



Port Commission Special Meeting

Tuesday, September 9, 2025 at 8:30 AM

In Person & Videoconference - Administration Building - 1100 Cherry Street - Freeport

This meeting agenda with the agenda packet is posted online at www.portfreeport.com

The meeting will be conducted pursuant to Section 551.127 of the Texas Government Code titled "Videoconference Call." A quorum of the Port Commission, including the presiding officer, will be present at the Commissioner Meeting Room located at 1100 Cherry Street, Freeport, Texas. The public will be permitted to attend the meeting in person or by videoconference.

Join Zoom Meeting

<https://us02web.zoom.us/j/83883323330?pwd=hfNZfPZABMmL9je4NaYFdu2G1tbAHE.1>

Meeting ID: 838 8332 3330

Passcode: 578480

- 1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:**
- 2. Roll Call.**
- 3. Public Comment.**
Public comment on any matter not on this Agenda will be limited to 5 minutes per participant and can be completed in person or by video conference.
- 4. Public Testimony.**
Public testimony on any item on this Agenda will be limited to 5 minutes per agenda item to be addressed per participant and can be completed in person or by videoconference. The participant shall identify in advance the specific agenda item or items to be addressed.
- 5. Conduct workshop regarding Fiscal Year 2025/2026 Budget for Port Freeport.**
- 6. Adoption of the FY 2025/2026 Budget for Port Freeport.**
- 7. Adoption of a Resolution setting the 2025 Tax Rate for Port Freeport.**

8. **Approve utilization of Capital Reserve for Capital.**
9. **Approval of a tariff payment on the delivery of two STS Gantry Cranes in the amount of \$7,536,000 plus additional customary fees including but not limited to the Merchandise Processing Fee and Harbor Maintenance Fee.**
10. **Adjourn.**

The Port Commission does not anticipate going into a closed session under Chapter 551 of the Texas Government Code at this meeting for any other items on the agenda, however, if necessary, the Port Commission may go into a closed session as permitted by law regarding any item on the agenda.

With this posted notice, Port Commissioners have been provided certain background information on the above listed agenda items. Copies of this information can be obtained by the public at the Port Administrative offices at 1100 Cherry Street, Freeport, TX.



Phyllis Saathoff, Executive Director/CEO

PORT FREEPORT

Participation is welcomed without regard to race, color, religion, sex, age, national origin, disability or family status. In accordance with Title II of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act, persons with disabilities needing reasonable accommodations to participate in this proceeding, or those requiring language assistance (free of charge) should contact the Executive Assistant no later than forty-eight (48) hours prior to the meeting, at (979) 233-2667, ext. 4326, email: bevers@portfreeport.com.

La participación es bienvenida sin distinción de raza, color, religión, sexo, edad, origen nacional, discapacidad o situación familiar. De acuerdo con el Título II de la Ley de Estadounidenses con Discapacidades y la Sección 504 de la Ley de Rehabilitación, las personas con discapacidades que necesiten adaptaciones razonables para participar en este procedimiento, o aquellas que requieran asistencia lingüística (sin cargo), deben comunicarse con el Asistente Ejecutivo a más tardar cuarenta -ocho (48) horas antes de la reunión, al (979) 233-2667, ext. 4326, correo electrónico: bevers@portfreeport.com.



Fiscal Year 2025/26 Budget Workshop

August 28, 2025

Rob Lowe, CFO

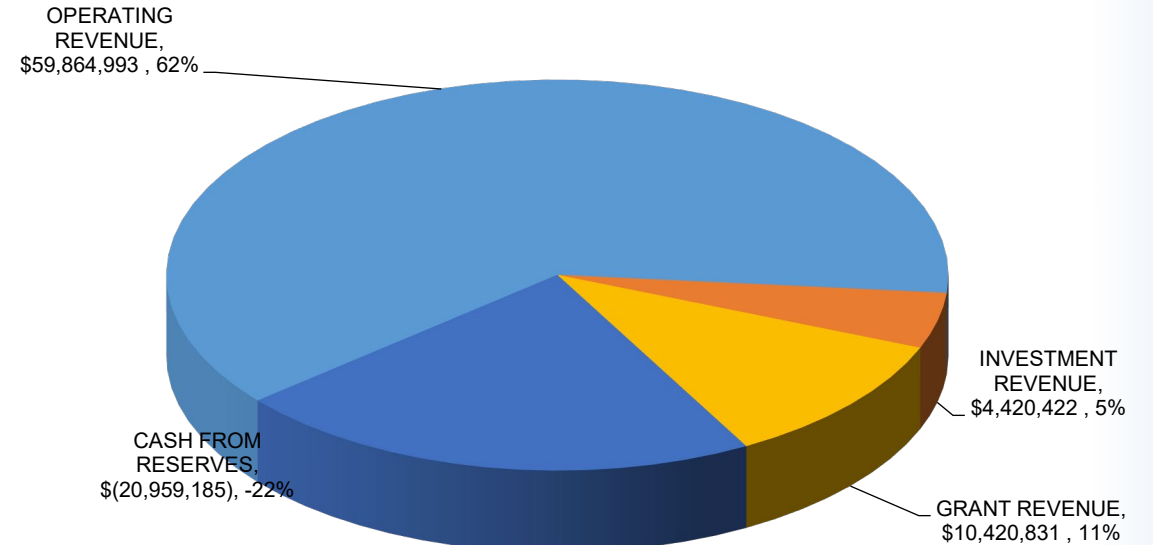
Amy O'Brien, Controller

Budget Summary

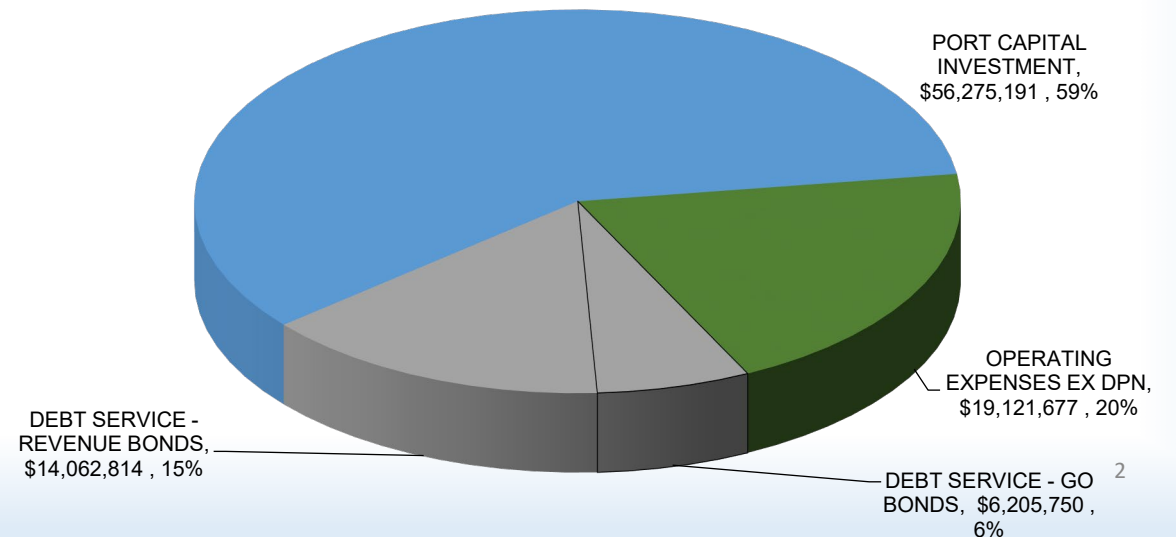
Incorporates:

- \$59.9 million in Operating Revenues
- \$33.9 million in Operating Expense
- Produces an Operating Profit of \$26 million for an operating margin of 43%
- An increase in Net Assets of \$29 million is anticipated
- Planned Capital Expenditures amount to \$56.3 million which will be funded through a combination of cash flows, debt and grants
- Debt Service interest expense on existing debt amounts to \$11.7 million

