



**2020/2021 FISCAL
YEAR BUDGET**

ADOPTED

September 10, 2020

PREPARED BY:

Mary Campus, Controller

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BUDGET TRANSMITTAL

September 10, 2020

Members of the Port Commission
Port Freeport
Freeport, Texas

Presented herein is the Fiscal Year 2020/21 Budget. This budget was prepared through the collective efforts of staff, directors and commissioners. It represents the planned financial and operating performance of the Port for the coming fiscal year and provides insight to the direction of Port expansion for the next five years. Overall, this budget anticipates a \$57.5 million decrease in change in net assets due to capital contributions for the Port Freeport Harbor Channel Improvement Project. This year's budget follows the same format as the previous budgets with supporting documentation and schedules.

OPERATING BUDGET

Revenue:

When compared to the 2020 Budget, total operating revenue for fiscal year 2021 is expected to decrease \$4.9 million to \$31.1 million, while net non-operating revenue and expenses are expected to increase by \$2.4 million to (\$2.7) million.

Harbor operations revenues have decreased \$3.8 million to \$18.1 million primarily due to the pricing collapse of the energy market as well as the impact of COVID-19 on the energy market. Lease revenues have decreased \$1 million to \$13 million primarily due to leases that have expired and is offset by contractual inflation increases.

Net non-operating revenues at (\$2.7) million include debt service. Debt interest and fees have increased \$2.5 million to \$9.6 million due to the 2019 Revenue Bond Series as well as an estimated accrual of interest and issuance costs for anticipated issuance of General Obligation and Revenue backed debt in fiscal year 2021.

The Certification of Appraised Valuations prepared by the Brazoria County Appraisal District reports estimated assessed value for 2020 to be \$15.6 billion, which is 10% higher than the prior year. Increases were observed in market values and significant asset additions, along with offsets in these increases from homestead, abatements, and other exemptions. The budget has been prepared with maintaining the tax rate of \$0.04010 per \$100 of valuation. A rate of \$0.013443 per \$100 valuation is required for debt service, leaving a rate of \$0.0026657 per \$100 valuation for maintenance and operations. Assuming a 98.65% collection rate, ad valorem tax collections are projected to be \$6.1 million, net of appraisal district and tax office fees. This includes an estimated \$27,500 reduction due to the proposed increase in the 65 and over or disabled exemption to \$175,000.

PORT COMMISSION

SHANE PIRTLE, CHAIRMAN; PAUL KRESTA, VICE CHAIRMAN; RUDY SANTOS, SECRETARY; JOHN HOSS, ASST. SECRETARY;
RAVI K. SINGHANIA, COMMISSIONER; DAN CROFT, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO

Expenditures:

Overall, expenditures, at \$19.7 million, are anticipated to decrease \$278 thousand from the budget for fiscal year 2020. Expenditures, excluding depreciation are expected to be \$11.5 million, a decrease of 4% or \$467 thousand from the budget for fiscal year 2020.

Port Salaries and Wages: The total amount budgeted for Port salaries and wages is \$3.6 million, a decrease of \$159 thousand or 4.2% from the 2020 budget. The budget includes a market/internal equity pool and assumes current staffing. There are three approved positions that are being held until the need is warranted.

Port Employee Benefits: The total amount budgeted employee benefits is \$1.5 million, an increase of \$61 thousand or 4% from the 2020 budget. The primary reason for the increase comes from an anticipated increase in medical (12%), dental and vision plan premiums (10%), full participation in the retirement plan, and assumes current staffing.

Professional Services: The budget for consultant services has decreased \$167 thousand or 6% from the 2020 budget to \$2.5 million. The largest line item in the professional services category is security service fees, which increased 21.6% or \$297,000 to \$1.7 million due to contracted rates, increased manpower utilization and services. Fiscal year 2021 includes funds for Port planning services, election service fees, and surveying.

Training, Travel & Promotional: The training, travel and promotional category budget is \$497 thousand, which has decreased from the 2020 budget by 30% or \$210 thousand. This category has been affected by the impact of COVID-19. Commercial business development at \$189 thousand, which includes commercial trade shows, advertising, economic development, and promotional items, has been decreased \$104 thousand or 36% from last year due to increased focus on target cargo events. Sales and promotion has decreased by \$29 thousand or 38% to \$47 thousand due to decreased sales travel/marketing. Government relations travel is increased 2% or \$1 thousand to \$47 thousand due to increased involvement in State Legislative interaction (session year). Community relations at \$59 thousand has decreased 21% or \$16 thousand due to decreased community events and interaction. Technical training and related travel expense is decreased by 40% or \$62 thousand to \$92 thousand due to reduced travel and anticipation of virtual training due to COVID-19. Automobile expense at \$64 thousand remains consistent.

Supplies: The supplies budget is \$156 thousand which has decreased \$10 thousand or 6%. Decreased small office equipment purchases account for the majority of the decrease.

Utilities: The utilities budget has decreased by \$1 thousand to \$607 thousand. We have a full year effect of the new reduced rate electricity contract which is offset by an anticipated increase in water and sewer rates.

Business Insurance: Business insurance is being budgeted for \$1.3 million, which is a \$116 thousand or 10% increase from fiscal year 2020 budget. Contracted insurance premiums as well as increased insured values account for this increase.

Other Services & Charges: The \$465 thousand budget for other services and charges is planned to decrease 10% or \$50 thousand from the 2020 budget. This category includes contract labor, contract services, lease expense and memberships and subscriptions.

Maintenance & Repair: The \$881 thousand budget for 2021 is \$47 thousand or 5% less than the 2020 with increases in some areas and decreases in others. Significant line items in this category include maintenance expense for the crane, software and computer support services, bi-annual underwater berth inspection services, mowing services, and security systems maintenance.

Depreciation expense: Depreciation expense for fiscal year 2021 budget is projected at \$8.1 million, which has increased 2% or \$189 thousand over fiscal year 2020 budget. Depreciation additions from new assets are expected to be \$75 thousand.

CAPITAL BUDGET

Port Expansion:

Continuing from fiscal year 2020, the most significant projects planned over the next five-years are the construction of Velasco Terminal and related development of backland property to support the berths. Construction of the next 928' berth (Berth 8) began in fiscal year 2020. \$74.8 million in total has been budgeted for Port expansion projects for fiscal year 2021. Cash flow requirements of the capital expansion plans will be funded from current cash flows, grant funds, reserves or debt financing.

Capital Contributed to Others:

Capital contributions to others include \$64.4 million for the Port Freeport Harbor Channel Improvement Project which will be funded partially by the 2019 General Obligation Bond issuance that was approved by the voters on May 5, 2018, capital improvement reserves, 2019B Series Revenue Bond proceeds, and cash reserves. Additional projects include \$2 million in floodwall modifications.

Capitalized Maintenance & Repair:

The \$545 thousand in capitalized maintenance and repair projects include the continuation of the repairs of the dock concrete joints, railroad track renovations, building repairs and road repairs. Cash flow requirement of the capitalized maintenance plan will be funded from current cash flows.

Capital Equipment Outlay:

Capital outlay includes equipment purchases over \$5,000 that will be capitalized and depreciated over a short life span of 3-20 years. The capital outlay budget for fiscal year 2021 is \$440 thousand. The major items in fiscal year 2021 include equipment purchases, security improvements, and operational equipment. Cash flow requirements for the capital outlay plans will be funded by grant funds and current cash flows, reserves or financing.

CONCLUSION

The proposed budget for fiscal year 2020/21 continues to demonstrate the Port's commitment to the expansion and development of Port Freeport. Budgeted operating revenues exceed operating expenses by \$11.3 million and planned capital expenditures are \$74.8 million. The tax rate is being maintained at \$0.04010 per \$100 of assessed valuation as communicated to the taxpayers during the bond election. This budget is fiscally conservative without impeding the Port's continuing commitment to provide well-maintained, safe and secure port facilities to our customers and to further the growth and development of Port Freeport.

Respectfully submitted,



Mary Campus
Controller

**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET**

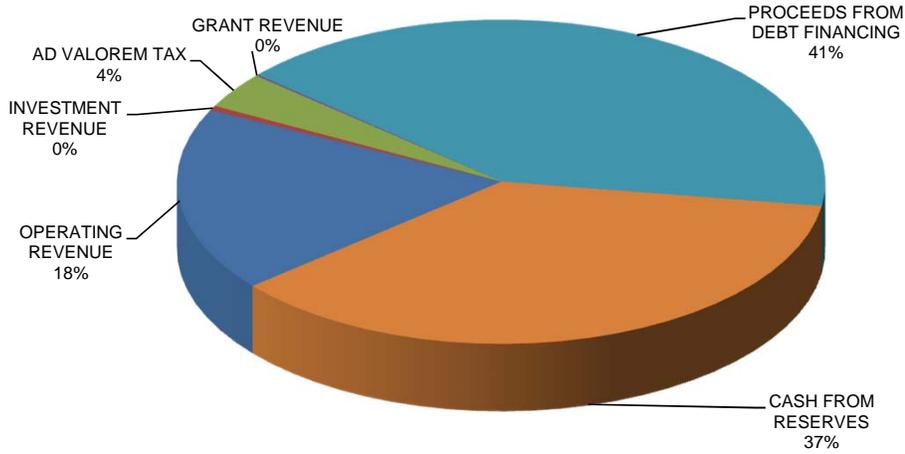
CASH FLOW WORKSHEET

Operating Revenue	\$	31,077,300	
Operating Expenses		(19,739,300)	
Operating Income (Loss)		<u>11,338,000</u>	
Net Non-Operating Revenues		(2,702,200)	
Net Income	\$		8,635,800
Add Back Non-cash Items			
Depreciation		8,175,000	
Interest Expense		9,575,100	
Loss on Disposition of Assets		-	
Total Net Non-cash Expenses			<u>17,750,100</u>
Cash Flow from Operations, Taxes, Investments			26,385,900
Debt Service Payments			(15,318,471)
Net Cash Flow Before Capital Expenditures			11,067,429
Capital Expenditures and Contributed to Others:			
Funded by Grant Programs		(369,900)	
Funded from Capital Improvement Reserve		(20,017,906)	
Cash Flow or General Reserve Funded		(11,445,000)	
Proceeds from Debt Funding and Operating Cash Flow		(110,387,794)	
Total			(142,220,600)
Reimbursement Resolution/Financing Proceeds- Go Bond			39,200,000
Reimbursement Resolution/Financing Proceeds			30,000,000
Contributed Capital From Grants			245,300
Cash To (From) Reserves	\$		(61,707,871)
July 2020 Net Assets Balance:			
Unrestricted	\$		51,637,265
Reserve for Capital Improvements			20,017,906
Restricted for Debt Service			11,554,376
2018 Series Project Fund			2,319,657
2019 Series GO Project Fund			34,080,463
2019A Series Revenue Project Fund			26,324,117
2019B Series Revenue Project Fund			28,579,592
Restricted for Capital Improvements (Corps)			13,420
Approximate FY 2021 Net Assets:			
Unrestricted	\$		60,005,166
Expected Balance of Proceeds from Future G.O. Bond Issuance			31,130,463
Expected Balance of Proceeds from Future Revenue Bond Issuance			7,336,000
Reserve for Capital Improvements			-
Restricted for Debt Service			14,334,376
2018 Series Project Fund			-
2019 Series GO Project Fund			-
2019A Series Revenue Project Fund			-
2019B Series Revenue Project Fund			-
Restricted for Capital Improvements (Corps)			12,920

