



**2022/2023 FISCAL
YEAR ADOPTED
SEPTEMBER 8, 2022**

PREPARED BY:

Mary Campus, Controller

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BUDGET TRANSMITTAL

September 8, 2022

Members of the Port Commission
Port Freeport
Freeport, Texas

Presented herein is the Fiscal Year 2022/23 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 \$23.3 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 2022 Budget, total operating revenue for fiscal year 2023 is expected to increase \$1.7 million to \$41.6 million, while net non-operating revenue and expenses are expected to increase by \$194 thousand to (\$3.1) million.

Harbor operations revenues have decreased \$947 thousand to \$26.6 million with an offset of \$2.3 million in business interruption insurance. Lease revenues have increased \$223 thousand to \$12.6 million primarily due to contractual inflation increases.

Net non-operating revenues at (\$3.1) million include debt service. Debt interest and fees have increased to \$9.8 million. This includes an estimated accrual of interest and issuance costs for anticipated issuance of General Obligation Bond debt issuance in fiscal year 2023.

The Certification of Appraised Valuations prepared by the Brazoria County Appraisal District reports assessed value for 2022 to be \$19.4 billion, which is 19.65% higher than the prior year. Increases were observed in market values, expiration of tax abatements, and asset additions, along with offsets in these increases from homestead, abatements, and other exemptions. The budget has been prepared with the tax rate of \$0.035 per \$100 of valuation which below the no new revenue tax rate. A rate of \$0.016856 per \$100 valuation is required for debt service, leaving a rate of \$0.018144 per \$100 valuation for maintenance and operations. Assuming a 100% collection rate, ad valorem tax collections are projected to be \$6.7 million, net of appraisal district and tax office fees.

PORT COMMISSION

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

Expenditures:

Overall, expenditures, at \$25.6 million, are anticipated to increase \$4.1 million from the budget for fiscal year 2022. Expenditures, excluding depreciation are expected to be \$14.5 million, an increase of 9% or \$1.2 million from the budget for fiscal year 2022. Fiscal year 2022 budgets resumption to normal activity with full staffing, however staff will continue to monitor conditions.

Port Salaries and Wages: The total amount budgeted for Port salaries and wages is \$4.5 million, an increase of \$500 thousand or 13% from the 2022 budget. The budget includes 6.6% CPI/merit increases, a market/internal equity pool and assumes filling six positions that are vacant and changing one part-time position to a full-time position.

Port Employee Benefits: The total amount budgeted employee benefits are \$1.7 million, an increase of \$101 thousand or 6% from the 2022 budget. The primary reason for the increase comes from an anticipated increase in medical (10%), dental and vision plan premiums (5%), full participation in the retirement plan, and assumes filling six positions that are vacant and changing one part-time position to a full-time position.

Professional Services: The budget for consultant services has increased \$227 thousand or 8% from the 2022 budget to \$2.9 million. The largest line item in the professional services category is security service fees, which increased 12% or \$210 thousand to \$1.97 million due to contracted rates, increased manpower utilization and services. Fiscal year 2023 includes funds for election service fees, Port planning services, compensation consulting, grant writing services, environmental consulting, and surveying.

Training, Travel & Promotional: The training, travel and promotional category budget is \$880 thousand, which has increased from the 2022 budget by 10% or \$77 thousand. Fiscal year 2021 budget was dramatically reduced due to the impact of COVID-19. Fiscal year 2022 budget assumed resumption to normal levels, but the impact remained. Fiscal year 2023 assumes resumption to normal level, however, it will continue to be evaluated. Commercial business development at \$472 thousand, which includes commercial trade shows, advertising, website development, economic development, and promotional items, has been increased \$34 thousand or 7.6% from last year due to increased focus on target cargo events. Sales and promotion have increased by \$17 thousand or 28% to \$76 thousand due to an anticipated prospective new business reception. Government relations travel is increased 27% or \$11 thousand to \$53 thousand due to increase in State and Federal legislative interaction. Community relations at \$82 thousand has increased 1% or \$1 thousand due to increased community events and interaction and costs. Training, education and related travel expense are increased by 11% or \$13 thousand to \$132 thousand due to assumed resumption of normal training needs. Automobile expense at \$64 thousand remains consistent.

Supplies: The supplies budget is \$176 thousand which is an increase of 12% or \$19 thousand due to small equipment and safety purchases planned and fuel prices.

Utilities: The utilities budget has increased by \$54 thousand or 7% thousand to \$855 thousand. This includes fiscal year 2022 water and sewer rate increases and anticipates another increase in fiscal year 2023.

Business Insurance: Business insurance is being budgeted for \$1.7 million, which is a \$115 thousand or 7% increase from fiscal year 2022 budget. Contracted insurance premiums account for this increase.

Other Services & Charges: The \$504 thousand budget for other services and charges is planned to decrease 30% or \$220 thousand from the 2022 budget. This category includes contract labor, contract services, lease expense, memberships, and subscriptions.

Maintenance & Repair: The \$1.2 million budget for 2023 is \$298 thousand or 32% more than 2022 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, maintenance for the administration building, mowing services, and security systems maintenance.

Depreciation expense: Depreciation expense for fiscal year 2023 budget is projected at \$11.1 million, which has increased 37% or \$3 million over fiscal year 2022 budget. Depreciation additions from new assets are expected to be \$3 million.

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. \$66.7 million in total has been budgeted for Port expansion projects for fiscal year 2023. Cash flow requirements of the capital expansion plans will be funded from current cash flows, grant funds, or reserves.

Capital Contributed to Others:

Capital contributions to others include \$60.9 million for the Port Freeport Harbor Channel Improvement Project which will be funded by the additional \$55.8 in FY 2023 General Obligation Bond issuance that was approved by the voters on May 5, 2018 and cash flows.

Capitalized Maintenance & Repair:

The \$3.7 million 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. Upgrades of paved areas to concrete are planned. 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 2023 is \$1.6 million. The major items in fiscal year 2023 include software upgrades, 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 2022/23 continues to demonstrate the Port's commitment to the expansion and development of Port Freeport. Budgeted operating revenues exceed operating expenses by \$16 million with planned capital expenditures of \$71.2 million. This budget is fiscally conservative without impeding the Port's continuing commitment to provide well-maintained, efficient, 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
2022/2023 FISCAL YEAR BUDGET**

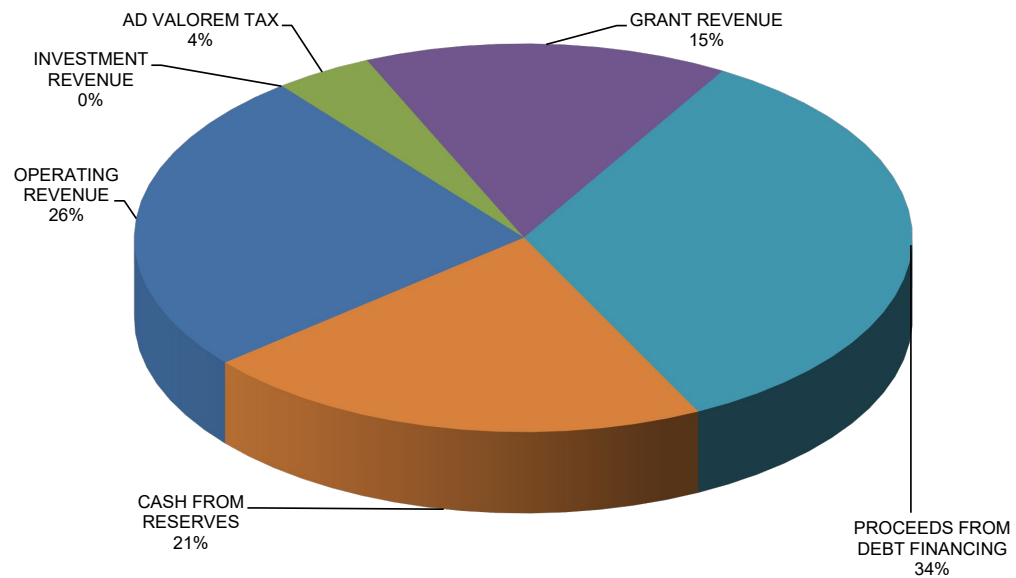
CASH FLOW WORKSHEET

Operating Revenue	\$	41,582,800	
Operating Expenses	(25,611,800)	
Operating Income (Loss)		<u>15,971,000</u>	
Net Non-Operating Revenues	(3,136,000)	
Net Income			\$ 12,835,000
Add Back Non-cash Items			
Depreciation		11,106,800	
Interest Expense		9,818,300	
Loss on Disposition of Assets		-	
Total Net Non-cash Expenses			<u>20,925,100</u>
Cash Flow from Operations, Taxes, Investments			33,760,100
Debt Service Payments			<u>(16,170,532)</u>
Net Cash Flow Before Capital Expenditures			17,589,568
Capital Expenditures and Contributed to Others:			
Funded by Grant Programs	(39,701,310)	
Cash Flow or General Reserve Funded	(9,294,090)	
Proceeds from Debt Funding and Operating Cash Flow	(83,932,681)	
Total			(132,928,081)
Reimbursement Resolution/Financing Proceeds			55,800,000
Contributed Capital From Grants			24,763,800
Cash To (From) Reserves			\$ (34,774,713)
July 2022 Net Assets Balance:			
Unrestricted	\$		44,642,016
Reserve for Capital Improvements			14,146,523
Restricted for Debt Service			12,422,542
2021 Series GO Project Fund			6,848,532
Restricted for Capital Improvements (Corps)			12,431
Approximate FY 2023 Net Assets:			
Unrestricted	\$		14,700,413
Reserve for Capital Improvements			17,662,445
Restricted for Debt Service			10,922,542
Restricted for Capital Improvements (Corps)			11,931