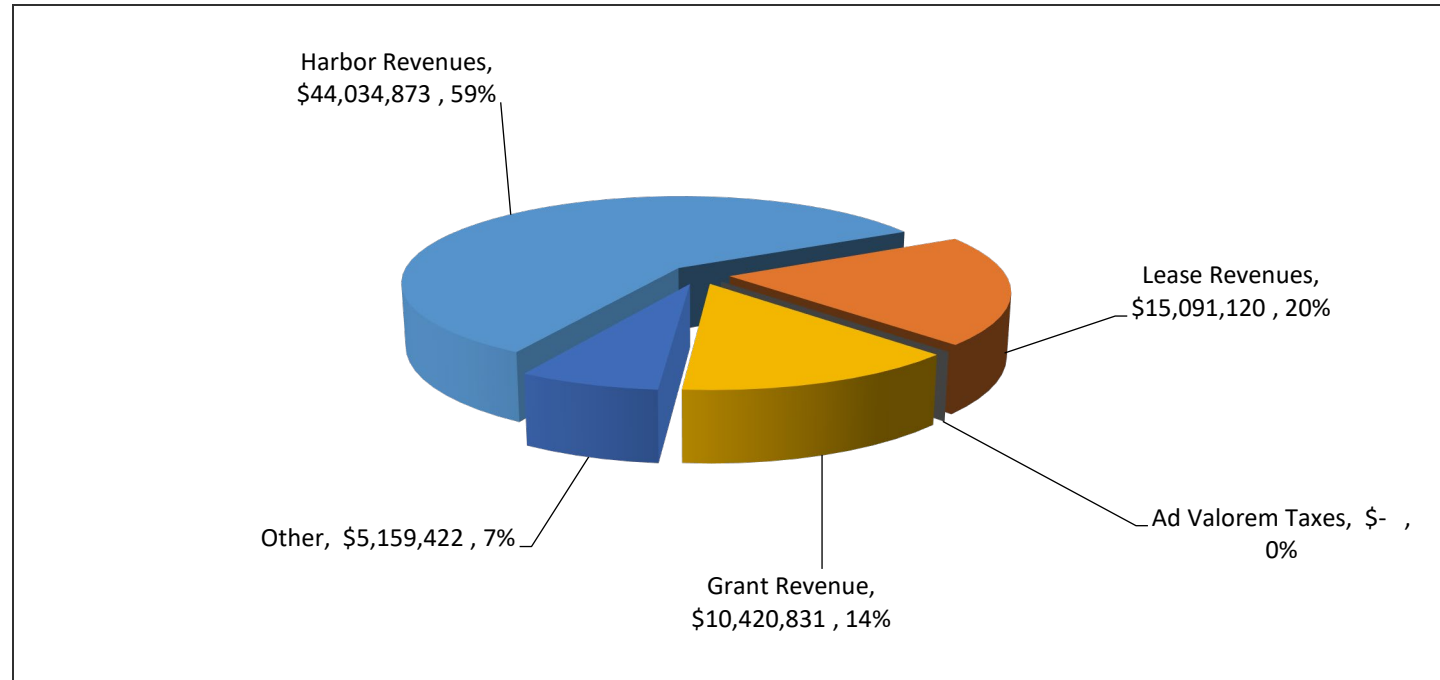
SOURCES OF FUNDS



USES OF FUNDS



REVENUES \$74,706,246

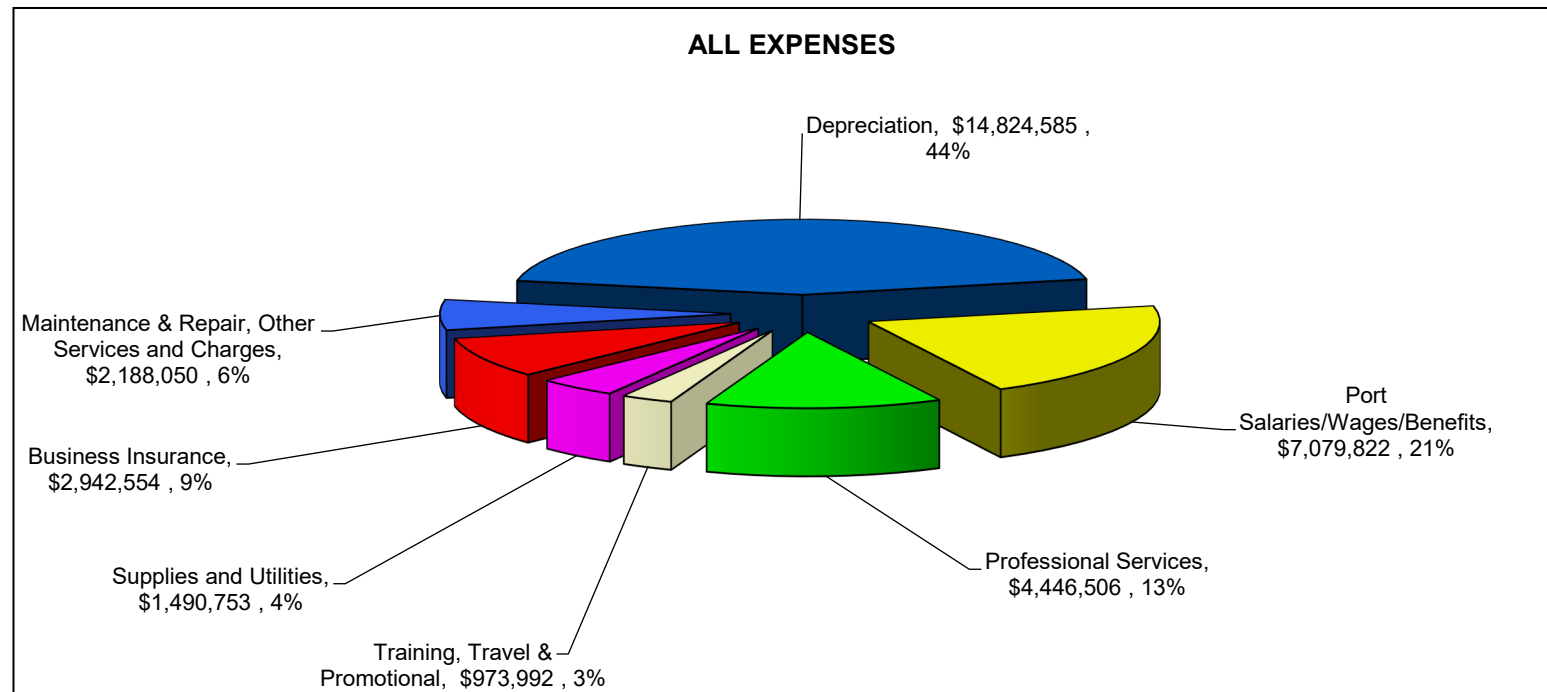




- Total Operating Revenues \$59,864,993
- Harbor Revenues increase from 2025 forecasted \$1.5 million or 3%
- Tonnage 20,081,376 Ship calls 722
- Volumes are level with 2025 forecasted based on full operations of existing customers.
- Lease revenues \$15,091,120 – increase over 2025 forecasted of \$323 thousand or 2%.

(Note: Ro-Ro cargo is charged by unit, not by tons)

Operating Expenses \$33,946,261





Port Salaries, Wages and Benefits

Budgeted \$7,079,822 which is an increase over 2025 forecasted of \$1,116,045 or 19%

Budget includes:

- Fiscal year 2026 includes 4% increase in CPI/merit raises
- Filling five approved positions that are vacant plus one new position
- \$40,000 in available market adjustments
- 10% increase forecasted in group health and dental/vision versus prior year budget
- Percent of group health to total wages and benefits 14%
- Assumes full participation in retirement plan
- Percent benefits to salaries and wages 34%



Professional Services

Budgeted \$4,446,506 which is an increase over 2025 forecasted of \$443 thousand or 11%

Includes:

- Security service fees include canine detection services
- Surveying
- Economic Impact Study
- Federal and State level government liaisons
- Port planning services – Phase II Cold Storage
- Grant related assistance – EPA Grant w/offset in Revenues
- Building code review services
- Brokerage Fee

Training, Travel and Promotional

Budgeted \$973,992 which is an increase from 2025 forecasted of \$154 thousand or 19%.

Includes:

- Commercial Events - increased participation in conferences promoting Port Freeport's Containerized Cargo capabilities along with Roll On Roll Off and Breakbulk Cargo conferences
- Advertising-targeted publications
- Sales Travel
- Government Relations and Travel- State and Federal Government interaction
- Community Events-including four C.A.P. meetings
- 100 year anniversary and completion of Freeport Harbor Channel Improvement Project
- Training and Education:
 - Focus on Professional Development
 - Engineering Certifications
 - Emergency Management
 - Safety Programs



Utilities

Budgeted \$1,255,353 which is an increase over 2025 forecasted of \$163 thousand or 15%.

Utilities are calculated using an average of the previous year.

Increase over forecasted due to:

- An increase in the City of Freeport water and sewer rates.



Business Insurance

Budget of \$2,942,554 which is an increase of \$103 thousand or 4% over 2025 forecasted.

- The March 1, 2025, property package renewal was flat and the July 1 , 2025 liability package renewal experienced an 8% decrease.
- Budget programmed in a 5% increase in premiums for 2026 based on additional asset value and historical market pressure.



Other Services and Charges

Budgeted \$799,432 which is an increase of \$199 thousand or 33% over 2025 forecasted.

Major items include:

- IT contracted services
- Dues -increase in AAPA Dues
- Port-a-cans and hand wash stations
- Property lease expense (Railroad)
- NOAA Port System (\$60k)
- Cyber security subscriptions
- Aerial Map Subscription
- Payroll Service
- Notification Services



Maintenance and Repair

Budget \$1,388,618 which is an increase of \$247 thousand or 22% over 2025 forecasted.

Significant items:

- Terminal operations equipment (mostly cranes)
 - Drives Modules and Trolley Rail Repairs for Cranes 1&2
- Security equipment
- Cleaning and maintenance for office buildings
- Terminal facilities dust control product
- Road repairs (potholes)
- Mowing

Depreciation Expense

\$14,824,585 which is an increase of \$2,641,341 or 22% over 2025 forecasted due to the completion of ongoing capital projects.



Debt Interest and Fees

SCHEDULED BOND INTEREST AND PRINCIPAL PAYMENTS

	Interest	Principal	Total Principal & Interest	Call Date
General Obligation Bonds, Series 2019	\$ 1,180,712	\$ 730,000	\$ 1,910,712	8/1/2029
General Obligation Bonds, Series 2021	894,250	-	894,250	8/1/2029
General Obligation Bonds, Series 2023	2,405,788	995,000	3,400,788	8/1/2033
Senior Lien Refunding Bonds, Series 2013A	242,088	2,540,000	2,782,088	Current
Senior Lien Revenue & Refunding Bonds, Series 2015A	1,451,838	990,000	2,441,838	6/1/2025
Senior Lien Revenue Refunding Bonds, Series 2018	1,275,950	710,000	1,985,950	6/1/2028
Senior Lien Revenue Bonds, Series 2019A	1,828,350	945,000	2,773,350	6/1/2029
Senior Lien Revenue Bonds, Series 2019B	870,300	680,000	1,550,300	6/1/2029
Senior Lien Revenue Bonds, Series 2021	1,326,850	-	1,326,850	6/1/2031
Senior Lien Revenue Bonds, Series 2024	1,202,438	-	1,202,438	6/1/2034
Total Debt Service	<u>\$ 12,678,563</u>	<u>\$ 7,590,000</u>	<u>\$ 20,268,563</u>	