**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET**

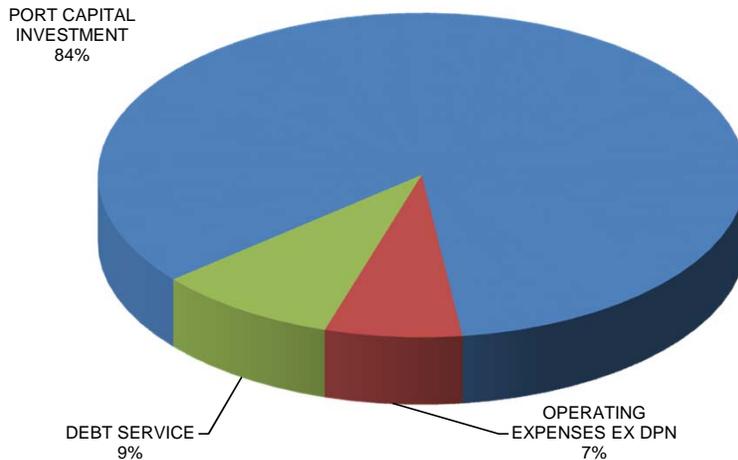
SOURCES OF FUNDS

OPERATING REVENUE	\$ 31,077,300
INVESTMENT REVENUE	800,000
AD VALOREM TAX	6,072,900
GRANT REVENUE	245,300
PROCEEDS FROM DEBT FINANCING	69,200,000
CASH FROM RESERVES	<u>61,707,871</u>
TOTAL	\$ 169,103,371



USES OF FUNDS

PORT CAPITAL INVESTMENT	\$ 142,220,600
OPERATING EXPENSES EX DPN	11,564,300
DEBT SERVICE	<u>15,318,471</u>
	\$ 169,103,371



**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

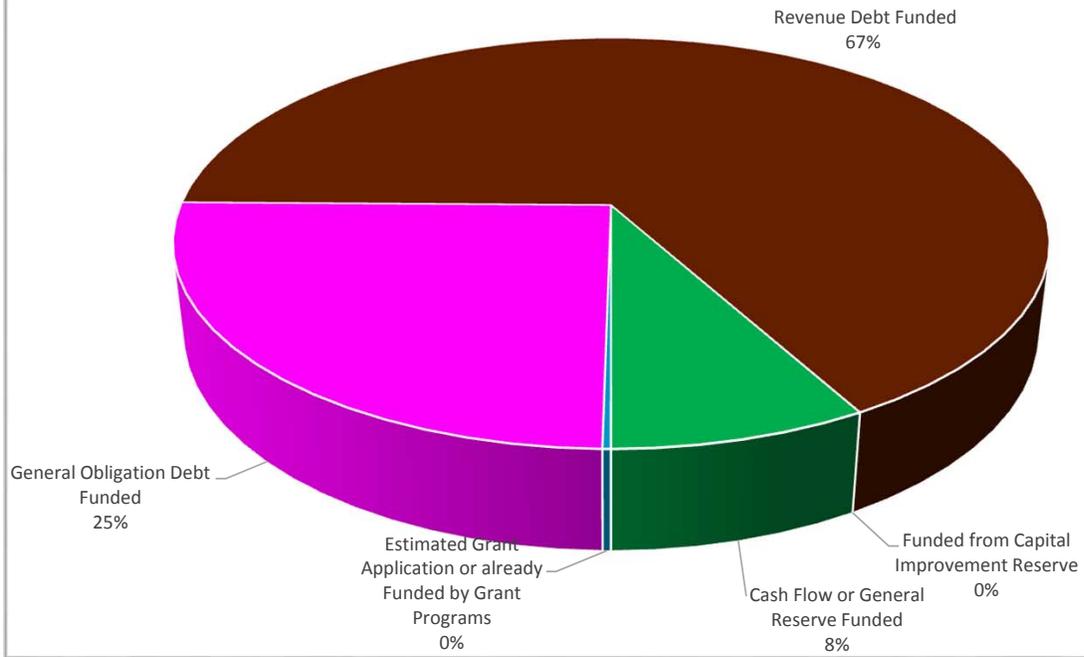
	2017 Actual	2018 Actual	2019 Actual	2020 Budget	7/31/2020 Actual	2020 Forecasted	2021 Budget	Percent of Total
OPERATING REVENUES:								
Wharfage	\$ 4,847,411	\$ 7,274,790	\$ 7,886,541	\$ 12,131,000	\$ 9,666,105	\$ 10,573,397	\$ 8,555,700	28%
Dockage & Deep Water Berth	1,246,826	1,773,794	1,958,713	4,887,600	3,586,322	4,216,422	4,419,200	14%
Equipment & Pallet Use Fees	851,941	882,221	1,244,184	1,489,400	1,466,628	1,758,000	1,652,100	5%
Facility Use Fees	304,852	369,069	439,822	560,000	699,178	800,000	704,000	2%
Security Fees	614,865	779,878	873,501	1,774,900	1,294,398	1,650,000	1,644,900	5%
Other Customer Service Fees	799,691	926,321	1,074,896	1,067,100	917,479	1,135,557	1,110,100	4%
Ground Leases	12,293,090	12,985,928	13,370,499	13,038,100	10,130,166	12,398,485	12,128,600	39%
Other Leases	1,066,536	1,058,454	1,059,508	971,200	801,983	950,648	837,700	3%
Other Revenue	58,580	283,391	37,478	25,000	8,220	8,000	25,000	0%
Total Operating Revenue	22,083,792	26,333,846	27,945,142	35,944,300	28,570,479	33,490,509	31,077,300	
OPERATING EXPENSES:								
Port Salaries/Wages	3,009,936	3,175,177	3,514,447	3,792,200	2,896,326	3,661,014	3,633,400	18%
Port Employee Benefits	1,012,383	1,039,760	1,260,966	1,509,900	999,908	1,402,765	1,570,800	8%
Professional Services	1,886,579	2,119,928	2,094,856	2,651,600	1,632,041	2,290,026	2,484,200	13%
Training, Travel & Promotional	322,077	406,362	519,101	707,300	265,178	510,673	497,300	3%
Supplies	139,459	175,326	152,485	166,000	138,235	165,760	156,200	1%
Utilities	531,284	490,982	554,231	608,000	477,264	608,096	606,900	3%
Business Insurance	877,326	910,997	981,882	1,153,200	910,652	1,127,800	1,269,700	6%
Other Services & Charges	314,996	374,692	540,705	515,300	406,729	517,844	465,000	2%
Maintenance & Repair	722,054	630,215	1,165,766	928,100	866,112	928,100	880,800	4%
Depreciation	6,909,554	6,875,049	6,797,897	7,986,000	6,238,660	7,597,710	8,175,000	41%
Total Operating Expenses	15,725,648	16,198,488	17,582,336	20,017,600	14,831,105	18,809,788	19,739,300	
OPERATING INCOME (LOSS)	6,358,144	10,135,358	10,362,806	15,926,700	13,739,374	14,680,721	11,338,000	
OPERATING MARGIN	29%	38%	37%	44%	48%	44%	36%	
NON-OPERATING REVENUES (EXPENSES):								
Ad Valorem Tax Collections	4,841,680	5,173,826	5,400,964	5,540,700	5,496,079	5,615,115	6,072,900	
Investment Net Revenue	414,302	598,893	2,010,440	1,200,000	2,093,032	2,199,932	800,000	
Gain (Loss) on Sale of Assets	(25,722)	-	-	-	-	-	-	
Debt Interest and Fees	(2,957,986)	(3,165,919)	(4,640,871)	(7,039,600)	(6,582,465)	(8,032,000)	(9,575,100)	
Other	(16,650)	11,899	-	-	-	-	-	
Non-Operating Revenues, Net	2,255,624	2,618,699	2,770,533	(298,900)	1,006,646	(216,953)	(2,702,200)	
NET INCOME (LOSS) BEFORE CONTRIBUTIONS	8,613,768	12,754,057	13,133,339	15,627,800	14,746,020	14,463,768	8,635,800	
CAPITAL CONTRIBUTIONS-Grants	83,385	248,166	95,541	373,100	460	139,830	245,300	
NET CAPITAL CONTRIBUTIONS (To)/From Others	(1,748,304)	(1,288,669)	(846,158)	(56,920,800)	(2,026,072)	(34,075,000)	(66,349,500)	
CHANGE IN NET ASSETS	\$ 6,948,849	\$ 11,713,554	\$ 12,382,722	\$ (40,919,900)	\$ 12,720,408	\$ (19,471,402)	(57,468,400)	

CAPITAL EXPANSION

**PORT FREEPORT
 PROPOSED PORT CAPITAL EXPANSION PLAN
 Fiscal Year 2021**

<i>Strategic Initiatives</i>	<i>Milestones</i>	<i>Funding Sources</i>
➤ Freeport Harbor Channel deepening and widening	\$ 64,387,000	General Obligation Bonds, Cash or Reserves
➤ Buildout of the Port's Container Handling Facilities	70,598,700	Pledged Revenue Debt, Cash or Reserves
➤ Development of warehousing and OEM distribution facilities	6,250,000	Pledged Revenue Debt, Cash or Reserves
➤ Port Infrastructure Support	984,900	Cash or Reserves
Total	<u>\$ 142,220,600</u>	

PORT FREEPORT 2021 CAPITAL BY FUNDING



PORT FREEPORT

PROPOSED PORT CAPITAL EXPANSION PLAN
FY 2021 to 2028

PROJECT	Estimated 2020	Proposed 2021	2022	2023	2024	2025	2026	2027	2028	2020-2028 TOTAL
VELASCO TERMINAL & RELATED INFRASTRUCTURE DEVELOPMENT (Excludes East End Expansion Area)										
VELASCO TERMINAL, Phase II Backland Areas 3 (5 AC)	3,822,306									-
VELASCO TERMINAL, Area 3 Pmp Station Intake Channel			3,000,000	3,000,000						6,000,000
VELASCO TERMINAL, Phase II Berth 8 (928 FT)	20,918,317	66,318,700	28,567,300							94,886,000
VELASCO TERMINAL, Phase II Berth Construction Observation and Materials Testing	780,000	780,000	640,000							1,420,000
VELASCO TERMINAL, Phase II Backland Areas 4 (10 AC)							10,500,000			10,500,000
VELASCO TERMINAL, Phase III - TBD							21,000,000	35,000,000		56,000,000
VELASCO TERMINAL, Backland Areas 5 Phase II (15 AC)				15,000,000						15,000,000
VELASCO TERMINAL, Phase III Backland Areas 6 (13 AC)						10,000,000				10,000,000
VELASCO TERMINAL, Entrance (GATE 14)		1,000,000								1,000,000
VELASCO TERMINAL, Phase III Entrance (GATE 12)					10,000,000	13,000,000				23,000,000
VELASCO TERMINAL, Phase III Entrance (GATE 12) - Landside Access							12,800,000	50,000,000	59,000,000	121,800,000
VELASCO TERMINAL, Phase IV Backland Area	15,000		1,500,000	4,000,000						5,500,000
VELASCO TERMINAL, Berth 8 North Additional Mooring Point			300,000							300,000
VELASCO TERMINAL, Land Acquisitions	1,711,684	2,500,000	750,000							3,250,000
OEM / LOGISTICS CENTER										
PARCEL 14, Rail Development Phase II		250,000	10,250,000							10,500,000
TRANSIT SHED MODIFICATIONS	250,000	4,000,000								4,000,000
SECURITY RELATED										
GATE 8 - New Building and IT			170,000	110,000						280,000
OTHER PROJECTS										
ELECTRICAL BREAKER CABINET	157,629									-
CAPITALIZED MAINTENANCE & REPAIR PLAN										
JOINT REPAIRS	-	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	160,000
RAILROAD TRACK RENOVATIONS	38,887	25,000	25,000	25,000	50,000	50,000	50,000	50,000	50,000	325,000
ASPHALT PAVEMENT REPAIR (Roads.)	467,890	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,600,000
OPERATIONS BUILDING UPGRADE	-	125,000								125,000
MAINTENANCE SHOP REPAIRS	5,000	100,000								100,000
DOLE OFFICE REPAIRS (SPLIT 50/50)		75,000								75,000
FIVE YEAR CAPITAL EQUIP OUTLAY SUMMARY (from detailed schedule)	226,925	439,900	6,167,800	19,799,000	191,600	302,600	6,782,000	6,605,000	19,809,000	60,096,900

