

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 special session, open to the public, on this 10th day of September, 2025, at the District's established meeting place inside 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
Victor Mozisek	Assistant Vice-President
John "Red" Childers	Assistant Secretary

All members of the Board were present except the following absentee(s): _____; 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.

SIGNED this 10th day of September, 2025.

PORT O'CONNOR IMPROVEMENT DISTRICT

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

PORT O'CONNOR IMPROVEMENT DISTRICT
ORDER LEVYING 2025 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, 2025-September 30, 2026 and has concluded that a maintenance tax for such purposes should be levied for the tax year 2025; 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 2025, based on the District's tax rolls for 2025, 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 \$0.4800 on each \$100 of taxable property within the District for the tax year 2025 consisting of the following two (2) components: \$0.2225 to pay the District's debt service; and \$0.2575 to fund the District's maintenance and operation expenditures.

Section 2: There is hereby levied an additional ad valorem tax of \$.5200 on each \$100 of taxable property within the District for the tax year 2025 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, \$0.2225 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 \$.5200 of all taxes collected from property within the Defined Area No. 1 shall be deposited in the Defined Area No. 1 Fund and all remaining taxes collected shall be deposited in the District's General Fund, as applicable, and shall be used for the purposes of which such taxes were authorized.

Section 4: The taxes levied hereby shall be delinquent if not paid by January 31, 2026.

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 ESTABLISHES LOWER TAXES FOR MAINTENANCE AND OPERATIONS (0.2525/\$100) THAN LAST YEAR'S MAINTENANCE AND OPERATIONS TAX RATE (0.2925/\$100). THE MAINTENANCE AND OPERATIONS TAX RATE WILL BE EFFECTIVELY LOWERED BY 11.97% AND WILL LOWER TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$35.00.

Since the actual tax rate is the same as the 2024 rate, the taxes on a \$100,000 home last year and the taxes on a \$100,000 home this year will be the same. However, a more accurate depiction is represented by the calculations of the Calhoun County Appraisal District on the Average Residential Homestead Taxable Value of \$273,330 which has increased from the prior year's \$240,220 value. The adopted tax rate which consists of both the debt service rate and the maintenance and operations tax rate, in that instance, will be effectively raised by 13.78% and will result in an annual increase of \$158.93 on the average residential homestead in the District.

PASSED AND APPROVED on this 10th day of September, 2025.

ATTEST:

PORT O'CONNOR IMPROVEMENT DISTRICT

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

By: 
Danny McGuire, President-Board of Directors