PORT FREEPORT

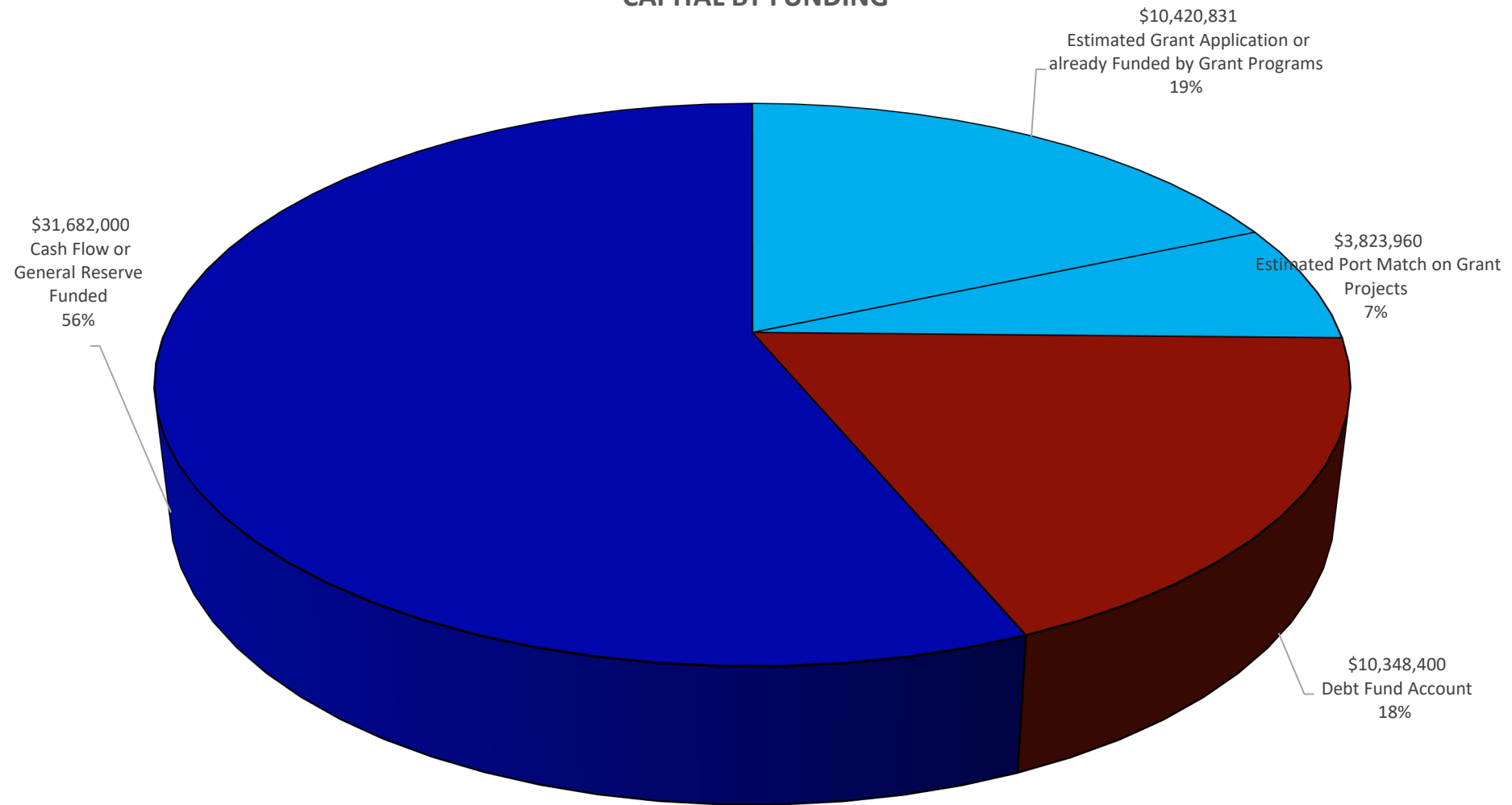
PROPOSED PORT CAPITAL EXPANSION PLAN

Fiscal Year 2025/2026

Strategic Initiatives

	Milestones	Funding Sources
➤ Freeport Harbor Channel	\$ -	General Obligation Bonds, Cash or Reserves
➤ Buildout of the Port’s Container Handling Facilities	27,078,400	Pledged Revenue Debt, Grant, Cash or Reserves
➤ Development of warehousing and OEM distribution	13,950,000	Pledged Revenue Debt, Cash or Reserves
➤ Port Infrastructure Support:	15,246,791	Cash or Reserves
Total	<u>\$ 56,275,191</u>	

**PORT FREEPORT 2026
CAPITAL BY FUNDING**



QUESTIONS AND COMMENTS



**2025/2026 FISCAL YEAR
DRAFT BUDGET
August 28, 2025**

PREPARED BY:

Amy O'Brien, Controller

TABLE OF CONTENTS

TRANSMITTAL LETTER	3
CASH FLOWS	6
SOURCES AND USES	7
INCOME STATEMENT	8
CAPITAL BUDGET	9
REVENUES	13
REVENUE	14
TAX REVENUE	16
EXPENSES	17
OPERATING EXPENSE SUMMARY	18
DEBT SERVICE	20

DRAFT

DRAFT BUDGET TRANSMITTAL

August 28, 2025

Members of the Port Commission
Port Freeport
Freeport, Texas

Presented herein is the Fiscal Year 2025/26 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 \$29 million increase in change in net assets. This year's budget follows the same format as the previous budgets with supporting documentation and schedules.

OPERATING BUDGET

Revenue:

When compared to the 2025 Budget, total operating revenue for fiscal year 2026 is expected to increase \$7 million to \$59.9 million, while net non-operating revenue and expenses are expected to increase by \$2.6 million to (\$7.3) million.

Harbor operations revenues have increased \$5.8 million to \$44 million primarily due to normal business resumption of the LNG market as well as new customers. Lease revenues have increased \$323 thousand to \$15 million primarily due to contractual inflation increases.

Net non-operating revenues at (\$7.3) million include debt service. Debt interest and fees have increased to \$11.7 million.

The budget has been prepared with the tax rate of \$0.00000 per \$100 of valuation which is below the no new revenue tax rate of \$.0197. The debt service rate includes \$6.2 million of funds encumbered by the Port Commission, which resulted in a debt service rate of \$0.00000 per \$100 valuation. There was no maintenance and operations tax rate levied. There will be no ad valorem tax collections are projected in this budget.

Expenditures:

Overall, expenditures, at \$33.9 million, are anticipated to increase \$4.2 million from the budget for fiscal year 2025. Expenditures, excluding depreciation, are expected to be \$19 million, an increase of 11% or \$1.8 million from the budget for fiscal year 2025. Fiscal year 2026 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 \$5.2 million, an increase of \$241 thousand or 5% from the 2025 budget. The budget includes 4% CPI/merit increases, a market/internal equity pool and assumes filling six positions that are vacant.

Port Employee Benefits: The total amount budgeted employee benefits are \$1.8 million, similar to the 2025 budget. The primary reason for the consistency is the rates we were able to secure in 2025 were less than budgeted. The 2026 budget does include an anticipated increase in medical (10%), premiums, full participation in the retirement plan, and assumes filling six positions that are vacant.

Professional Services: The budget for consultant services has increased \$958 thousand or 27% from the 2025 budget to \$4.4 million. The largest line item in the professional services category is security service fees, which increased 8% or \$200 thousand to \$2.6 million due to contracted rates, increased manpower utilization and services. Fiscal year 2026 includes funds for Port planning services, grant writing services, , environmental consulting, and surveying.

Training, Travel & Promotional: The training, travel and promotional category budget is \$974 thousand, which has increased from the 2025 budget by 23% or \$179 thousand. Commercial business development at \$530 thousand, includes commercial trade shows, advertising, economic development, and promotional items, has increased \$162 thousand or 44% from last year. Sales and promotion plans have increased by \$10 thousand or 13% to \$85 thousand. Government relations travel has decreased 32% or \$14 thousand to \$30 thousand due to decreased State and Federal legislative interaction. Community relations at \$140 thousand has increased 13% or \$17 thousand due to increased community events, including the celebration of 100 years in service, and interaction and costs. Training, education and related travel expenses at \$124 thousand, is increased by \$2 thousand or 2%. Automobile expenses at \$64 thousand remain consistent.

Supplies: The supplies budget is \$235 thousand which is an increase of 23% or \$43 thousand due to small equipment and safety purchases planned.

Utilities: The utilities budget has increased by \$87 thousand or 8% to \$1.3 million. This anticipates an increase in water and sewer rates.

Business Insurance: Business insurance is being budgeted for \$3 million, which is \$110 thousand or 4% decrease from fiscal year 2025 budget. Contracted insurance premiums account for this decrease.

Other Services & Charges: The \$799 thousand budget for other services and charges is planned to increase 18% or \$121 thousand from the 2025 budget. This category includes contract services, contract labor, lease expense, memberships, and subscriptions.

Maintenance & Repair: The \$1.4 million budget for 2026 is \$358 thousand or 35% over 2025. Significant line items in this category include maintenance expenses for the cranes, software and computer support services, maintenance for the administration building, mowing services, and security systems maintenance.

Depreciation expense: Depreciation expense for fiscal year 2025 budget is projected at \$14.8 million, which has increased 20% or \$2.4 million over fiscal year 2025 budget. Depreciation additions from new assets are expected to be \$2.6 million.

CAPITAL BUDGET

Port Expansion:

The most significant projects planned over the next five-years are the continued build out of Velasco Terminal and the related development of backland property to support the berths. \$56.3 million in total has been budgeted for Port expansion projects for the fiscal year 2025. Cash flow requirements of the capital expansion plans will be funded from current cash flows, grant funds, or reserves.

Capital Contributed to Others:

There is no planned capital contributed to others in the 2026 budget.

Capitalized Maintenance & Repair:

The \$1.2 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 and grant funding.

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 2026 is \$13.5 million. The major items in fiscal year 2026 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, grant funding or financing.