PORT FREEPORT

PROPOSED PORT CAPITAL EXPANSION PLAN
FY 2021 to 2028

PROJECT	Estimated 2020	Proposed 2021	2022	2023	2024	2025	2026	2027	2028	2020-2028 TOTAL
CAPITAL CONTRIBUTED TO OTHERS										
FREEPORT HARBOR LEVEE STABILIZATION PROJECT(2019B Rev)	807,500	28,587,000								28,587,000
POWER & PHONE LINE RELOCATION		300,000								300,000
FREEPORT HARBOR CHANNEL IMPROVEMENT PROJECT	6,650,000	35,500,000	31,050,000	35,700,000	21,100,000	-	-	-		123,350,000
MAINTENANCE DREDGING					750,000	750,000	1,030,000	750,000		3,280,000
BERTH 2 & 3 FLOODWALL, Modifications		2,000,000								2,000,000
TOTAL	\$ 35,851,138	\$ 142,220,600	\$ 82,640,100	\$ 77,854,000	\$ 32,311,600	\$ 24,322,600	\$ 52,382,000	\$ 92,625,000	\$ 79,079,000	\$ 583,434,900
CapEx Category Summary										
Velasco Terminal	\$ 27,247,307	\$ 70,598,700	\$ 40,057,300	\$ 41,700,000	\$ 10,000,000	\$ 23,000,000	\$ 50,900,000	\$ 91,600,000	\$ 78,800,000	\$ 406,656,000
OEM / Logistics	250,000	4,250,000	10,250,000	-	-	-	-	-	-	14,500,000
Security Related	131,625	279,900	320,000	140,000	110,000	-	125,000	-	-	974,900
Other	157,629	-	-	-	-	-	-	-	-	-
Capital Maintenance	511,777	545,000	245,000	245,000	270,000	270,000	270,000	270,000	270,000	2,385,000
Equipment & IT	95,300	160,000	717,800	69,000	81,600	302,600	57,000	5,000	9,000	1,402,000
Contributed to Others	7,457,500	66,387,000	31,050,000	35,700,000	21,850,000	750,000	1,030,000	750,000	-	157,517,000
Total	\$ 35,851,138	\$ 142,220,600	\$ 82,640,100	\$ 77,854,000	\$ 32,311,600	\$ 24,322,600	\$ 52,382,000	\$ 92,625,000	\$ 79,079,000	\$ 583,434,900
Targeted Funding Sources										
Estimated Grant Application or already Funded by Grant Programs	\$ 157,629	\$ 369,900	\$ 10,816,800	\$ -	\$ 110,000	\$ -	\$ 125,000	\$ -	\$ -	\$ 11,421,700
General Obligation Debt Funded	6,650,000	35,500,000	31,050,000	35,700,000	21,100,000	-	-	-	-	123,350,000
Revenue Debt Funded	25,548,123	94,905,700	36,367,300	37,200,000	10,000,000	23,000,000	44,300,000	85,000,000	59,000,000	389,773,000
Funded from Capital Improvement Reserve	-	-	-	-	750,000	750,000	1,030,000	750,000	-	3,280,000
Cash Flow or General Reserve Funded	3,495,386	11,445,000	4,406,000	4,954,000	351,600	572,600	6,927,000	6,875,000	20,079,000	55,610,200

PORT FREEPORT

CAPITAL OUTLAY SCHEDULE (ITEMS OVER \$5,000)

FY 2021 to 2028

PROJECT	Estimated 2020	Proposed 2021	2022	2023	2024	2025	2026	2027	2028	2021-2028 TOTAL
COMPUTER EQUIPMENT:										
SERVER UPDATE/UPGRADE-VDI		50,000	150,000							200,000
AUDIO/VISUAL UPGRADE - BOARD ROOM		35,000								35,000
GANTRY CRANE-SHIP PROFILE SYSTEM						230,000				230,000
COMPUTER SOFTWARE:										
OFFICE FURNITURE:										
OFFICE EQUIPMENT:										
COPY/SCANNER MACHINE - ADMIN/OPS/EOC	8,500	18,000	9,000				9,000		9,000	45,000
BADGE PRINTER			5,000					5,000		10,000
EQUIPMENT:										
SHIP TO SHORE GANTRY CRANES (2 UNITS)	-		4,800,000	19,200,000						24,000,000
SPARE PARTS FOR GANTRY CRANES				500,000						500,000
GANTRY CRANE TWIN PICK SPREADER BARS			500,000							500,000
SHIP TO SHORE GANTRY CRANES (3 UNITS)							6,600,000	6,600,000	19,800,000	33,000,000
AIR COMPRESSOR					9,000					9,000
WELDING MACHINE					12,000					12,000
STEAM CLEANER					12,000					12,000
DIAGNOSTIC INDICATOR			7,000			8,000				15,000
12,000# 4 POST CARLIFT				7,000						7,000
RAIL CAR COUNTER EQUIPMENT (2 UNITS)	40,000									-
JLG 40' SCISSOR MAN LIFT (USED)			26,000							26,000
ADM BUILDING BACK UP GENERATOR			182,800							182,800
PORTABLE PORT WIDE GENERATOR			234,000							234,000
SECURITY:										
VIDEO MANAGEMENT UPGRADE	45,000	119,900	150,000		110,000		125,000			504,900
CYBER SECURITY	24,000	60,000								60,000
PARCEL 14 SECURITY	32,000									-
EOC OPERATIONS CENTER ENHANCEMENTS	30,625			30,000						30,000
RADAR TOWER REMOVAL/NEW CAMERA POLE		100,000								100,000
VEHICLES:										
MAINTENANCE TRUCK - 1-TON DUALY			33,000			26,000				59,000
MAINTENANCE UTILITY VEHICLES	11,800	12,000	12,000	36,000	12,600	12,600				85,200
OPERATIONS VEHICLE				26,000						26,000
SAFETY VEHICLE			24,000			26,000				50,000

PORT FREEPORT

CAPITAL OUTLAY SCHEDULE (ITEMS OVER \$5,000)

FY 2021 to 2028

PROJECT	Estimated 2020	Proposed 2021	2022	2023	2024	2025	2026	2027	2028	2021-2028 TOTAL
SECURITY PATROL VEHICLE	35,000	45,000	35,000		36,000		48,000			164,000
OTHER:										
TOTAL	\$ 226,925	\$ 439,900	\$ 6,167,800	\$ 19,799,000	\$ 191,600	\$ 302,600	\$ 6,782,000	\$ 6,605,000	\$ 19,809,000	\$ 60,096,900
CapEx Category Summary										
Security	131,625	279,900	150,000	30,000	110,000	-	125,000	-	-	694,900
Other:										
Computer Equipment	-	85,000	150,000	-	-	230,000	-	-	-	465,000
Computer Software	-	-	-	-	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-	-	-	-	-
Office Equipment	8,500	18,000	14,000	-	-	-	9,000	5,000	9,000	55,000
Equipment	40,000	-	5,749,800	19,707,000	33,000	8,000	6,600,000	6,600,000	19,800,000	58,497,800
Vehicles	46,800	57,000	104,000	62,000	48,600	64,600	48,000	-	-	384,200
Other	-	-	-	-	-	-	-	-	-	-
Total	226,925	439,900	6,167,800	19,799,000	191,600	302,600	6,782,000	6,605,000	19,809,000	60,096,900
Targeted Funding Sources										
Submitted or Future Grant Application @ 75% Fed.	-	119,900	566,800	-	110,000	-	125,000	-	-	921,700
Revenue Debt Funded	-	-	4,800,000	19,200,000	-	-	-	-	-	24,000,000
Cash Flow or Reserve Funded	226,925	320,000	801,000	599,000	81,600	302,600	6,657,000	6,605,000	19,809,000	35,175,200

PORT FREEPORT

Freeport Harbor Channel Improvement Project

	Port 2020	Corps 2020	Port 2021	Corps 2021	Port 2022	Corps 2022	Port 2023	Corps 2023	Port 2024	Corps 2024	Totals
① Reach 3 Dredging	6,400,000	19,000,000									\$ 25,400,000
① Build PA8 placement area			6,000,000	6,000,000							\$ 12,000,000
① Reach 2 dredging			26,000,000	37,500,000							\$ 63,500,000
① Portion of Reach 1					28,800,000	40,890,000					\$ 69,690,000
① Portion of Reach 1							34,700,000	51,200,000			\$ 85,900,000
① Portion of Reach 1 and Reach 4									21,100,000	40,000,000	\$ 61,100,000
② PED Reach 1	250,000		2,000,000		750,000						\$ 3,000,000
② PED Reach 1			1,500,000		1,500,000		1,000,000				\$ 4,000,000
TOTALS	6,650,000	19,000,000	35,500,000	43,500,000	31,050,000	40,890,000	35,700,000	51,200,000	21,100,000	40,000,000	\$ 324,590,000
General Obligation Debt Funded	6,650,000		35,500,000		31,050,000		35,700,000		21,100,000		130,000,000
Total	6,650,000	19,000,000	35,500,000	43,500,000	31,050,000	40,890,000	35,700,000	51,200,000	21,100,000	40,000,000	324,590,000

① Non- Federal Sponsor - GO Bonds

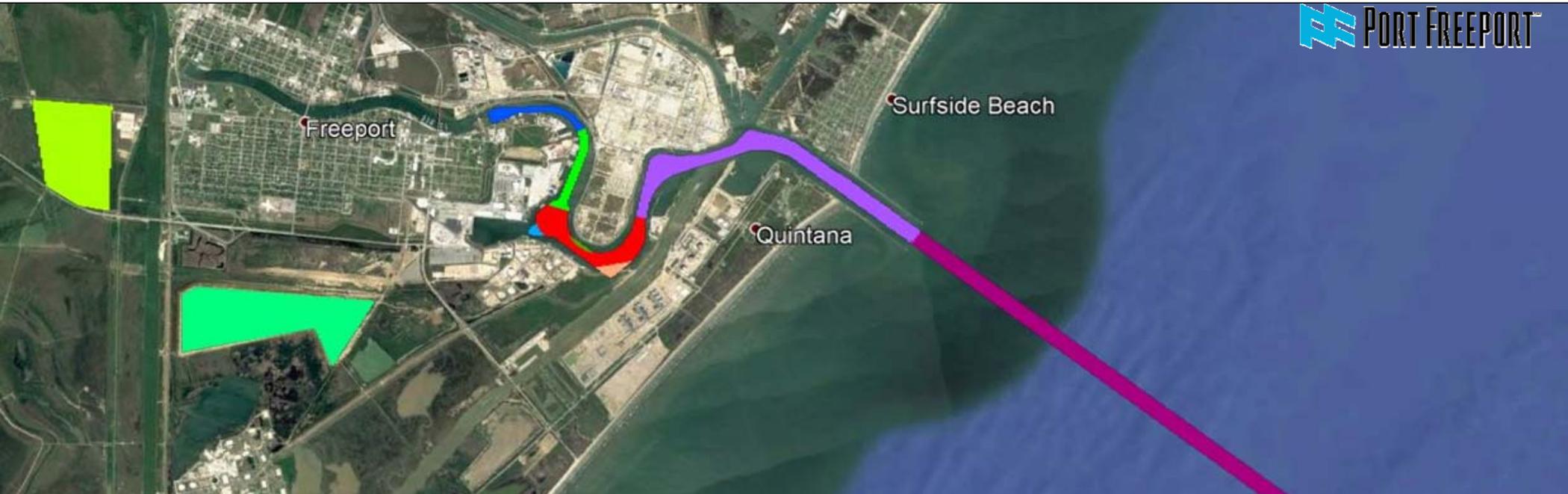
② Work in kind accelerated funding

GO Bond Cash Flow

\$M

2019 Go Bond Funds	\$ 35.0
Reach 3 Dredging, 2020	\$ (6.4)
PED Reach 1, 2020	\$ (7.0)
② 2021 GO Bond Issuance	\$ 39.2
Build Placement Area 8, 2021	\$ (6.0)
Reach 2 Dredging, 2021	\$ (26.0)
Reach 1 Dredging, 2022	\$ (28.8)
Remaining Funds	\$ -
② 2022 - 2024 GO Bond Issuance	\$ 55.8
2023 - 2024 Dredging Reach 1 & 4	\$ (55.8)
Project Complete	\$ -

② Future GO Bonds will be issued based on timing needs and the commitment to maintain the current tax rate of \$.0401



		Project First Costs (includes construction, PED, construction management, etc.)	PED cost included
58'	Reach 1	\$177,386,000	\$12,525,000
56'			
51'	Reach 2	\$49,620,000	\$2,771,000
51'	Reach 3	\$29,460,000	\$1,898,000
26'	Reach 4	\$3,400,000	\$210,900
New	PA#8	\$12,264,000	\$2,164,000
Total		\$272,130,000	

**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET
PORT CAPITAL EXPANSION PLAN
PROJECT DESCRIPTIONS**

CAPITAL EXPANSION PROJECTS FOR FY 2021:

Velasco Terminal, (FY 2020-2022)

Project includes an extension of dock (Berth 8), creating 928 lineal feet of berth. The purpose is to provide additional berthing capacity. Anticipate construction in FY 2020-2022.