PORT FREEPORT 2022/2023 FISCAL YEAR BUDGET

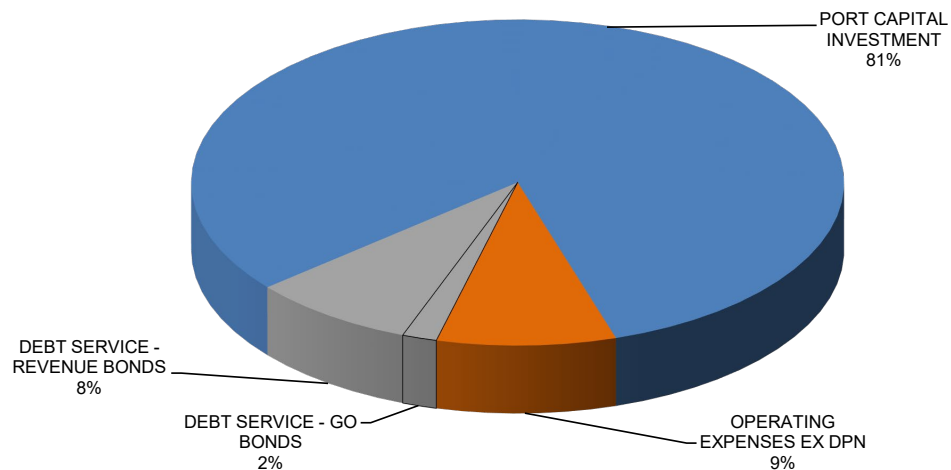
SOURCES OF FUNDS

OPERATING REVENUE	\$ 41,582,800
INVESTMENT REVENUE	10,000
AD VALOREM TAX	6,672,300
GRANT REVENUE	24,763,800
PROCEEDS FROM DEBT FINANCING	55,800,000
CASH FROM RESERVES	34,774,713
TOTAL	\$ 163,603,613



USES OF FUNDS

PORT CAPITAL INVESTMENT	\$ 132,928,081
OPERATING EXPENSES EX DPN	14,505,000
DEBT SERVICE - GO BONDS	2,806,012
DEBT SERVICE - REVENUE BONDS	13,364,520
TOTAL	\$ 163,603,613



**PORT FREEPORT
2022/2023 FISCAL YEAR BUDGET**

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

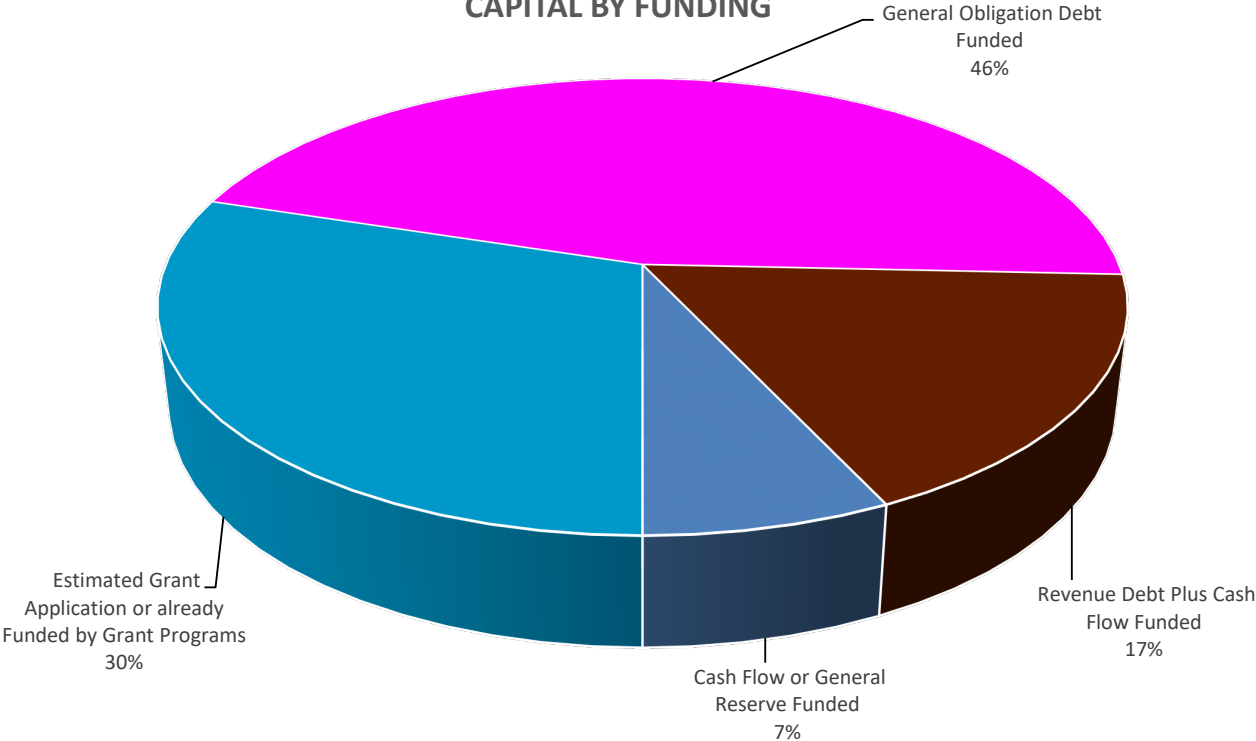
	2019 Actual	2020 Actual	2021 Actual	2021 Budget	2022 Budget	2022 Forecasted	2023 Budget	Percent of Total
OPERATING REVENUES:								
Wharfage	\$ 7,886,541	\$ 10,853,640	\$ 13,526,823	\$ 8,555,700	\$ 13,608,300	\$ 11,142,018	\$ 12,546,200	30%
Dockage & Deep Water Berth	1,958,713	4,181,863	7,356,823	4,419,200	7,864,100	6,932,592	7,743,700	19%
Equipment & Pallet Use Fees	1,244,184	1,686,489	1,098,167	1,652,100	1,277,800	1,332,994	1,303,450	3%
Facility Use Fees	439,822	880,516	1,168,335	704,000	1,150,000	1,636,144	1,437,600	3%
Security Fees	873,501	1,521,840	2,458,595	1,644,900	2,608,300	2,183,457	2,294,250	6%
Other Customer Service Fees	1,074,896	1,051,900	1,075,780	1,110,100	1,072,100	1,361,412	1,308,300	3%
Ground Leases	13,370,499	12,423,239	12,101,850	12,128,600	11,300,600	11,483,014	11,699,000	28%
Other Leases	1,059,508	964,948	868,345	837,700	944,700	878,200	885,300	2%
Estimated Business Interruption Claim	-	-	-	-	-	4,290,000	2,340,000	6%
Other Revenue	37,478	8,880	8,303	25,000	25,000	36,173	25,000	0%
Total Operating Revenue	27,945,142	33,573,315	39,663,021	31,077,300	39,850,900	41,276,004	41,582,800	
OPERATING EXPENSES:								
Port Salaries/Wages	3,514,447	3,718,152	3,691,177	3,633,400	3,993,600	3,532,270	4,494,200	18%
Port Employee Benefits	1,260,966	1,350,053	1,418,715	1,570,800	1,648,300	1,379,873	1,749,800	7%
Professional Services	2,094,856	2,163,290	2,212,828	2,484,200	2,722,000	2,435,146	2,948,700	12%
Training, Travel & Promotional	519,101	296,763	312,831	497,300	802,900	516,259	879,900	3%
Supplies	152,485	170,938	159,881	156,200	156,700	175,701	176,200	1%
Utilities	554,231	636,683	741,203	606,900	800,500	741,530	854,900	3%
Business Insurance	981,882	1,128,006	1,254,661	1,269,700	1,557,500	1,531,471	1,672,300	7%
Other Services & Charges	540,705	515,468	487,467	465,000	723,800	648,048	503,600	2%
Maintenance & Repair	1,165,766	973,834	907,606	880,800	927,300	1,687,177	1,225,400	5%
Depreciation	6,797,897	7,592,533	8,192,602	8,175,000	8,093,700	7,890,259	11,106,800	43%
Total Operating Expenses	17,582,336	18,545,720	19,378,971	19,739,300	21,426,300	20,537,734	25,611,800	
OPERATING INCOME (LOSS)	10,362,806	15,027,595	20,284,050	11,338,000	18,424,600	20,738,270	15,971,000	
OPERATING MARGIN	37%	45%	51%	36%	46%	50%	38%	
NON-OPERATING REVENUES (EXPENSES):								
Ad Valorem Tax Collections	5,400,964	5,623,025	6,190,447	6,072,900	6,422,200	6,414,581	6,672,300	
Investment Net Revenue	2,010,440	2,095,520	87,667	800,000	200,000	10,000	10,000	
Gain (Loss) on Sale of Assets	-	-	460,696	-	-	705,000	-	
Debt Interest and Fees	(4,640,871)	(7,862,024)	(8,794,637)	(9,575,100)	(9,564,200)	(9,564,200)	(9,818,300)	
Other	-	-	237,140	-	-	(161,745)	-	
Non-Operating Revenues, Net	2,770,533	(143,479)	(1,818,687)	(2,702,200)	(2,942,000)	(2,596,364)	(3,136,000)	
NET INCOME (LOSS) BEFORE CONTRIBUTIONS	13,133,339	14,884,116	18,465,363	8,635,800	15,482,600	18,141,906	12,835,000	
CAPITAL CONTRIBUTIONS-Grants	95,541	139,833	11,092	245,300	375,000	145,000	24,763,800	
NET CAPITAL CONTRIBUTIONS (To)/From Others	(846,158)	(8,310,245)	(15,152,065)	(66,349,500)	(31,000,000)	(45,325,000)	(60,932,700)	
CHANGE IN NET ASSETS	\$ 12,382,722	\$ 6,713,704	\$ 3,324,390	\$ (57,468,400)	\$ (15,142,400)	\$ (27,038,094)	(23,333,900)	