CONCLUSION

The proposed budget for fiscal year 2025/26 continues to demonstrate the Port's commitment to the expansion and development of Port Freeport. Budgeted operating revenues exceed operating expenses by \$26 million with planned capital outlay of \$56.3 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,



Amy O'Brien, Controller

**PORT FREEPORT
2025/2026 FISCAL YEAR BUDGET**

CASH FLOW WORKSHEET

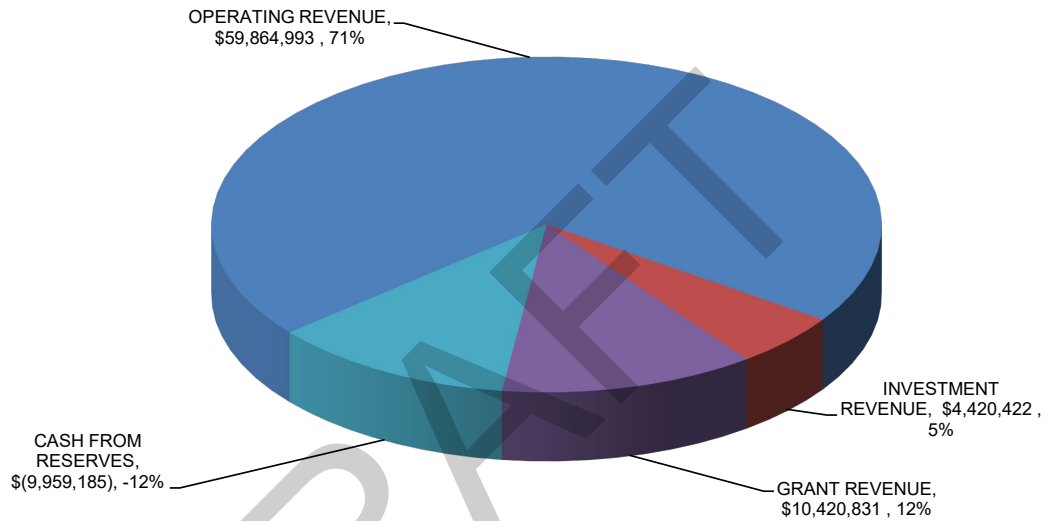
Operating Revenue	\$	59,864,993	
Operating Expenses	(33,946,261)	
Operating Income (Loss)		25,918,732	
Net Non-Operating Revenues	(7,306,188)	
Net Income			\$ 18,612,544
Add Back Non-cash Items			
Depreciation		14,824,585	
Interest Expense		11,726,609	
Loss on Disposition of Assets		-	
Total Net Non-cash Expenses			<u>26,551,194</u>
Cash Flow from Operations, Taxes, Investments			45,163,738
Debt Service Payments			<u>(20,268,563)</u>
Net Cash Flow Before Capital Expenditures			24,895,175
Capital Expenditures and Contributed to Others:			
Funded by Grant Programs	(14,244,791)	
Funded from Capital Improvement Reserve		-	
Cash Flow or General Reserve Funded	(31,682,000)	
Proceeds from Debt Funding and Operating Cash Flow	(10,348,400)	
Total			(56,275,191)
Reimbursement Resolution/Financing Proceeds			-
Contributed Capital From Grants			10,420,831
Cash To (From) Reserves			\$ (20,959,185)
July 2025 Net Assets Balance:			
Unrestricted	\$	40,018,483	
Reserve for Capital Improvements		19,219,926	
Restricted for Debt Service		13,106,436	
GO Project Fund		44,000,257	
Restricted for Capital Improvements (Corps)		12,261	
Approximate FY 2026 Net Assets:			
Unrestricted	\$	19,059,798	
Reserve for Capital Improvements		19,219,926	
Restricted for Debt Service		13,106,436	
GO Project Fund		44,000,257	
Restricted for Capital Improvements (Corps)		11,761	

PORT FREEPORT 2025/2026 FISCAL YEAR BUDGET

SOURCES OF FUNDS

OPERATING REVENUE	\$ 59,864,993
INVESTMENT REVENUE	\$ 4,420,422
AD VALOREM TAX	\$ -
GRANT REVENUE	\$ 10,420,831
CASH FROM RESERVES	\$ (9,959,185)
TOTAL	\$ 64,747,061

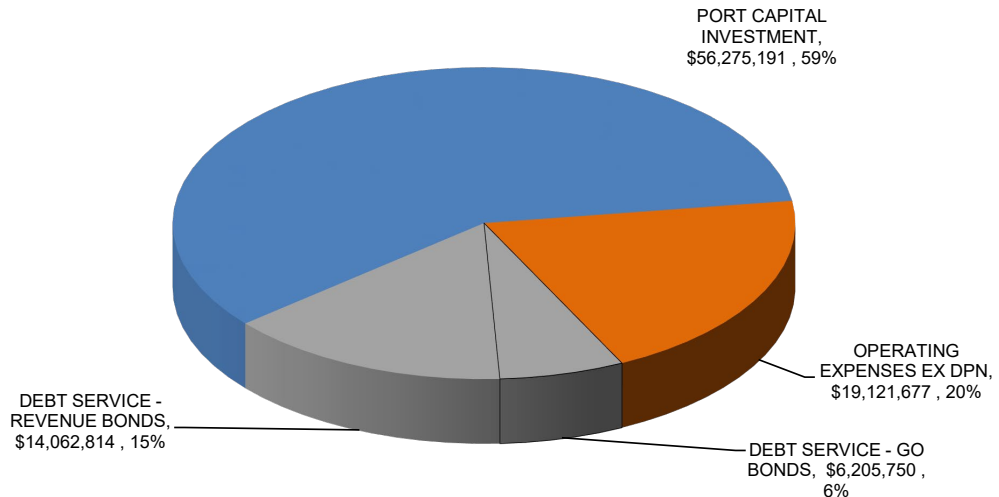
SOURCES OF FUNDS



USES OF FUNDS

PORT CAPITAL INVESTMENT	\$ 56,275,191
OPERATING EXPENSES EX DPN	\$ 19,121,677
DEBT SERVICE - GO BONDS	\$ 6,205,750
DEBT SERVICE - REVENUE BONDS	\$ 14,062,814
TOTAL	\$ 95,665,431

USES OF FUNDS



**PORT FREEPORT
2025/2026 FISCAL YEAR BUDGET**

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

	2022 Actual	2023 Actual	2024 Actual	2024 Budget	2025 Budget	2025 Forecasted	2026 Budget
OPERATING REVENUES:							
Wharfage	\$ 11,642,336	\$ 13,826,006	\$ 16,586,339	\$ 17,049,000	\$ 18,597,120	\$ 21,340,820	\$ 21,441,953
Dockage & Deep Water Berth	6,927,659	5,854,458	9,286,192	8,134,100	8,507,187	11,393,458	11,673,160
Freight Handling							
Equipment & Pallet Use Fees	1,454,339	1,518,887	1,798,746	1,537,600	2,867,178	2,575,524	2,591,025
Facility Use Fees	1,666,677	1,474,310	1,976,158	1,116,200	3,302,691	2,305,983	2,294,545
Cool Storage Facility Use Fee							
Security Fees	2,396,761	2,330,597	3,473,827	2,984,500	3,129,146	3,854,302	3,851,515
Other Customer Service Fees	1,460,834	1,311,568	1,682,338	1,443,500	1,744,912	2,127,013	2,182,675
Ground Leases	11,487,599	12,526,514	13,045,238	12,554,800	13,790,511	13,887,591	14,209,747
Other Leases	878,200	894,511	916,993	908,800	927,396	880,471	881,373
GASB87 Lease Recognition	4,845,575	4,254,871	3,969,530				
Business Interruption Claim	4,500,000	2,000,000	1,400,000	-			
Other Revenue	24,289	110,261	4,406	25,000	25,000	33,000	739,000
Total Operating Revenue	47,284,269	46,101,983	54,139,766	45,753,500	52,891,141	58,398,162	59,864,993
OPERATING EXPENSES:							
Port Salaries/Wages	3,602,951	4,260,170	4,432,890	4,626,200	5,046,049	4,430,671	5,287,826
Port Employee Benefits	1,342,713	1,452,797	1,380,060	1,714,300	1,845,285	1,533,106	1,791,996
Professional Services	2,764,373	3,134,752	3,151,985	3,105,200	3,488,430	4,003,346	4,446,506
Training, Travel & Promotional	497,564	525,629	617,199	844,500	794,545	818,999	973,992
Supplies	175,862	199,181	192,540	188,400	192,050	202,383	235,400
Utilities	719,222	959,634	1,055,624	964,300	1,168,000	1,091,508	1,255,353
Business Insurance	1,379,717	1,942,211	2,956,824	2,628,400	3,052,413	2,839,557	2,942,554
Other Services & Charges	625,425	493,529	485,204	554,900	678,605	600,248	799,432
Maintenance & Repair	1,109,624	1,176,459	1,357,231	1,437,200	1,030,440	1,141,941	1,388,618
Depreciation	7,914,177	8,882,682	12,464,360	12,172,700	12,363,888	12,183,244	14,824,585
Total Operating Expenses	20,131,628	23,027,045	28,093,917	28,236,100	29,659,704	28,845,003	33,946,261
OPERATING INCOME (LOSS)	27,152,641	23,074,938	26,045,849	17,517,400	23,231,437	29,553,159	25,918,732
OPERATING MARGIN	57%	50%	48%	38%	44%	51%	43%
NON-OPERATING REVENUES (EXPENSES):							
Ad Valorem Tax Collections	6,430,433	6,610,936	3,591,264	3,566,500	-	(43,393)	-
Investment Net Revenue	153,341	4,185,741	6,290,932	3,845,000	4,500,000	5,806,919	4,420,422
Gain (Loss) on Sale of Assets	271,813	44,503	2,500				
Debt Interest and Fees	(9,300,161)	(10,954,604)	(12,506,751)	(11,137,600)	(9,178,224)	(12,870,049)	(11,726,609)
Other	(192,001)	-	201,399				
Non-Operating Revenues, Net	(2,636,575)	(113,424)	(2,420,656)	(3,726,100)	(4,678,224)	(7,106,523)	(7,306,188)
NET INCOME (LOSS) BEFORE CONTRIBUTIONS	24,516,066	22,961,514	23,625,193	13,791,300	18,553,213	22,446,636	18,612,544
CAPITAL CONTRIBUTIONS-Grants	143,492	5,486,639	1,019,435	19,120,700	28,942,035	17,000,000	10,420,831
NET CAPITAL CONTRIBUTIONS (To)/From Others	(45,619,399)	(20,330,379)		(950,000)	(2,600,000)	-	-
EXTRAORDINARY ITEM - HURRICANE			(256,871)			(4,190,000)	
CHANGE IN NET ASSETS	\$ (20,959,841)	\$ 8,117,774	\$ 24,387,757	\$ 31,962,000	\$ 44,895,248	\$ 35,256,636	\$ 29,033,375