Velasco Terminal Entrance (Gate 14)

Project includes the design and update of Gate 14 entrance for use of traffic from Velasco Terminal. Anticipated project completion in FY 2021.

Land Acquisition

The purpose is to purchase property in the East End of Freeport for the Velasco Terminal Entrance and support industries.

Parcel 14 Rail Development Phase II

Project includes the design, construction and development of Phase II of the rail facilities at Parcel 14. The purpose is to increase the capacity and diversity for the movement of rail cargo to and from the Port. Anticipated project completion in FY 2022. This project received grant funding where PF will be responsible for approximately 40% of the cost.

Transit Shed Modifications

Project includes modifications to the Transit Shed for greater Berth utilization. The purpose is to alleviate berth congestion. Anticipated project completion in FY 2021.

PROPOSED FUTURE CAPITAL EXPANSION PROJECTS:

Velasco Terminal, Pump Station Intake Channel (FY2022-2023)

This work will include installation of very large box culverts in the pump intake channel so that the area can be filled, paved and used as additional container yard. Anticipated project completion if FY 2023.

Velasco Terminal, (Backland Development, Area 4 10 acres) (FY 2026)

Project includes design and plan approval for the development of the area behind proposed Dock 9. Development to include High Mast lighting, and concrete paving. Anticipated project completion in FY 2026.

Velasco Terminal, (Phase III) (FY 2026-2027)

Project includes additional wharf. The purpose is to provide additional berthing capacity. Anticipate completion of the design in FY 2026 and construction in FY 2027.

Velasco Terminal, (Backland Development, Area 5 15 acres) (FY 2023)

Project includes continuation of the development of Area 5 behind proposed Dock 8. Development to include High Mast lighting, and concrete paving. Anticipated project completion in FY 2023.

Velasco Terminal, (Backland Development, Area 6 13 acres) I (FY 2025)

Project includes continuation of the development of Area 6 behind proposed Dock 8. Development to include High Mast lighting, and concrete paving. Anticipated project completion in FY 2025.

Velasco Terminal Phase IV Backland Area

Project includes improvement to backlands to include reefer plugs. Anticipate design and construction to begin in 2022.

Velasco Terminal, (Berth 8 North Additional Mooring Point) (FY 2022)

Project includes installation of a mooring point north of Berth 8 to accommodate larger vessel size. Anticipated project completion in FY 2022.

Velasco Terminal Entrance (Gate 12), (FY 2024-28)

Project includes the design and construction of the Full Build-Out gate providing for increased gate throughput from Navigation Blvd. to Port Road. Anticipate the start of design and construction in FY 2024. It is anticipated the project will be partially funded through various grant programs.

Gate 8 (FY 2022-2023)

Project includes the design and construction of a new building and related infrastructure at Gate 8. The purpose is to support security activities at the main gate and upgrade outdated infrastructure. Anticipated project completion in FY 2023.

**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET
CAPITALIZED MAINTENANCE & REPAIR PLAN
PROJECT DESCRIPTIONS**

PROJECTS FOR FY 2021:

Joint Repairs

Project includes the cleaning and resealing of concrete pavement joints throughout the Port. The purpose is to reduce water intrusion into the subgrade, the leading cause of pavement failures. This will be an ongoing project.

Railroad Track Renovations

Project includes the systematic replacement of the deteriorated timber rail ties and crossings with new ties and precast concrete panels. This will be an ongoing project.

Asphalt Pavement Repair

Project includes base repair and overlay of existing asphalt road and open parking lots. The purpose is to improve the life of the existing pavement. This will be an ongoing project due to increase traffic.

Operations Building Upgrade

Project includes new exterior metal siding, and windows for the Port Operations Building. The purpose is to improve the life of the building.

Maintenance Shop Repairs

Project includes new overhead door frame and reskin of the east wall of the Port Maintenance Shop. The purpose is to improve the life of the building.

Dole Maintenance Shop Repairs

Project includes reskin of the Dole Maintenance Shop. The purpose is to improve the life of the building. This project will be cost shared with Dole Fresh Fruit.

**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET
CAPITAL CONTRIBUTED TO OTHERS
PROJECT DESCRIPTIONS**

PROJECTS FOR FY 2021:

Freeport Harbor Levee Stabilization Project

Project includes the modification of the levee stabilization area. The purpose is to accommodate larger vessels, increase vessel traffic volumes and increase the allowance for two-way traffic and reduce daylight-only restrictions.

Freeport Harbor Channel Improvement Project (2019-2024)

Project includes the construction of the WRRDA 2014 approved project. The purpose is to accommodate larger vessels, increase vessel traffic volumes and increase the allowance for two-way traffic and reduce daylight-only restrictions. The project funding is cost-shared 50-50 with the U. S. Army Corps of Engineers. This project also requires utility relocation for the bend-easing.

Berth 2 & 3 Floodwall Modifications

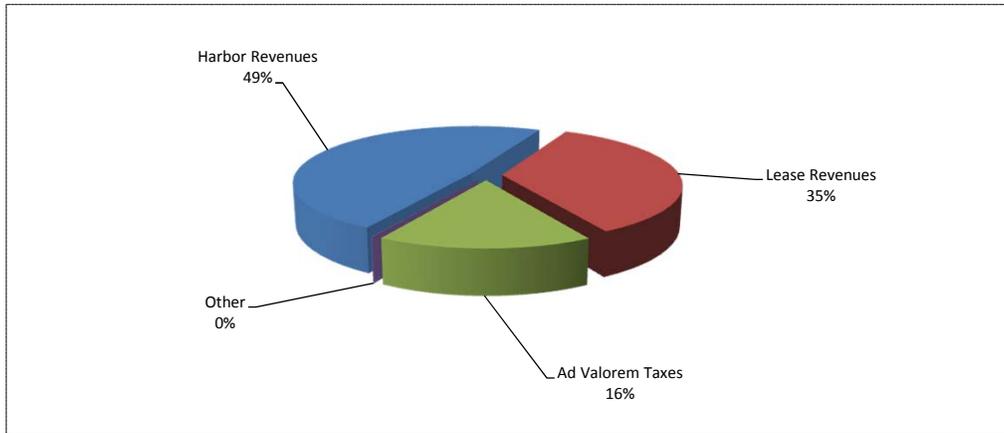
Project is to further modify Berths 2 and 3 to accommodate Ro-Ro vessels to allow greater flexibility in docking.

REVENUES

**PORT FREEPORT
2020/2021 BUDGET**

TOTAL REVENUE

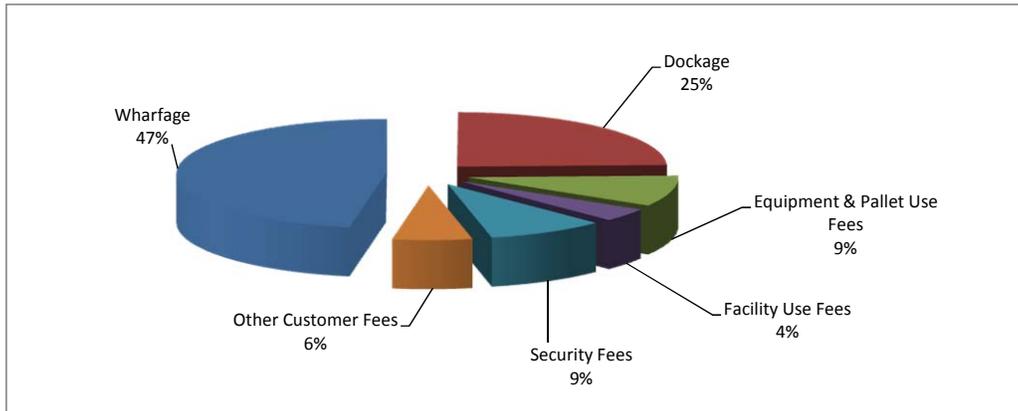
	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Forecasted	2021 Budget
OPERATING REVENUES:						
Wharfage	\$4,847,411	\$7,274,790	\$7,886,541	\$ 12,131,000	\$ 10,573,397	\$ 8,555,700
Dockage	1,246,826	1,773,794	1,958,713	4,887,600	4,216,422	4,419,200
Equipment & Pallet Use Fees	851,941	882,221	1,244,184	1,489,400	1,758,000	1,652,100
Facility Use Fees	304,852	369,069	439,822	560,000	800,000	704,000
Security Fees	614,865	779,878	873,501	1,774,900	1,650,000	1,644,900
Other Customer Service Fees	799,691	926,321	1,074,896	1,067,100	1,135,557	1,110,100
Ground Leases	12,293,090	12,985,928	13,370,499	13,038,100	12,398,485	12,128,600
Other Leases	1,066,536	1,058,454	1,059,508	971,200	950,648	837,700
Other Revenue	58,580	283,391	37,478	25,000	8,000	25,000
Total Operating Revenue	\$22,083,792	\$26,333,846	\$27,945,142	\$35,944,300	\$33,490,509	\$ 31,077,300
NON-OPERATING REVENUES (EXPENSES):						
Ad Valorem Tax Collections	4,841,680	5,173,826	5,400,964	5,540,700	5,615,115	6,072,900
Investment Income	414,302	598,893	2,010,440	1,200,000	2,199,932	800,000
Gain (loss) on Sale of Assets	(25,722)	-	-	-	-	-
Debt Interest and Fees	(2,957,986)	(3,165,919)	(4,640,871)	(7,039,600)	(8,032,000)	(9,575,100)
Other	(16,650)	19,075	-	-	-	-
Non-Operating Revenues, Net	\$ 2,255,624	\$ 2,625,875	\$ 2,770,533	\$ (298,900)	\$ (216,953)	\$ (2,702,200)
TOTAL REVENUE BEFORE CONTRIBUTIONS	\$ 24,339,416	\$ 28,959,721	\$ 30,715,675	\$ 35,645,400	\$ 33,273,556	\$ 28,375,100
Capital Contributions - Grants	83,385	248,166	95,541	373,100	139,830	245,300
Capital Contributions (To)From Others	(1,748,304)	(1,288,669)	(846,158)	(56,920,800)	(34,075,000)	(62,849,500)
TOTAL REVENUE	\$ 22,674,497	\$ 27,919,218	\$ 29,965,058	\$ (20,902,300)	\$ (661,614)	\$ (34,229,100)



**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET**

HARBOR OPERATIONS

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Forecasted	2021 Budget
OPERATING REVENUES:						
Wharfage	\$4,847,411	\$7,274,790	\$7,886,541	\$ 12,131,000	\$ 10,573,397	\$ 8,555,700
Dockage	1,246,826	1,773,794	1,958,713	4,887,600	4,216,422	4,419,200
Equipment & Pallet Use Fees	851,941	882,221	1,244,184	1,489,400	1,758,000	1,652,100
Facility Use Fees	304,852	369,069	439,822	560,000	800,000	704,000
Security Fees	614,865	779,878	873,501	1,774,900	1,650,000	1,644,900
Other Customer Fees	799,691	926,321	1,074,896	1,067,100	1,135,557	1,110,100
TOTAL HARBOR REVENUE	\$ 8,665,586	\$ 12,006,073	\$ 13,477,657	\$ 21,910,000	\$ 20,133,376	\$ 18,086,000
TONNAGE:						
Import/Export	2,011,404	2,222,049	2,747,708	11,398,500	7,689,500	8,500,520
Domestic	117,071	104,897	74,704	85,000	129,000	130,000
TOTAL TONNAGE	2,128,475	2,326,946	2,822,412	11,483,500	7,818,500	8,630,520
SHIP CALLS	265	254	325	448	404	421
BARGE CALLS	21	43	15	23	135	70