CAPITAL EXPANSION

PORT FREEPORT
PROPOSED PORT CAPITAL EXPANSION PLAN
Fiscal Year 2023

<i>Strategic Initiatives</i>	<i>Milestones</i>	<i>Funding Sources</i>
➤ Freeport Harbor Channel deepening and widening	\$ 60,932,681	General Obligation Bonds, Cash or Reserves
➤ Buildout of the Port's Container Handling Facilities	55,298,650	Pledged Revenue Debt, Cash or Reserves
➤ Development of warehousing and OEM distribution facilities	11,096,050	Pledged Revenue Debt, Cash or Reserves
➤ Port Infrastructure Support:		
Capital Maintenance	3,705,000	Cash or Reserves
Office, computer, IT related	364,350	Cash or Reserves
Security Related	1,160,100	Cash or Reserves
Vehicles	47,500	Cash or Reserves
Operational Equipment	323,750	Cash or Reserves
Total	<u>\$ 132,928,081</u>	

**PORT FREEPORT 2023
CAPITAL BY FUNDING**



PORT FREEPORT

PROPOSED PORT CAPITAL EXPANSION PLAN FY 2023 to 2027

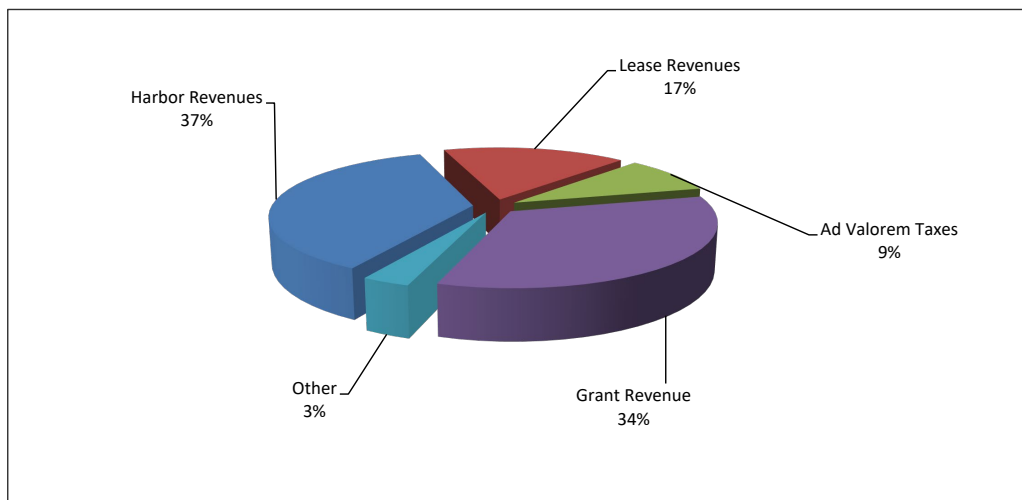
PROJECT	2023	2024	2025	2026	2027	2023-2027 TOTAL
VELASCO TERMINAL & RELATED INFRASTRUCTURE DEVELOPMENT						
Cash Funded	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000
Revenue Debt/Cash Funded	23,000,000	-	3,000,000	5,000,000	-	31,000,000
Estimated Grant Application Funded	28,298,650	-	-	7,300,000	63,600,000	99,198,650
Cranes (2)- Equipment or Revenue Debt Funded	-	6,000,000	24,000,000	-	-	30,000,000
Revenue Growth Funded	-	-	25,000,000	31,500,000	35,000,000	91,500,000
Subtotal Velasco Terminal & Related Infrastructure	\$ 55,298,650	\$ 6,000,000	\$ 52,000,000	\$ 43,800,000	\$ 98,600,000	\$ 255,698,650
OEM / LOGISTICS CENTER						
Cash Funded	575,000	4,000,000	-	-	-	4,575,000
Revenue Debt/Cash Funded	-	-	-	-	-	-
Grant Application Funded	10,521,050	-	-	-	-	10,521,050
Subtotal OEM/Logistics Center	\$ 11,096,050	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 15,096,050
OTHER PROJECTS, M & R, EQUIPMENT						
Cash Funded	4,719,090	429,500	1,068,000	351,000	521,500	7,089,090
Estimated Grant Application Funded	881,610	102,000	545,000	75,000	75,000	1,678,610
Subtotal Other Projects, M & R, Equipment	\$ 5,600,700	\$ 531,500	\$ 1,613,000	\$ 426,000	\$ 596,500	\$ 8,767,700
CAPITAL CONTRIBUTED TO OTHERS						
Cash Funded	-	5,200,000	2,000,000	-	-	7,200,000
General Obligation Debt Funded	60,932,681	-	-	-	-	60,932,681
Revenue Debt/Cash Funded	-	-	-	-	-	-
Funded From Capital Improvement Reserve	-	750,000	750,000	1,030,000	750,000	3,280,000
Subtotal Capital Contributed to Others	\$ 60,932,681	\$ 5,950,000	\$ 2,750,000	\$ 1,030,000	\$ 750,000	\$ 71,412,681
TOTALS						
Cash Funded	9,294,090	9,629,500	3,068,000	351,000	521,500	22,864,090
Revenue Debt Plus Cash Flow Funded	23,000,000	-	3,000,000	5,000,000	-	31,000,000
Equipment Lease/Other Debt Funded	-	6,000,000	24,000,000	-	-	30,000,000
Grant Funded	39,701,310	102,000	545,000	7,375,000	63,675,000	111,398,310
General Obligation Debt Funded	60,932,681	-	-	-	-	60,932,681
Funded From Capital Improvement Reserve	-	750,000	750,000	1,030,000	750,000	3,280,000
Revenue Growth Funded	-	-	25,000,000	31,500,000	35,000,000	91,500,000
	<u>\$ 132,928,081</u>	<u>\$ 16,481,500</u>	<u>\$ 56,363,000</u>	<u>\$ 45,256,000</u>	<u>\$ 99,946,500</u>	<u>\$ 350,975,081</u>

REVENUES

**PORT FREEPORT
2022/2023 BUDGET**

TOTAL REVENUE

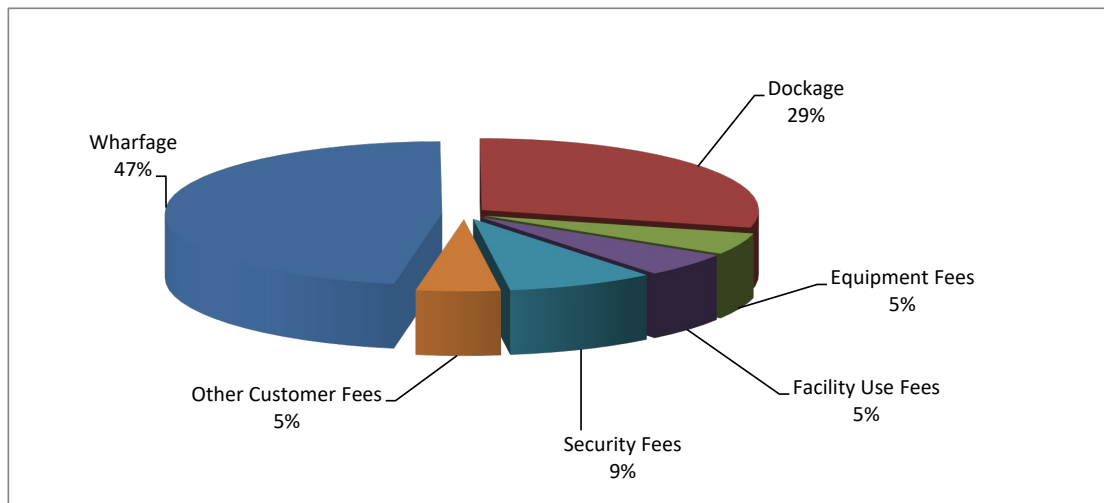
	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Forecasted	2023 Budget
OPERATING REVENUES:						
Wharfage	\$7,886,541	\$10,853,640	\$13,526,823	\$ 13,608,300	\$ 11,142,018	\$ 12,546,200
Dockage	1,958,713	4,181,863	7,356,823	7,864,100	6,932,592	7,743,700
Equipment Fees	1,244,184	1,686,489	1,098,167	1,277,800	1,332,994	1,303,450
Facility Use Fees	439,822	880,516	1,168,335	1,150,000	1,636,144	1,437,600
Security Fees	873,501	1,521,840	2,458,595	2,608,300	2,183,457	2,294,250
Other Customer Service Fees	1,074,896	1,051,900	1,075,780	1,072,100	1,361,412	1,308,300
Ground Leases	13,372,587	12,423,239	12,101,850	11,300,600	11,483,014	11,699,000
Other Leases	1,057,420	964,948	868,345	944,700	878,200	885,300
Estimated Business Interruption Claim					4,290,000	2,340,000
Other Revenue	37,478	8,880	8,303	25,000	36,173	25,000
Total Operating Revenue	\$27,945,142	\$33,573,315	\$39,663,021	\$39,850,900	\$41,276,004	\$ 41,582,800
NON-OPERATING REVENUES (EXPENSES):						
Ad Valorem Tax Collections	5,400,964	5,623,025	6,190,447	6,422,200	6,414,581	6,672,300
Investment Income	2,010,440	2,095,520	87,667	200,000	10,000	10,000
Gain (loss) on Sale of Assets			460,696	-	705,000	-
Debt Interest and Fees	(4,640,871)	(7,862,024)	(8,794,637)	(9,564,200)	(9,564,200)	(9,818,300)
Other			246,000		(161,745)	
Non-Operating Revenues, Net	\$ 2,770,533	\$ (143,479)	\$ (1,809,827)	\$ (2,942,000)	\$ (2,596,364)	\$ (3,136,000)
TOTAL REVENUE BEFORE CONTRIBUTIONS	\$ 30,715,675	\$ 33,429,836	\$ 37,853,194	\$ 36,908,900	\$ 38,679,640	\$ 38,446,800
Capital Contributions - Grants	95,541	139,833	11,092	375,000	145,000	24,763,800
Capital Contributions (To)From Others	(846,158)	(8,310,245)	(15,152,065)	(31,000,000)	(45,325,000)	(60,932,700)
TOTAL REVENUE	\$ 29,965,058	\$ 25,259,424	\$ 22,712,221	\$ 6,283,900	\$ (6,500,360)	\$ 2,277,900



