,835	\$26,203

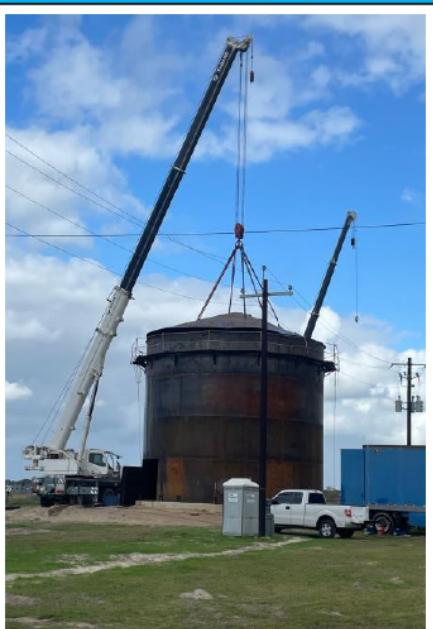
The accompanying notes are an integral part of this financial statement.

PORT O'CONNOR IMPROVEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Original Budget</u>	<u>Amended and Final Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Property Taxes	\$ 980,000	\$ 1,300,000	\$ 1,355,543	\$ 55,543
Water Service	1,055,986	1,199,986	1,224,024	24,038
Wastewater Service	620,000	680,000	694,748	14,748
Penalty and Interest	24,000	34,000	48,314	14,314
Tap Connection and Inspection Fees	130,000	118,000	145,549	27,549
Sales and Use Tax Revenues	500,000	344,000	383,809	39,809
Solid Waste Service	500,000	500,000	508,270	8,270
La Salle WCID No. 1A Income	94,000	121,000	163,043	42,043
Investment and Miscellaneous Revenues	55,680	177,280	74,066	(103,214)
TOTAL REVENUES	\$ 3,959,666	\$ 4,474,266	\$ 4,597,366	\$ 123,100
EXPENDITURES				
Service Operations:				
Professional Fees	\$ 400,000	\$ 644,300	\$ 638,855	\$ 5,445
Personnel	791,900	833,000	842,963	(9,963)
Contracted Services	574,000	596,600	658,250	(61,650)
Purchased Water Service	356,000	355,000	344,285	10,715
Utilities	140,000	153,400	160,363	(6,963)
Repairs and Maintenance	361,500	578,700	644,266	(65,566)
Other:	436,758	436,258	332,747	103,511
Capital Outlay	80,000	632,200	590,341	41,659
Debt Service:				
Bond Principal	125,000	125,000	125,000	0
Bond Interest	68,469	68,469	68,469	0
TOTAL EXPENDITURES	\$ 3,333,627	\$ 4,422,927	\$ 4,405,739	\$ 17,188
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 626,039	\$ 51,339	\$ 191,627	\$ 140,288
SPECIAL ITEM				
La Salle Merger	\$ -0-	\$ -0-	\$ 1,202,043	\$ 1,202,043
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	\$ -0-	\$ (2,300,000)	\$ (2,065,066)	\$ 234,934
NET CHANGE IN FUND BALANCE	\$ 626,039	\$ (2,248,661)	\$ (671,396)	\$ 1,577,265
FUND BALANCE - OCTOBER 1, 2021	\$ 6,985,303	\$ 6,986,303	\$ 6,986,303	0
FUND BALANCE - SEPTEMBER 30, 2022	\$ 7,612,342	\$ 4,737,642	\$ 6,314,907	\$ 1,577,265

Current Project Update

Port O'Connor Improvement District currently has a series of projects in construction to provide for a new water supply and improvements to the sanitary sewer collection. In the water well drilling project, the contractor has completed the drilling of five test holes along with logging the wells and collecting water quality samples. The next phase of this project will include installing the casing and screens for the wells and test pumping the screens. At the same time Victoria Electric has been extending power service to each well site, and they have one more to complete. Separate contractors have installed the pipes from the well sites to the main water plant and are installing a storage tank for the collection of the water from the wells. These contracts are well underway and making good progress. The District is currently bidding a project to install electrical service and controls for the well sites along with a reverse osmosis treatment facility at the main water plant. The bids will be considered by the Board of Directors at a special meeting in January. This is the last segment of the project that will be constructed in 2024. The District is also in the process of constructing an expanded sanitary sewer vacuum pump station on 13th Street. This will double the capacity of Vacuum Station 1, which is responsible for collecting and pumping sewage from the east side of town to the treatment plant. The expansion of Vacuum Station 2 on Monroe St. has been bid and will begin construction in early 2024. Finally, the water plant at Sanctuary is undergoing a rehabilitation that will be completed this month. The capital projects under construction and bidding are being funded partly through financing with the Texas Water Development Board and partly through bonds issued by the District.



Auto Draft Fee Waived

Sign up for Auto Draft with your **Bank Account** for **NO FEE!!** Please note that if you use your **Credit Card** there is a **3.5% fee**.

* Go to the website @ www.pocid.org - select Bill Payment and log in or set up an account and then select I want to set up auto pay.

* Go online to <https://www.pocid.org/all-forms> and select POCID ACH & Credit Card Form then fill out a form and email it to www.pocid@pocid.org

* Call 844-923-2162 and pay your bill by phone 24/7

* Contact the Port O'Connor Improvement Office at 361-983-2652



POCID Rules and Regulations require all customers to have a customer service valve outside their meter box within 3 feet of the meter box.



Reminder

Check out our Website @ www.pocid.org

* Sign up for Alerts

* Pay your bill

* Applications/Forms

* Sign up for Auto Draft

* Current Projects

* Agendas/Minutes

* Updates

* Sign up for paperless billing

Irrigation Permits

All sprinkler systems require a permit completed and turned in to the POCID Office **before** installation. After installation a backflow inspection is required.



CHANGE IN NEWSLETTER DISTRIBUTION

Due to increases in printing and postage, the Board of Directors has elected to change the newsletter from monthly distribution to a quarterly issuance to better utilize the District's resources; therefore, the next issue will be in April of 2024. The District will continue to post relevant information on its website and via the District's social media outlets to keep customers up to date on District events. As always, if you have any questions, please contact the District office.