**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET**

TAX RATE

	TAX RATE PER \$100	PERCENT OF TOTAL
2019 LEVY TAX RATE	0.040100	
2020 NO NEW REVENUE TAX RATE	0.037207	
2020 VOTER APPROVAL TAX RATE	0.042095	
2020 DE MINIMIS TAX RATE	0.044339	
2020 TAX RATE:		
M & O	0.026657	66.48%
DEBT SERVICE	0.013443	33.52%
TOTAL TAX RATE	0.040100	100.00%

LEVY CALCULATION

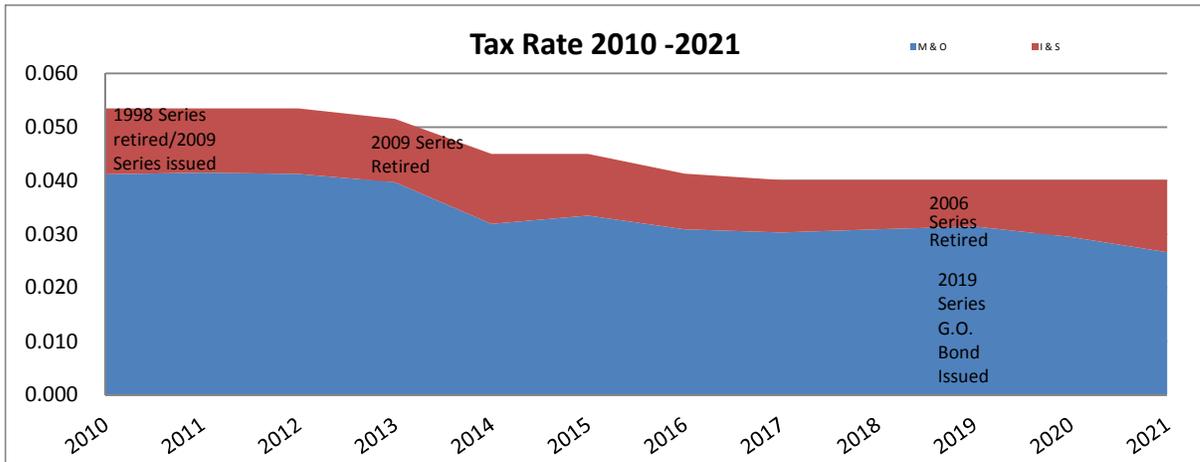
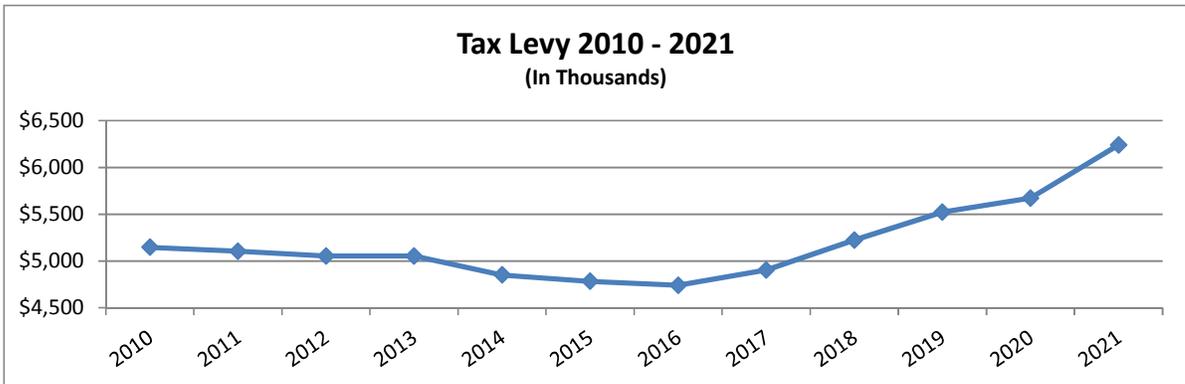
TAXABLE VALUE FOR 2020 APPRAISAL ROLL	\$ 15,562,627,567
2020 LEVY:	
M & O	4,148,530
DEBT SERVICE	2,092,084
TOTAL LEVY	6,240,614
ESTIMATED AMOUNT TO BE UNCOLLECTED (98.65% COLLECTION RATE)	84,214
APPRAISAL DISTRICT AND TAX OFFICE FEES	56,000
ADJUSTED	(27,500) *
NET AD VALOREM TAX REVENUE BUDGETED	\$ 6,072,900

* Adjusted by an estimated \$27,500 due to anticipated change in the 65 and over or disabled exemption from \$150,000 to \$175,000.

**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET**

VALUATION AND TAX RATE HISTORY

	FISCAL YEAR				2020
	2017	2018	2019	2019	
TAXABLE VALUE	\$ 12,229,254,524	\$ 13,032,191,223	\$ 13,772,985,905	\$ 14,147,947,460	\$ 15,562,627,567 ¹
TAX RATE:					
M&O	0.030346	0.030927	0.031451	0.029485	0.026657
DEBT SERVICE	0.009754	0.009173	0.008649	0.010615	0.013443
TOTAL TAX RATE	0.040100	0.040100	0.040100	0.040100	0.040100
LEVY AMOUNT	\$4,903,931	\$5,225,909	\$5,522,967	\$5,673,327	\$6,240,614
% OF LEVY COLLECTED ³	98.65%	98.65%	98.65%	98.65%	98.65% ²



¹ TAXABLE VALUE FOR CURRENT YEAR HAS BEEN CERTIFIED BY THE BRAZORIA COUNTY APPRAISAL DISTRICT.

TAXABLE VALUE FOR PAST YEARS ARE TAKEN FROM THE CERTIFIED ROLL FROM BRAZORIA COUNTY.

² PROPOSED OR ESTIMATED

³ INCLUDES COLLECTION OF CURRENT & DELINQUENT TAXES AND PENALTIES & INTEREST.

RESOLUTION ADOPTING 2020 TAX RATE

At a Regular Meeting of the Port Commission of Port Freeport held at the office of said Port at 1100 Cherry Street, Freeport, Texas on the 10th day of September 2020, among other business came on to be considered the following Resolution, which was upon motion duly made and seconded, adopted by an unanimous vote of six Commissioners present, which Resolution is as follows:

FINDINGS:

The Port Commission finds:

- (1) Notice of the date, time, place and purpose of the meeting at which this Resolution has been considered and adopted has been duly given in accordance with the requirements of Section 551.001, Texas Government Code, et. sec.
- (2) A quorum of the members of the Port Commission were present and participated in the deliberation and adoption of this Resolution.
- (3) The deliberation and vote on this Resolution has been conducted in open meeting as defined in Section 551.001, Texas Government Code, et. sec.
- (4) The deliberation and vote on this Resolution was separate from the vote adopting the budget for Port Freeport for the Fiscal Year 2020/2021.
- (5) The designated Officer of the Port has publicized the No New Revenue Tax Rate and the calculation used to determine it in the manner required by Section 26.04, Texas Property Tax Code, and has submitted same to the Port Commission.
- (6)
 - (A) A tax rate of two and 6657/100 (\$0.026657) cents on each \$100 valuation for the purpose of maintenance and operations;
 - (B) A tax rate of one and 3443/100 (\$0.013443) cents on each \$100 valuation for the payment of principal and interest on debts of the Port;
 - (C) A total tax rate of four and 0100/100 (\$0.040100) cents for each \$100 valuation to be applied to the total taxable value of all taxable property located within Port Freeport, subject to taxation and calculated as provided in Sections 26.04 and 26.05, Texas Property Tax Code, should be proposed for adoption as the tax rate of Port Freeport for the year 2020.

RESOLUTION

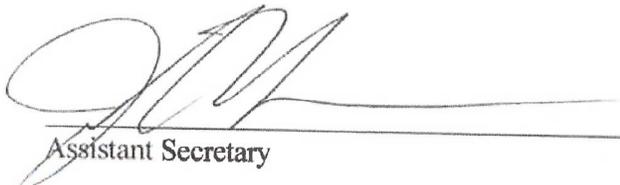
NOW THEREFORE, BE IT RESOLVED, ORDAINED AND ORDERED, by the Port Commission of Port Freeport, that: a tax rate of two and 6657/100 (\$0.026657) cents on each \$100 valuation for the purpose of maintenance and operations, and a tax rate of one and 3443/100 (\$0.013443) cents on each \$100 valuation for the payment of principal and interest on debts of the Port, for a total tax rate of four and 0100/100 (\$0.040100) cents on each \$100 valuation to be applied to the total taxable value of all taxable property located within Port Freeport, subject to taxation and is hereby levied or adopted as the tax rate of Port Freeport for the year 2020.

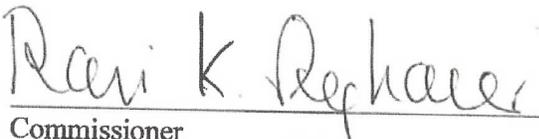
The following members of the Port Commission present and participating in the deliberation and vote on the above and foregoing Resolution and the manner in which each member voted is evidenced by the signature of each member present as indicated below:


Chairman VOTED yes


Vice Chairman VOTED yes


Secretary VOTED yes


Assistant Secretary VOTED yes


Commissioner VOTED yes


Commissioner VOTED yes

2020 Tax Rate Calculation Worksheet

Date: 08/04/2020 08:44 PM

Taxing Units Other Than School Districts or Water Districts

PORT FREEPORT

979-233-2667

Taxing Unit Name

Phone (area code and number)

1100 Cherry Street, Freeport, TX, 77541

www.portfreeport.com

Taxing Unit Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller For 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do use this form but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

STEP 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Rate Activity	Amount/Rate
1.	2019 total taxable value. Enter the amount of 2019 taxable value on the 2019 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 17).[1]	\$14,077,279,313
2.	2019 tax ceilings. Counties, cities and junior college districts. Enter 2019 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.[2]	\$0
3.	Preliminary 2019 adjusted taxable value. Subtract Line 2 from Line 1.	\$14,077,279,313
4.	2019 total adopted tax rate.	\$.040100
5.	2019 taxable value lost because court appeals of ARB decisions reduced 2019 appraised value.	
	A. Original 2019 ARB values:	\$49,049,480
	B. 2019 values resulting from final court decisions:	\$39,365,000
	C. 2019 value loss. Subtract B from A.[3]	Adopted 9/10/2020 \$9,684,480

Line	No-New-Revenue Rate Activity	Amount/Rate
6.	2019 taxable value subject to an appeal under Chapter 42, as of July 25.	
	A. 2019 ARB certified value:	0
	B. 2019 disputed value:	0
	C. 2019 undisputed value Subtract B from A.[4]	0
7.	2019 Chapter 42-related adjusted values. Add Line 5 and 6	9,684,480
8.	2019 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 7	\$14,086,963,793
9.	2019 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2019. Enter the 2019 value of property in deannexed territory.[5]	\$0
10.	2019 taxable value lost because property first qualified for an exemption in 2020. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2020 does not create a new exemption or reduce taxable value.	
	A. Absolute exemptions. Use 2019 market value:	\$3,620,600
	B. Partial exemptions. 2020 exemption amount or 2020 percentage exemption times 2019 value:	\$154,392,262
	C. Value loss. Add A and B.[6]	\$158,012,862
11.	2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020. Use only properties that qualified in 2020 for the first time; do not use properties that qualified in 2019.	
	A. 2019 market value:	\$7,062,388
	B. 2020 productivity or special appraised value:	\$144,130
	C. Value loss. Subtract B from A.[7]	\$6,918,258
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$164,931,120
13.	Adjusted 2019 taxable value. Subtract Line 12 from Line 8	\$13,922,032,673
14.	Adjusted 2019 total levy. Multiply Line 4 by Line 13 and divide by \$100	\$5,582,735
15.	Taxes refunded for years preceding tax year 2019. Enter the amount of taxes refunded by the district for tax years preceding tax year 2019. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019.[8]	\$12,440
16.	Taxes in tax increment financing (TIF) for tax year 2019 Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.[9]	\$0
17.	Adjusted 2019 levy with refunds and TIF adjustment. Add Lines 14, and 15, subtract Line 16.[10]	\$5,595,175
18.	Total 2020 taxable value on the 2020 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.[11]	
	A. Certified values:	\$14,404,147,755
	B. Counties: Include railroad rolling stock values certified by the Comptroller's office.	\$0
	C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property	\$0
	D. Tax increment financing: Deduct the 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the	\$0