**PORT FREEPORT
2022/2023 FISCAL YEAR BUDGET**

HARBOR OPERATIONS

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Forecasted	2023 Budget
OPERATING REVENUES:						
Wharfage	\$7,886,541	\$10,853,640	\$13,526,823	\$ 13,608,300	\$ 11,142,018	\$ 12,546,200
Dockage	1,958,713	4,181,863	7,356,823	7,864,100	6,932,592	7,743,700
Equipment Fees	1,244,184	1,686,489	1,098,167	1,277,800	1,332,994	1,303,450
Facility Use Fees	439,822	880,516	1,168,335	1,150,000	1,636,144	1,437,600
Security Fees	873,501	1,521,840	2,458,595	2,608,300	2,183,457	2,294,250
Other Customer Fees	1,074,896	1,051,900	1,075,780	1,072,100	1,361,412	1,308,300
TOTAL HARBOR REVENUE	\$ 13,477,657	\$ 20,176,248	\$ 26,684,523	\$ 27,580,600	\$ 24,588,617	\$ 26,633,500
TOTAL TONNAGE	2,822,412	8,702,200	17,035,929	16,776,234	12,745,284	14,707,260
SHIP CALLS	325	412	531	541	453	483



**PORT FREEPORT
2022/2023 FISCAL YEAR BUDGET**

TAX RATE

	TAX RATE PER \$100	PERCENT OF TOTAL
2021 LEVY TAX RATE	0.040100	
2022 NO NEW REVENUE TAX RATE	0.035909	
2022 VOTER APPROVAL TAX RATE	0.039852	
2022 TAX RATE:		
M & O	0.018144	51.84%
DEBT SERVICE	0.016856	48.16%
TOTAL TAX RATE	0.035000	100.00%

LEVY CALCULATION

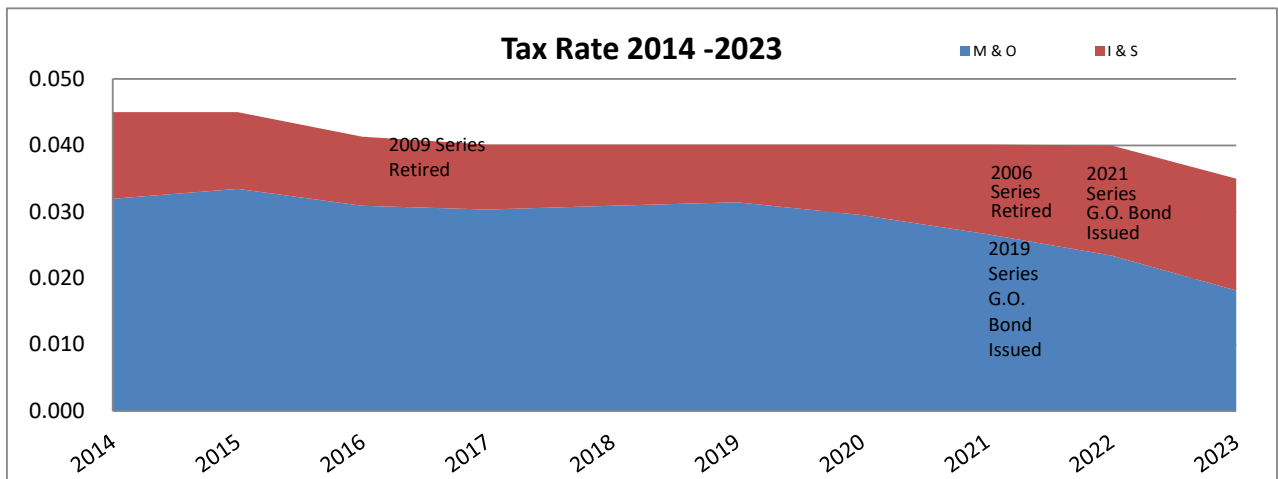
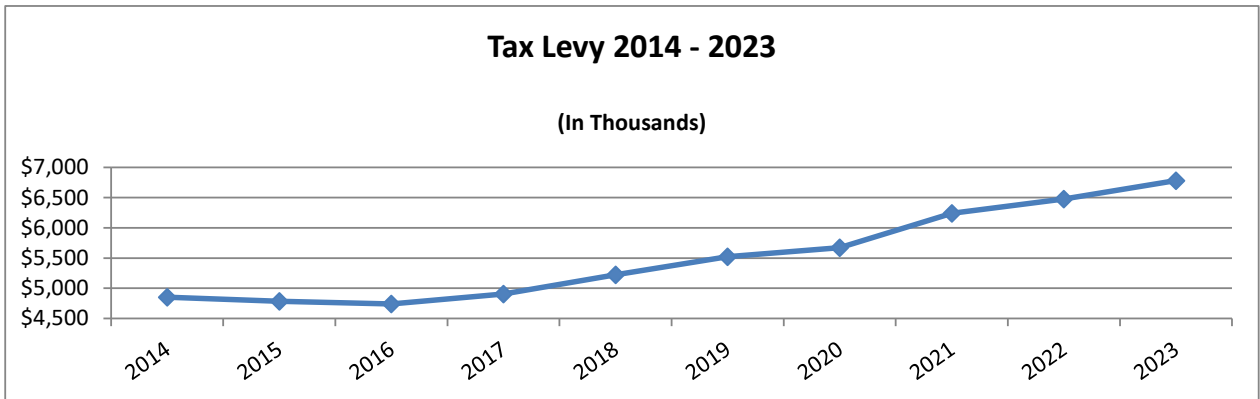
TAXABLE VALUE FOR 2022 APPRAISAL ROLL	\$ 19,377,876,871
2022 LEVY:	
M & O	3,515,922
DEBT SERVICE	3,266,335
TOTAL LEVY	6,782,257
ESTIMATED AMOUNT TO BE UNCOLLECTED (100% COLLECTION RATE)	0
APPRAISAL DISTRICT AND TAX OFFICE FEES	69,645
ADJUSTED	(40,312) *
NET AD VALOREM TAX REVENUE BUDGETED	\$ 6,672,300

* Adjusted by an estimated \$40,312 due to a change in the 65 and over or disabled exemption from \$175,000 to \$250,000.

**PORT FREEPORT
2022/2023 FISCAL YEAR BUDGET**

VALUATION AND TAX RATE HISTORY

	FISCAL YEAR				
	2019	2020	2021	2022	2023
TAXABLE VALUE	\$ 13,772,985,905	\$ 14,147,947,460	\$ 15,562,627,567	\$ 16,195,665,393	\$ 19,377,876,871 ¹
TAX RATE:					
M&O	0.031451	0.029485	0.026657	0.023394	0.018144
DEBT SERVICE	0.008649	0.010615	0.013443	0.016606	0.016856
TOTAL TAX RATE	0.040100	0.040100	0.040100	0.040000	0.035000
LEVY AMOUNT	\$5,522,967	\$5,673,327	\$6,240,614	\$6,478,266	\$6,782,257
% OF LEVY COLLECTED ³	98.65%	98.65%	98.65%	101.24%	100.00% 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 APPROVING 2022 TAX RATE PROPOSAL
AND SETTING THE DATE FOR A RECORD VOTE**

At a regular meeting of the Commissioners of Port Freeport of Brazoria County, Texas ("Port") held at the office of the Port at 1100 Cherry Street, Freeport, Texas, on the 24th day of August 2022, among other business, on motion duly made and seconded, the following resolution was passed and adopted:

FINDINGS

1. Due and proper notice of the date, time, place and purpose of this meeting has been duly given in accordance with the provisions of the Texas Open Meetings Act, and such meeting has been conducted in accordance with said Open Meetings Act.
2. The Port's 2021 tax rate was \$0.040000;
3. The Port considered a 2022 tax rate proposal of \$0.035, ("Proposed 2022 Tax Rate");
and
4. The Port finds and determines that it is in the best interest of Port Freeport of Brazoria County, Texas to approve the 2022 Tax Rate Proposal and set a date to take a record vote of the Proposed 2022 Tax Rate.

NOW, THEREFORE, BE IT RESOLVED, that the Port hereby approves the Proposal of the 2022 Tax Rate and will take a record vote on September 8, 2022 at 1:00 p.m. at the Port's Administration Building.