CAPITAL EXPANSION

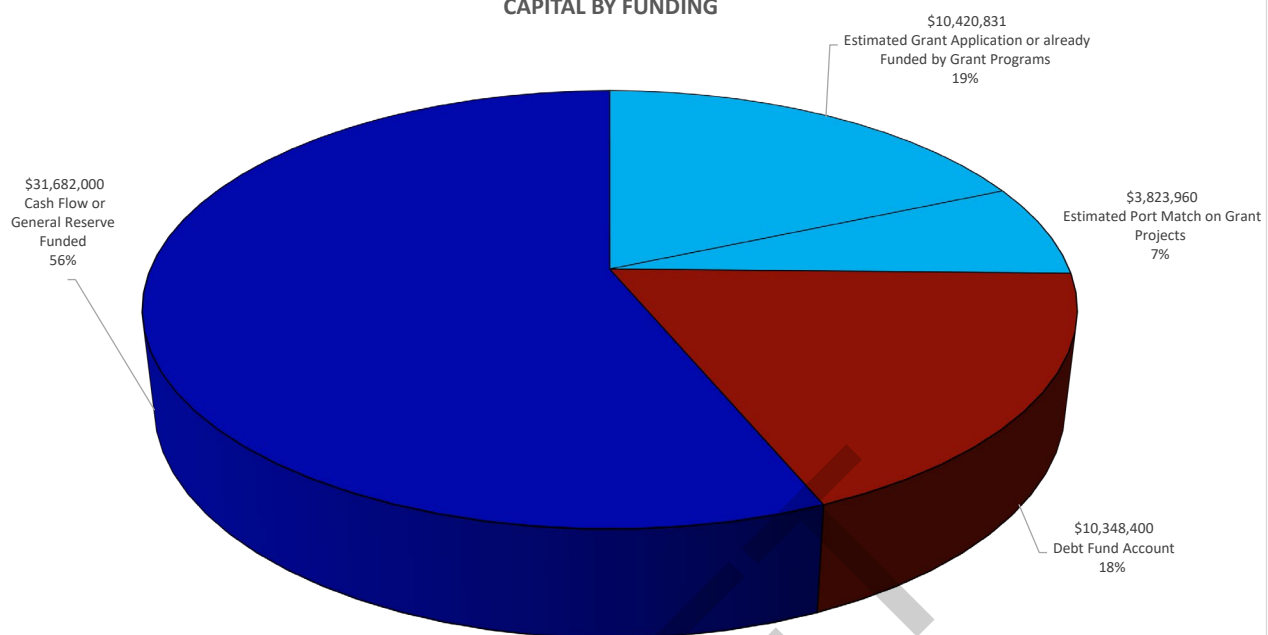
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PORT FREEPORT
PROPOSED PORT CAPITAL EXPANSION PLAN
Fiscal Year 2025/2026

<i>Strategic Initiatives</i>	<i>Milestones</i>	<i>Funding Sources</i>
➤ Freeport Harbor Channel	\$	- General Obligation Bonds, Cash or Reserves
➤ Buildout of the Port's Container Handling Facilities	27,078,400	Pledged Revenue Debt, Grant, Cash or Reserves
➤ Development of warehousing and OEM distribution facilities	13,950,000	Pledged Revenue Debt, Cash or Reserves
➤ Port Infrastructure Support:	15,246,791	Cash or Reserves
Total	\$ 56,275,191	

DRAFT

**PORT FREEPORT 2026
CAPITAL BY FUNDING**



PORT FREEPORT

PROPOSED PORT CAPITAL EXPANSION PLAN FY 2026 to 2030

PROJECT	2026	2027	2028	2029	2030	2026-2030 TOTAL
VELASCO TERMINAL & RELATED INFRASTRUCTURE DEVELOPMENT						
Cash Funded	\$ 2,050,000	\$ -	\$ -	\$ 17,376,000	\$ -	\$ 19,426,000
Revenue Debt/Cash Funded	-	-	-	-	-	-
Estimated Grant Application Funded	11,360,000	48,596,500	-	-	21,720,000	\$ 81,676,500
Cranes (2)- Equipment or Revenue Debt Funded	10,348,400	-	-	-	-	\$ 10,348,400
Revenue Growth Funded	3,000,000	3,500,000	10,000,000	-	-	16,500,000
Subtotal Velasco Terminal & Related Infrastructure	\$ 26,758,400	\$ 52,096,500	\$ 10,000,000	\$ 17,376,000	\$ 21,720,000	\$ 127,950,900
OEM / LOGISTICS CENTER						
Cash Funded	5,950,000	8,250,000	-	-	-	14,200,000
Revenue Debt/Cash Funded	-	-	-	-	-	-
Grant Application Funded	-	14,783,100	18,000,000	-	-	32,783,100
Revenue Growth Funded	8,000,000	-	-	-	-	8,000,000
Subtotal OEM/Logistics Center	\$ 13,950,000	\$ 23,033,100	\$ 18,000,000	\$ -	\$ -	\$ 54,983,100
OTHER PROJECTS, M & R, EQUIPMENT						
Cash Funded	12,682,000	2,616,500	1,185,500	874,000	768,000	18,126,000
Estimated Grant Application Funded	2,884,791	1,225,000	-	-	-	4,109,791
Subtotal Other Projects, M & R, Equipment	\$ 15,566,791	\$ 3,841,500	\$ 1,185,500	\$ 874,000	\$ 768,000	\$ 22,235,791
CAPITAL CONTRIBUTED TO OTHERS						
Cash Funded	-	2,600,000	-	-	-	2,600,000
General Obligation Debt Funded	-	30,000,000	5,000,000	-	-	35,000,000
Revenue Debt/Cash Funded	-	-	-	-	-	-
Funded From Capital Improvement Reserve	-	750,000	750,000	750,000	750,000	3,000,000
Subtotal Capital Contributed to Others	\$ -	\$ 33,350,000	\$ 5,750,000	\$ 750,000	\$ 750,000	\$ 40,600,000
TOTALS						
Cash Funded	20,682,000	13,466,500	1,185,500	18,250,000	768,000	54,352,000
Revenue Debt Plus Cash Flow Funded	-	-	-	-	-	-
Equipment Lease/Other Debt Funded	10,348,400	-	-	-	-	10,348,400
Grant Funded* (see note below)	14,244,791	64,604,600	18,000,000	-	21,720,000	118,569,391
General Obligation Debt Funded	-	30,000,000	5,000,000	-	-	35,000,000
Funded From Capital Improvement Reserve	-	750,000	750,000	750,000	750,000	3,000,000
Revenue Growth Funded	11,000,000	3,500,000	10,000,000	-	-	24,500,000
	\$ 56,275,191	\$ 112,321,100	\$ 34,935,500	\$ 19,000,000	\$ 23,238,000	\$ 245,769,791

*Port Freeport Cashflow Portion of Grant	\$ 3,823,960	\$ 15,143,150	\$ 4,500,000	\$ -	\$ 5,430,000	\$ 28,897,110
Total Cash Flow or General Reserve	\$ 35,505,960	\$ 32,859,650	\$ 16,435,500	\$ 19,000,000	\$ 6,948,000	\$ 110,749,110

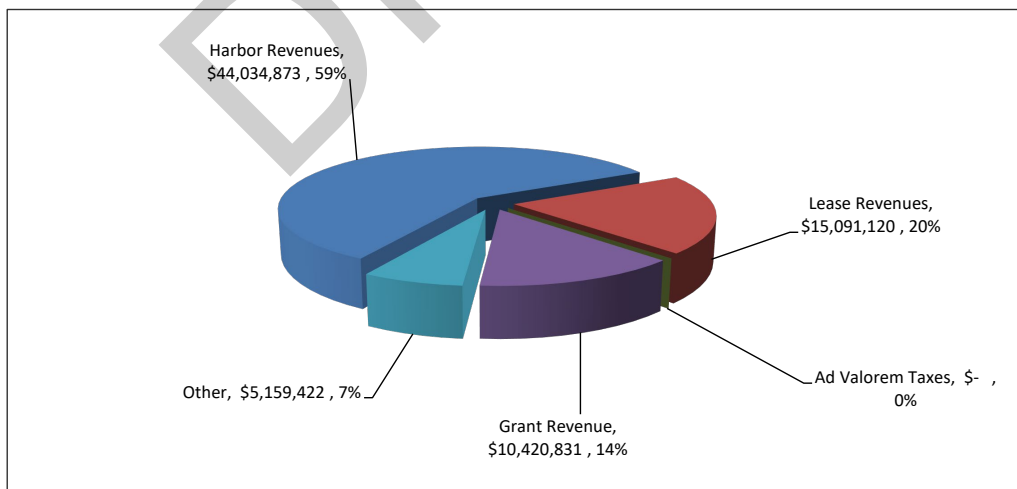
REVENUES

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**PORT FREEPORT
2025/2026 FISCAL YEAR BUDGET**