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Line	No-New-Revenue Rate Activity	Amount/Rate
	2020 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.[12]	
	E. Total 2020 value Add A and B, then subtract C and D	\$14,404,147,755
19.	Total value of properties under protest or not included on certified appraisal roll. [13]	
	A. 2020 taxable value of properties under protest The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest.[14]	\$1,158,417,212
	B. 2020 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.[15]	\$0
	C. Total value under protest or not certified. Add A and B.	\$1,158,417,212
20.	2020 tax ceilings. Counties, cities and junior colleges enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.[16]	\$0
21.	2020 total taxable value. Add Lines 18E and 19C. Subtract Line 20C.[17]	\$15,562,564,967
22.	Total 2020 taxable value of properties in territory annexed after Jan. 1, 2019. Include both real and personal property. Enter the 2020 value of property in territory annexed.[18]	\$0
23.	Total 2020 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2019. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2019 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2020.[19]	\$524,788,251
24.	Total adjustments to the 2020 taxable value. Add Lines 22 and 23.	\$524,788,251
25.	Adjusted 2020 taxable value. Subtract Line 24 from Line 21.	\$15,037,776,716
26.	2020 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100.[20]	\$.037207 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2020 county NNR tax rate.[21]	

[1]Tex. Tax Code Section

[2]Tex. Tax Code Section

[3]Tex. Tax Code Section

[4]Tex. Tax Code Section

[5]Tex. Tax Code Section

[6]Tex. Tax Code Section

[7]Tex. Tax Code Section

[8]Tex. Tax Code Section

[9]Tex. Tax Code Section

[10]Tex. Tax Code Section

[11]Tex. Tax Code Section

[12]Tex. Tax Code Section

[13]Tex. Tax Code Section

[14]Tex. Tax Code Section

[15]Tex. Tax Code Section

[16]Tex. Tax Code Section

[17]Tex. Tax Code Section

[18]Tex. Tax Code Section

[19]Tex. Tax Code Section

[20]Tex. Tax Code Section

[21]Tex. Tax Code Section

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STEP 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. Maintenance and Operations (M&O) Tax Rate: The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.

2. Debt Rate: The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter Approval Tax Rate Activity	Amount/Rate
28.	2019 M&O tax rate. Enter the 2019 M&O tax rate.	\$.029485
29.	2019 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	14,086,963,793
30.	Total 2019 M&O levy. Multiply Line 28 by Line 29 and divide by 100.	4,153,541
31.	Adjusted 2019 levy for calculating NNR M&O rate.	
	A. 2019 sales tax specifically to reduce property taxes. For cities, counties and hospital districts, enter the amount of additional sales tax collected and spent on M&O expenses in 2019, if any. Other taxing units, enter 0. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	0
	B. M&O taxes refunded for years preceding tax year 2019. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019.	9,643
	C. 2019 taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.	0
	D. 2019 transferred function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in E below. The taxing unit receiving the function will add this amount in E below. Other taxing units enter 0.	0
	E. 2019 M&O levy adjustments. Add A and B, then subtract C. For taxing unit with D, subtract if discontinuing function and add if receiving function	9,643
	F. Add Line 30 to 31E.	4,163,184
32.	Adjusted 2020 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	15,037,776,716
33.	2020 NNR M&O rate (unadjusted) Divide Line 31F by Line 32 and multiply by \$100.	0.027684
34.	Rate adjustment for state criminal justice mandate. [23]	
	A. 2020 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	0
	B. 2019 state criminal justice mandate Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies	0

Line	Voter Approval Tax Rate Activity	Amount/Rate
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
35.	Rate adjustment for indigent health care expenditures[24]	
	A. 2020 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose	0
	B. 2019 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state assistance received for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
36.	Rate adjustment for county indigent defense compensation.[25]	
	A. 2020 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose	0
	B. 2019 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state grants received by the county for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.	0.000000
	E. Enter the lessor of C and D. If not applicable, enter 0.	0.000000
37.	Rate adjustment for county hospital expenditures.	
	A. 2020 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020	0
	B. 2019 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2018 and ending on June 30, 2019	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100	0.000000
	E. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	0.000000
38.	Adjusted 2020 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E.	0.027684
39.	2020 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit If the taxing unit qualifies as a special taxing unit, multiply Line 38 by 1.08 -or- Other Taxing Unit If the taxing unit does not qualify as a special taxing unit, multiply Line 38 by 1.035. -or- Taxing unit affected by disaster declaration If the taxing unit is located in an area declared as disaster area, the governing body may direct the person calculating the voter-approval rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval rate in this manner until the earlier of 1) the second year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, and 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 38 by 1.08. [27]	0.028652

Line	Voter Approval Tax Rate Activity	Amount/Rate
40.	Total 2020 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.	
	A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount	2,099,762
	B. Subtract unencumbered fund amount used to reduce total debt.	0
	C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)	0
	D. Subtract amount paid from other resources	0
	E. Adjusted debt Subtract B, C and D from A	2,099,762
41.	Certified 2019 excess debt collections Enter the amount certified by the collector.	0
42.	Adjusted 2020 debt Subtract Line 41 from Line 40E	2,099,762
43.	2020 anticipated collection rate.	
	A. Enter the 2020 anticipated collection rate certified by the collector	100.36
	B. Enter the 2019 actual collection rate	101.50
	C. Enter the 2018 actual collection rate	100.36
	D. Enter the 2017 actual collection rate	103.10
	E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.	100.36
44.	2020 debt adjusted for collections. Divide Line 42 by Line 43E.	2,092,229
45.	2020 total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.	15,562,564,967
46.	2020 debt rate Divide Line 44 by Line 45 and multiply by \$100.	0.013443
47.	2020 voter-approval tax rate. Add Line 39 and 46.	0.042095
48.	COUNTIES ONLY. Add together the voter-approval tax rate for each type of tax the county levies. The total is the 2020 county voter-approval tax rate.	
STEP 3 NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes		

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
49.	Taxable sales. For taxing units that adopted the sales tax in November 2019 or May 2020, enter the Comptroller's estimate of taxable sales for the previous four quarters [32]. Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2019, skip this line.	0
50.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue.[33] Taxing units that adopted the sales tax in November 2019 or in May 2020. Multiply the amount on Line 49 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95 [34] -or- Taxing units that adopted the sales tax before November 2019. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	0

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Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	
52.	Sales tax adjustment rate. Divide Line 50 by Line 51 and multiply by \$100.	
53.	2020 NNR tax rate, unadjusted for sales tax [35]. Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	
54.	2020 NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2019 or in May 2020. Subtract Line 52 from Line 53. Skip to Line 55 if you adopted the additional sales tax before November 2019.	
55.	2020 voter-approval tax rate, unadjusted for sales tax. [36] Enter the rate from Line 47 or Line 48 as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>	
56.	2020 voter-approval tax rate, adjusted for sales tax. Subtract Line 52 from Line 55.	

[37]Tex. Tax Code Section [38]Tex. Tax Code Section

STEP 4: Additional Rollback Protection for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O Funds to pay for a facility, device or method for the control of air, water or land pollution.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Activity	Amount/Rate
57.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ [37]. The taxing unit shall provide its tax assessor-collector with a copy of the letter.[38]	\$0
58.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	
59.	Additional rate for pollution control. Divide Line 57 by Line 58 and multiply by \$100.	0.000000
60.	2020 voter-approval tax rate, adjusted for pollution control. Add Line 59 to one of the following lines (as applicable): Line 47, Line 48 (counties) or Line 56 (taxing units with the additional sales tax).	

[37]Tex. Tax Code Section

[38]Tex. Tax Code Section

STEP 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years [39]. In a year where a special taxing unit adopts a rate above the voter-approval tax rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero.

For each tax year before 2020, the difference between the adopted tax rate and voter-approval rate is considered zero, therefore the unused increment rate for 2020 is zero.[40]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
61.	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
62.	2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
63.	2017 unused increment rate. Subtract the 2017 actual tax rate and the 2017 unused increment rate from the 2017 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
64.	2020 unused increment rate. Add Lines 61, 62 and 63.	0.000000
65.	2020 voter-approval tax rate, adjusted for unused increment rate. Add Line 64 to one of the following lines (as applicable): Line 47, Line 48 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control).	

STEP 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.[42]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [43]

Line	Activity	Amount/Rate
66.	Adjusted 2020 NNR M&O tax rate. Enter the rate from Line 38 of the <i>Voter-Approval Tax Rate Worksheet</i>	0.027684
67.	2020 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	15,562,564,967
68.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 67 and multiply by \$100.	0.003212
69.	2020 debt rate Enter the rate from Line 46 of the <i>Voter- Approval Tax Rate Worksheet</i>	0.013443
70.	De minimis rate Add Lines 66, 68 and 69.	0.044339

STEP 7: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate	0.037207
Voter-Approval Tax Rate	0.042095
De minimis rate	0.044339

STEP 8: Taxing Unit Representative Name and Signature

print here

Printed Name of Taxing Unit Representative

sign here

Taxing Unit Representative

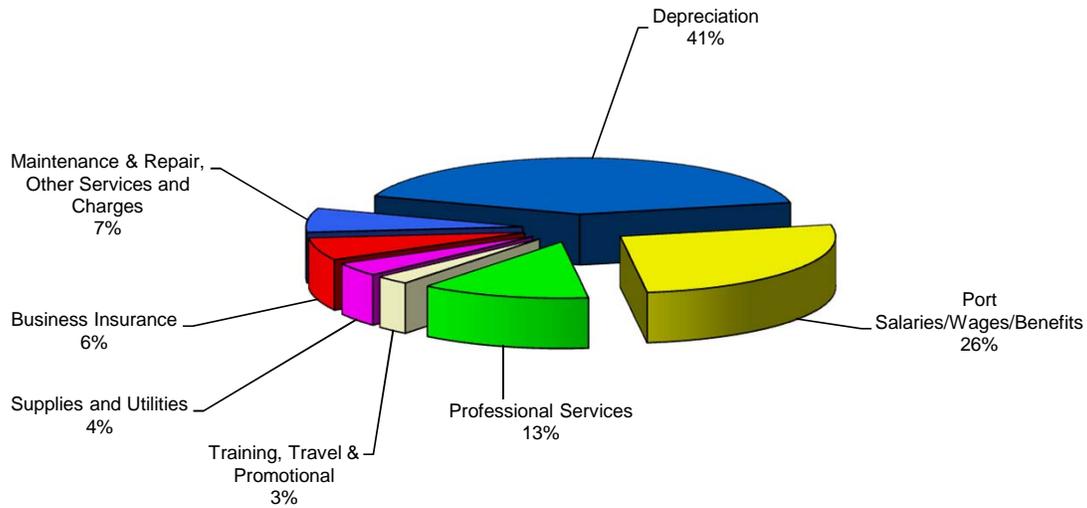
Date

EXPENSES BY MAJOR CLASSIFICATIONS

**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET**

OPERATING EXPENSES

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Forecasted	2021 Budget
Port Salaries/Wages	\$ 3,009,936	\$ 3,175,177	\$ 3,514,447	\$ 3,792,200	\$ 3,661,014	\$ 3,633,400
Port Employee Benefits	1,012,383	1,039,760	1,260,996	1,509,900	1,402,765	1,570,800
Professional Services	1,886,579	2,119,928	2,094,856	2,651,600	2,290,026	2,484,200
Training, Travel & Promotional	322,077	406,362	519,101	707,300	510,673	497,300
Supplies	139,459	175,326	152,485	166,000	165,760	156,200
Utilities	531,284	490,982	554,231	608,000	608,096	606,900
Business Insurance	877,326	910,997	981,882	1,153,200	1,127,800	1,269,700
Other Services & Charges	314,996	374,692	540,705	515,300	517,844	465,000
Maintenance & Repair	722,054	630,215	1,165,766	928,100	928,100	880,800
TOTAL GENERAL OPERATING	8,816,094	9,323,439	10,784,469	12,031,600	11,212,078	11,564,300
Depreciation	6,909,554	6,875,049	6,797,897	7,986,000	7,597,710	8,175,000
TOTAL OPERATING EXPENSE	\$ 15,725,648	\$ 16,198,488	\$ 17,582,366	\$ 20,017,600	\$ 18,809,788	\$ 19,739,300