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 below:

John Hoss, Chairman

VOTED: Yes

Rob Giesecke, Assistant Secretary

VOTED: No

Rudy Santos, Vice Chairman

VOTED: Yes

Shane Pirtle, Commissioner

VOTED: Yes

Dan Croft, Secretary

VOTED: Yes

Ravi K Singhania, Commissioner

VOTED: Yes


John Hoss, Chairman


Dan Croft, Secretary

RESOLUTION ADOPTING 2022 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 8th day of September 2022, among other business came on to be considered the following Resolution, which was upon motion duly made and seconded, adopted by a 6-0 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 2022/2023.
- (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 one and 8144/100 (\$0.018144) cents on each \$100 valuation for the purpose of maintenance and operations;
 - (B) A tax rate of one and 6856/100 (\$0.016856) cents on each \$100 valuation for the payment of principal and interest on debts of the Port;
 - (C) A total tax rate of three and 5000/100 (\$0.0350) 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 2022.

RESOLUTION

NOW THEREFORE, BE IT RESOLVED, ORDAINED AND ORDERED, by the Port Commission of Port Freeport, that: a tax rate of one and 8144/100 (\$0.018144) cents on each \$100 valuation for the purpose of maintenance and operations, and a tax rate of one and 6856/100 (\$0.016856) cents on each \$100 valuation for the payment of principal and interest on debts of the Port, for a total tax rate of three and 5000/100 (\$0.0350) 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 2022.

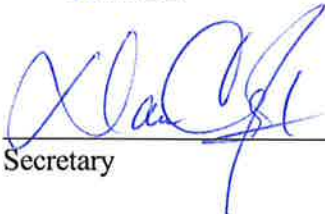
The following members of the Port Commission present and participating in the deliberation and vote on the above and foregoing Resolution and the manner in which each member voted is evidenced by the signature of each member present as indicated below:


Chairman

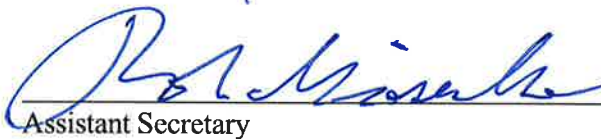
VOTED Aye


Vice Chairman

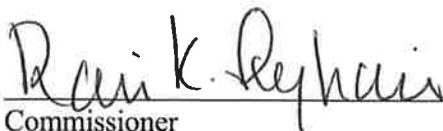
VOTED Aye


Secretary

VOTED Aye


Assistant Secretary

VOTED Aye


Commissioner

VOTED Aye


Commissioner

VOTED Aye

2022 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

PORT FREEPORT

Taxing Unit Name

1100 Cherry, Freeport, TX 77541

Taxing Unit's Address, City, State, ZIP Code

979-233-2667

Phone (area code and number)

www.portfreeport.com

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 Form 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 not 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.

SECTION 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 Tax Rate Worksheet	Amount/Rate
1.	2021 total taxable value. Enter the amount of 2021 taxable value on the 2021 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 (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 16,105,724,445
2.	2021 tax ceilings. Counties, cities and junior college districts. Enter 2021 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 2021 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 0
3.	Preliminary 2021 adjusted taxable value. Subtract Line 2 from Line 1.	\$ 16,105,724,445
4.	2021 total adopted tax rate.	\$ 0.040000 /\$100
5.	2021 taxable value lost because court appeals of ARB decisions reduced 2021 appraised value.	
	A. Original 2021 ARB values: \$ 68,482,250	
	B. 2021 values resulting from final court decisions: - \$ 62,731,772	
	C. 2021 value loss. Subtract B from A. ³	\$ 5,750,478
6.	2021 taxable value subject to an appeal under Chapter 42, as of July 25.	
	A. 2021 ARB certified value: \$ 0	
	B. 2021 disputed value: - \$ 0	
	C. 2021 undisputed value. Subtract B from A. ⁴	\$ 0
7.	2021 Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 5,750,478

¹ Tex. Tax Code § 26.012(14)

² Tex. Tax Code § 26.012(14)

³ Tex. Tax Code § 26.012(13)

⁴ Tex. Tax Code § 26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	2021 taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 16,111,474,923
9.	2021 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2021. Enter the 2021 value of property in deannexed territory. ⁵	\$ 0
10.	2021 taxable value lost because property first qualified for an exemption in 2022. 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 2022 does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use 2021 market value: \$ 2,680,836 B. Partial exemptions. 2022 exemption amount or 2022 percentage exemption times 2021 value: + \$ 209,171,416 C. Value loss. Add A and B. ⁶	\$ 211,852,252
11.	2021 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 2022. Use only properties that qualified in 2022 for the first time; do not use properties that qualified in 2021. A. 2021 market value: \$ 4,063,894 B. 2022 productivity or special appraised value: - \$ 78,640 C. Value loss. Subtract B from A. ⁷	\$ 3,985,254
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 215,837,506
13.	2021 captured value of property in a TIF. Enter the total value of 2021 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2021 taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	2021 total value. Subtract Line 12 and Line 13 from Line 8.	\$ 15,895,637,417
15.	Adjusted 2021 total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 6,358,254
16.	Taxes refunded for years preceding tax year 2021. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2021. 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 2021. This line applies only to tax years preceding tax year 2021. ⁹	\$ 13,535
17.	Adjusted 2021 levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 6,371,789
18.	Total 2022 taxable value on the 2022 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: \$ 18,472,873,860 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ 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 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2022 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 - \$ 0 E. Total 2022 value. Add A and B, then subtract C and D.	\$ 18,472,873,860

⁵ Tex. Tax Code § 26.012(15)⁶ Tex. Tax Code § 26.012(15)⁷ Tex. Tax Code § 26.012(15)⁸ Tex. Tax Code § 26.03(c)⁹ Tex. Tax Code § 26.012(13)¹⁰ Tex. Tax Code § 26.012(13)¹¹ Tex. Tax Code § 26.012, 26.04(c-2)¹² Tex. Tax Code § 26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³	
A.	2022 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 \$ <u>905,003,011</u>	
B.	2022 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 + \$ <u>0</u>	
C.	Total value under protest or not certified. Add A and B.	\$ <u>905,003,011</u>
20.	2022 tax ceilings. Counties, cities and junior colleges enter 2022 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 2021 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ <u>0</u>
21.	2022 total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ <u>19,377,876,871</u>
22.	Total 2022 taxable value of properties in territory annexed after Jan. 1, 2021. Include both real and personal property. Enter the 2022 value of property in territory annexed. ¹⁸	\$ <u>0</u>
23.	Total 2022 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2021. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to exist-ing 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, 2021 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2022. ¹⁹	\$ <u>1,634,041,522</u>
24.	Total adjustments to the 2022 taxable value. Add Lines 22 and 23.	\$ <u>1,634,041,522</u>
25.	Adjusted 2022 taxable value. Subtract Line 24 from Line 21.	\$ <u>17,743,835,349</u>
26.	2022 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ <u>0.035909</u> /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2022 county NNR tax rate. ²¹	\$ _____/\$100

SECTION 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:

- 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.
- 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 Worksheet	Amount/Rate
28.	2021 M&O tax rate. Enter the 2021 M&O tax rate.	\$ <u>0.023394</u> /\$100
29.	2021 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> .	\$ <u>16,111,474,923</u>

¹³ Tex. Tax Code § 26.01(c) and (d)

¹⁴ Tex. Tax Code § 26.01(c)

¹⁵ Tex. Tax Code § 26.01(d)

¹⁶ Tex. Tax Code § 26.012(6)(B)

¹⁷ Tex. Tax Code § 26.012(6)

¹⁸ Tex. Tax Code § 26.012(17)

¹⁹ Tex. Tax Code § 26.012(17)

²⁰ Tex. Tax Code § 26.04(c)

²¹ Tex. Tax Code § 26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	Total 2021 M&O levy. Multiply Line 28 by Line 29 and divide by \$100	\$ 3,769,118
31.	Adjusted 2021 levy for calculating NNR M&O rate. A. M&O taxes refunded for years preceding tax year 2021. 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 2021. This line applies only to tax years preceding tax year 2021. + \$ 9,168 B. 2021 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 2022 captured appraised value in Line 18D, enter 0. - \$ 0 C. 2021 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 D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. 2021 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. \$ 9,168 E. Add Line 30 to 31D.	\$ 3,778,286
32.	Adjusted 2022 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 17,743,835,349
33.	2022 NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.021293 /\$100
34.	Rate adjustment for state criminal justice mandate. ²³ A. 2022 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. 2021 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 C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0/\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0/\$100
35.	Rate adjustment for indigent health care expenditures. ²⁴ A. 2022 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, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose. \$ 0 B. 2021 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, 2020 and ending on June 30, 2021, 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/\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0/\$100

²² [Reserved for expansion]²³ Tex. Tax Code § 26.044²⁴ Tex. Tax Code § 26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵	
	A. 2022 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose	\$ <u>0</u>
	B. 2021 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state grants received by the county for the same purpose.	\$ <u>0</u>
	C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$ <u>0</u> /\$100
	D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.	\$ <u>0</u> /\$100
	E. Enter the lesser of C and D. If not applicable, enter 0.	\$ <u>0</u> /\$100
37.	Rate adjustment for county hospital expenditures. ²⁶	
	A. 2022 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, 2021 and ending on June 30, 2022.	\$ <u>0</u>
	B. 2021 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, 2020 and ending on June 30, 2021.	\$ <u>0</u>
	C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$ <u>0</u> /\$100
	D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100.	\$ <u>0</u> /\$100
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ <u>0</u> /\$100
38.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code 26.0444 for more information.	
	A. Amount appropriated for public safety in 2021. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year	\$ <u>0</u>
	B. Expenditures for public safety in 2021. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year.	\$ <u>0</u>
	C. Subtract B from A and divide by Line 32 and multiply by \$100	\$ <u>0</u> /\$100
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ <u>0</u> /\$100
39.	Adjusted 2022 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ <u>0.021293</u> /\$100
40.	Adjustment for 2021 sales tax specifically to reduce property values. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2021 should complete this line. These entities will deduct the sales tax gain rate for 2022 in Section 3. Other taxing units, enter zero.	
	A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2021, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	\$ <u>0</u>
	B. Divide Line 40A by Line 32 and multiply by \$100	\$ <u>0</u> /\$100
	C. Add Line 40B to Line 39.	\$ <u>0.021293</u> /\$100
41.	2022 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 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$ <u>0.022996</u> /\$100

