

A Message From –

## The Files Valley Water Supply Corporation Board of Directors

Incorporated on July 23, 1971, Files Valley Water Supply Corporation (FVWSC) is a not-for-profit, member-owned and member-controlled organization with a mission of providing safe, reliable, affordable water for homes and businesses in our service area.

In Texas, water supply corporations are organized under state law as not-for-profit entities because there are no outside investors to satisfy. FVWSC is wholly owned by the members that are entitled to receive water service. All money collected from the members is used to pay expenses associated with operating the system and to fund capital investments or improvements on the water system.

FVWSC is governed by nine members, just like you, who were elected by the members of FVWSC. The board of directors set policy, rates and operational procedures. Each board member serves a three-year term.

FVWSC does not have any employees. Nor does the system own any large equipment such as backhoes or hydro-vac machines. There are no vehicles to maintain or an office facility. Instead, FVWSC utilizes a management company. The management company carries the burden of owning, maintaining, and insuring all vehicles and equipment. It pays the cost of all employees' salary and benefits. And it pays all office expenses including buildings, fixtures, and computer hardware and software necessary to correctly bill for services provided. In the 1990's, FVWSC determined it was less expensive to pay a management company to operate the system in this manner. HILCO Electric Cooperative and its subsidiary, HILCO United Services was selected and continues to provide management services for our water system.

FVWSC board members do not have the authority to approve of any sale of the system – all of the members who receive water service would have to vote and approve of a system sale. FVWSC is not for sale, nor is it exploring possibilities. Our goal remains the same – to ensure our members are provided with safe, reliable, affordable water.