**PORT FREEPORT
2020/2021 FISCAL YEAR BUDGET**

OPERATING EXPENSES DETAIL

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Forecasted	2021 Budget
OPERATING EXPENSES:						
Port Salaries/Wages						
Commissioners	\$ -	\$ -	\$ 63,200	\$ 59,702	\$ 57,600	\$ 57,600
Administration	840,128	952,986	1,117,910	1,290,532	1,173,449	1,214,400
Engineering	362,724	375,363	392,050	408,048	406,554	407,700
Operations & Maintenance	1,381,043	1,421,035	1,420,303	1,466,492	1,465,329	1,475,900
Oper. & Maint. - Overtime	91,626	99,051	162,116	100,000	209,363	100,000
Business Development	334,415	326,742	358,868	447,426	348,719	357,800
Variable Pay & Other				20,000		20,000
TOTAL PORT SALARIES & WAGES	3,009,936	3,175,177	3,514,447	3,792,200	3,661,014	3,633,400
Port Employee Benefits						
Social Security Expense	213,112	225,796	251,084	282,500	272,627	270,700
Unemployment Ins.	703	6,489	512	4,900	6,540	6,500
Group Health & Life Ins.	531,381	579,963	724,635	883,100	800,707	944,300
Retirement Fund	237,161	201,479	256,430	308,000	291,992	318,000
Workers' Comp. Ins.	30,026	26,033	28,305	31,400	30,899	31,300
TOTAL PORT EMPLOYEE BENEFITS	1,012,383	1,039,760	1,260,966	1,509,900	1,402,765	1,570,800
Professional Services:						
Commission Fees	50,400	128,327	-	-	-	-
Legal Service Fees/Expenses	296,673	262,056	374,648	231,600	271,488	231,600
Audit Service Fees	25,700	28,220	26,335	29,400	29,400	29,700
Election Expenses	28,669	24,425	-	-	-	25,000
Security Service Fees	1,303,960	1,306,378	1,323,911	1,388,600	1,593,188	1,685,600
Consultant Services	181,177	370,522	369,962	1,002,000	395,950	512,300
TOTAL PROFESSIONAL SERVICES	1,886,579	2,119,928	2,094,856	2,651,600	2,290,026	2,484,200
Training, Travel & Promotional:						
Commercial Business Development	107,905	157,240	245,164	293,100	207,355	188,600
Sales/Promotion Travel	29,446	38,891	31,761	76,450	40,000	47,000
Governmental Relations Travel	32,630	21,492	44,768	45,550	45,156	46,600
Community Relations	54,726	76,310	57,388	74,650	53,449	58,600
Technical Training	46,673	60,008	80,182	154,500	102,489	92,300
Automobile Expense	50,697	52,421	59,838	63,050	62,224	64,200
TOTAL TRAINING TRAVEL & PROMOTIONAL	322,077	406,362	519,101	707,300	510,673	497,300
Supplies, Furniture & Equipment						
Supplies	60,268	66,558	64,493	72,400	79,287	74,850
Furniture & Equipment	14,018	23,266	21,537	22,900	20,700	10,800
Postage & Freight	3,877	3,145	3,102	3,700	1,233	2,550
Maintenance & Operation	25,387	23,689	13,091	19,000	11,272	16,000
Fuel/Oil	35,909	58,668	50,262	48,000	53,268	52,000
TOTAL SUPPLIES, FURNITURE & EQUIPMENT	139,459	175,326	152,485	166,000	165,760	156,200
Utilities						
Telephone	77,772	54,307	58,519	63,600	56,493	62,550
Electricity	364,239	295,680	335,143	345,100	344,991	345,100
Water & Gas	89,273	140,995	160,569	199,300	206,612	199,250
TOTAL UTILITIES	531,284	490,982	554,231	608,000	608,096	606,900
Business Insurance						
Business Insurance Expense	877,326	910,997	981,882	1,153,200	1,127,800	1,269,700
TOTAL BUSINESS INSURANCE	877,326	910,997	981,882	1,153,200	1,127,800	1,269,700
Other Services & Charges:						
Contract Labor Expense	16,668	-	18,428	8,600	8,760	9,000
Contract Services	147,035	199,775	319,282	279,600	280,350	266,800
Dues, Memberships & Subscriptions	44,336	75,624	101,876	125,900	125,703	86,200
Lease Expense	106,957	99,293	101,119	101,200	103,031	103,000
TOTAL OTHER SERVICES & CHARGES	314,996	374,692	540,705	515,300	517,844	465,000
Maintenance & Repair:						
Equipment	268,192	248,357	272,376	368,750	358,675	370,750
Vehicles	12,229	16,908	26,400	13,500	16,679	10,000
Buildings	120,106	131,598	214,337	113,900	147,560	130,800
Warehouses	6,730	15,870	13,612	16,050	27,365	16,050
Transit Sheds	42,308	26,873	37,357	39,200	35,842	39,200
Terminal Facilities	112,893	95,270	408,704	261,700	208,111	200,500
Leased Facilities	43,573	20,660	111,738	17,000	73,162	34,000
Other	116,023	74,679	81,242	98,000	60,706	79,500
TOTAL MAINTENANCE & REPAIR	722,054	630,215	1,165,766	928,100	928,100	880,800
TOTAL GENERAL OPERATING	8,816,094	9,323,439	10,784,439	12,031,600	11,212,078	11,564,300
DEPRECIATION	6,909,554	6,875,049	6,797,897	7,986,000	7,597,710	8,175,000
TOTAL OPERATING EXPENSES	\$ 15,725,648	\$ 16,198,488	\$ 17,582,336	\$ 20,017,600	\$ 18,809,788	\$ 19,739,300

**PORT FREEPORT
2020/21 FISCAL YEAR BUDGET
DEBT INTEREST AND FEES SCHEDULE**

SCHEDULED BOND INTEREST AND PRINCIPAL PAYMENTS

	Interest	Principal	Total Principal & Interest
General Obligation Bonds, Series 2019	\$ 1,289,262	\$ 310,000	\$ 1,599,262
Senior Lien Refunding Bonds, Series 2013A	599,830	2,185,000	2,784,830
Senior Lien Revenue & Refunding Bonds, Series 2015A	1,665,838	770,000	2,435,838
Senior Lien Revenue Refunding Bonds, Series 2018	1,430,200	560,000	1,990,200
Senior Lien Revenue Bonds, Series 2019A	2,033,350	740,000	2,773,350
Senior Lien Revenue Bonds, Series 2019B	1,017,050	530,000	1,547,050
Capital Lease Equipment Financing	139,012	1,455,929	1,594,941
Est New 2021 GO Bond Issuance	593,000	-	593,000
Est New 2021 Rev Bond Issuance	-	-	-
Total Debt Service	<u>\$ 8,767,542</u>	<u>\$ 6,550,929</u>	<u>\$ 15,318,471</u>

INTEREST EXPENSE RECOGNIZED - FY 2021

	Interest & Fees	Amortized Premiums	Total
General Obligation Bonds, Series 2019	\$ 1,287,225	\$ (118,025)	\$ 1,169,200
Senior Lien Refunding Bonds Series 2013A	578,437	\$ 1,163	579,600
Senior Lien Revenue & Refunding Bonds, Series 2015A	1,654,016	(40,516)	1,613,500
Senior Lien Revenue Refunding Bonds, Series 2018	1,421,923	(50,723)	1,371,200
Senior Lien Revenue Bonds, Series 2019A	2,022,028	(223,028)	1,799,000
Senior Lien Revenue Bonds, Series 2019B	1,009,226	(53,251)	955,975
Capital Lease Equipment Financing	139,025	-	139,025
Est New 2021 GO Bond Issuance Costs & Int.	968,000	-	968,000
Est New 2021 Rev Bond Issuance Costs & Int.	979,600	-	979,600
Total Interest Expense Recognized	<u>\$ 10,059,480</u>	<u>\$ (484,380)</u>	<u>\$ 9,575,100</u>

PORT FREEPORT

General Obligation Bonds, Series 2019 (Non-AMT)
September 30, 2019

Fiscal Year Ending September 30	Coupon	Interest Due February 1	Interest Due August 1	Principal Due August 1	Total Principal & Interest	Principal Balance
						\$ 31,665,000
2021	5.000 %	\$ 644,631	\$ 644,631	\$ 310,000	\$ 1,599,262	31,355,000
2022	5.000	636,881	636,881	640,000	1,913,762	30,715,000
2023	5.000	620,881	620,881	670,000	1,911,762	30,045,000
2024	5.000	604,131	604,131	125,000	1,333,262	29,920,000
2025	3.000	601,006	601,006	710,000	1,912,012	29,210,000
2026	5.000	590,356	590,356	730,000	1,910,712	28,480,000
2027	5.000	572,106	572,106	770,000	1,914,212	27,710,000
2028	5.000	552,856	552,856	805,000	1,910,712	26,905,000
2029	5.000	532,731	532,731	845,000	1,910,462	26,060,000
2030	2.125	511,606	511,606	890,000	1,913,212	25,170,000
2031	5.000	502,150	502,150	910,000	1,914,300	24,260,000
2032	4.000	479,400	479,400	955,000	1,913,800	23,305,000
2033	4.000	460,300	460,300	990,000	1,910,600	22,315,000
2034	4.000	440,500	440,500	1,030,000	1,911,000	21,285,000
2035	4.000	419,900	419,900	1,070,000	1,909,800	20,215,000
2036	4.000	398,500	398,500	1,115,000	1,912,000	19,100,000
2037	3.000	376,200	376,200	1,160,000	1,912,400	17,940,000
2038	4.000	358,800	358,800	1,195,000	1,912,600	16,745,000
2039	4.000	334,900	334,900	1,240,000	1,909,800	15,505,000
2040	4.000	310,100	310,100	1,290,000	1,910,200	14,215,000
2041	4.000	284,300	284,300	1,345,000	1,913,600	12,870,000
2042	4.000	257,400	257,400	1,395,000	1,909,800	11,475,000
2043	4.000	229,500	229,500	1,455,000	1,914,000	10,020,000
2044	4.000	200,400	200,400	1,510,000	1,910,800	8,510,000
2045	4.000	170,200	170,200	1,570,000	1,910,400	6,940,000
2046	4.000	138,800	138,800	1,635,000	1,912,600	5,305,000
2047	4.000	106,100	106,100	1,700,000	1,912,200	3,605,000
2048	4.000	72,100	72,100	1,765,000	1,909,200	1,840,000
2049	4.000	36,800	36,800	1,840,000	1,913,600	0
		\$ 11,443,535	\$ 11,443,535	\$ 31,665,000	\$ 54,552,070	

PORT FREEPORT

Senior Lien Revenue Refunding Bonds, Series 2013A (AMT)
September 30, 2020

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 19,475,000
2021	3.08 %	\$ 299,915	\$ 299,915	\$ 2,185,000	\$ 2,784,830	17,290,000
2022	3.08	266,266	266,266	2,250,000	2,782,532	15,040,000
2023	3.08	231,616	231,616	2,320,000	2,783,232	12,720,000
2024	3.08	195,888	195,888	2,395,000	2,786,776	10,325,000
2025	3.08	159,005	159,005	2,465,000	2,783,010	7,860,000
2026	3.08	121,044	121,044	2,540,000	2,782,088	5,320,000
2027	3.08	81,928	81,928	2,620,000	2,783,856	2,700,000
2028	3.08	41,580	41,580	2,700,000	2,783,160	0
		\$ 1,397,242	\$ 1,397,242	\$ 19,475,000	\$ 22,269,484	