²⁵ Tex. Tax Code § 26.0442²⁶ Tex. Tax Code § 26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): 2022 voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first 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, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. ²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ _____ 0 /\$100
42.	Total 2022 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. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸ Enter debt amount \$ 3,307,012 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.	\$ 3,307,012
43.	Certified 2021 excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 0
44.	Adjusted 2022 debt. Subtract Line 43 from Line 42E.	\$ 3,307,012
45.	2022 anticipated collection rate. A. Enter the 2022 anticipated collection rate certified by the collector. ³⁰ 101.24 % B. Enter the 2021 actual collection rate. 105.40 % C. Enter the 2020 actual collection rate. 104.78 % D. Enter the 2019 actual collection rate. 101.24 % 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%. ³¹	101.24 %
46.	2022 debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 3,266,507
47.	2022 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 19,377,876,871
48.	2022 debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.016856 /\$100
49.	2022 voter-approval tax rate. Add Lines 41 and 48.	\$ 0.039852 /\$100
D49.	Disaster Line 49 (D49): 2022 voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ _____ /\$100

²⁷ Tex. Tax Code § 26.042(a)²⁸ Tex. Tax Code § 26.012(7)²⁹ Tex. Tax Code § 26.012(10) and 26.04(b)³⁰ Tex. Tax Code § 26.04(b)³¹ Tex. Tax Code §§ 26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2022 county voter-approval tax rate.	\$ _____ 0 /\$100

SECTION 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
51.	Taxable Sales. For taxing units that adopted the sales tax in November 2021 or May 2022, 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 2021, enter 0.	\$ _____ 0
52.	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 2021 or in May 2022. Multiply the amount on Line 51 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 2021. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ _____ 0
53.	2022 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 19,377,876.871
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ _____ 0 /\$100
55.	2022 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> .	\$ 0.035909 /\$100
56.	2022 NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2021 or in May 2022. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2021.	\$ 0.035909 /\$100
57.	2022 voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.039852 /\$100
58.	2022 voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ 0.039852 /\$100

SECTION 4: Voter-Approval Tax Rate Adjustment 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.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	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
60.	2022 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 19,377,876.871
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ _____ 0 /\$100
62.	2022 voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ 0.039852 /\$100

³² Tex. Tax Code § 26.041(d)

³³ Tex. Tax Code § 26.041(i)

³⁴ Tex. Tax Code § 26.041(d)

³⁵ Tex. Tax Code § 26.04(c)

³⁶ Tex. Tax Code § 26.04(c)

³⁷ Tex. Tax Code § 26.045(d)

³⁸ Tex. Tax Code § 26.045(i)

SECTION 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 taxing unit adopts a rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero.

The difference between the adopted tax rate and voter-approval tax rate is considered zero in the following scenarios:

- a tax year before 2020;⁴⁰
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴¹ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴²

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴³

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	2021 unused increment rate. Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate. If the number is less than zero, enter zero.	\$ _____ 0/\$100
64.	2020 unused increment rate. Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate. If the number is less than zero, enter zero.	\$ _____ 0/\$100
65.	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/\$100
66.	2022 unused increment rate. Add Lines 63, 64 and 65.	\$ _____ 0/\$100
67.	2022 voter-approval tax rate, adjusted for unused increment rate. Add Line 66 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).	\$ _____ 0.039852/\$100

SECTION 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.⁴⁴

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.⁴⁵

Line	De Minimis Rate Worksheet	Amount/Rate
68.	Adjusted 2022 NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i>	\$ _____ 0.021293/\$100
69.	2022 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ 19,377,876,871
70.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 69 and multiply by \$100.	\$ _____ 0.002580/\$100
71.	2022 debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____ 0.016856/\$100
72.	De minimis rate. Add Lines 68, 70 and 71.	\$ _____ 0.000000/\$100

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁶

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁷

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.

³⁹ Tex. Tax Code § 26.013(a)

⁴⁰ Tex. Tax Code § 26.013(c)

⁴¹ Tex. Tax Code §§ 26.0501(a) and (c)

⁴² Tex. Local Gov't Code § 120.007(d), effective Jan. 1, 2022

⁴³ Tex. Tax Code § 26.063(a)(1)

⁴⁴ Tex. Tax Code § 26.012(8-a)

⁴⁵ Tex. Tax Code § 26.063(a)(1)

⁴⁶ Tex. Tax Code § 26.042(b)

⁴⁷ Tex. Tax Code § 26.042(f)

This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	2021 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.040000 / \$100
74.	Adjusted 2021 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2021 and the taxing unit calculated its 2021 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2021 worksheet due to a disaster, enter the 2021 voter-approval tax rate as calculated using a multiplier of 1.035 from Line 49. - or - If a disaster occurred prior to 2021 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2021, complete the separate <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2021 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. ⁴⁸ Enter the final adjusted 2021 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2021 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0 / \$100
75.	Increase in 2021 tax rate due to disaster. Subtract Line 74 from Line 73.	\$ 0.040000 / \$100
76.	Adjusted 2021 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 15,895,637,417
77.	Emergency revenue. Multiply Line 75 by Line 76 and divide by \$100.	\$ 6,358,254
78.	Adjusted 2022 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 17,743,835,349
79.	Emergency revenue rate. Divide Line 77 by Line 78 and multiply by \$100. ⁴⁹	\$ 0 / \$100
80.	2022 voter-approval tax rate, adjusted for emergency revenue. Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	\$ 0.039852 / \$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. As applicable, enter the 2022 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax). Indicate the line number used: <u>26</u>	\$ 0.035909 / \$100
Voter-approval tax rate. As applicable, enter the 2022 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue). Indicate the line number used: <u>49</u>	\$ 0.039852 / \$100
De minimis rate. If applicable, enter the 2022 de minimis rate from Line 72.	\$ 0.000000 / \$100

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in Tax Code. ⁵⁰

print
here

KRISTIN BULANEK, TAX-ASSESSOR-COLLECTOR

Printed Name of Taxing Unit Representative

sign
here

Taxing Unit Representative

Date

⁴⁸ Tex. Tax Code §26.042(c)

⁴⁹ Tex. Tax Code §26.042(b)

⁵⁰ Tex. Tax Code §§ 26.04(c-2) and (d-2)

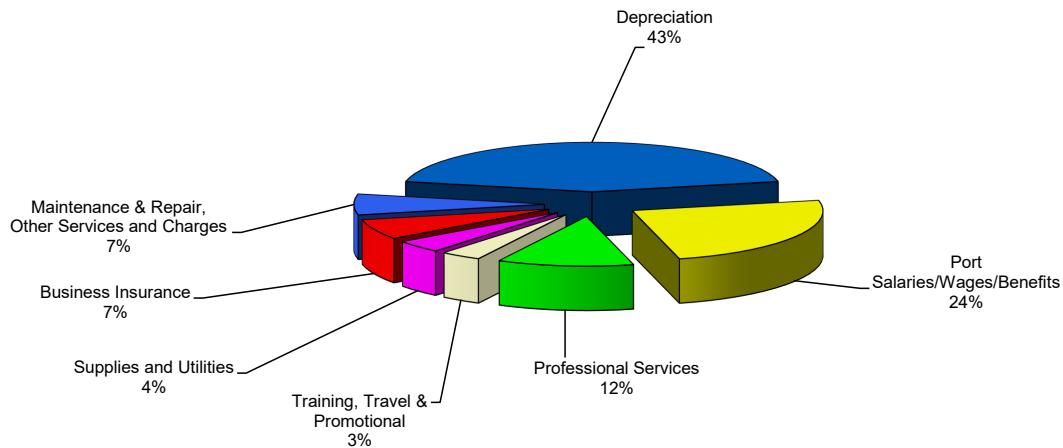
EXPENSES BY MAJOR CLASSIFICATIONS

**PORT FREEPORT
2022/2023 FISCAL YEAR BUDGET**

OPERATING EXPENSES

	2019 Actual	2020 Actual	2021 Actual	2021 Budget	2022 Budget	2022 Forecasted	2023 Budget
Port Salaries/Wages	\$ 3,514,447	\$ 3,718,152	\$ 3,691,177	\$ 3,633,400	\$ 3,993,600	\$ 3,532,270	\$ 4,494,200
Port Employee Benefits	1,260,996	1,350,053	1,418,715	1,570,800	1,648,300	1,379,873	1,749,800
Professional Services	2,094,856	2,163,290	2,212,828	2,484,200	2,722,000	2,435,146	2,948,700
Training, Travel & Promotional	519,101	296,763	312,831	497,300	802,900	516,259	879,900
Supplies	152,485	170,938	159,881	156,200	156,700	175,701	176,200
Utilities	554,231	636,683	741,203	606,900	800,500	741,530	854,900
Business Insurance	981,882	1,128,006	1,254,661	1,269,700	1,557,500	1,531,471	1,672,300
Other Services & Charges	540,705	515,468	487,467	465,000	723,800	648,048	503,600
Maintenance & Repair	1,165,766	973,834	907,606	880,800	927,300	1,687,177	1,225,400
TOTAL GENERAL OPERATING	10,784,469	10,953,187	11,186,369	11,564,300	13,332,600	12,647,475	14,505,000
Depreciation	6,797,897	7,592,533	8,192,602	8,175,000	8,093,700	7,890,259	11,106,800
TOTAL OPERATING EXPENSE	\$ 17,582,366	\$ 18,545,720	\$ 19,378,971	\$ 19,739,300	\$ 21,426,300	\$ 20,537,734	\$ 25,611,800

