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PORT COMMISSION SETS 2019 TAX RATE AND APPROVES 2020 BUDGET

FREEPORT, TX (September 12, 2019) – At the regularly scheduled meeting on September 12th, the Port Freeport Commission approved the 2020 budget and passed a resolution to hold the ad valorem tax rate at \$0.0401 per \$100 of property valuation. The current total tax rate of \$0.0401 includes approximately three cents directed to Maintenance and Operations and one cent dedicated to debt service.

“The Port Commission is pleased to be in the position to honor our commitment to the public to maintain the current tax rate as we advance the Port’s strategic initiatives that support local job creation and overall economic prosperity for our entire region,” said Commission Chairman, Shane Pirtle.

Prior to setting the tax rate, Port Freeport held public hearings to allow citizens the opportunity to comment on the proposed tax rate, as well as provided information on the Port website. The plan to maintain the rate was also communicated last year in public presentations informing citizens of the \$130 million bond referendum which was approved by voters in the Navigation District in May 2018. The bond package, paired with federal funds, will support the local sponsor share for the deepening and partial widening of the Freeport Harbor Channel. \$35 million of the \$130 million bond package was accounted for with the June 2019 General Obligation Bond issuance. The Port will issue the bonds in multiple series over the next several years as construction progresses on the Channel Project, with the dredging of the first segment expecting to commence in 2020.

In addition, the Port Commission approved the budget for Fiscal Year 2020. The budget

reflects increased revenues and cash flows supporting the Port's continued investment in strategic infrastructure projects notably \$51 million to initiate construction of the Freeport Harbor Channel Improvement Project and \$55 million for expansion of port terminal facilities. "These investments coupled with the Freeport Harbor Channel Improvement Project are essential to support growth and economic activity in the region," said Phyllis Saathoff, Executive Director/CEO. "The number and size of vessels calling marine terminals in Port Freeport have increased sharply in the last couple of years, and that trend is expected to continue."

Nationally, Port Freeport is ranked 10th in chemicals, 19th in total tonnage, and 26th in containers. The Freeport Harbor Channel serves BASF, Chiquita Fresh N.A., CMA CGM, Dole Fresh Fruit, The Dow Chemical Company, Freeport LNG, Hoegh Autoliners, Horizon Terminal Services, Mammoet, Mediterranean Shipping Company (MSC), Phillips 66, Riviana Foods, Inc., Seaway Crude Pipeline Company, Sallaum Lines, Tenaris, and Vulcan Materials Company.

Port Freeport is committed to keeping the local community informed of our operation and results. If you have questions or comments about this article, please email or call Lauren McCormick, Public Affairs Manager.

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