TOTAL REVENUE

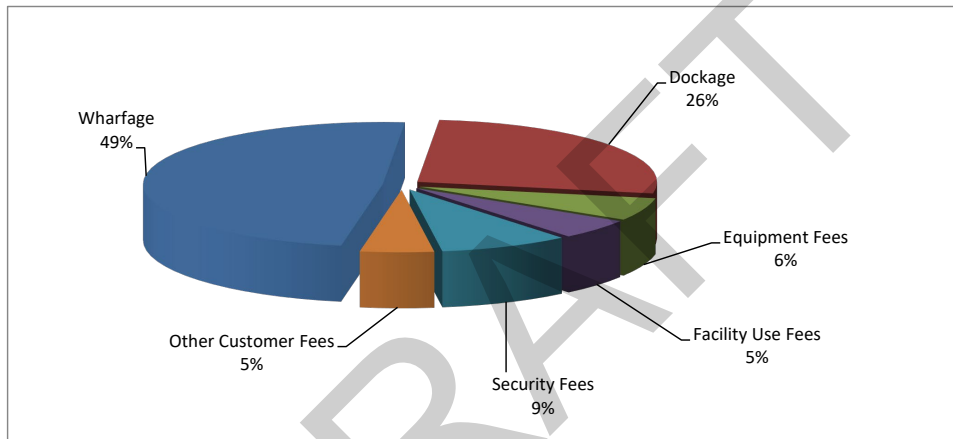
	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Forecasted	2026 Budget
OPERATING REVENUES:						
Wharfage	\$11,642,336	\$13,826,006	\$ 16,586,339	\$ 18,597,120	\$ 21,340,820	\$ 21,441,953
Dockage	6,927,659	5,854,458	9,286,192	8,507,187	11,393,458	11,673,160
Equipment Fees	1,454,339	1,518,887	1,798,746	2,867,178	2,575,524	2,591,025
Facility Use Fees	1,666,677	1,474,310	1,976,158	3,302,691	2,305,983	2,294,545
Security Fees	2,396,761	2,330,597	3,473,827	3,129,146	3,854,302	3,851,515
Other Customer Service Fees	1,460,834	1,311,568	1,682,338	1,744,912	2,127,013	2,182,675
Ground Leases	11,487,599	12,526,514	13,045,238	13,790,511	13,887,591	14,209,747
Other Leases	878,200	894,511	916,993	927,396	880,471	881,373
GASB 87 Lease Recognition	4,845,575	4,254,871	3,969,530			
Estimated Business Interruption Claim	4,500,000	2,000,000	1,400,000			
Other Revenue	24,289	110,261	4,406	25,000	33,000	739,000
Total Operating Revenue	\$47,284,269	\$46,101,983	\$ 54,139,766	\$ 52,891,141	\$58,398,162	\$ 59,864,993
NON-OPERATING REVENUES (EXPENSES):						
Ad Valorem Tax Collections	6,430,433	6,610,936	3,566,500		(43,393)	
Investment Income	153,341	4,185,741	3,845,000	4,500,000	5,806,919	4,420,422
Gain (loss) on Sale of Assets	271,813	44,503	-	-	-	-
Debt Interest and Fees	(9,300,161)	(10,954,604)	(11,137,600)	(9,178,224)	(12,870,049)	(11,726,609)
Other	(192,001)					
Non-Operating Revenues, Net	\$ (2,636,575)	\$ (113,424)	\$ (3,726,100)	\$ -	\$ (7,106,523)	\$ (7,306,187)
TOTAL REVENUE BEFORE CONTRIBUTIONS	\$ 44,647,694	\$ 45,988,559	\$ 50,413,666	\$ 52,891,141	\$ 51,291,639	\$ 52,558,806
Capital Contributions - Grants	143,492	5,486,639	19,120,700	28,942,035	17,000,000	10,420,831
Capital Contributions (To)From Others	(45,619,399)	(20,330,379)	(950,000)	(2,600,000)	-	-
TOTAL REVENUE	\$ (828,213)	\$ 31,144,819	\$ 68,584,366	\$ 52,891,141	\$ 68,291,639	\$ 62,979,637



**PORT FREEPORT
2025/2026 FISCAL YEAR BUDGET**

HARBOR OPERATIONS

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Forecasted	2026 Budget
OPERATING REVENUES:						
Wharfage	\$11,642,336	\$13,826,006	\$ 16,586,339	\$ 18,597,120	\$ 21,340,820	\$ 21,441,953
Dockage	6,927,659	5,854,458	9,286,192	8,507,187	11,393,458	11,673,160
Equipment Fees	1,454,339	1,518,887	1,798,746	2,867,178	2,575,524	2,591,025
Facility Use Fees	1,666,677	1,474,310	1,976,158	3,302,691	2,305,983	2,294,545
Security Fees	2,396,761	2,330,597	3,473,827	3,129,146	3,854,302	3,851,515
Other Customer Fees	1,460,834	1,311,568	1,682,338	1,744,912	2,127,013	2,182,675
TOTAL HARBOR REVENUE	\$ 25,548,606	\$ 26,315,826	\$ 34,803,600	\$ 38,148,234	\$ 43,597,100	\$ 44,034,873
TOTAL TONNAGE	12,994,761	11,419,816	16,577,444	18,783,952	20,638,243	20,081,376
SHIP CALLS	456	402	526	586	702	722



**RESOLUTION APPROVING 2025 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 28th day of August 2025, 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 2024 tax rate was \$0.000000;
3. The Port considered a 2025 tax rate proposal of \$0.000000, ("Proposed 2025 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 2025 Tax Rate Proposal and set a date to take a record vote of the Proposed 2025 Tax Rate.

NOW, THEREFORE, BE IT RESOLVED, that the Port hereby approves the Proposal of the 2025 Tax Rate and will take a record vote on September 9, 2025 at 8:30 a.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:

Rob Giesecke, Chairman

Dan Croft, Assistant Secretary

VOTED:

VOTED:

Rudy Santos, Vice Chairman

Ravi K Singhania, Commissioner

VOTED:

VOTED:

Kim Kincannon, Secretary

Barbara Fratila, Commissioner

VOTED:

VOTED:

Rob Giesecke, Chairman

Kim Kincannon, Secretary

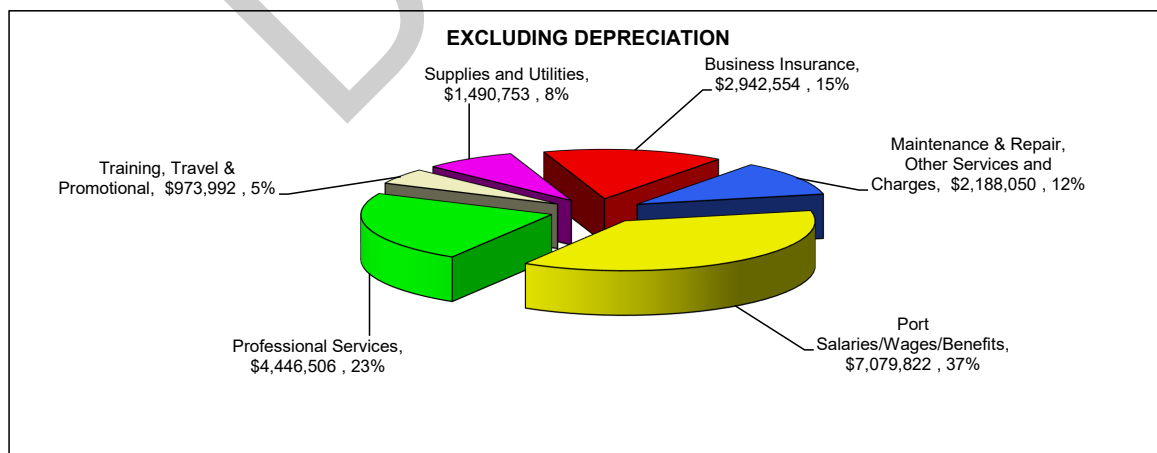
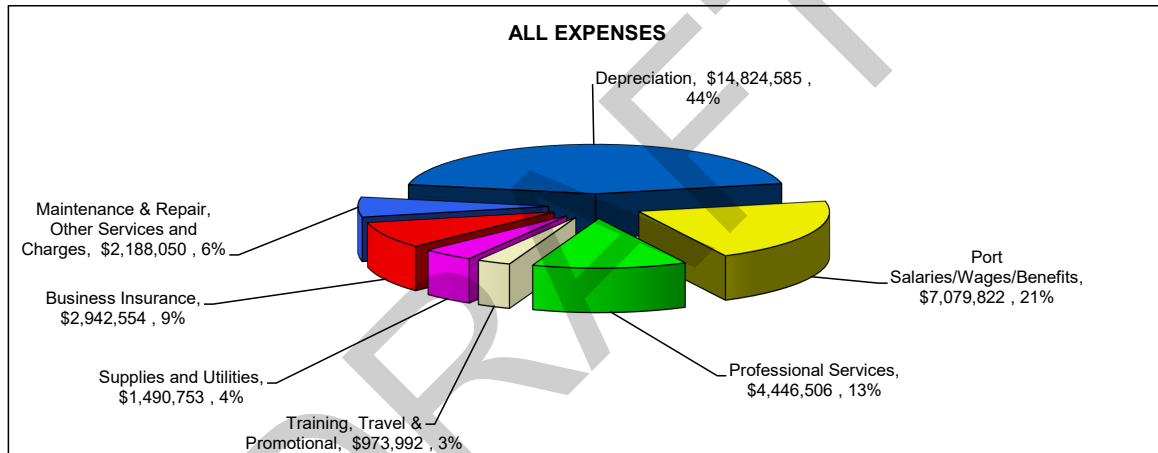
EXPENSES BY MAJOR CLASSIFICATIONS

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**PORT FREEPORT
2025/2026 FISCAL YEAR BUDGET**