Consider adding another chart - no depreciation



**PORT FREEPORT
2022/2023 FISCAL YEAR BUDGET**

OPERATING EXPENSES DETAIL

	2019 Actual	2020 Actual	2021 Actual	2021 Budget	2022 Budget	2022 Forecasted	2023 Budget
OPERATING EXPENSES:							
Port Salaries/Wages							
Commissioners	\$ 63,200	\$ 57,600	\$ 57,600	\$ 57,600	\$ 60,500	\$ 57,600	\$ 61,400
Administration	1,117,910	1,183,588	1,217,141	1,214,400	1,373,300	1,179,455	1,475,900
Engineering	392,050	418,593	417,988	407,700	428,000	406,574	456,100
Operations & Maintenance	1,420,303	1,496,542	1,460,874	1,475,900	1,525,000	1,333,080	1,816,550
Oper. & Maint. - Overtime	162,116	196,726	173,504	100,000	150,000	188,918	150,000
Business Development	358,868	365,103	364,070	357,800	436,800	366,643	494,250
Variable Pay & Other				20,000	20,000		40,000
TOTAL PORT SALARIES & WAGES	3,514,447	3,718,152	3,691,177	3,633,400	3,993,600	3,532,270	4,494,200
Port Employee Benefits							
Social Security Expense	251,084	262,975	261,279	270,700	297,500	264,861	334,800
Unemployment Ins.	512	7,048	11,860	6,500	12,100	607	7,600
Group Health & Life Ins.	724,635	796,923	819,149	944,300	977,100	774,200	1,029,100
Retirement Fund	256,430	252,207	292,042	318,000	326,700	305,453	337,400
Workers' Comp. Ins.	28,305	30,900	34,385	31,300	34,900	34,752	40,900
TOTAL PORT EMPLOYEE BENEFITS	1,260,966	1,350,053	1,418,715	1,570,800	1,648,300	1,379,873	1,749,800
Professional Services:							
Legal Service Fees/Expenses	374,648	189,255	123,192	231,600	231,600	250,000	273,000
Audit Service Fees	26,335	29,000	30,740	29,700	30,800	30,800	32,400
Election Expenses	-	-	-	25,000	-	-	34,300
Security Service Fees	1,323,911	1,486,961	1,642,358	1,685,600	1,761,250	1,760,196	1,970,950
Consultant Services	369,962	458,074	416,538	512,300	698,350	394,150	638,050
TOTAL PROFESSIONAL SERVICES	2,094,856	2,163,290	2,212,828	2,484,200	2,722,000	2,435,146	2,948,700
Training, Travel & Promotional:							
Commercial Business Development	245,164	128,911	161,253	188,600	438,450	297,244	472,100
Sales/Promotion Travel	31,761	17,126	18,107	47,000	59,450	46,627	76,300
Governmental Relations Travel	44,768	8,846	4,854	46,600	41,875	11,258	53,300
Community Relations	57,388	41,068	50,286	58,600	80,425	62,670	81,700
Training and Education	80,182	38,741	16,939	92,300	118,500	36,541	132,000
Automobile Expense	59,838	62,071	61,392	64,200	64,200	61,919	64,500
TOTAL TRAINING TRAVEL & PROMOTIONAL	519,101	296,763	312,831	497,300	802,900	516,259	879,900
Supplies, Furniture & Equipment							
Supplies	64,493	84,675	68,629	74,850	74,800	72,405	78,000
Furniture & Equipment	21,537	17,826	32,582	10,800	26,400	24,793	25,200
Postage & Freight	3,102	1,471	4,115	2,550	4,500	3,916	4,500
Maintenance & Operation	13,091	13,609	9,913	16,000	12,000	12,232	12,500
Fuel/Oil	50,262	53,357	44,642	52,000	39,000	62,355	56,000
TOTAL SUPPLIES, FURNITURE & EQUIPMENT	152,485	170,938	159,881	156,200	156,700	175,701	176,200
Utilities							
Telephone	58,519	59,789	63,004	62,550	69,100	67,551	77,700
Electricity	335,143	346,285	327,305	345,100	384,100	337,583	387,200
Water & Gas	160,569	230,609	350,894	199,250	347,300	336,396	390,000
TOTAL UTILITIES	554,231	636,683	741,203	606,900	800,500	741,530	854,900
Business Insurance							
Business Insurance Expense	981,882	1,128,006	1,254,661	1,269,700	1,557,500	1,531,471	1,672,300
TOTAL BUSINESS INSURANCE	981,882	1,128,006	1,254,661	1,269,700	1,557,500	1,531,471	1,672,300
Other Services & Charges:							
Contract Labor Expense	18,428	9,364	11,723	9,000	116,800	46,012	14,500
Contract Services	319,282	295,634	267,907	266,800	396,700	393,183	267,350
Dues, Memberships & Subscriptions	101,876	107,470	102,900	86,200	105,300	101,921	114,800
Lease Expense	101,119	103,000	104,937	103,000	105,000	106,932	106,950
TOTAL OTHER SERVICES & CHARGES	540,705	515,468	487,467	465,000	723,800	648,048	503,600
Maintenance & Repair:							
Equipment	272,376	292,566	429,845	370,750	336,900	782,631	490,150
Vehicles	26,400	20,061	25,553	10,000	13,750	17,606	14,650
Buildings	214,337	148,030	151,187	130,800	280,250	322,441	305,000
Warehouses	13,612	32,040	58,572	16,050	19,850	26,311	22,000
Transit Sheds	37,357	38,970	72,946	39,200	49,950	77,199	64,700
Terminal Facilities	408,704	305,428	58,711	200,500	103,100	303,338	203,400
Leased Facilities	111,738	74,223	17,630	34,000	37,000	63,192	37,000
Other	81,242	62,516	93,162	79,500	86,500	94,459	88,500
TOTAL MAINTENANCE & REPAIR	1,165,766	973,834	907,606	880,800	927,300	1,687,177	1,225,400
TOTAL GENERAL OPERATING	10,784,439	10,953,187	11,186,369	11,564,300	13,332,600	12,647,475	14,505,000
DEPRECIATION	6,797,897	7,592,533	8,192,602	8,175,000	8,093,700	7,890,259	11,106,800
TOTAL OPERATING EXPENSES	\$ 17,582,336	\$ 18,545,720	\$ 19,378,971	\$ 19,739,300	\$ 21,426,300	\$ 20,537,734	\$ 25,611,800

**PORT FREEPORT
2022/23 FISCAL YEAR BUDGET
DEBT INTEREST AND FEES SCHEDULE**

SCHEDULED BOND INTEREST AND PRINCIPAL PAYMENTS

	Interest	Principal	Total Principal & Interest	Call Date
General Obligation Bonds, Series 2019	\$ 1,241,762	\$ 670,000	\$ 1,911,762	8/1/2029
General Obligation Bonds, Series 2021	894,250	-	894,250	8/1/2029
Senior Lien Refunding Bonds, Series 2013A	463,232	2,320,000	2,783,232	Current
Senior Lien Revenue & Refunding Bonds, Series 2015A	1,586,588	855,000	2,441,588	6/1/2025
Senior Lien Revenue Refunding Bonds, Series 2018	1,372,950	615,000	1,987,950	6/1/2028
Senior Lien Revenue Bonds, Series 2019A	1,957,350	820,000	2,777,350	6/1/2029
Senior Lien Revenue Bonds, Series 2019B	962,550	585,000	1,547,550	6/1/2029
Senior Lien Revenue Bonds, Series 2021	1,326,850	-	1,326,850	6/1/2031
Est New 2023 General Obligation Bond Issuance	500,000	-	500,000	
Total Debt Service	<u>\$ 10,305,532</u>	<u>\$ 5,865,000</u>	<u>\$ 16,170,532</u>	

INTEREST EXPENSE RECOGNIZED - FY 2023

	Interest & Fees	Amortized Premiums	Total
General Obligation Bonds, Series 2019	\$ 1,243,588	\$ (118,025)	\$ 1,125,563
General Obligation Bonds, Series 2021	899,704	(76,251)	823,453
Senior Lien Refunding Bonds Series 2013A	440,413	1,163	441,576
Senior Lien Revenue & Refunding Bonds, Series 2015A	1,573,338	(40,516)	1,532,822
Senior Lien Revenue Refunding Bonds, Series 2018	1,363,700	(50,723)	1,312,977
Senior Lien Revenue Bonds, Series 2019A	1,944,683	(223,028)	1,721,655
Senior Lien Revenue Bonds, Series 2019B	953,800	(53,251)	900,549
Senior Lien Revenue Bonds, Series 2021	1,327,850	(218,094)	1,109,756
Est New 2023 General Obligation Bond Issuance	850,000	-	850,000
Other - Rounding	(51)		(51)
Total Interest Expense Recognized	<u>\$ 10,597,025</u>	<u>\$ (778,725)</u>	<u>\$ 9,818,300</u>

PORT FREEPORT

Senior Lien Revenue Refunding Bonds, Series 2013A (AMT)
September 30, 2022

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 831,061	\$ 831,061	\$ 15,040,000	\$ 16,702,122	