PORT FREEPORT

Senior Lien Revenue and Refunding Bonds, Series 2015A (AMT) September 30, 2020

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 35,710,000
2021	5.00	832,919	832,919	770,000	2,435,838	34,940,000
2022	5.00	813,669	813,669	815,000	2,442,338	34,125,000
2023	5.00	793,294	793,294	855,000	2,441,588	33,270,000
2024	5.00	771,919	771,919	895,000	2,438,838	32,375,000
2025	5.00	749,544	749,544	945,000	2,444,088	31,430,000
2026	5.00	725,919	725,919	990,000	2,441,838	30,440,000
2027	5.00	701,169	701,169	1,035,000	2,437,338	29,405,000
2028	5.00	675,294	675,294	1,090,000	2,440,588	28,315,000
2029	5.00	648,044	648,044	1,145,000	2,441,088	27,170,000
2030	4.00	619,419	619,419	1,200,000	2,438,838	25,970,000
2031	4.13	595,419	595,419	1,250,000	2,440,838	24,720,000
2032	4.13	569,638	569,638	1,300,000	2,439,276	23,420,000
2033	4.25	542,825	542,825	1,355,000	2,440,650	22,065,000
2034	4.25	514,031	514,031	1,410,000	2,438,062	20,655,000
2035	4.25	484,069	484,069	1,475,000	2,443,138	19,180,000
2036	5.00	452,725	452,725	1,535,000	2,440,450	17,645,000
2037	5.00	414,350	414,350	1,610,000	2,438,700	16,035,000
2038	5.00	374,100	374,100	1,690,000	2,438,200	14,345,000
2039	5.00	331,850	331,850	1,775,000	2,438,700	12,570,000
2040	5.00	287,475	287,475	1,860,000	2,434,950	10,710,000
2041	4.50	240,975	240,975	1,955,000	2,436,950	8,755,000
2042	4.50	196,988	196,988	2,045,000	2,438,976	6,710,000
2043	4.50	150,975	150,975	2,140,000	2,441,950	4,570,000
2044	4.50	102,825	102,825	2,235,000	2,440,650	2,335,000
2045	4.50	52,538	52,538	2,335,000	2,440,076	0
		\$ 12,641,973	\$ 12,641,973	\$ 35,710,000	\$ 60,993,946	

PORT FREEPORT

Senior Lien Revenue Refunding Bonds, Series 2018 (AMT)
September 30, 2020

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 31,830,000
2021	5.00 %	\$ 715,100	\$ 715,100	\$ 560,000	\$ 1,990,200	31,270,000
2022	5.00	701,100	701,100	585,000	1,987,200	30,685,000
2023	5.00	686,475	686,475	615,000	1,987,950	30,070,000
2024	5.00	671,100	671,100	645,000	1,987,200	29,425,000
2025	5.00	654,975	654,975	680,000	1,989,950	28,745,000
2026	5.00	637,975	637,975	710,000	1,985,950	28,035,000
2027	5.00	620,225	620,225	750,000	1,990,450	27,285,000
2028	5.00	601,475	601,475	785,000	1,987,950	26,500,000
2029	5.00	581,850	581,850	825,000	1,988,700	25,675,000
2030	5.00	561,225	561,225	865,000	1,987,450	24,810,000
2031	5.00	539,600	539,600	910,000	1,989,200	23,900,000
2032	5.00	516,850	516,850	955,000	1,988,700	22,945,000
2033	5.00	492,975	492,975	1,000,000	1,985,950	21,945,000
2034	5.00	467,975	467,975	1,050,000	1,985,950	20,895,000
2035	5.00	441,725	441,725	1,105,000	1,988,450	19,790,000
2036	5.00	414,100	414,100	1,160,000	1,988,200	18,630,000
2037	5.00	385,100	385,100	1,220,000	1,990,200	17,410,000
2038	5.00	354,600	354,600	1,280,000	1,989,200	16,130,000
2039	4.00	322,600	322,600	1,345,000	1,990,200	14,785,000
2040	4.00	295,700	295,700	1,395,000	1,986,400	13,390,000
2041	4.00	267,800	267,800	1,455,000	1,990,600	11,935,000
2042	4.00	238,700	238,700	1,510,000	1,987,400	10,425,000
2043	4.00	208,500	208,500	1,570,000	1,987,000	8,855,000
2044	4.00	177,100	177,100	1,635,000	1,989,200	7,220,000
2045	4.00	144,400	144,400	1,700,000	1,988,800	5,520,000
2046	4.00	110,400	110,400	1,770,000	1,990,800	3,750,000
2047	4.00	75,000	75,000	1,840,000	1,990,000	1,910,000
2048	4.00	38,200	38,200	1,910,000	1,986,400	0
		\$ 11,922,825	\$ 11,922,825	\$ 31,830,000	\$ 55,675,650	

PORT FREEPORT

Senior Lien Revenue Bonds, Series 2019A (AMT)
September 30, 2020

Fiscal Year Ending September 30	Coupon	Interest Due 1-Dec	Interest Due 1-Jun	Principal Due 1-Jun	Total Principal & Interest	Principal Balance
						\$ 44,195,000
2021	5.000 %	\$ 1,016,675	\$ 1,016,675	\$ 740,000	\$ 2,773,350	43,455,000
2022	5.000	998,175	998,175	780,000	2,776,350	42,715,000
2023	5.000	978,675	978,675	820,000	2,777,350	41,895,000
2024	5.000	958,175	958,175	860,000	2,776,350	41,035,000
2025	5.000	936,675	936,675	900,000	2,773,350	40,135,000
2026	5.000	914,175	914,175	945,000	2,773,350	39,190,000
2027	5.000	890,550	890,550	995,000	2,776,100	38,195,000
2028	5.000	865,675	865,675	1,045,000	2,776,350	37,150,000
2029	5.000	839,550	839,550	1,095,000	2,774,100	36,055,000
2030	5.000	812,175	812,175	1,150,000	2,774,350	34,905,000
2031	5.000	783,425	783,425	1,210,000	2,776,850	33,695,000
2032	5.000	753,175	753,175	1,270,000	2,776,350	32,425,000
2033	5.000	721,425	721,425	1,330,000	2,772,850	31,095,000
2034	5.000	688,175	688,175	1,400,000	2,776,350	29,695,000
2035	4.000	653,175	653,175	1,470,000	2,776,350	28,225,000
2036	4.000	623,775	623,775	1,530,000	2,777,550	26,695,000
2037	4.000	593,175	593,175	1,590,000	2,776,350	25,105,000
2038	4.000	561,375	561,375	1,650,000	2,772,750	23,455,000
2039	4.000	528,375	528,375	1,720,000	2,776,750	21,735,000
2040	4.000	493,975	493,975	1,785,000	2,772,950	19,950,000
2041	4.000	458,275	458,275	1,860,000	2,776,550	18,090,000
2042	4.000	421,075	421,075	1,935,000	2,777,150	16,155,000
2043	4.000	382,375	382,375	2,010,000	2,774,750	14,145,000
2044	4.000	342,175	342,175	2,090,000	2,774,350	12,055,000
2045	5.000	300,375	300,375	2,175,000	2,775,750	9,880,000
2046	5.000	246,000	246,000	2,285,000	2,777,000	7,595,000
2047	5.000	188,875	188,875	2,395,000	2,772,750	5,200,000
2048	5.000	129,000	129,000	2,515,000	2,773,000	2,685,000
2049	5.000	66,125	66,125	2,645,000	2,777,250	40,000
		\$ 18,144,825	\$ 18,144,825	\$ 44,195,000	\$ 80,484,650	

PORT FREEPORT

Senior Lien Revenue Bonds, Series 2019B (NON-AMT)
September 30, 2020

Fiscal Year Ending September 30	Coupon	Interest Due 1-Dec	Interest Due 1-Jun	Principal Due 1-Jun	Total Principal & Interest	Principal Balance
						\$ 28,865,000
2021	5.000 %	\$ 508,525	\$ 508,525	\$ 530,000	\$ 1,547,050	28,335,000
2022	5.000	495,275	495,275	560,000	1,550,550	27,775,000
2023	5.000	481,275	481,275	585,000	1,547,550	27,190,000
2024	5.000	466,650	466,650	615,000	1,548,300	26,575,000
2025	5.000	451,275	451,275	645,000	1,547,550	25,930,000
2026	5.000	435,150	435,150	680,000	1,550,300	25,250,000
2027	5.000	418,150	418,150	715,000	1,551,300	24,535,000
2028	5.000	400,275	400,275	750,000	1,550,550	23,785,000
2029	5.000	381,525	381,525	785,000	1,548,050	23,000,000
2030	5.000	361,900	361,900	825,000	1,548,800	22,175,000
2031	5.000	341,275	341,275	865,000	1,547,550	21,310,000
2032	3.000	319,650	319,650	910,000	1,549,300	20,400,000
2033	3.000	306,000	306,000	935,000	1,547,000	19,465,000
2034	3.000	291,975	291,975	965,000	1,548,950	18,500,000
2035	3.000	277,500	277,500	995,000	1,550,000	17,505,000
2036	3.000	262,575	262,575	1,025,000	1,550,150	16,480,000
2037	3.000	247,200	247,200	1,055,000	1,549,400	15,425,000
2038	3.000	231,375	231,375	1,085,000	1,547,750	14,340,000
2039	3.000	215,100	215,100	1,120,000	1,550,200	13,220,000
2040	3.000	198,300	198,300	1,155,000	1,551,600	12,065,000
2041	3.000	180,975	180,975	1,185,000	1,546,950	10,880,000
2042	3.000	163,200	163,200	1,225,000	1,551,400	9,655,000
2043	3.000	144,825	144,825	1,260,000	1,549,650	8,395,000
2044	3.000	125,925	125,925	1,300,000	1,551,850	7,095,000
2045	3.000	106,425	106,425	1,335,000	1,547,850	5,760,000
2046	3.000	86,400	86,400	1,375,000	1,547,800	4,385,000
2047	3.000	65,775	65,775	1,420,000	1,551,550	2,965,000
2048	3.000	44,475	44,475	1,460,000	1,548,950	1,505,000
2049	3.000	22,575	22,575	1,505,000	1,550,150	0
		\$ 8,031,525	\$ 8,031,525	\$ 28,865,000	\$ 44,928,050	

PORT FREEPORT

Capital Lease
September 30, 2020

Fiscal Year Ending September 30	Coupon	Interest Due Sept. 30	Principal Due Sept. 30	Total Principal & Interest	Principal Balance
				\$	6,028,271
2021	2.31 %	\$ 139,012	\$ 1,455,929	\$ 1,594,941	4,572,342
2022	2.31	105,438	1,489,502	1,594,940	3,082,840
2023	2.31	71,090	1,523,850	1,594,940	1,558,990
2024	2.31	35,950	1,558,990	1,594,940	0
		\$ 351,490	\$ 6,028,271	\$ 6,379,761	

**PORT FREEPORT
2020/21 FISCAL YEAR BUDGET**

\$39,200,000 General Obligation Tax Bond

CRITERIA USED FOR BUDGETING:

ISSUANCE - Spring 2021

AMORTIZATION PERIOD - 30 YEARS

RATE - 3%

PAYMENTS - SEMI-ANNUAL

FIRST YEAR PAYMENT INTEREST- \$592,897

FISCAL YEAR 2021 INTEREST ACCRUAL- \$592,897

ISSUANCE COSTS EST \$375,000

**PORT FREEPORT
2020/21 FISCAL YEAR BUDGET**

\$30,000,000 Revenue Bond

CRITERIA USED FOR BUDGETING:

ISSUANCE - Summer 2021

AMORTIZATION PERIOD - 30 YEARS

RATE - 3%

PAYMENTS - SEMI-ANNUAL

FIRST YEAR PAYMENT - FY 2022

FISCAL YEAR 2021 INTEREST ACCRUAL- \$679,600

ISSUANCE COSTS EST \$300,000