OPERATING EXPENSES

	2022 Actual	2023 Actual	2024 Actual	2024 Budget	2025 Budget	2025 Forecasted	2026 Budget
Port Salaries/Wages	\$ 3,602,951	\$ 4,260,170	\$ 4,432,890	\$ 4,626,200	\$ 5,046,049	\$ 4,430,671	\$ 5,287,826
Port Employee Benefits	1,342,713	1,452,798	1,380,059	1,714,300	1,845,285	1,533,106	1,791,996
Professional Services	2,764,373	3,134,752	3,151,985	3,105,200	3,488,430	4,003,346	4,446,506
Training, Travel & Promotional	497,564	525,629	617,145	844,500	794,545	818,999	973,992
Supplies	175,862	199,181	192,540	188,400	192,050	202,383	235,400
Utilities	719,222	959,634	1,055,624	964,300	1,168,000	1,091,508	1,255,353
Business Insurance	1,379,717	1,942,211	2,956,824	2,628,400	3,052,413	2,839,557	2,942,554
Other Services & Charges	625,425	493,529	485,204	554,900	678,605	600,248	799,432
Maintenance & Repair	1,109,624	1,176,459	1,357,229	1,437,200	1,030,440	1,141,941	1,388,618
TOTAL GENERAL OPERATING	12,217,451	14,144,363	15,629,500	16,063,400	17,295,816	16,661,759	19,121,677
Depreciation	7,914,177	8,882,682	12,464,360	12,172,700	12,363,888	12,183,244	14,824,585
TOTAL OPERATING EXPENSE	\$ 20,131,628	\$ 23,027,045	\$ 28,093,860	\$ 28,236,100	\$ 29,659,704	\$ 28,845,003	\$ 33,946,261



**PORT FREEPORT
2025/20256 FISCAL YEAR BUDGET**

OPERATING EXPENSES DETAIL

	2022 Actual	2023 Actual	2024 Actual	2024 Budget	2025 Budget	2025 Forecasted	2026 Budget
OPERATING EXPENSES:							
Port Salaries/Wages							
Commissioners	\$ 57,600	\$ 57,600	\$ 57,600	\$ 57,600	\$ 57,600	\$ 57,600	57,600
Administration	1,185,964	1,321,498	1,410,526	1,493,900	1,745,801	1,528,328	1,721,351
Engineering	420,177	452,179	449,534	477,700	503,195	455,957	470,179
Operations & Maintenance	1,378,086	1,725,464	1,767,080	1,904,300	2,158,886	1,602,933	2,194,352
Oper. & Maint. - Overtime	187,077	244,613	356,280	150,000	150,000	410,040	390,000
Business Development	374,047	458,816	391,871	502,700	390,567	375,812	414,344
Variable Pay & Other			-	40,000	40,000		40,000
TOTAL PORT SALARIES & WAGES	3,602,951	4,260,170	4,432,890	4,626,200	5,046,049	4,430,671	5,287,826
Port Employee Benefits							
Social Security Expense	272,426	314,396	322,243	344,600	382,963	326,162	401,458
Unemployment Ins.	578	473	5,728	7,200	4,545	4,540	4,410
Group Health & Life Ins.	782,631	814,415	697,571	947,000	1,066,982	813,688	989,483
Retirement Fund	254,965	296,092	318,450	378,700	347,606	358,799	372,622
Workers' Comp. Ins.	32,113	27,422	36,067	36,800	43,189	29,917	24,023
TOTAL PORT EMPLOYEE BENEFITS	1,342,713	1,452,798	1,380,059	1,714,300	1,845,285	1,533,106	1,791,996
Professional Services:							
Legal Service Fees/Expenses	322,824	560,222	469,638	275,000	275,000	268,022	275,000
Audit Service Fees	31,900	32,150	32,400	33,200	34,000	34,000	34,000
Election Expenses	-	44,460	-	-	50,000	27,133	-
Security Service Fees	1,803,921	2,094,965	2,170,675	2,099,000	2,394,430	2,394,430	2,594,173
Consultant Services	605,728	402,955	479,272	698,000	735,000	1,279,761	1,543,333
TOTAL PROFESSIONAL SERVICES	2,764,373	3,134,752	3,151,985	3,105,200	3,468,430	4,003,346	4,446,506
Training, Travel & Promotional:							
Commercial Business Development	307,438	279,839	363,008	474,850	367,215	449,392	529,689
Sales/Promotion Travel	37,882	37,999	49,660	60,800	75,187	75,187	85,420
Governmental Relations Travel	7,624	27,771	10,960	32,100	43,595	28,141	29,833
Community Relations	56,314	54,930	52,674	88,650	123,784	126,413	140,295
Training and Education	26,472	59,438	76,466	125,700	122,564	72,186	124,436
Automobile Expense	61,834	65,652	64,377	62,400	62,200	67,680	64,320
TOTAL TRAINING TRAVEL & PROMOTIONAL	497,564	525,629	617,145	844,500	794,545	818,999	973,992
Supplies, Furniture & Equipment							
Supplies	69,465	88,334	101,069	86,900	93,000	107,729	112,500
Furniture & Equipment	23,389	20,515	18,422	26,500	27,000	26,183	41,000
Postage & Freight	3,233	2,995	3,047	4,000	3,800	3,124	5,400
Maintenance & Operation	14,014	18,696	16,523	15,000	15,250	10,436	15,500
Fuel/Oil	65,761	68,641	53,479	56,000	53,000	54,912	61,000
TOTAL SUPPLIES, FURNITURE & EQUIPMENT	175,862	199,181	192,540	188,400	192,050	202,383	235,400
Utilities							
Telephone	64,371	79,651	56,901	61,900	63,000	58,084	66,803
Electricity	343,285	368,211	435,253	492,400	550,000	446,575	514,030
Water & Gas	311,566	511,772	563,470	410,000	555,000	586,849	674,520
TOTAL UTILITIES	719,222	959,634	1,055,624	964,300	1,168,000	1,091,508	1,255,353
Business Insurance							
Business Insurance Expense	1,379,717	1,942,211	2,956,824	2,628,400	3,052,413	2,839,557	2,942,554
TOTAL BUSINESS INSURANCE	1,379,717	1,942,211	2,956,824	2,628,400	3,052,413	2,839,557	2,942,554
Other Services & Charges:							
Contract Labor Expense	44,631	11,500	11,911	14,500	26,500	7,816	26,500
Contract Services	377,426	263,110	267,028	312,100	416,894	364,441	469,900
Dues, Memberships & Subscriptions	96,436	101,024	95,161	117,900	121,925	113,194	142,054
Lease Expense	106,932	117,895	111,104	110,400	113,286	114,797	160,978
TOTAL OTHER SERVICES & CHARGES	625,425	493,529	485,204	554,900	678,605	600,248	799,432
Maintenance & Repair:							
Equipment	566,110	439,046	537,934	611,550	494,000	570,320	775,150
Vehicles	18,077	28,045	6,822	11,900	13,800	13,795	13,650
Buildings	164,650	244,711	482,756	447,200	147,800	198,580	149,300
Warehouses	28,275	41,248	23,386	24,850	28,340	41,995	29,340
Transit Sheds	70,366	50,346	59,343	69,700	71,700	53,907	59,700
Terminal Facilities	105,608	191,898	124,879	120,000	120,000	116,977	138,378
Leased Facilities	44,461	57,495	31,446	54,500	54,500	22,214	125,500
Other	112,077	123,670	90,663	97,500	100,300	124,153	97,600
TOTAL MAINTENANCE & REPAIR	1,109,624	1,176,459	1,357,229	1,437,200	1,030,440	1,141,941	1,388,618
TOTAL GENERAL OPERATING	12,217,451	14,144,363	15,629,500	16,063,400	17,295,816	16,661,759	19,121,677
DEPRECIATION	7,914,177	8,882,682	12,464,360	12,172,700	12,363,888	12,183,244	14,824,585
TOTAL OPERATING EXPENSES	\$ 20,131,628	\$ 23,027,045	\$ 28,093,860	\$ 28,236,100	\$ 29,659,704	\$ 28,845,003	\$ 33,946,261

**PORT FREEPORT
2025/26 FISCAL YEAR BUDGET
DEBT INTEREST AND FEES SCHEDULE**

SCHEDULED BOND INTEREST AND PRINCIPAL PAYMENTS

	Interest	Principal	Total Principal & Interest	Call Date	True Interest Cost	Full Term
General Obligation Bonds, Series 2019	\$ 1,180,712	\$ 730,000	\$ 1,910,712	8/1/2029	3.22%	2049
General Obligation Bonds, Series 2021	894,250	-	894,250	8/1/2029	1.84%	2051
General Obligation Bonds, Series 2023	2,405,788	995,000	3,400,788	8/1/2033	4.19%	2053
Senior Lien Refunding Bonds, Series 2013A	242,088	2,540,000	2,782,088	Current	3.08%	2028
Senior Lien Revenue & Refunding Bonds, Series 2015A	1,451,838	990,000	2,441,838	6/1/2025	4.41%	2045
Senior Lien Revenue Refunding Bonds, Series 2018	1,275,950	710,000	1,985,950	6/1/2028	4.03%	2048
Senior Lien Revenue Bonds, Series 2019A	1,828,350	945,000	2,773,350	6/1/2029	3.45%	2049
Senior Lien Revenue Bonds, Series 2019B	870,300	680,000	1,550,300	6/1/2029	2.87%	2049
Senior Lien Revenue Bonds, Series 2021	1,326,850	-	1,326,850	6/1/2031	2.93%	2051
Senior Lien Revenue Bonds, Series 2024	1,202,438	-	1,202,438	6/1/2034	4.20%	2043
Total Debt Service	<u>\$ 12,678,563</u>	<u>\$ 7,590,000</u>	<u>\$ 20,268,563</u>			