PORT FREEPORT

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

September 30, 2022

Fiscal Year		Interest	Interest	Principal	Total	
Ending		Due	Due	Due	Principal &	Principal
September 30	Coupon	December 1	June 1	June 1	Interest	Balance
						\$ 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
		\$ 10,995,385	\$ 10,995,385	\$ 34,125,000	\$ 56,115,770	

PORT FREEPORT

Senior Lien Revenue Refunding Bonds, Series 2018 (AMT)
September 30, 2022

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 10,506,625	\$ 10,506,625	\$ 30,685,000	\$ 51,698,250	

PORT FREEPORT

Senior Lien Revenue Bonds, Series 2019A (AMT)
September 30, 2022

Fiscal Year Ending September 30	Coupon	Interest Due 1-Dec	Interest Due 1-Jun	Principal Due 1-Jun	Total Principal & Interest	Principal Balance
						\$ 42,675,000
2023	5.000 %	\$ 978,675	\$ 978,675	\$ 820,000	2,777,350	41,855,000
2024	5.000	958,175	958,175	860,000	2,776,350	40,995,000
2025	5.000	936,675	936,675	900,000	2,773,350	40,095,000
2026	5.000	914,175	914,175	945,000	2,773,350	39,150,000
2027	5.000	890,550	890,550	995,000	2,776,100	38,155,000
2028	5.000	865,675	865,675	1,045,000	2,776,350	37,110,000
2029	5.000	839,550	839,550	1,095,000	2,774,100	36,015,000
2030	5.000	812,175	812,175	1,150,000	2,774,350	34,865,000
2031	5.000	783,425	783,425	1,210,000	2,776,850	33,655,000
2032	5.000	753,175	753,175	1,270,000	2,776,350	32,385,000
2033	5.000	721,425	721,425	1,330,000	2,772,850	31,055,000
2034	5.000	688,175	688,175	1,400,000	2,776,350	29,655,000
2035	4.000	653,175	653,175	1,470,000	2,776,350	28,185,000
2036	4.000	623,775	623,775	1,530,000	2,777,550	26,655,000
2037	4.000	593,175	593,175	1,590,000	2,776,350	25,065,000
2038	4.000	561,375	561,375	1,650,000	2,772,750	23,415,000
2039	4.000	528,375	528,375	1,720,000	2,776,750	21,695,000
2040	4.000	493,975	493,975	1,785,000	2,772,950	19,910,000
2041	4.000	458,275	458,275	1,860,000	2,776,550	18,050,000
2042	4.000	421,075	421,075	1,935,000	2,777,150	16,115,000
2043	4.000	382,375	382,375	2,010,000	2,774,750	14,105,000
2044	4.000	342,175	342,175	2,090,000	2,774,350	12,015,000
2045	5.000	300,375	300,375	2,175,000	2,775,750	9,840,000
2046	5.000	246,000	246,000	2,285,000	2,777,000	7,555,000
2047	5.000	188,875	188,875	2,395,000	2,772,750	5,160,000
2048	5.000	129,000	129,000	2,515,000	2,773,000	2,645,000
2049	5.000	66,125	66,125	2,645,000	2,777,250	0
		\$ 16,129,975	\$ 16,129,975	\$ 42,675,000	\$ 74,934,950	

PORT FREEPORT

Senior Lien Revenue Bonds, Series 2019B (NON-AMT)
September 30, 2022

Fiscal Year Ending September 30	Coupon	Interest Due 1-Dec	Interest Due 1-Jun	Principal Due 1-Jun	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 7,027,725	\$ 7,027,725	\$ 27,775,000	\$ 41,830,450	

PORT FREEPORT

Senior Lien Revenue Bonds, Series 2021 (AMT)
September 30, 2022

TABLE 18

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 29,885,000
2023	5.000 %	\$ 663,425	\$ 663,425	-	\$ 1,326,850	29,885,000
2024	5.000	663,425	663,425	-	1,326,850	29,885,000
2025	5.000	663,425	663,425	-	1,326,850	29,885,000
2026	5.000	663,425	663,425	-	1,326,850	29,885,000
2027	5.000	663,425	663,425	-	1,326,850	29,885,000
2028	5.000	663,425	663,425	-	1,326,850	29,885,000
2029	5.000	663,425	663,425	\$ 735,000	2,061,850	29,150,000
2030	5.000	645,050	645,050	775,000	2,065,100	28,375,000
2031	5.000	625,675	625,675	810,000	2,061,350	27,565,000
2032	5.000	605,425	605,425	855,000	2,065,850	26,710,000
2033	5.000	584,050	584,050	895,000	2,063,100	25,815,000
2034	5.000	561,675	561,675	1,000,000	2,123,350	24,815,000
2035	5.000	536,675	536,675	1,000,000	2,073,350	23,815,000
2036	5.000	511,675	511,675	1,040,000	2,063,350	22,775,000
2037	5.000	485,675	485,675	1,090,000	2,061,350	21,685,000
2038	5.000	458,425	458,425	1,145,000	2,061,850	20,540,000
2039	5.000	429,800	429,800	1,205,000	2,064,600	19,335,000
2040	5.000	399,675	399,675	1,265,000	2,064,350	18,070,000
2041	5.000	368,050	368,050	1,330,000	2,066,100	16,740,000
2042	4.000	334,800	334,800	1,395,000	2,064,600	15,345,000
2043	4.000	306,900	306,900	1,450,000	2,063,800	13,895,000
2044	4.000	277,900	277,900	1,510,000	2,065,800	12,385,000
2045	4.000	247,700	247,700	1,570,000	2,065,400	10,815,000
2046	4.000	216,300	216,300	1,630,000	2,062,600	9,185,000
2047	4.000	183,700	183,700	1,695,000	2,062,400	7,490,000
2048	4.000	149,800	149,800	1,765,000	2,064,600	5,725,000
2049	4.000	114,500	114,500	1,835,000	2,064,000	3,890,000
2050	4.000	77,800	77,800	1,910,000	2,065,600	1,980,000
2051	4.000	39,600	39,600	1,980,000	2,059,200	0
		\$ 12,804,825	\$ 12,804,825	\$ 29,885,000	\$ 55,494,650	

PORT FREEPORT

General Obligation Bonds, Series 2019 (Non-AMT)
September 30, 2022

Fiscal Year Ending September 30	Coupon	Interest Due February 1	Interest Due August 1	Principal Due August 1	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 10,162,023	\$ 10,162,023	\$ 30,715,000	\$ 51,039,046	

PORT FREEPORT

General Obligation Bonds, Series 2021 (Non-AMT)
September 30, 2022

TABLE 17

Fiscal Year Ending September 30	Coupon	Interest Due February 1	Interest Due August 1	Principal Due August 1	Total Principal & Interest	Principal Balance
						\$ 37,135,000
2023		\$ 447,125	\$ 447,125	\$ -	\$ 894,250	37,135,000
2024		447,125	447,125	-	894,250	37,135,000
2025		447,125	447,125	-	894,250	37,135,000
2026		447,125	447,125	-	894,250	37,135,000
2027	4.000 %	447,125	447,125	\$ 1,040,000	1,934,250	36,095,000
2028	4.000	426,325	426,325	1,080,000	1,932,650	35,015,000
2029	4.000	404,725	404,725	1,125,000	1,934,450	33,890,000
2030	4.000	382,225	382,225	1,165,000	1,929,450	32,725,000
2031	4.000	358,925	358,925	1,215,000	1,932,850	31,510,000
2032	3.000	334,625	334,625	1,265,000	1,934,250	30,245,000
2033	3.000	315,650	315,650	1,300,000	1,931,300	28,945,000
2034	3.000	296,150	296,150	1,340,000	1,932,300	27,605,000
2035	2.000	276,050	276,050	1,380,000	1,932,100	26,225,000
2036	2.000	262,250	262,250	1,405,000	1,929,500	24,820,000
2037	2.000	248,200	248,200	1,435,000	1,931,400	23,385,000
2038	2.000	233,850	233,850	1,465,000	1,932,700	21,920,000
2039	2.000	219,200	219,200	1,495,000	1,933,400	20,425,000
2040	2.000	204,250	204,250	1,525,000	1,933,500	18,900,000
2041	2.000	189,000	189,000	1,555,000	1,933,000	17,345,000
2042	2.000	173,450	173,450	1,585,000	1,931,900	15,760,000
2043	2.000	157,600	157,600	1,615,000	1,930,200	14,145,000
2044	2.000	141,450	141,450	1,650,000	1,932,900	12,495,000
2045	2.000	124,950	124,950	1,680,000	1,929,900	10,815,000
2046	2.000	108,150	108,150	1,715,000	1,931,300	9,100,000
2047	2.000	91,000	91,000	1,750,000	1,932,000	7,350,000
2048	2.000	73,500	73,500	1,785,000	1,932,000	5,565,000
2049	2.000	55,650	55,650	1,820,000	1,931,300	3,745,000
2050	2.000	37,450	37,450	1,855,000	1,929,900	1,890,000
2051	2.000	18,900	18,900	1,890,000	1,927,800	0
		\$ 7,369,150	\$ 7,369,150	\$ 37,135,000	\$ 51,873,300	

**PORT FREEPORT
2022/23 FISCAL YEAR BUDGET**

\$55.8 Million General Obligation Tax Bond

CRITERIA USED FOR BUDGETING:

ISSUANCE - 1st or 2nd qtr FY 2023

AMORTIZATION PERIOD - 30 YEARS

RATE - 3%

PAYMENTS - SEMI-ANNUAL

FIRST YEAR PAYMENT INTEREST- \$500,000

FISCAL YEAR 2023 INTEREST ACCRUAL- \$500,000

ISSUANCE COSTS EST \$350,000