INTEREST EXPENSE RECOGNIZED - FY 2026

	Interest & Fees	Amortized Premiums	Total
General Obligation Bonds, Series 2019	\$ 1,175,162	\$ (118,026)	\$ 1,057,136
General Obligation Bonds, Series 2021	894,750	(76,251)	818,499
General Obligation Bonds, Series 2023	2,397,216	(23,913)	2,373,303
Senior Lien Refunding Bonds Series 2013A	217,011	1,163	218,173
Senior Lien Revenue & Refunding Bonds, Series 2015A	1,436,338	(40,516)	1,395,822
Senior Lien Revenue Refunding Bonds, Series 2018	1,265,117	(50,723)	1,214,394
Senior Lien Revenue Bonds, Series 2019A	1,813,600	(223,028)	1,590,572
Senior Lien Revenue Bonds, Series 2019B	859,967	(53,252)	806,715
Senior Lien Revenue Bonds, Series 2021	1,327,850	(218,094)	1,109,756
Senior Lien Revenue Bonds, Series 2024	1,203,438	(61,199)	1,142,238
Other - Rounding	-	-	-
Total Interest Expense Recognized	<u>\$ 12,590,447</u>	<u>\$ (863,838)</u>	<u>\$ 11,726,609</u>

PORT FREEPORT

Senior Lien Revenue Refunding Bonds, Series 2013A (AMT)
September 30, 2025

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 244,552	\$ 244,552	\$ 7,860,000	\$ 8,349,104	

Combined principle \$ 7,860,000
Interest 247,016

For Tx Comptroller Repc \$ 8,107,016

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PORT FREEPORT

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

September 30, 2025

Fiscal Year		Interest	Interest	Principal	Total	
Ending		Due	Due	Due	Principal &	Principal
September 30	Coupon	December 1	June 1	June 1	Interest	Balance
						\$ 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
		\$ 8,680,628	\$ 8,680,628	\$ 31,430,000	\$ 48,791,256	

PORT FREEPORT

Senior Lien Revenue Refunding Bonds, Series 2018 (AMT)
September 30, 2025

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 8,494,075	\$ 8,494,075	\$ 28,745,000	\$ 45,733,150	

PORT FREEPORT

Senior Lien Revenue Bonds, Series 2019A (AMT)
September 30, 2025

Fiscal Year Ending September 30	Coupon	Interest Due 1-Dec	Interest Due 1-Jun	Principal Due 1-Jun	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 13,256,450	\$ 13,256,450	\$ 40,095,000	\$ 66,607,900	

PORT FREEPORT

Senior Lien Revenue Bonds, Series 2019B (NON-AMT)
September 30, 2025

Fiscal Year Ending September 30	Coupon	Interest Due 1-Dec	Interest Due 1-Jun	Principal Due 1-Jun	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 5,628,525	\$ 5,628,525	\$ 25,930,000	\$ 37,187,050	

PORT FREEPORT

Senior Lien Revenue Bonds, Series 2021 (AMT)
September 30, 2025

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
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
		\$ 10,814,550	\$ 10,814,550	\$ 29,885,000	\$ 51,514,100	

PORT FREEPORT

Port Freeport
Senior Lien Revenue Bonds, Series 2024 (AMT)
September 30, 2025

TABLE 26

Fiscal Year Ending September 30	Coupon	Interest Due December 1	Interest Due June 1	Principal Due June 1	Total Principal & Interest	Principal Balance
						\$ 25,655,000
2026	-	601,219	601,219	-	1,202,438	25,655,000
2027	-	601,219	601,219	-	1,202,438	25,655,000
2028	-	601,219	601,219	-	1,202,438	25,655,000
2029	6.000	601,219	601,219	1,165,000	2,367,438	24,490,000
2030	6.000	566,269	566,269	1,235,000	2,367,538	23,255,000
2031	6.000	529,219	529,219	1,310,000	2,368,438	21,945,000
2032	6.000	489,919	489,919	1,390,000	2,369,838	20,555,000
2033	6.000	448,219	448,219	1,475,000	2,371,438	19,080,000
2034	6.000	403,969	403,969	1,560,000	2,367,938	17,520,000
2035	4.000	357,169	357,169	1,655,000	2,369,338	15,865,000
2036	4.000	324,069	324,069	1,720,000	2,368,138	14,145,000
2037	4.000	289,669	289,669	1,790,000	2,369,338	12,355,000
2038	4.000	253,869	253,869	1,860,000	2,367,738	10,495,000
2039	4.000	216,669	216,669	1,935,000	2,368,338	8,560,000
2040	4.125	177,969	177,969	2,015,000	2,370,938	6,545,000
2041	4.125	136,409	136,409	2,095,000	2,367,819	4,450,000
2042	4.125	93,200	93,200	2,180,000	2,366,400	2,270,000
2043	4.250	48,238	48,238	2,270,000	2,366,475	-
		\$ 6,739,728	\$ 6,739,728	\$ 25,655,000	\$ 39,134,456	

PORT FREEPORT

General Obligation Bonds, Series 2019 (Non-AMT)
September 30, 2025

Fiscal Year Ending September 30	Coupon	Interest Due February 1	Interest Due August 1	Principal Due August 1	Total Principal & Interest	Principal Balance
						\$ 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
		\$ 8,336,005	\$ 8,336,005	\$ 29,210,000	\$ 45,882,010	

PORT FREEPORT

General Obligation Bonds, Series 2021 (Non-AMT)
September 30, 2025

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
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
		\$ 6,027,775	\$ 6,027,775	\$ 37,135,000	\$ 49,190,550	

PORT FREEPORT

General Obligation Bonds, Series 2023 (Non-AMT)
September 30, 2025

TABLE 19

Fiscal Year Ending September 30	Coupon	Interest Due February 1	Interest Due August 1	Principal Due August 1	Total Principal & Interest	Principal Balance
						\$ 55,420,000
2026	5.500	1,202,894	1,202,894	995,000	3,400,788	54,425,000
2027	5.500	1,175,531	1,175,531	1,050,000	3,401,063	53,375,000
2028	5.000	1,146,656	1,146,656	1,110,000	3,403,313	52,265,000
2029	5.000	1,118,906	1,118,906	1,165,000	3,402,813	51,100,000
2030	5.000	1,089,781	1,089,781	1,220,000	3,399,563	49,880,000
2031	5.000	1,059,281	1,059,281	1,285,000	3,403,563	48,595,000
2032	5.000	1,027,156	1,027,156	1,345,000	3,399,313	47,250,000
2033	5.000	993,531	993,531	1,415,000	3,402,063	45,835,000
2034	5.000	958,156	958,156	1,485,000	3,401,313	44,350,000
2035	5.000	921,031	921,031	1,560,000	3,402,063	42,790,000
2036	5.000	882,031	882,031	1,640,000	3,404,063	41,150,000
2037	5.000	841,031	841,031	1,720,000	3,402,063	39,430,000
2038	4.000	798,031	798,031	1,805,000	3,401,063	37,625,000
2039	4.000	761,931	761,931	1,880,000	3,403,863	35,745,000
2040	4.000	724,331	724,331	1,950,000	3,398,663	33,795,000
2041	4.000	685,331	685,331	2,030,000	3,400,663	31,765,000
2042	4.000	644,731	644,731	2,110,000	3,399,463	29,655,000
2043	4.000	602,531	602,531	2,195,000	3,400,063	27,460,000
2044	4.000	558,631	558,631	2,285,000	3,402,263	25,175,000
2045	4.000	512,931	512,931	2,375,000	3,400,863	22,800,000
2046	4.000	465,431	465,431	2,470,000	3,400,863	20,330,000
2047	4.000	416,031	416,031	2,570,000	3,402,063	17,760,000
2048	4.000	364,631	364,631	2,670,000	3,399,263	15,090,000
2049	4.125	311,231	311,231	2,780,000	3,402,463	12,310,000
2050	4.125	253,894	253,894	2,895,000	3,402,788	9,415,000
2051	4.125	194,184	194,184	3,015,000	3,403,369	6,400,000
2052	4.125	132,000	132,000	3,135,000	3,399,000	3,265,000
2053	4.125	67,341	67,341	3,265,000	3,399,681	-
		\$ 19,909,181	\$ 19,909,181	\$ 55,420,000	\$ 95,238,363	

RESOLUTION ADOPTING 2025 TAX RATE

At a Special Meeting of the Port Commission of Port Freeport held at the office of said Port at 1100 Cherry Street, Freeport, Texas on the 9th day of September 2025, among other business came on to be considered the following Resolution, which was upon motion duly made and seconded, adopted by a _____ vote of six Commissioners present, which Resolution is as follows:

FINDINGS:

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 2025/2026.
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 zero on each \$100 valuation for the purpose of maintenance and operations;

(B) A tax rate of zero (\$0.000000) on each \$100 valuation for the payment of principal and interest on debts of the Port;

(C) A total tax rate of zero (\$0.000000) 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 2025.

RESOLUTION

NOW THEREFORE, BE IT RESOLVED, ORDAINED AND ORDERED, by the Port Commission of Port Freeport, that: a tax rate of zero (\$0.000000) on each \$100 valuation for the purpose of maintenance and operations, and a tax rate of zero (\$0.000000) on each \$100 valuation for the payment of principal and interest on debts of the Port, for a total tax rate of zero 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 2025.

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:

	VOTED
Chairman	

	VOTED
Vice Chairman	

	VOTED
Secretary	

	VOTED
Assistant Secretary	

	VOTED
Commissioner	

	VOTED
Commissioner	



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MEMORANDUM

TO: Port Commissioners
Executive Director/CEO

FROM: Rob Lowe

DATE: September 3, 2025

SUBJECT: Capital Reserve

The Port Commission passed a resolution on October 22, 2015 creating a reserve for Capital Improvements. Annual contributions from Port operating revenues have been made since and the balance as of August 19, 2025 is \$19,130,599. The reserve can be utilized to fund Freeport harbor channel improvements, capital and maintenance dredging, dredge disposal area improvements, land purchases and any other Port capital improvement or capital maintenance items. When forecasting cash flow projections during the tax rate process for FY25, staff has presented the inclusion and possible utilization of those funds if needed. Staff is seeking authorization from the Port Commission to utilize the funds for approved capital items in line with managing the cash flow needs of the port.

PORT COMMISSION

ROB GIESECKE, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; KIM KINCANNON, SECRETARY; DAN CROFT, ASST. SECRETARY;
BARBARA FRATILA, COMMISSIONER; RAVI K. SINGHANIA, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO